



**LOCAL 8782**

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## **Highlights of the Collective Agreements**

### **Duration**

Modify the current Collective Agreement and have a term extending until July 1, 2022.

### **Wages**

**\$1.33/hour base rate increase** upon exit of CCAA (Companies Creditors Arrangement Act) restructuring.

### **Item 14 Cost of Living Allowance**

Change the formula to be calculated 1971 = 100 base for each .30 increase, an additional cost-of-living- allowance of one (1) cent will be paid.

Estimated projections over the Basic Agreement will be \$2.20/hour.

**Total wage increase and estimated C.O.L.A. over the agreement \$3.53/hour**

### **Vacations**

H. Amend Section 11 to reflect

11.01 (a)

(i) An employee shall be entitled to an annual vacation with pay in accordance with the following scheduled, on the basis of his/her service at July 1st in each year:

One (1) year of service but less than Five (5) years - Two (2) weeks.

Five (5) years of service but less than Nine (9) years - Three (3) weeks.

Nine (9) years of service but less than fourteen (14) years - Four (4) weeks.

Fourteen (14) years of service but less than twenty (20) years - Five (5) weeks.

Twenty (20) years of service but less than Thirty (30) years - Six (6) weeks.

Thirty (30) years of service or more – Seven (7) weeks

**Amend 11.01(b) to read:**

(i) An employee with thirty (30) or more years of service shall be entitled to fifteen (15) weeks of extended vacation with pay in addition to his/her regular vacation entitlement under 11.01 (a) prior to his/her retirement date, less any vacation entitlement taken under this provision.

**Amend 11.04 to read:**

- (a) An employee shall receive an additional payment equal to a percentage of the appropriate amount, as provided below, calculated under 11.03 in respect to the length of vacation he/she is entitled to under 11.01 (a), whichever is applicable, depending upon the month when each such week of his/her vacation entitlement is taken:
  - (i) During the months of January, February, March, April, November and December 25%;
  - (ii) During the months of May, June, July, August, September and October 20%.
- (b) The appropriate payment as provided above for each such week of vacation entitlement will be determined on the basis of the month in which the first scheduled day of such week of vacation is taken.
- (c) Such additional payment shall not apply to vacation pay for extended vacations provided in 11.01 (b)
- (d) An employee may elect to schedule two (2) weeks of his/her annual vacation entitlement in single days.

**Section 1.02(a) of the Basic Agreement shall be amended as follows:**

Periodic meetings will be held by a Committee hereinafter referred to as the Senior Level Committee. The Senior Level Committee will consist of not more than ten (10) persons, four (4) of whom shall consist of Senior Works Management and four (4) of whom shall represent the Executive of the Union at Lake Erie Works. In addition, there shall be one (1) representative of the Senior Pickle Lines Management and one (1) representative of the Executive of the Union for the Pickle Lines. The Local Union Staff Representative may attend in addition to the Union members.

**Section 16.02: Bereavement Pay: to be amended as per Appendix “A”, attached.**

**APPENDIX “A”**

**SECTION 16**

**JURY SERVICE AND BEREAVEMENT PAY**

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**16.02** An employee shall be permitted time off from work up to a maximum of four (4) days not necessarily consecutive in order to grieve the death of a member of his/her immediate family. Where any of such days fall on a scheduled working day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to 8 times the hourly rate of the occupation to which he/she would normally be assigned. Immediate family shall mean spouse, son, daughter, mother, father, brother, sister, grandmother, grandfather, grandchildren, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law or brother-in-law, or, a common law spouse and mother, father, sister, brother or children of such common law spouse, provided the common law spouse is considered to be a spouse under Ontario law.

For the purpose of this clause, the terms “sister-in-law” and “brother-in-law” shall be defined as the brother or sister of the employee’s spouse and the wife or husband of the employee’s brother or sister.

**Item 6**

Amend Item 6, 16.01 to reflect the change in bereavement to include 12 hour shifts.

**Item 4: Letter of Agreement re: Senior Level Committee: to be amended as set out in Appendix “B”, attached.**

**APPENDIX “B”**

**ITEM 4**

**LETTER OF AGREEMENT  
RE: SENIOR LEVEL COMMITTEE**

In order to provide the basis for a more co-operative relationship through the exchange of information, the Parties recognize the value of Union input to the decision making process through employee involvement, as well as the development and implementation of resolutions to matters arising from the administration of the Basic Agreement. To this end, the Parties have agreed to establish the Senior Level Committee as outlined in Article 1 of the Basic Agreement.

Within the general mandate of the Senior Level Committee as established in Clause 1.02 (c), the following subjects will form the main, but not exclusive subjects for discussion by this Committee:

- a) WORKPLACE REORGANIZATION
- b) TRAINING
- c) CONTRACTING OUT

- d) TECHNOLOGICAL CHANGE
- e) WORKFORCE SCHEDULING
- f) CONTINUOUS BUSINESS IMPROVEMENT
- g) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS
- h) CAPITAL EXPENDITURE DECISIONS

It is further understood that Senior Level Committee responsibilities may, upon mutual agreement, be extended to designates of the Senior Level Committee.

**a) WORKPLACE REORGANIZATION**

With respect to workplace reorganization, the Parties have agreed that the ongoing review of Bargaining Unit Job Descriptions (and their respective organizational structures), and process or operating procedure improvements, is an integral component in assuring the economic viability of the operation.

While it is not the intention of the Parties to interfere with the day-to-day activities of the Cooperative Wage Study Program and related procedures as referred to in Article 6 of the Basic Agreement, the Senior Level Committee will review workplace reorganization concepts, and upon mutual consent, will establish appropriate strategies to investigate, co-ordinate and develop reorganization initiatives.

The preparation of a report of all findings shall be conducted by a working committee comprised of Senior Level Committee designates, Union-appointed representatives of the employees holding the positions involved in the initiative and Management-appointed representatives of their supervision. The report shall be presented to the Senior Level Committee where it will be reviewed and forwarded to the Company and Union C.W.S. Committees. The C.W.S. Committees will describe and classify any new or changed duties resulting from the workplace reorganization initiative. The C.W.S. Committee shall submit its findings to the Senior Level Committee for final approval and resolution.

**b) TRAINING**

The parties agree to jointly develop a Lake Erie Works Training Plan which will be based on identified needs and objectives. Training which is well planned and designed is not only effective, it is an integral component of the operation's ongoing success.

The contents of this Training Plan will be the existing Plant wide training programs which all employees have completed or are scheduled to complete (e.g. Level 1 and Level 2 Health and Safety and the Co-op Skilled Trades Replacement Program) as well as those programs to which the Joint Trades Training Committee or the Managers and Chief Stewards have mutually agreed.

While the Parties acknowledge the necessity to continue with existing training programs, the Senior Level Committee may review and make recommendations, where appropriate, for change to any current program. Upon mutual agreement, these training programs shall be incorporated under the Training Plan.

Discussions with respect to the development of new training programmes shall include:

- (i) Needs Analysis:  
The assessment and determination of training needs toward the development and implementation of Lake Erie Works Training Programmes.
- (ii) Training Design:

Determination as to the design of the training programme, who will receive training, scheduling, and the selection of instructors.

(iii) Programme Content Development:

Determination as to the type and content of courses in the training programme, based on their relevance to the training objectives and to the trainee population.

(iv) Training Delivery:

This shall include issues with respect to classroom instruction, on-the-job training, the location of such training, and whether or not such training is conducted during working hours.

(v) Evaluation and Revision:

The formal monitoring, evaluation and where applicable the revision of the training programme. Such evaluation and formal monitoring may occur during as well as at the conclusion of the programme to ensure effectiveness.

**c) CONTRACTING OUT**

With respect to Contracting Out the parties are committed to the productive utilization of Bargaining Unit employees so as to minimize the requirement for the contracting out of work.

To give effect to this commitment the Parties have agreed to the co-operative administration of the provisions of Item 20 of the Basic Agreement.

**d) TECHNOLOGICAL CHANGE**

The Parties have recognized the potential negative impact of technological change on the employees of Lake Erie Works within the provisions of the Technological Change Section 18 of the Basic Agreement. However, in many ways technological change can have a very positive effect on the viability of the business and the employee's quality of working life. Therefore, where the potential exists for the introduction of any anticipated permanent, technological, operational or organizational change, a meeting will be convened of the Senior Level Committee for the purpose of discussing all aspects of the potential change. If the potential change has anticipated effects on employees, all information pertaining to such change, to the extent known at the time will be presented and discussed by the representatives of the Senior Level Committee.

**e) WORKFORCE SCHEDULING**

The parties have agreed that it is essential to ensure that operational requirements are both met and maintained. To this end, the Senior Level Committee does not intend to interfere with the regular day-to-day scheduling activities. However, it is recognized by the Parties that the effective development and utilization of workforce schedules is important not only to the operation, but to the individuals who work these schedules. Therefore, workforce scheduling will be a subject of review and discussion by the Senior Level Committee for the purposes of reaching mutually agreeable resolutions to the following areas:

- i) 1. The development of any new scheduling agreement between the parties as provided in 5.03(c) of the Basic Agreement.
2. The development and utilization of work schedules that are intended to facilitate the demands of breakdowns and downturns as well as promote and enhance the productivity of a specific task or work assignment.
3. Unresolved departmental issues pertaining to yearly vacation scheduling, statutory holiday scheduling and changes in the hours of work.

**f) CONTINUOUS BUSINESS IMPROVEMENT**

The Company and the Union are committed to a process of continuous improvement in order to ensure the economic, viability of our business, which will in turn support a qualified and cost effective yet highly skilled and efficient workforce.

The Parties acknowledge that there is a commitment to resolve or to minimize any adverse effects resulting from the implementation of any Business Improvement on the workforce in keeping with the practice of the Parties related to previous departmental restructurings.

In order to give effect to the above commitments the Parties have agreed to a Letter of Agreement which further outlines the criteria to be utilized for assessing any Business Improvement initiatives including but not limited to Workplace Reorganization (a) and Contracting Out (c).

**The senior level committee will establish a sub-committee, the Stelco Maintenance Excellence Program (SMEP) with a mandate which includes examination and review of ways and means to:**

- **Maximize cost effectiveness**
- **Improve maintenance costs per ton of steel produced**
- **Increase availability of production units**
- **Improve Quality Standards**

**Business Improvement concepts that do not fall within the jurisdiction of the SMEP or are raised subsequent to the completion of the SMEP Project will be reviewed on the same basis as those within the jurisdiction of SMEP. The Senior Level Committee will act as a stand alone Committee for the purpose of reviewing Business Improvement concepts at the Lake Erie Works and effecting the decisions of the Committee.**

**g) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS**

**i) Commitment of the Parties**

The parties are committed to:

1. The establishment and preservation of a highly skilled and efficient bargaining unit workforce; and
2. The productive utilization of bargaining unit employees in accordance with the provisions of Item 20 - Contracting Out and Continuous Business Improvement (f) above.

**ii) Annual Business Plan**

In order to best give effect to these commitments, the Company agrees to review its Annual Business Plan with the Union. Such plan shall incorporate an analysis of, among other things, the following:

1. Determination of the number of bargaining unit employees in each area, including a detailed analysis of those employees who are absent from work and have been for a prolonged period for any reason such as long term disability, Union business and the likely duration of their absence. This analysis is also to include a review of the vacation entitlement in the area as well as the hours worked including overtime. The information discussed will be based on data from the most recent 12 month period which is available.
2. Assessment of both the current and anticipated rate of attrition over the next five (5) years.

3. Examination of any issues/concerns related to those items identified within the provisions of Item 20 – Contracting Out.

4. Assessment of training requirements in order to support the Annual Business Plan.

Discussions on the Annual Business Plan will be held at the Senior Level Committee or by mutual agreement, be extended to the designates of the Senior Level Committee.

The Company shall provide the Union, within a specified time period, a full opportunity to review and discuss the Annual Business Plan prior to its implementation. It is understood that the sharing and discussing of information is to remain confidential.

Should the parties agree to changes in the Annual Business Plan based on the above discussions, such changes will be made by the Company and will be reflected in the Annual Business Plan.

**h) CAPITAL EXPENDITURE DECISIONS**

The parties agree that capital expenditure decisions have a significant impact on both the future viability of the Company and the employment security for bargaining unit employees. Accordingly, the Company agrees that prior to seeking approval by the Bedrock Industries LC Board of Directors for its Annual Capital Expenditure Plan at Lake Erie Works, the Company shall provide a copy of the Plan to the Union.

The Union and the Company, through the Senior Level Committee, shall have discussions on the Lake Erie Works Annual Capital Expenditure Plan with a view to obtaining Union support for such a Plan. Should the Union not agree with the Company on the Lake Erie Works Annual Expenditure Plan, it shall have an opportunity to communicate its views to the Bedrock Industries LC Board of Directors prior to the Board making any decision on the Lake Erie Works Annual Capital Expenditure Plan.

Discussion and information related to Capital Expenditure Decisions is to remain confidential.

**Item 6: Letter of Agreement re: 12 Hour Shift Schedule: to be amended to delete final paragraph which had previously read:**

In the future, new jobs will continue to be described and classified on the basis of a regular (8) hour shift of work and no consideration will be given to the extended hours of work beyond eight (8) hours.

**Item 17: Letter of Agreement Re: Profit Sharing Plan as follows:**

- (i) “Lake Erie Component” (Pool) = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold) less \$150,000 to be allocated towards the cost of out-of-country medical benefits for active employees (“Benefit Allocation”). If the Lake Erie Component is less than \$150,000 in any year, any shortfall will be carried over into subsequent years until satisfied.

**To Amend Item 17 Letter Of Agreement Re: Profit Sharing and**

**Item 40 re: Group RRSP to reflect eligible hours to include:**

**Hours for which contributions will be made are:**

- a) Hours worked by Covered Employees.

- b) Hours for which Covered Employees were paid because of vacation, holiday, jury duty, or bereavement leave, and hours spent on Local 8782 union business, whether paid by the Company or not.
- c) Hours for absences during which the Covered Employee:
  - i) Is receiving WSIB compensation or Weekly Indemnity benefits.
  - ii) Is on leave of absence for military service as set forth in the Employment Standards Act.
  - iii) Is on leave of absence for maternity / parental leave / compassionate leave Personal Emergency Leave, Family Caregiver Leave, Family Medical Leave, Critically Ill Child Care Leave, Organ Donor Leave or Crime-Related Child Death or Disappearance Leave.

Such absences, specified in this paragraph 4 (c), will be credited as contributory hours at the rate of up to forty (40) hours per week.

**Item 18 Re: Absence for Union Business**

Increase hours by 320 to provide for 320 hours for the EHLT Administration.

**Item 36: Letter of Agreement re: The Group Insurance and Pension Agreements; Amend list of Benefits as follows:**

Out-of-Country Medical (to a maximum annual employer cost of \$150,000 and subject to the Benefit Allocation funding mechanism set out in Item 17).

Incorporate language to reflect the Pension and OPEB (Other Post Employment Benefits).

**Renew all unpublished Letters of Agreement.**

The Renewal Agreement shall contain the text of the Current Collective Agreement, as amended herein, together with the following additional amendments:

**Amend Item 15 and 16: Letter of Agreement re: Supplementary Payment Plan for Bargaining Unit Employees to provide quarterly payment schedule during the Renewal Agreement.**

**The Memorandum of Understanding has language to reflect that the rest of the restructuring agreements listed below have to meet the satisfaction of the Local 8782.**

**APPENDIX “D”**

**STAKEHOLDER AGREEMENTS**



- Pension Agreement
- Pension Deficit Funding Agreement
- OPEB Funding Agreement
- Employee Life and Health Trusts
- Bedrock Guarantee
- Carried Interest Agreement
- Tax Savings Agreement
- Land Vehicle LP Agreement
- Leases
- Province Loan Agreement
- Mutual Global Release Agreement

The Collective Bargaining Agreement will only become effective upon the execution and delivery of the Stakeholder Agreements listed on Appendix D hereto. Such agreements shall be in form and substance satisfactory to the Negotiating Committee of the Local, such satisfaction to be evidenced by their execution and delivery thereof for and on behalf of the Local or by a certificate signed by the Negotiating Committee if the Local is not a party to any such Agreement. This condition may also be waived in whole or in part by the Negotiating Committee of the Local, such waiver to be evidenced by a written waiver signed by the Negotiating Committee.

**Letter of Understanding to reflect the following:**

**Re: Outstanding CWS Review**

This will confirm the parties' intention to meet within four (4) months of the date of ratification of this collective agreement to conduct a review of the Cooperative Wage Study ("CWS") job evaluation system.

**Re: Section 9: Mediation/Arbitration**

This will confirm the parties' intention to meet within four (4) months from the date of ratification of this collective agreement to review and attempt to reduce the backlog of outstanding grievances.

**Re: Review of Payment Dates with Respect to Various Employee Benefits**

During our most recent set of negotiation, we agreed that, within six (6) months of the date of ratification of the amendments to the 2013 collective agreement, Stelco will provide you with a list of quarterly payment dates for any payments to be made pursuant to the Supplementary Pension Plan Payment (Item 15), Fund Payment (Item 16) and Profit Sharing Plan (Item 17). Subsequent versions of the 2018 collective agreement will be amended to provide a list of the dates in questions.

**OPEB's ( Other Post Employment Benefits)**

Retiree benefits to be fully funded and administered by the Union. No change to benefit level and out of country will be added.

**Active Benefits-** No change and out of country insurance will be added. Will administered by the Company

**Pension**

**Legacy Pension to be administered by FSCO (Financial Services Corporation of Ontario)**

- PBGF to apply
- PBGF to increase to \$1500 /month from \$1000 /month.
- Fixed funding to be paid by Stelco to FSCO over a 20 year period.
- Extra funding to come from 10% of free cash flow, tax savings, carried interest, Land Trust.
- Benefit levels to stay \$58 and \$30
- With built in protections

**New Defined Benefit Pension Plan for future Service**

Service to be combined to meet pension eligibility

**Defined Contribution Plan**

No change to DC Plan

Trades & Production Training Compensation

<b>Training Compensation</b>	<b>Start Rate/Trades/Production</b>	<b>Apprentice/Utilities Trainees</b>
Training during scheduled shift	All in rates.	All in rates.
Training prior to or after scheduled shift.	All in rates — overtime Instruction time only.	Allowance hours Instruction time only.
Training on day off	All in rates — overtime Instruction time only	Allowance hours. Instruction time only.
Books and required instruction aids.	Reimbursed by the Company.	Reimbursed by the Company.
Tuition fees	Paid in advance by the Company	Paid in advance by the Company
Compensation for Travel Time	No — except travel required during scheduled shift	No — except travel required during scheduled shift.
Meals	No	No
Mileage Reimbursement	Differential mileage at the approved Company rate.	Differential mileage at the approved Company rate.
Parking/Highway tolls Reimbursement	Yes	Yes
Authorized overnight lodging/airline fees/car rentals.	Yes	Yes
Payment for C of Q Exam fee	Reimbursed by the Company.	Reimbursed by the Company.
Compensation for time to write C of Q Exam — ups to 4 hours.	Paid straight time.	Paid straight time.
\$40.00 MTCU Transfer fee	Reimbursed by the Company.	Reimbursed by the Company.
Payment of annual membership in College of Trades and Stationary Engineers in TSSA.	Reimbursed by the Company.	Reimbursed by the Company.

The Parties have agreed to the following payments in regards to required training as a condition of employment or part of the Apprenticeship program:

## Training Compensation Summary

**All in Rates** Include applicable base rate, SPP, FUND & COLA. These hours will be included in any PSP calculation, vacation 1040 hours and learner periods.

**Allowance Hours** include base rate and straight time only. These hours will count towards learner periods.

It is understood that this agreement is made without precedent or prejudice to either Party and will not be referred to in any other case or matter.

\_\_\_\_\_  
For the Company

\_\_\_\_\_  
Date

\_\_\_\_\_  
For the Union