



# SunHills Mining

**COLLECTIVE AGREEMENT**

**between**

**SUNHILLS MINING LIMITED PARTNERSHIP**

**HIGHVALE MINE**

**and**



**LOCAL 1595**

**Effective April 1, 2013 to March 31, 2017**

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**THIS AGREEMENT MADE AND ENTERED INTO THIS 3rd DAY OF MAY, 2014**

between

**SUNHILLS MINING LIMITED PARTNERSHIP, HIGHVALE MINE  
IN THE PROVINCE OF ALBERTA**  
*(hereinafter referred to as the Company)*

OF THE FIRST PART

and

**THE UNITED STEELWORKERS  
LOCAL 1595**  
*(hereinafter referred to as the Union)*

OF THE SECOND PART

**PREAMBLE**

The purpose of this Agreement shall be to establish, through negotiations, terms and conditions of employment relating to rates of pay, hours of work and other working conditions of employees, and to provide a method for negotiating settlement of disputes, complaints and grievances of employees, and to establish a harmonious relationship between the Company and the Union.

Where the masculine pronoun is used in this agreement, it shall mean and include the feminine pronoun, unless the context clearly provides otherwise.

## ***ARTICLE 1 - SCOPE***

### **1.01**

This Agreement shall apply to all employees of SunHills Mining LP, at the Highvale Mine, excluding Engineers, Surveyors, Engineering Technicians, Office & Clerical Staff, Assistant Purchasing Agents, Purchasing Agents, Foremen, and those above the rank of Foreman.

## ***ARTICLE 2 - RECOGNITION AND MANAGEMENT RIGHTS***

### **2.01**

The Company recognizes the Union as the sole collective bargaining agency for the employees covered by this Agreement and hereby consents and agrees to negotiate with the Union, or its designated bargaining representatives, in all matters relating to rates of pay, hours of work, working conditions, disputes, complaints, and grievances of employees. The Company also agrees that the Union may have the assistance of a representative of the United Steelworkers in any or all negotiations or discussions between the parties to this Agreement.

### **2.02**

The right to hire, retire, promote, demote, discharge or discipline for just cause, and to maintain discipline and efficiency of employees is the exclusive function of the Company, subject to the terms and conditions of the Agreement. All matters concerning the operation of the Company's business not specifically dealt with herein shall be reserved to the Company and be its exclusive responsibility.

Without restricting the generality of the foregoing, the Union further recognizes the jurisdiction of the Company over all operations, buildings, machinery, tools, and employees and the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities.

## ***ARTICLE 3 - UNION SECURITY***

### **3.01**

Every employee who is now or hereafter becomes a member of the Union shall maintain his membership in the Union as a condition of his employment, and every new employee whose employment commences hereafter shall, within three days after the commencement of his employment, apply for and maintain membership in the Union as a condition of his employment.

The services of an employee shall be immediately terminated upon the request of the Union, should such employee fail to apply for the Union membership as required above, and/or should he fail to maintain his membership in the Union in any manner and/or should he withdraw from the Union.

## ***ARTICLE 4 - CHECK OFF***

### **4.01**

- a. The Company agrees that upon written request by the Union, accompanied by signed authorization cards, all Union initiation fees, monthly dues, assessments or levies, shall be deducted for, and on behalf of all employees who are members of the Union, and such monies shall be made payable, for deposit only, in the Union Bank Account, and forwarded to the Secretary Treasurer of the Union not later than the 20th day of each month accompanied by a list of names of all employees for, and on behalf of whom such deductions have been made. Monthly statements showing the names of all additions and deletions of staff shall be forwarded to the Secretary Treasurer of the Union.



- b. In the event of a contractor or subcontractor being employed by the Company at the mine site or in the event of employees employed by contractors or subcontractors being directly or indirectly paid by, or under the control and direction of the Company on the mine site in excess of 24 man hours (excluding time spent on warranty work) in any calendar month, the Company will pay to the Union an amount equivalent to one month's union dues for each individual on the mine site in excess of 24 hours. A statement will be included with the remittance.
- c. The Company will supply the Union with a statement on each contractor used indicating the Contractor's name, date started, length of time spent on job, number of people involved and the reason for using the Contractor.

## ***ARTICLE 5 - SAFETY AND HEALTH***

### **5.01**

The Company and the Union agree that it is in the interest of all concerned to maintain a safety and health program at the Company's operations in order to prevent industrial injury and illness.

To this end, it is expected that all persons on the property shall cooperate to promote safe work conditions, practices and enforcement of reasonable rules of conduct and safety on the property.

To assist in meeting our mutual objectives in matters related to health and safety, a Joint Safety and Health Committee will be established and maintained as outlined in Clause 5.03 following.

### **5.02**

The Company shall make provisions for the safety and health of the employees during working hours, and the Union, may from time to time, bring to the attention of the Company any recommended suggestions in this regard. Such recommendations shall be subject to negotiation between the Company and the Union.

### **5.03**

- a. The Joint Worksite Safety and Health Committee will be comprised of not more than three members from each party, one of whom must be the Union's Occupational Health and Safety Chairman and each member will have an alternate to act in his absence. The chairmanship of monthly meetings and tours will alternate between the Company and the Union.

This committee will participate in the monthly safety tours/inspections and the meeting that follows the conclusion of such tours. Minutes of this meeting will be recorded and forwarded to the Union Occupational Health and Safety Chairman, and will be posted on the appropriate bulletin board(s) within 14 days of the conclusion of the meeting. In addition, the Committee will review, on an on-going basis, the safety programs and procedures (including those related to accident and incident investigation) and, where applicable, propose improvements to the Company and the Union.

The Committee will develop Safety Training in a joint format.

The Company will make available information necessary to enable the joint work site Health and Safety Committee to fulfill its function as it relates to Health and Safety. With the agreement of the Employer, copies may be provided to the Union.

The Union recognizes and commits that where the material provided is designated as sensitive to the Employer, it will be held in the strictest of confidence.

- b. The committee members will not suffer any loss of regular pay as a result of attending Safety and

Health meetings. Committee members who are scheduled to attend such meetings on their days of rest shall receive a minimum of 4 hours regular pay for time in attendance.

- c. Each crew shall hold regular monthly safety meetings and, where operations permit, these meetings will be held during the day shift. Minutes from these meetings will be recorded and posted on the appropriate bulletin boards prior to the next meeting, with a copy retained by the Supervisor and Crew Safety Representative. These meetings will include the reading of the previous meeting's minutes and updates to outstanding safety items from previous meetings. New suggestions or concerns that have not previously been reviewed with either the Crew Safety Representative or the Foreman will be raised for awareness, or may be investigated further prior to discussion.
- d. In the event of a serious accident or incident, a Company Representative along with a Crew Safety Representative will investigate. If a Safety Representative is not available, a Highvale Mine employee who is a Union member of the Joint Occupational Health and Safety committee may be substituted and, failing their availability, a member of the Highvale Union executive may be used. In the event of a fatality the Union Safety Chairman or Local Union President, or a designate will participate with the Company Representative during the investigation. The investigating Union member shall not suffer any loss of regular pay as a result of such an investigation. Committee members who are scheduled to attend such meetings on their days of rest shall receive a minimum of 4 hours regular pay for time in attendance.

#### **5.04**

The Company with the assistance of the Joint Worksite Committee, review and update when necessary, the procedure as per the Working Alone Safely Guide for employees and employers dated April 2011.

#### **5.05**

- a. An employee injured in an industrial accident shall be paid for the time lost on the day he was injured; at his regular daily earnings.
- b. Following the submission of documents to establish a WCB claim, should the Company request a meeting with an employee to discuss aspects of the claim other than improper documentation, the employee will be entitled to a Union representative from the Highvale Mine who is either a WCB Committee member or a member of the Local Unit Executive.

#### **5.06**

The Company shall pay for medical fees incurred for the purpose of receiving pre-employment medical examinations for all prospective new employees. An employee that does not complete their probationary period for a reason within their control (ie: voluntarily quits) will have these expenses deducted from their last pay.

#### **5.07**

- a. Upon request, Employees shall be provided free of charge approved high voltage gloves or hot sticks for the purpose of handling live trailing power cables.

#### **5.08**

- a. The Company agrees to provide free of charge to employees, articles of clothing which are found, through negotiations, to cause undue expense to the employees and/or which may be necessary for the safety and health of employees. This provision does not mean clothing usually required for the job. The results of such negotiations shall be put in writing.

The Company shall supply the following, free of charge:

Welder's Masks, Goggles & Gloves, Leather Aprons and Leather Arms, Rubber Boots and Rain suits.

Gloves will be supplied for specific working conditions at no cost to the employee.

- b. The Company shall pay to each employee the sum of \$150.00 twice each year towards the purchase of work clothing or C.S.A. approved safety boots. The sum will be paid on the first pay date in June and December of each year to employees on the Company's payroll except to those that have been continuously absent or hired during the six (6) months preceding.

#### **5.09**

Employees are required to take good care of any articles loaned to them by the Company, and such articles must be returned to the Company on termination of employment.

#### **5.10**

Once every two years, the Company shall make available to all employees at no cost to any employee, a chest x-ray, pulmonary function test, and recognized hearing tests. A copy of the report shall be submitted to the employee. Employees will be paid at their regular rate of pay to a maximum of four hours in the event the tests are carried out on their non-scheduled shift(s).

#### **5.11**

The lock-out procedure is an integral component of the safety program on the property, as it relates to the protection of all individuals and equipment on-site.

#### **5.12**

The Company and the Union agree to comply with the provisions of the Occupational Health and Safety Act currently in effect as it relates to the right to refuse unsafe work.

#### **5.13**

Unless the Mine Inspector chooses otherwise the JWSC Co-Chairman **or their designate** will accompany him on all work site tours and/or inspections. The Union will be notified in advance of scheduled mine site tours and/or inspections.

#### **5.14**

The Company agrees to meet quarterly with the Highvale Unit President, Union Safety Committee Chairman and one other Union representative to review the effectiveness of the Joint Safety Committee, and to review safety concerns or suggestions that, because of their nature, are beyond the scope of authority of participants of the Joint Safety Committee. The General Manager, a Company representative to the Joint Safety Committee, and the Manager, Human Resources and Loss Prevention, will attend these meetings. Minutes of meetings will be jointly reviewed and signed prior to being posted. The minutes will be posted on the designated bulletin boards within five (5) business days.

## 5.15

When required the Company will provide training for employees who have to operate equipment which require a license higher than Class 5.

## ARTICLE 6 - LEAVE OF ABSENCE

### 6.01

The Company agrees that leave of absence without pay but with maintenance and accumulation of seniority shall be granted **subject to business requirements** to any designated employee for the conducting of Union business at large.

- a. For periods not in excess of two weeks at any one time, **one (1) week written notice** being required, provided however, time spent by the negotiating committee of the Union may, where necessary, exceed such two weeks.
- b. For an indefinite period, two weeks written notice being required.
- c. **There may be circumstances where Union leave of an emergent nature may require a leave of absence where the union is not able to provide one (1) weeks written notice. In this circumstance the Local Union President (or designate) will contact the Mine's General Manager and advise as to the nature and request for the leave. Requests will not be unreasonably denied.**

### 6.02

- a. The Company agrees that a leave of absence without pay to a maximum of one year shall be granted to employees for good and sufficient reason. Such request for a leave of absence will be in writing and the response will also be in writing and no such leave will affect any employee's seniority rights when used for the purpose granted. During a leave of absence of 30 calendar days or less all benefits will be maintained. Seniority will be maintained and accumulated on leaves of 30 calendar days or less, and maintained for that portion of a leave that is in excess of 30 calendar days. During a military leave of absence of 60 calendar days or less all benefits will be maintained. Seniority will be maintained and accumulated on military leaves of 60 calendar days or less, and maintained for that portion of a leave that is in excess of 60 calendar days. If an employee works elsewhere, except for military leave, while on leave of absence, he will lose all seniority and drop to the bottom of the seniority list unless he has written permission from the Company to do so. Such leave shall be granted without discrimination, and in cases of leaves for periods in excess of three months, approval must be obtained from the Company and the Union.

An employee on approved leaves of 30 or more calendar days may continue benefit coverage for up to one year beyond the timelines set out above, by paying the full amount of the medical, dental, vision care and basic group insurances (excluding Short Term and Long Term disability coverage) premiums. The Company agrees to remit the same with its regular group billing returns. In order for an employee to be eligible for the provisions of the benefit plan, an employee must apply and remit payment to the Company prior to the billing date.

- b. In the event that an employee requests and is eligible for Maternity and/or Parental leave under the appropriate legislation in effect, the period of such leave shall be considered as Company service for seniority, pension and vacation entitlement (excluding vacation pay) purposes. An employee on approved Maternity and/or Parental leave may continue benefit coverage beyond the time limits as set out in 6.02 a. by paying the full amount of the medical, extended health, dental, vision care and basic group insurances (excluding Short Term and Long Term disability

coverage) premiums. The Company agrees to remit the same with its regular group billing returns. In order for an employee to be eligible for the provisions of the benefit plans, an employee must apply and remit payment to the Company prior to the billing date. Upon the employee's return to work from the approved leave, the Company will reimburse the employee for the full cost of the premiums paid by the employee while on leave. If an employee works elsewhere while on leave of absence, he will lose all seniority and drop to the bottom of the seniority list unless he has written permission from the Company to do so.

### 6.03

Special leave of absence with pay and with maintenance of seniority rights, shall be granted in cases of death in the employee's immediate family. Immediate family shall mean an employee's mother, father, brothers, sisters, spouse, children, mother-in-law, father-in-law and grandchildren. Such leave shall not exceed 24 scheduled working hours.

Spouse, as defined by Canadian Legislation shall include a common-law spouse who has cohabitated in a spousal relationship for a minimum of twelve months. Children shall include the natural or adopted children of a qualified common-law spouse.

In the event of the death of brothers-in-law, sisters-in-law, grandparents, or grandparents-in-law, 8 hours of leave shall be granted with pay and maintenance of seniority.

## ***ARTICLE 7 - GRIEVANCE PROCEDURE***

### 7.01

#### **Complaints**

**It is the mutual desire of the parties that any issue shall be dealt with as quickly as practicable, with full discussion and disclosure in an attempt to avoid the need for a formal grievance. All employees are encouraged to discuss issues with management on an on-going basis, but if an employee feels they have a complaint, they shall discuss the matter with their foreman with the assistance of their Union representative, if requested. This shall be done before a formal grievance is issued.**

All grievances, except as provided for elsewhere in this agreement, and those relating to an employee who has acquired seniority and has been discharged, shall be dealt with by following Steps 1, 2, and 3 of this procedure. The grievance of a discharged employee as noted above shall be taken up at Step 3 within fourteen (14) days after the day the employee has been terminated from the Company.

#### **Step 1**

In the event of any grievance arising during the currency of this Agreement, the employee or employees concerned shall within fourteen (14) days after the employee knew or ought to have known of the matter giving rise to the grievance, refer the matter in writing signed by the employee or employees, as the case may be, to his crew Shop Steward (failing his availability, another shop steward or executive member may be substituted) who, if the Shop Steward considers the grievance to be a legitimate one, shall promptly take the matter up with the designated Foreman of the employee or employees. The designated Foreman and another Company representative shall discuss the grievance with the Shop Steward and another Union representative (with the employee or employees concerned encouraged to attend), and shall render a decision within seven (7) days of being notified of the grievance.

#### **Step 2**

In the event that the designated Foreman does not give a decision satisfactory to the Union, or does not render a decision within the period prescribed above, the Grievance Committee may, within seven (7) days,

refer the written grievance to the Department Head. The Department Head and other Company representatives shall discuss the grievance with the Grievance Committee and the Shop Steward who signed the grievance (with the employee or employees concerned encouraged to attend), and shall render a decision within seven (7) days of being notified of the grievance, provided however, that if circumstances warrant, this time prescribed may be extended by mutual agreement.

### Step 3

In the event that the Department Head does not give a decision satisfactory to the Union or does not render a decision within the time prescribed above, the Grievance Committee may within seven (7) days refer the written grievance to the General Manager of the Company. The General Manager, accompanied by other Company representatives, shall meet with the Grievance Committee and the Shop Steward who signed the grievance (with the employee or employees concerned encouraged to attend) and render his decision within seven (7) days of referral of the grievance, provided however, the time may be extended by mutual consent.

## **ARBITRATION**

In the event that any grievance has not been settled through the procedure outlined above, either party may, within fourteen (14) days after the General Manager's decision in Step 3, submit the grievance to an Arbitrator. The selection of an arbitrator shall be by alphabetical order from the following panel, if available to act. The selection of an arbitrator for the next arbitration shall commence with the next name.

1. Timothy Christian
2. Glen Power
3. Andrew Simms
4. Chris Sullivan
5. Colin Taylor

The arbitrator shall convene a hearing and hear the evidence of both parties and render a written decision after the completion of taking evidence deciding the matter at issue within the existing provisions of the Agreement. In no event shall the arbitrator have the power to add to, subtract from, alter or amend this Agreement in any respect.

The decision of the Arbitrator shall be final and binding on both parties.

The fees and expenses of the Arbitrator shall be shared equally between the parties. Each party shall pay its own costs and expenses including the fees and expenses of its own witnesses and of its own representative.

### **7.02**

For the purpose of Clause 1 hereof, the person duly authorized to act for and on behalf of the officials mentioned herein, during their absence, shall similarly be authorized to act in respect to the procedure outlined herein.

### **7.03**

The Union shall promptly notify the Company of the personnel of its Grievance Committee and the Shop Stewards and of any change in personnel, and the Company shall notify the Union of the names of the designated supervisory personnel with whom grievances shall be discussed as set forth in Clause 1 of this Article.

#### **7.04**

In the discussions of grievances with representatives of the Company, the Grievance Committee may be accompanied by a representative of the United Steelworkers.

#### **7.05**

As far as practicable, all grievances shall be dealt with during working hours, and no employee or members of the Grievance Committee or Shop Steward will suffer loss of pay by reason of time spent in discussing grievances with representatives of the Company.

In the event the Company requests the Shop Steward and/or Grievance Committee to meet outside regular working hours to discuss a grievance, he will be paid at his straight time regular rate for the time spent at the meeting. Such meetings shall only be in conjunction with regular working hours.

#### **7.06**

The Grievance Committee shall consist of **two** employees only. The Union Local President **or designate** may also attend grievance meetings.

#### **7.07**

Grievances alleging violations which directly involve more than one employee and which are sufficiently common in nature that they may be conveniently dealt with together, by mutual agreement, may be submitted as one grievance at either Step 1 or 2. Policy grievances will be filed at Step 2 of the grievance procedure. The time frames for submission and progression, and the representation at the meetings, will be the same as in the steps set out preceding, except that normally not more than two of the employees will attend.

#### **7.08**

There shall be a maximum of twelve Shop Stewards at the Highvale Mine covered under the scope of this Agreement.

### ***ARTICLE 8 - SENIORITY***

#### **8.01**

The seniority and service of an employee shall be mine site wide and shall be based upon continuous service with the Company and shall date from the time he last entered the service of the Company, subject to the following:

- a. An employee shall acquire seniority when he has completed his probationary period of 480 regularly scheduled hours worked, and upon completion of this period, his seniority shall be retroactive to the date of his hiring. The Company will conduct a performance evaluation for each probationary employee after 360 regularly scheduled hours. If the employee's performance is called into question, the Company will meet with the Local Union President, or his designate, to discuss the employee's performance prior to the completion of the probationary period.
- b. Continuous service of an employee shall be broken and seniority shall terminate by reason of any of the following:
  - (i) Dismissal for just and reasonable cause;
  - (ii) Voluntary resignation;

- (iii) Failure to report for work within 10 working days after being notified to report following a layoff, unless the employee can give a reason satisfactory to the Company for his failure to report within the time prescribed;
- (iv) A continuous layoff which is equal to one-half of the employee's seniority at the time of layoff, but in no event shall this period exceed two years, i.e. one year of service six months.

NOTE: Should an employee break service or lose seniority for any of the foregoing reasons and be subsequently rehired, such employee shall commence employment as a new employee and shall not have any service or seniority from any previous employment with the Company.

- c. Subject to 8(b)(iv) an employee's seniority and service shall accumulate during a period of layoff due to lack of work.

## **8.02**

Employees shall not be laid off, recalled, promoted or demoted until the Union has been notified of the names of the persons affected and the reasons for such action and a consultation with the Union has taken place in respect to the matter.

In cases of terminations, the Union President, or his designate, will be notified, as soon as possible, but not beyond the next working day.

## **8.03**

The Company agrees to prepare and post not later than January 31st and July 31st of each year, or at such other time as may be mutually agreed upon, in places easily accessible to all employees, a list of the names of all employees, showing their job classifications, rates of pay and combined seniority standing, the latter being open to protest by employees for 30 days from the date of such submission. Upon proof of error being established by a representative of the Union, correction shall immediately be made. The Company will supply the Union with a copy of seniority lists and corrections thereto, within two working days excluding Saturdays, Sundays and holidays.

## ***ARTICLE 9 - REDUCTION IN BARGAINING UNIT EMPLOYEES***

### **9.01**

When reducing employees, senior employees, ability being sufficient to perform the duties required for the position to be filled, shall be retained. A reduction of employees due to emergency conditions arising in the plant for periods not in excess of two days may be made without reference to seniority. However, every effort shall be made to provide work for employees who would otherwise be laid off.

### **9.02**

- a. The Company shall give employees written notice of permanent layoff of at least:

- One week after three months;
- Two weeks after two years;
- Four weeks after four years;
- Five weeks after six years;
- Six weeks after eight years; or
- Eight weeks after ten years.

Permanent layoff shall mean a planned layoff of 60 or more calendar days duration.



Benefits will be maintained for 45 days following layoff, exclusive of STD, LTD, Life Insurance and AD&D.

- b. Employees who are laid off and where the layoff is effective immediately and without notice will be entitled to pay in lieu of notice.

### **9.03**

- a. In the event of reduction of work in a classification, the employee affected shall be given up to 24 consecutive hours to displace any other employee in any pay classification provided the employee has more seniority than the employee displaced. Circumstances may arise where an employee may require more time to displace another employee. In this event, the employee may request a time extension from the Company and an additional 24 consecutive hours may be granted. Such requests will not be unreasonably withheld, provided they were submitted for good and sufficient reasons. The employee displacing must have the ability to perform the work of the classification which such employee is going into and the trial period shall not apply when the anticipated time period for layoff is less than six months. Should the employee be unsuccessful in completing the trial period or fail to exercise his right to displace another employee within 48 consecutive hours of receiving written notification of his right to displace, he will be assigned to the classification of labourer, but will not be restricted in bidding out of the labourer position by Article 11.06.
- b. Any bidding procedure that is being contemplated or underway in accordance with Article 11 will be reviewed with the Union and when deemed necessary upon mutual agreement, will be delayed or suspended until the reduction is completed.
- c. The Union and the Company agree that during the bumping procedure, when an individual bumps into a position that requires a trial period, and the individual either is unsuccessful in passing the trial, or discontinues the trial, they will revert to a Labourer's position. The position that the employee vacates will then be filled by using the bidding procedure outlined in Article 11.
- d. Once an employee is enrolled in the Apprenticeship Program outlined in this collective agreement, and there is a reduction in the workforce, the apprenticeship position can only be displaced by a bargaining unit person who has more seniority and equal or better qualifications.

## ***ARTICLE 10 - INCREASE IN BARGAINING UNIT EMPLOYEES***

### **10.01**

When increasing employees, consideration will be given, wherever possible and practical, to local area people being employed. Employees laid off because of reduction in staff shall be returned to service first, ability being sufficient to perform the duties required for the position to be filled, in order of seniority. Notification of rehiring shall be by registered mail addressed to the last address which the employee shall have recorded with the Company, and a copy of such notice shall be given to the "Recording Secretary" of the Union. Until such time as employees recalled to work actually report back to work, the Company shall be entitled to hire employees on a temporary basis.

## ***ARTICLE 11 - PROMOTIONS AND VACANCIES***

### **11.01**

- a. Notice of new positions, including the day shift labourer position (except students), or vacancies of a promotional nature coming within the scope of this Agreement, shall be issued from the office of the Manager and shall be posted for eight days in places accessible to all employees. A copy of said

postings shall be supplied to the Union. Each vacancy will be posted not later than seven days from the date that the Company became aware of the vacancy. Each posting will set forth the title of the job, the rate of pay, the crew designation and shift schedule of the initial vacancy, the closing date of the posting and, for vacancies in Pit Operations, the equipment number of the initial vacancy, and for vacancies in the Coal Handling Plant, the initial vacant position.

- b. Postings for new positions shall include a description of the position. For the purposes of job posting, a new position is one which has not existed prior to the time of posting and does not include replacement equipment. All new positions and apprenticeships will be bid and Article 11.06(a) will not apply.
- c. Notices of vacancies will be posted for a minimum of eight (8) calendar days.
- d. In the event that a posted job has been cancelled for reasons other than an employee withdrawing his bid, the Company will advise the Union, in writing, of the reasons for the cancellation.

#### 11.02

- a. Employees in any classification shall be entitled to submit a bid for such positions or vacancies by means of triplicate written applications, with one copy each for the Company, the Union and the applicant. No application from employees received later than the posted closing date will be considered.
- b. Employees must complete all applicable sections of the Bid Sheet. The Company and the Union shall jointly review the Bid Sheets at the time of bid closure. When an employee is bidding more than one job, one Bid Sheet must be used for each vacancy or position. Should the Bid Sheet not include sufficient information to clearly identify an employee's preference or if essential information is missing, the bid will be excluded.

#### 11.03

- a. (i) New positions or vacancies shall be filled, ability being sufficient to perform the duties required for the position to be filled, on a basis of seniority.  
  
(ii) Prior to the start of an employee's shift, an employee's request to fill a particular vacant position when their bid unit and/or position are not available will be granted on the basis of operational requirements, seniority, and ability to do the work. The employee shall approach the Foreman no later than 6:30 am for a 6:50 am start time or 6:30 pm for a 6:50 pm start.
- b. The successful applicant will be confirmed in the position unless he withdraws his application within three days of being posted as the successful applicant. Should an applicant withdraw his bid, the name of the next successful applicant will be posted for three days and confirmed in the position unless he withdraws his bid within three days of the posting of his name. This selection process will continue until an applicant is confirmed in the position. The successful applicant will normally be placed in the position of the promotion or vacancy within 30 days of his confirmation in the position. In the event that the Company is unable to fill the position created by the initial vacancy from amongst the employees on the minesite, **nothing will prohibit the Employer from i) re-bidding the position(s) ii) posting externally iii) temporarily assigning a current qualified employee to the position.** Posting of the name of the successful applicant may be delayed for a period of 75 days. The Union shall receive a copy of all such postings.

#### 11.04

- a. For the purpose of this Collective Agreement the trial period refers to 480 hours working on the job to which the employee has been promoted.

If the employee has completed 240 hours on the job and has demonstrated the necessary skill to qualify for the promotion in question, the employee will be considered as having passed the trial. The Company will review the employee's performance and will notify the Union that the employee has completed his trial.

- b. Employees accepting promotions to a new position or vacancy may be required to take a trial period working on the job to which they have been promoted. In cases of there being any question as to his ability, and during this period, he shall be given both practical training from an individual with previous relevant experience and the necessary instruction for the position concerned. If such employee feels he does not qualify within such time he may revert to his former position without loss of seniority but will be subject to the penalties outlined in Articles 11.05 and 11.06(a). If, before the expiry of the trial period, it appears that such employee is incapable of qualifying for such position the Company may, after consultation with the Union, require him to revert to his former position or upon mutual agreement a reasonable and agreed upon time extension may be granted for the purpose of training, and where the employee has not received 48 work hours of practical training from a qualified individual, there will be no penalty applied. Where the employee has received the minimum training and the Company feels he does not qualify within such time, he may revert to his former position without loss of seniority and shall be subject to a penalty of (18) eighteen months as outlined in Article 11.05, but the penalty outlined in Article 11.06(a) will not apply. Employees upon transfer and on the trial period shall be paid at the rate of the new position or vacancy. In the event of a dispute between the Company and the Union regarding an employee's ability to operate equipment, a suitable method, practical test, instrument or device shall be installed on that particular piece of equipment to determine and record the operation, and a tolerance of 10% against the most efficient operator of comparable equipment shall be allowed.
- c. Employees who have previously worked 480 hours within a twelve month period, or previously held the bid position, at a job classification other than their normal bid classification, shall not be required to take a trial period in the same job classification. It is the employee's responsibility to verify the periods of time(s) previously worked in the classification in question.
- d. An employee removed from a temporary bid prior to completing the trial period may, at his request, have hours worked in the position on the temporary bid deducted from a future trial period, provided the return to the position occurs within six weeks of his removal.
- e. Successful bidders to the shovel operator, hydraulic excavator operator, dragline operator and dragline oiler position may be required to complete a progressive training program in order to advance to their bid unit. If the progressive training program is to exceed 480 hours the Company will notify and review the employee's progress with both the employee and Union. For the purpose of evaluation only, the 480 hour trial period will begin once the employee has advanced to his bid unit.

#### **11.05**

Employees who do not successfully complete the trial period will revert to their former position. Such employees will not be eligible to rebid for that position for a period of (18) eighteen months, unless otherwise mutually agreed by the Company and the Union.

#### **11.06**

- a. Unless otherwise agreed between the Company and the Union, employees may not bid for a period of six months after being posted as the successful applicant.
- b. Employees who successfully hold a temporary bid position will not be restricted from bidding on

a permanent bid position within the same classification.

- c. Certified Tradesmen, who have been apprenticed toward their chosen trade, sponsored by the Company, may not bid out of their trade for a minimum of the same additional amount of time that the Tradesman has spent, sponsored by the Company, in the Trades Apprenticeship Program.
- d. Notwithstanding either Article 11.05 or 11.06(a) above, when an employee has been posted as the successful applicant and has not been transferred to his new position within the time periods outlined in Article 11.03(b), he may withdraw from the position without penalty provided the withdrawal is submitted in writing to the Company. In either event, the Company may initiate a legitimate transfer either prior to the expiration of the transfer period or the receipt of a withdrawal.
- e. In the event that there are no successful applicants for temporary bids (as outlined in Article 11.10), the Company and the Union agree to waive the bid restriction as per Article 11.06 (a) and re-bid the position(s). Employees who are on a trial period will not be permitted to bid.
- f. Effective January 16, 2012, newly hired tradesmen may not bid out of their trade for a minimum of four (4) years from date of hire.

#### **11.07**

- a. An employee required temporarily to fill other positions, paying a higher rate of pay shall receive the rate for such position for the time worked in the higher paying position, but if required temporarily to fill a position paying a lower rate, shall continue to receive the rate payable for his regular position. The parties agree that the intent and application of this Article is for short duration (ie: sickness bereavement, family emergency and for operational requirements).
- b. In the event an employee has to be transferred from his bid position, the Company will consult with the employee prior to such transfer taking place.
- c. In the event the Company requires an employee to transfer from his bid position to another permanent position for a period of (45) forty-five days or more, the Company will bid that position on a temporary basis.

#### **11.08**

The Company agrees to notify the Union and post in places accessible to all employees all positions outside the jurisdiction of this Agreement as such positions are created or become vacant and employees shall be given full opportunity to make the proper application for such positions.

#### **11.09**

The provisions of this Article 11 will apply to the filling of new classifications. Any new permanent classifications coming within the scope of this Agreement will be the subject of negotiations between the Company and the Union Executive. Failure of the parties to agree on any aspect of new or changed classifications will result in the matter being referred to the Grievance Procedure at Step 3.

#### **11.10**

In the circumstances where an employee is absent on sick leave or Worker's Compensation, the Company agrees to hold open the employee's bid position for a period of 18 months, and in the interim may bid that

position on a temporary basis. Other vacancies arising out of the initial vacancy may also be bid on a temporary basis. In such situations the trial period shall apply with the exceptions of Shovel Operator, Dragline Operator, Crane Operator, Coal Handling Plant Operator, **Coal Fusion Operator**, Front-End Loader Operator, **Hydraulic Shovel Operator**, **Excavator Operator 20 Yards and Over** and Drill Operator. The absent employee shall continue to accumulate seniority for a 36-month period. Employees filling temporary positions shall be confirmed in the positions after 18 months. In the event the absent employee returns within 18 months fit for full duties, affected employees holding the temporary bids shall be returned to their former positions. After 18 months the returning employee will;

- i. Return to any vacancy in the employee's previous bid classification or, if no such vacancy exists,
- ii. Claim any vacancy that exists in a bid classification that he has previously held or is qualified to perform and the trial period shall apply.
- iii. In the event the absent employee's employment is terminated for any reason during the eighteen (18) month period that employee's position will be bid as per Article 11.01.

### **11.11**

Should there be no applicants for a posted position, employees who have not completed the probationary period specified in Article 8 will be asked, in order of their hire date, if they would accept the posted position, provided the posted position is a higher paying position. Employees who have had either documented performance problems, or a sub-standard evaluation, will be excluded from the process.

### **11.12**

**In addition to the requirements of Article 11.04, employees are required to have 12 months experience as an oiler for the following operator's positions:**

- **12 months experience as a dragline oiler when bidding on a dragline operator's position,**
- **12 months experience as a shovel oiler when bidding on a pre-strip shovel operator's position**
- **12 months experience as a coal handling plant oiler when bidding on a coal handling plant operator's position or coal fusion operator's position.**

During this period, oilers will be given the opportunity to become familiar with all phases of the specific classification's operation and general maintenance, including spending some time actually operating as an operator trainee.

### **11.13**

Employees who are successful on bidding on a dragline oiler vacancy, who either claim or can verify previous experience as an operator or oiler on a dragline, may be given the opportunity to demonstrate their skills. Employees who are unable to demonstrate a satisfactory skill level will progress in the oiler classification as per the normal training procedure.

### **11.14**

**Employees bidding onto crawler tractors or excavators vacancies, must meet the requirements under the guidelines of the Bidding Procedure Distribution Document in effect.**

## **ARTICLE 12 - DISCIPLINE**

### **12.01**

The Company agrees to forward copies of all written warnings, notices of demotion, suspension or termination to the Union for their records. The Company agrees that discipline will be removed from an employee's employment record upon completion of an 18 month period in which the employee was discipline free and will not be used in any disciplinary actions thereafter. Discipline related to drugs or alcohol will be removed from the employment record after a 24 month period in which the employee was discipline free.

For the purposes of this article the discipline free period will commence the day following the issuance of the discipline. Upon mutual agreement by the Company and the Union, the discipline free period may be extended by the amount of time employees are absent from work for periods in excess of 30 calendar days, excluding vacation and WCB.

### **12.02**

- a. A steward will be present when an employee is disciplined.
- b. The Highvale President (or his designate from the Highvale), will be present when the disciplinary action for an employee results in discharge.
- c. When the Company holds formal investigative meetings with an employee in which discipline is being contemplated for that employee, it will be conducted in the presence of a steward. Employees who are scheduled to attend such meetings on their days of rest shall receive a minimum of 4 hours regular pay for time in attendance.
- d. Should a steward be unavailable, a member of the Highvale Executive may attend.
- e. The unavailability of appropriate union representation will, where necessary, result in the granting of an extension to the time period for imposition of discipline as stated in 12.03.
- f. Notwithstanding the requirement for union representation, should the Company be unable to contact an employee, and/or should an employee be unable or unwilling to attend a meeting, the Company may proceed with disciplinary action. Any such disciplinary action will be communicated to the Union.

### **12.03**

- a. Employees shall be disciplined within eight of the employee's working shifts from the later of the date of the incident or the date from which the Company was aware of the incident. This time may be extended by agreement between the Company and the Union.
- b. Employees who are involved in occurrences in which Company property is damaged and who fail to report each occurrence to their supervisor without delay, will be subject to discipline.

### **12.04**

Upon request, an employee may review his personnel file in accordance with the following criteria:

- a. The review must occur outside of the employee's working hours at a time mutually agreed to between the employee and the Company;

- b. The review must occur in the presence of a representative of the Company; and
- c. A union representative may accompany the employee

**ARTICLE 13 - GENERAL HOLIDAYS**

**13.01**

The following days shall be observed as holidays without deduction of pay therefore:

New Year's Day	Thanksgiving Day
Christmas Day	Remembrance Day
Boxing Day	<b>Family Day</b>
Good Friday	Canada Day
<b>Easter Monday</b>	Labour Day
Victoria Day	1st Monday in Aug

**13.02**

When any of the above mentioned holidays fall during the period of an employee's regularly assigned day or days of rest, the following regular working day shall be observed as the day of rest.

**13.03**

All time worked on a holiday as specified in Clause 1 of this Article, shall be paid at two times the employee's regular rate of pay in addition to pay for the full holiday at the employee's regular rate of pay. If overtime is worked, the overtime provisions of Article 16 shall be invoked.

**13.04**

Employees will not be entitled to General Holiday pay for any General Holidays which occur in their first 30 days of employment.

**ARTICLE 14 - ANNUAL VACATIONS**

**14.01**

- a. All employees covered by this Agreement shall be entitled to vacation with pay based upon years of continuous service as computed on the employee's anniversary date of employment.

<b>Complete Years of Service</b>	<b>Vacation Entitlement</b>
One Year	80 hours pay
Three Years	120 hours pay
Nine Years	160 hours pay
Nineteen Years	200 hours pay
Twenty five years	208 hours pay
Twenty six years	216 hours pay
Twenty seven years	224 hours pay
Twenty eight years	232 hours pay
Twenty nine years	240 hours pay

- b. **During the first year of employment, an employee may elect to take eighty (80) hours of**

**vacation entitlement after six (6) months of continuous service. A vacation of eighty (80) hours per year shall be taken each calendar year thereafter.**

- c. During the calendar year in which an employee completes the required years of service per 14.01 (a), the employee shall be entitled to the vacation entitlement as per 14.01 (a). A similar vacation shall be taken each calendar year thereafter.**

#### **14.02**

At the request of an employee and as approved by the Company, an employee with twenty-five (25) years or more of service may take 200 hours of vacation together with a vacation payout equivalent to any regular vacation entitlement over and above the 200 hours of regular vacation.

#### **14.03**

**Employees will indicate vacation period preference in advance of November 1st of each year for the following calendar year's vacation. Vacation schedules approved by management shall be posted by the Company by December 1<sup>st</sup>.**

- a. In the event that an employee fails or chooses not to indicate vacation preference in advance of November 1st of year, vacation scheduling will revert to first come, first serve basis. All remaining hours of vacation, must be submitted no later than April 1st.**
- b. Employees may use the necessary vacation hours to allow them to complete a tour of their vacation schedule, which carries over into the following year. Vacation scheduled under these circumstances will take priority over subsequently requested vacation.**
- c. Vacation bookings to a maximum of one hundred forty four hours (144) in one vacation period will be assigned by seniority, during peak vacation periods, until all employees have been assigned one vacation period, subject to Article 14.11.**
- d. For the application of Article 14.03 (c) peak vacation periods will be identified as the time period between the 3rd week of May and 2nd week of September.**

#### **14.04**

Vacation pay shall be either two weeks, three weeks, four weeks, five weeks or six weeks (or portion thereof) pay or 2/52, 3/52, 4/52, 5/52 or 6/52 (or portion thereof) of the total earnings earned during the year the vacation was earned, whichever is the greater figure had he worked, as calculated on the employee's anniversary date.

#### **14.05**

Notwithstanding the foregoing, employees who are or were absent from work due to a layoff shall be entitled to vacation and receive vacation pay on a prorated basis relating to time actually worked.

#### **14.06**

Notwithstanding the foregoing, employees who are or were absent from work on WCB, STD/LTD for a period of one year or more shall be entitled to, on a pro-rata basis relating to time actually worked, vacation and vacation pay.

Employees who are or were absent from work on WCB, STD/LTD for a period of less than one year shall be entitled to vacation and vacation pay in accordance with Article 14.01 and 14.04.



#### 14.07

Seniority shall govern selection of vacation dates in cases of disputes. On or before **October 1st** of each year, a vacation planner will be posted, in a place accessible to all employees, for the purpose of requesting vacations for the subsequent calendar year. Employees will request vacation on the posted planner prior to the closing date, which will be **November 1st**. Vacations will then be approved on the basis of seniority and the completed vacation planner will be re-posted, by **December 1st**. The dates for posting and re-posting of the vacation planner may be altered by mutual agreement.

When an employee bids to another **classification**, they **may be required** to resubmit their request for vacation approval.

Employees may then request vacations, including requests for less than one work **tour**, on a "first come, first serve" basis, for dates that remain available for vacation requests. These approved requests or changes will be confirmed in writing.

#### 14.08

**When a recognized holiday or holidays fall on one of an employee's scheduled vacation days, he shall take an extra day or days vacation with pay, to be taken either at the beginning or end of the vacation if scheduled, or at another time mutually agreeable to him and the Company.**

#### 14.09

Upon termination, an employee shall receive the unused portion of earned vacation in the form of vacation pay based upon his entitlement as provided for in this Article.

#### 14.10

Vacations are not cumulative and must be taken **in full each calendar year**. All outstanding vacation days, unless a carry-over is approved, will be forfeited and will be paid out by the **last** pay period of **February**, notwithstanding Article 14.06. Requests to carry over vacation, for good and sufficient reasons, will not be unreasonably withheld.

#### 14.11

Vacations for eligible employees will be granted as far as is practical, at times most desired by employees; provided however, the Company reserves the right of allotment of vacation periods in order to ensure orderly operation of the Mine.

#### 14.12

If it is consistent with production and with the consent of the Company, employees may take their annual vacation in increments of at least one **tour** except where the employee has less than one **tour** remaining in his entitlement and as provided for in Article 14.07. A work **tour** is defined as the period from the beginning of work on the employee's first scheduled day of work until the commencement of his regularly scheduled day of rest.

#### 14.13

Should a death occur in the employee's family as described in Article 6.03 while the employee is on vacation, and subject to the provisions of Article 6.03, the employee will be permitted to re-schedule vacation for the day(s) on which bereavement leave is utilized.

## **ARTICLE 15 - HOURS OF WORK**

### **15.01**

- a. Any employee changing a shift, different from the one he or she is scheduled for, shall receive 24 hours notice. Where such notice is not given, the employee shall be paid double time for time worked on the first shift following the change. All succeeding shifts of the employee's new schedule shall be paid at the employee's regular rate. Written confirmation of this change will be provided.

Should the Company require employees to change shifts or bid units, it will determine the shifts or bid units involved, and where more than one employee is in the affected classification or on the bid unit, the senior employee(s) will be given preference. For duration's of less than one (1) month senior employees within the department and affected classification will be given preference.

- b. The normal workweek shall be five consecutive eight-hour days or shifts or as mutually agreed to.
- c.
  - (i) Employees shall be required to work their regularly scheduled shift exclusive of lunch break which shall be of 15 minutes duration. Employees working in excess of their regularly scheduled shift including travel time from washhouse to the worksite and return, but excluding time taken for lunch shall be paid at overtime rates. Time worked by each employee shall be recorded by means of a time clock located in the washhouse and time cards shall be punched by each employee at the scheduled starting and stopping time of each shift. All time cards must be validated by the supervisor. Subject to the exclusion of the 15-minute lunch break employees will only be paid on the basis of the time shown on their individual time clock cards.
  - (ii) Ash Truck Operators at the Highvale Mine, Tradesmen, Apprentices, Field Maintenance Personnel, Shop Labourer, Tire Servicemen, Shop Servicemen, Warehousemen, and Janitors shall be required to work their regularly scheduled shifts inclusive of lunch breaks which shall be of 15 minutes duration.

### **15.02**

- a. For shift schedules that average 40 or 42 hours of work per week per employee, the Company and Union shall mutually agree to such shift schedules that are in accordance with the Company's operating requirements and associated required manpower levels, required hours of work per day and required hours of work per week in each area of the operation. In order to arrive at such mutual agreement, the Company shall propose suitable shift schedules and the Union may either agree to the shift schedules or propose alternative schedules that meet the Company's requirements at no increased labour cost.
- b. Shift schedules other than those referred to in Article 15.02(a) and 15.02(d) shall be by mutual agreement between the Company and the Union.
- c. Starting and stopping times shall be by mutual agreement between the Company and the Union.
- d. The Company will supply the Union with a list of all current shifts that are utilized on the minesite, and the Company will post all the current shifts in the bulletin bid board.

### **15.03**

Coffee and lunch breaks during working hours shall be continued as presently practiced.

**15.04**

At spring change to daylight saving time employees will be paid for hours worked (11 on 12-hour shifts). At fall change to standard time employees will be paid for hours worked including any hours in excess of 12 at double time.

**ARTICLE 16 - OVERTIME**

**16.01**

Overtime will be voluntary subject to meeting the requirements of the operation and will be distributed in accordance with the guidelines of the Overtime Distribution Document in effect.

**16.02**

All hours worked in any one day or any one week, outside of the regularly assigned hours of work which from time to time are agreed upon by the Parties, shall be considered as overtime hours and, except as otherwise provided herein, shall be paid at double the employee's regular pay.

**16.03**

Any employee, who, because of an emergency, is called out for duty at any time after or before his regular work period, shall be free when the emergency is over but shall, nevertheless, be paid a minimum of four hours at double the employee's regular pay. Emergency work in excess of four hours shall be paid at the rate of double time.

**16.04**

Any employee who normally is required to report for work and so reports but who, after reporting, is sent home, shall receive not less than four hours pay at such employee's regular pay, excepting Force Majeure or circumstances beyond the Company's control.

**16.05**

Overtime shall be paid at double time.

**16.06**

All overtime shift work shall be paid shift differential pay.

**16.07**

A system will be implemented to eliminate the problem of employee's not arriving back at the washhouses within normal hours of work. Additional man haul vehicle(s) will be provided to ensure the problem is eliminated.

Should employees not be returned to the washhouses in accordance with the above, then the following overtime rates will apply:

1 to 7 minutes late	=	double time rates
8 to 23 minutes late	=	15 minutes at double time
24 to 38 minutes late	=	30 minutes at double time
38 minutes late or later	=	the above rates applied in a logical progressive fashion (i.e. 45 minutes at double time, etc.)

## **16.08**

When, in the discretion of the Company, overtime is required, opportunities for overtime will be distributed as equitably as practicable amongst the employees in the classification who normally perform the work for which overtime is required, and in accordance with the jointly developed overtime distribution document. This document may be amended by mutual agreement. Union/Management Overtime meetings will be held monthly to discuss issues relating to overtime, when required.

## **16.09**

Should the Company make an error when administering the overtime distribution system, and such error results in an employee not being given the opportunity to work overtime and another employee works the overtime opportunity, the following remedies will apply:

- (i) for the first two times the same employee is wronged in any one calendar year, he will be given an extraordinary overtime opportunity for each of the infractions, of a duration equal to the time worked by the employee who received the opportunity. Such opportunity will be at the discretion of the employee, provided the day selected is within 30 of his regular shifts worked from the date that it is determined that an error was made, and is on a day that the Mine is in full operation.
- (ii) for the third and subsequent errors for the same employee in the same calendar year, he will be considered as having worked for the purpose of the overtime procedure and will receive compensation at double his regular rate of pay for the time worked by the employee who received the overtime opportunity.

The clause shall not apply when the overtime worked is the result of an emergency situation.

## ***ARTICLE 17 - PAYMENT OF WAGES***

### **17.01**

All wages due to employees covered by this Agreement shall be paid them on every other Friday following the period for which their pay is due.

### **17.02**

On each pay-day, the Company shall provide to each employee, an itemized statement setting forth the total number of hours worked by the employee concerned during the immediately preceding pay period, the rate of wages applicable to him, all deductions made from his wages whatsoever, the purpose for which such deductions were made, the total amount actually paid to him and such other information as may from time to time be agreed upon by the Parties.

### **17.03**

The Union negotiation committee shall consist of a maximum of six employees. Each committee member will be paid eight hours per day for negotiations at their regular straight time rate. At no time will this be used for the purpose of calculating overtime.

## ***ARTICLE 18 - DIFFERENTIALS***

### **18.01**

Employees shall be paid in addition to other wages payable to them, a differential for all hours worked on shifts in the amounts of:

Afternoon shift	-	\$ .50 per hour
Midnight shift	-	\$1.10 per hour

## **ARTICLE 19 - GROUP INSURANCE**

### **19.01 Life Insurance**

- a. The Company shall provide a policy of insurance for an amount of \$75,000 Life Insurance and \$75,000 Accidental Death and Dismemberment, a copy of which shall be supplied to the Union.
- b. An employee may purchase optional life insurance coverage subject to the insurance carrier's approval. The cost of the optional life insurance will be payable by the employee.
- c. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.

### **19.02 Dental Plan**

- a. The Parties hereby agree to maintain the group dental plan for all employees covered by the scope of this Agreement. The coverage, at the current rate as set by the Company's insurance carrier's Usual and Customary Fee Guide shall be as follows:

- A - Basic and Routine - 100%
- B - Major and Restorative - 90%
- C - Orthodontics - 50%

Maximums: A & B combined-**\$4,000**/ person/year;  
C - **\$4,000**/person/lifetime.

The premium costs of the dental plan shall be borne in its entirety by the Company.

- b. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.

### **19.03 Health Care**

- a. The Company will pay the entire cost of the appropriate Alberta Health Care Insurance premiums for all employees, excluding employee arrears.
- b. The Company will reimburse employees for any extra costs associated with medical information required and requested by the insurance carrier or Company

### **19.04 Long Term Disability**

- a. The Company will provide a Long Term Disability Plan. The cost of the Long Term Disability Plan will be borne in its entirety by the Company. The Plan shall include the following conditions:
  - (i) Effective after 17 weeks disability;
  - (ii) Benefits equal to 60% of salary;
  - (iii) Maximum benefits will be 60% of the weighted average for the bargaining unit. The weighted average calculation will not include Labourers rate (Probationary).

- b. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.
- c. If any employee on Long Term Disability is unable to perform the duties of his regular job classification the Company shall appoint such employee to do alternate work to be paid at the rate for such work.

No employee will be appointed to do alternate work under this clause unless the Company determines that the completion of the alternate work is necessary and the employee has received clearance to perform the alternate work by a medical practitioner selected jointly by the Company and the Union.

Evidence of the medical practitioner's clearance to return to work shall be provided to the Highvale Executive.

Employees who refuse such alternate work shall be terminated, unless the Union and the Company mutually agree to a lesser discipline.

#### **19.05 Short Term Disability**

- a. The Company will provide a Short Term Disability Plan. The cost of the Short Term Disability Plan will be borne in its entirety by the Company. The Plan shall include the following conditions:
  - (i) Benefits commence the first day of the accident and/or hospitalization; and the sixth day of illness;
  - (ii) Benefits continue for 17 weeks duration;
  - (iii) Benefits will be equal to 66 2/3% of salary.
- b. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.

#### **19.06 Major Medical**

- a. The Company will provide a major medical plan for all employees and dependents. The cost of this plan shall be borne in its entirety by the Company. The plan shall include the following conditions:
  - (i) Semiprivate hospital coverage;
  - (ii) The payment for ambulance services;
  - (iii) Prepaid prescription drug plan with a coinsurance of 100% towards the cost of prescriptions, and an annual deductible of \$15.00 for either single or family coverage. Effective April 01, 2010 employees will be provided a drug card. The annual deductible of \$15.00 for either single or family coverage will be discontinued and a DIN fee of \$2.00 per prescription payable at the time of purchase will be implemented.
  - (iv) All other coverage as provided for in the Plan booklet.
- b. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.

## **19.07 Optical**

- a. The Company shall provide an optical plan to provide a maximum of \$200.00 in each 24 month period, for an employee or employee's spouse and each dependent child toward the purchase of prescription glasses or corrective lenses purchased in that period. Effective April 1, 2012, the maximum shall increase to \$300. The cost shall be verified by an appropriate receipt. For the purpose of this clause, a 24 month period will be that period from April 1st in one year to March 31st two years thereafter.
- b. The Company shall provide an optical plan to provide a maximum of \$200.00 in each 24 month period for an employee toward the purchase of prescription safety glasses purchased in that period. The cost shall be verified by an appropriate receipt. For the purpose of this clause, a 24 month period will be that period from April 1st in one year to March 31st two years thereafter.
- c. Coverage shall commence on the first of the month coinciding with or next following two months of continuous employment.

## **19.08**

Coverage provided shall be subject to the terms and conditions as set out in general terms in the Collective Agreement and, where applicable, as per the specifics of coverage as set out in each insurance agreement. The coverage as set out in each document may not be amended without the mutual agreement of the parties. Should the Company opt to self-insure, coverage will remain as per the last insurance document. Notwithstanding the foregoing, the Company reserves the right to retain alternate insurance providers.

- a. A copy of all insurance plans and policies covering employees within the bargaining unit will be supplied to the Union by the Company.

## **19.09**

During the term of this agreement, the Company and Union agree to work cooperatively in reviewing the disability management program in effect at the minesite incorporating a modified work philosophy which recognizes early intervention and individual rehabilitation.

## ***ARTICLE 20 - SICK LEAVE ACCUMULATIVE***

### **20.01**

As of January 1st of each year, each employee will be credited with **forty-eight (48)** hours sick leave.

For new employees such credits will be granted from the date of commencement of employment but no employee shall be entitled to sick leave pay until he has completed three months of continuous employment. Unused sick leave credits earned each year will not be carried into the following years.

The employee will have the option of using his credited sick leave days and/or the Short Term Disability Plan and Long Term Disability Plan.

### **20.02**

Every employee who may be absent from duty on account of sickness shall notify his immediate supervisor and no employee shall be entitled to benefits for time previous to such notification, unless the delay shall be shown to have been unavoidable.

If an employee does not report one (1) hour prior to the commencement of the shift that he will not be in to

work due to illness or a non-occupational injury, the employee will forfeit two hours of eligible sick leave pay.

### **20.03**

Before payment is made under sick leave benefits, the Company may require a medical certificate or a written statement from the employee and in cases of lengthy illness, the Company shall call for physician's reports from time to time as it deems necessary.

### **20.04**

The Company reserves the right to call for an examination at any time by a physician designated by the Company if such procedure is deemed advisable.

### **20.05**

For the purpose of this Article, sickness shall include injury other than accidental injury arising out of and in the course of employment by the Company. It is understood that this Article does not apply when an employee is employed by an employer other than the Company or on Workers Compensation.

### **20.06**

- a. The Company agrees to supply the Union in January of each year with a statement of the unexpended sick leave credits as of December 31st, in respect of all employees, including accumulated sick leave credits prior to January 1, 1981.
- b.
  - (i) Individual employees will be notified of their unused sick leave on each pay stub.
  - (ii) Individual employees that have accumulated sick leave credits prior to January 1, 1981, will be notified of their existing totals in a statement on the first pay period in each new calendar year.
  - (iii) Such statement shall be open to protest for a period of 30 days and on presentation by a member of the Union of proof of error, a correction shall be made immediately. Such corrections shall be shown on a supplementary statement.

### **20.07**

In the event that an employee's absence due to illness extends from one year into the next, our policy in future will be that this will not affect the employee's eligibility for sick day payout in the new year. Once an employee has returned to active duty at the mine, any subsequent absence will reduce the employee's sick day payout eligibility.

### **20.08**

Those employees who have not utilized their yearly sick pay entitlement from the prior calendar year shall be paid 50% of their unused entitlement in the first pay period of January of each year. For the purpose of determining whether sick time has been utilized, absence due to illness or injury other than an accidental injury arising out of and in the course of employment by the Company shall be deemed sickness. However, employees who have accumulated sick time prior to 1981 may utilize such time without impacting upon their entitlement to the 50% payment until such banked sick time is exhausted.



## **ARTICLE 21 - GENERAL PROVISIONS**

### **21.01**

A five-minute wash-up period shall be granted for employees before the end of each shift.

### **21.02**

The Company shall pay an employee who is required for jury service, the difference between his pay for his regular shifts normally worked and the daily jury fee received. In the event an employee is subpoenaed to appear in court as a witness in a matter in which he has no direct interest, he shall be offered alternative shifts at his regular pay to make up for money lost.

### **21.03**

The Company agrees:

- a. To pay to employees attending Trade School, an amount of money that together with the amount or amounts of money paid to the employee by any outside agency, will constitute 100% of the employee's normal salary.
- b. Apprentice selections will be based on the Seniority, Provincial Pre-Apprentice Test results and related experience of candidates bidding for posted apprenticeships. Selection criteria will be weighted as follows:
  - (i) Seniority 35%
  - (ii) Test Results 30%
  - (iii) Related Experience 35%\*

\* Related experience will be determined by a joint committee consisting of three members appointed by the Union and three members appointed by the Company.
- c. In the event that an apprentice fails the tests at the end of his period of training in the Vocational School, the apprentice will be given an opportunity to rewrite his/her examination or take a leave of absence without pay or any other company paid allowances to re-attend that period of training. In the event he/she selects the leave of absence his seniority will be maintained.
- d. Apprentice tradesmen who maintain a permanent residence in excess of 80 kilometres from the institution they attend will be paid a maximum of \$350.00 per month for the additional room and board costs incurred while attending school.
- e. Blaster Trainee  

Employees will be selected as per Article 11 and must be prepared to have the necessary qualifications as set out in the applicable Government Legislation.

Each such employee shall be required to sit for examination each year and in the event of failure to pass such examination, the Company shall have the right to remove such Blaster Trainee from this classification.
- f. Employees who take upgrading courses specifically approved by the Company shall have their tuition paid upon successful completion of the course.

#### **21.04**

Personal tools required by an employee on the job will be replaced by the Company with same brand or equivalent if they have been lost or damaged on the job site. Personal toolboxes will be repaired or replaced if damaged on the job-site.

Each employee who is required to supply tools shall prepare an inventory of his tools and this inventory shall be verified and co-signed by a management representative at the time of hire. Signed copies of the inventory shall be retained by the Company and the employee. Any employee purchasing new tools shall report such additions to his Foreman and they shall each initial amendment to the inventory and copies of such amendments shall be retained by the Company and the employee.

#### **21.05**

After two (2) hours of overtime which is continuous with an employee's regular shift, or after two consecutive hours on call out duty the employee may request a hot meal or a meal voucher with a value of \$10.00.

#### **21.06**

The Company shall provide and bear the cost of a sufficient supply of new collective agreements, in book form, to the Union.

#### **21.07**

The Company and the Union agree that they will not discriminate against any employee due to race, colour, creed, sex, age, nationality, political beliefs, physical or mental disability, marital status or Union membership.

#### **21.08**

The Company will provide the Union with a locking bulletin board not smaller than four feet square in the locker rooms, or in another place as mutually agreed to, for the sole purpose of posting Union notices and official papers pertaining to Union affairs. Notices will be posted only by Officers of the Union and will be in keeping with the spirit and intent of this agreement.

#### **21.09**

Monthly Union/Management meetings will be held to discuss issues relating to labour relations and technological change, based on the following conditions:

- a. There shall be a maximum of three members appointed on behalf of the Company and three members appointed on behalf of the Union.
- b. All meetings are to be held on site.
- c. The members appointed by both parties shall decide how the meetings are to be structured and the date the meetings are to occur.
- d. The members appointed by the Union shall not suffer a loss in regular earnings as a result of said meetings.
- e. Minutes of meetings will be jointly reviewed and signed prior to being posted. The minutes will be posted on the designated bulletin boards within seven (7) calendar days of the meeting.

## 21.10

Post-secondary students may be hired for the period of May 1st through September 1st at the entry level labourer's rate.

Students will not qualify for any benefits, allowances or income replacement plans (including sick days and sick day buy-out) under the terms of the Collective Agreement, but will be eligible for statutory holiday pay and shift differentials as set out in the Collective Agreement. Students shall have all rights as specified in the Collective Agreement dealing with the grievance procedure.

Students working on in scope duties, with the exception of Labourer, Water Truck Operator, End Dump Operator (under 90 tons) or Warehouse will be paid at the appropriate rates of pay for that classification under the Collective Agreement.

The Union waives initiation fees for students hired May 1st through September 1st at the Highvale Mine. Regular union dues will be deducted from post-secondary students at the rate of 60% of regular dues. Any employee on layoff with recall rights will be returned to work prior to the hiring of summer student.

## **ARTICLE 22 - OCCUPATIONAL CLASSIFICATIONS AND RATES OF PAY**

### 22.01

CLASSIFICATION	Wage Rate Effective			
	April 1, 2013	April 1, 2014 3.50%	April 1, 2015 3.50%	April 1, 2016 3.50%
Temporary Foreman, CH Plant	\$45.02	\$46.53	\$48.09	\$49.70
Temporary Foreman, Maintenance	\$45.02	\$46.53	\$48.09	\$49.70
Certified Air Conditioning Technician	\$43.02	\$44.53	\$46.09	\$47.70
Certified Welder	\$43.02	\$44.53	\$46.09	\$47.70
Certified Tipple Welder	\$43.02	\$44.53	\$46.09	\$47.70
Certified Field Mechanic	\$43.02	\$44.53	\$46.09	\$47.70
Certified Mobile Mechanic	\$43.02	\$44.53	\$46.09	\$47.70
Certified Electrician	\$43.02	\$44.53	\$46.09	\$47.70
Certified CHP Electrician	\$43.02	\$44.53	\$46.09	\$47.70
Certified Millwright	\$43.02	\$44.53	\$46.09	\$47.70
Certified Machinist	\$43.02	\$44.53	\$46.09	\$47.70
Certified Carpenter	\$43.02	\$44.53	\$46.09	\$47.70
Certified Light Duty Mechanic	\$43.02	\$44.53	\$46.09	\$47.70
Temporary Foreman, Warehouse	\$42.03	\$43.43	\$44.88	\$46.38
Temporary Foreman, Prod/Mine	\$41.00	\$42.37	\$43.78	\$45.24
Certified Partsman	<b>\$40.03</b>	\$41.43	\$42.88	\$44.38
Certified Blaster	\$39.00	\$40.37	\$41.78	\$43.24
Crane Operator	\$39.00	\$40.37	\$41.78	\$43.24
Dragline Operator	\$39.00	\$40.37	\$41.78	\$43.24
Excavator Operator 20 Yards & Over	\$39.00	\$40.37	\$41.78	\$43.24
Front-End Loader Operator	\$39.00	\$40.37	\$41.78	\$43.24
Hydraulic Shovel Operator	\$39.00	\$40.37	\$41.78	\$43.24
Shovel Operator	\$39.00	\$40.37	\$41.78	\$43.24
Tire Serviceman	<b>\$39.00</b>	\$40.37	\$41.78	\$43.24

Electrician 4th Yr Apprentice	\$38.71	\$40.07	\$41.47	\$42.92
Machinist 4th Yr Apprentice	\$38.71	\$40.07	\$41.47	\$42.92
Mechanic Apprentice - 4th Yr	\$38.71	\$40.07	\$41.47	\$42.92
Millwright 4th Yr Apprentice	\$38.71	\$40.07	\$41.47	\$42.92
Welder Apprentice - 3rd Yr	\$38.71	\$40.07	\$41.47	\$42.92
Coal Fusion Operator	\$37.52	\$38.83	\$40.19	\$41.60
Coal Handling Plant Operator	\$37.52	\$38.83	\$40.19	\$41.60
Crawler Tractor Operator Level 3	<b>\$37.52</b>	\$38.83	\$40.19	\$41.60
Crawler Tractor Operator Level 2	<b>\$37.23</b>	\$38.53	\$39.88	\$41.28
Site & Drainage Crawler Tractor Operator Level 2	<b>\$37.23</b>	\$38.53	\$39.88	\$41.28
Excavator Operator Site & Drainage Level 2	<b>\$37.23</b>	\$38.53	\$39.88	\$41.28
Crawler Tractor Operator Level 1	<b>\$36.94</b>	\$38.23	\$39.57	\$40.96
Excavator Operator 19 Yards & Under Level 1	<b>\$36.94</b>	\$38.23	\$39.57	\$40.96
Light Duty Trac-Truck Serviceman	\$36.94	\$38.23	\$39.57	\$40.96
Power Scraper Operator	\$36.94	\$38.23	\$39.57	\$40.96
Rubber Tire Dozer Operator	\$36.94	\$38.23	\$39.57	\$40.96
Trac-Truck Serviceman	\$36.94	\$38.23	\$39.57	\$40.96
Electrician 3rd Yr Apprentice	\$36.57	\$37.85	\$39.18	\$40.55
Machinist 3rd Yr Apprentice	\$36.57	\$37.85	\$39.18	\$40.55
Mechanic Apprentice - 3rd Yr	\$36.57	\$37.85	\$39.18	\$40.55
Millwright 3rd Yr Apprentice	\$36.57	\$37.85	\$39.18	\$40.55
Welder Apprentice - 2nd Yr	\$36.57	\$37.85	\$39.18	\$40.55
Coal Handling Plant Oiler	\$36.43	\$37.71	\$39.03	\$40.40
Drill Operator	\$36.43	\$37.71	\$39.03	\$40.40
<b>Dragline Oiler</b>	\$36.43	\$37.71	\$39.03	\$40.40
Field Maintenance Oiler	\$36.43	\$37.71	\$39.03	\$40.40
Pre-Strip Truck Driver	\$36.43	\$37.71	\$39.03	\$40.40
Road Maintenance Operator	\$36.43	\$37.71	\$39.03	\$40.40
Services Road Maintenance Operator	\$36.43	\$37.71	\$39.03	\$40.40
<b>Shovel Oiler</b>	\$36.43	\$37.71	\$39.03	\$40.40
Trac-Truck Ash Driver	\$36.43	\$37.71	\$39.03	\$40.40
Trac-Truck Driver	\$36.43	\$37.71	\$39.03	\$40.40
Trac-Truck Equipment Hauler Driver	\$36.43	\$37.71	\$39.03	\$40.40
Pit Pumpman	\$36.13	\$37.40	\$38.71	\$40.07
Pit Utility	<b>\$36.13</b>	\$37.40	\$38.71	\$40.07
Services Backhoe Operator/Labourer	<b>\$36.13</b>	\$37.40	\$38.71	\$40.07
Tradesman's Helper	\$36.13	\$37.40	\$38.71	\$40.07
Partsman Apprentice - 3rd Yr	\$36.03	\$37.29	\$38.59	\$39.94
Electrician 2nd Yr Apprentice	\$34.41	\$35.61	\$36.86	\$38.15
Machinist 2nd Yr Apprentice	\$34.41	\$35.61	\$36.86	\$38.15
Mechanic Apprentice - 2nd Yr	\$34.41	\$35.61	\$36.86	\$38.15
Millwright 2nd Yr Apprentice	\$34.41	\$35.61	\$36.86	\$38.15
Washbay Attendant	<b>\$33.51</b>	\$34.68	\$35.89	\$37.15
Partsman Apprentice - 2nd Yr	\$34.03	\$35.22	\$36.45	\$37.72

Janitor	\$32.48	\$33.62	\$34.80	\$36.02
Warehouseman	\$32.48	\$33.62	\$34.80	\$36.02
Blaster's Helper	\$32.48	\$33.62	\$34.80	\$36.02
Electrician 1st Yr Apprentice	\$32.26	\$33.39	\$34.56	\$35.77
Machinist 1st Yr Apprentice	\$32.26	\$33.39	\$34.56	\$35.77
Mechanic Apprentice - 1st Yr	\$32.26	\$33.39	\$34.56	\$35.77
Millwright 1st Yr Apprentice	\$32.26	\$33.39	\$34.56	\$35.77
Welder Apprentice - 1st Yr	\$32.26	\$33.39	\$34.56	\$35.77
Partsman Apprentice - 1st Yr	\$30.02	\$31.07	\$32.16	\$33.29
Labourer	\$31.07	\$32.16	\$33.29	\$34.46
Labourer (Probationary)	\$24.18	\$25.03	\$25.91	\$26.82
Post-Secondary Student	\$24.18	\$25.03	\$25.91	\$26.82

**TRADESMEN APPRENTICE**

- First Year 75% of Certified Rate
- Second Year 80% of Certified Rate
- Third Year 85% of Certified Rate
- Fourth Year 90% of Certified Rate

NOTE: Three-year apprentice trades eliminate the second year level.

**22.02**

- a. Heavy Duty Mechanic Apprentice replacing a Trac-Truck Serviceman may elect to receive a rate over-ride for the period of time spent working as a Serviceman. If the employee elects to receive the rate over-ride, such period of time will not count towards his apprenticeship hours. No rate over-ride shall be given when an Apprentice is replacing a Tradesman's Helper.
- b. In order to receive the Blaster's Helper rate of pay, an individual must obtain and maintain the Provincial Blaster's Certification, be working on the Blasting crew and willing to act as a Certified Blaster when required.

**ARTICLE 23 - STRIKES AND LOCKOUTS**

**23.01**

The Union agrees there shall be no strikes and the Company agrees there shall be no lockouts during the term of this Agreement.

**ARTICLE 24 - PENSION PLAN**

**24.01**

It is understood and agreed that the terms and conditions of the document entitled "Pension Plan for Hourly Employees of SunHills Mining LP - Highvale Mine" as established January 1, 1975 and as amended are accepted. The benefit levels in effect as of December 31, 1998 will not be altered or amended without the consent of the Union.

Effective January 1, 1999 the defined benefit pension plan will be amended to increase the death benefit provided to 100% of the commuted value of the pension benefit to which the employee would have been entitled in respect of such credited service had he terminated employment on the date of his death, for all service prior to October 1, 1992.

## **24.02**

New Employees will be enrolled in the Pension Plan upon completion of 30 calendar days of employment with the Company.

## **24.03**

The Union shall receive a copy of the Pension Plan and copies of all amendments, proposed changes and actuarial studies relating to the Pension Plan that are produced during the term of this Collective Agreement.

## **24.04**

The Company agrees to meet on a joint basis with the Union representing employees who are plan members once but in no event more than twice in any one calendar year to review the annual actuarial extrapolation of the Pension Plan for Hourly Employees of SunHills Mining LP and to discuss other matters if any, related solely to the Pension Plan and its administration. The actuarial valuation will be reviewed as above, in the years it is required to be filed by law.

These meetings may be attended by a maximum of two union representatives from the mine site who may be accompanied by a representative from their National union.

## **24.05**

Effective April 1, 2002, the Company agrees to remove the 35 year limit on the maximum pension provision of the Plan.

## ***ARTICLE 25 - EMPLOYEE & FAMILY ASSISTANCE PROGRAM***

### **25.01**

The parties agree to the ongoing support, during the term of this Agreement, to an Employee and Family Assistance Program. The program shall be administered on a joint basis and the procedures of the program shall be mutually agreed upon. The program will be reviewed on a quarterly basis.

## ***ARTICLE 26 - WORKING RESTRICTIONS***

### **26.01**

The Company and the Union agree that neither a foreman nor a relief foreman shall perform the work that is performed by Union members, except in cases of an emergency nature, where it may be necessary for the foreman or relief foreman to take immediate corrective action, provided every reasonable effort has been made to obtain an employee for the work in question.

## ***ARTICLE 27 - CONTRACTING OUT***

### **27.01**

The Company agrees that it will not contract out work at the operation which is normally performed by employees if an employee will be terminated or laid off and such employee is qualified to perform the work.

Such contracting out shall not result in the loss of work to any Highvale employee whose name appears on the current Seniority list.

## **27.02**

The Company and Union Executive shall meet monthly to discuss and review contracting out, including warranty work.

When work is to be contracted out, the Company will advise the Union of the following:

- a. the work being contracted out.
- b. the expected duration of the contract.
- c. the anticipated number of contracted employees.

## **27.03**

No member of the Highvale Unit Executive shall suffer a loss in earnings as a result of said meetings.

## **27.04**

The Company will continue its general operating policy of placing primary reliance on its own employees to perform production and maintenance work and therefore, use its best efforts to minimize the amount of production and maintenance work to be contracted out provided it has the manpower, skills, equipment, facilities and that it is safe and economical to do so.

The Company and the Union will establish a joint committee consisting of three (3) Union representatives and three (3) Company representatives to review and make recommendations on contracting out practices and shall include Union and Company representatives familiar with the work being contracted out. The objectives of the committee shall be:

- (i) To establish a list of work that is historically contracted out.
- (ii) To review and preview planned work that has been or is expected to be contracted out in an effort to explore possible alternatives taking into consideration the efficiency of the operation, the urgency of the work to be performed, the availability of manpower, skills, equipment, facilities, that the work can be performed safely and the economic viability.
- (iii) To actively support production and maintenance programs which aid in the efficiency of the operation.

## ***ARTICLE 28 - COOLING SYSTEMS***

### **28.01**

The Company agrees to install an air conditioning system in the lunchrooms at the Highvale Mine. Circulating fans will be installed in the cab of all equipment. All new equipment will be purchased with air conditioning. Air conditioning will be installed on existing equipment during major rebuilds e.g. certified rebuilds.

**ARTICLE 29 - DURATION OF AGREEMENT**


**29.01**

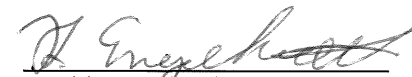
This Agreement shall be effective as of the first day of April, 2013 and shall remain in force and effect up to and including the **31st day of March, 2017** and from year to year thereafter providing that either party may, not less than 60 days nor more than 120 days prior to the anniversary date hereof give notice in writing to the other party of their intention to terminate this Agreement or negotiate a revision thereof.

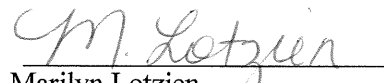
This agreement is made in Stony Plain, Alberta on **May 3, 2014**.


**IN WITNESS WHEREOF** the Parties hereto have caused these presents to be executed the day and year first above written.

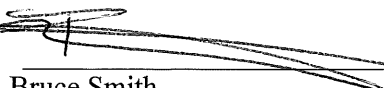
**FOR THE COMPANY**  
**SunHills Mining LP**  
**Highvale Mine**

  
\_\_\_\_\_  
Michael Lydon  
Manager, Operations

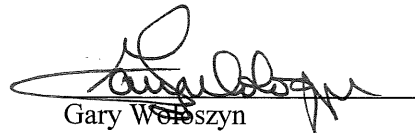
  
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Harold Engelhardt  
Maintenance General Foreman


  
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Marilyn Lotzien  
Human Resources Supervisor

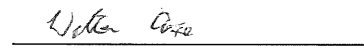
  
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Rachelle Stenhouse  
Senior Labour Relations Advisor


  
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Bruce Smith  
Manager, Labour Relations

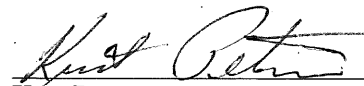
**FOR THE UNION**  
**United Steelworkers**  
**Local 1595**


  
\_\_\_\_\_  
Gary Woleszyn  
President

  
\_\_\_\_\_  
Dan Skinner  
Vice-President

  
\_\_\_\_\_  
Walter Case  
Recording Secretary

  
\_\_\_\_\_  
Robert Clark  
Negotiating Member

  
\_\_\_\_\_  
Kurt Petersen  
Negotiating Member

  
\_\_\_\_\_  
Jeff Kallichuk  
Staff Representative



**LETTER OF UNDERSTANDING #2013-01**

**BETWEEN:**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Compressed Work Week 12 Hour Shift Schedule**

For purposes of the 12 hour shift schedule:

- a. A tour will be the number of scheduled consecutive working days without a scheduled day off;
  - b. A work week will be defined as that period of time commencing at 7:00 a.m. Sunday and terminating 168 hours thereafter on the succeeding Sunday;
  - c. Unless otherwise scheduled by the Company, day shift will be 7:00 a.m. to 7:00 p.m. and night shift will be 7:00 p.m. to 7:00 a.m.
  - d. Shift differential will be paid in the amount of \$1.10 per hour for night shifts. No shift differential will be paid for day shift.
  - e. This shift schedule repeats itself after eight weeks
1. a. The agreed upon compressed work week schedule averages 42 hours of work per week over an eight week cycle. The scheduled overtime will be prevented by scheduling time off in lieu.
  - b. Employees must complete a minimum of four tours as defined in this letter of agreement, before time off in lieu will be granted.
  - c. Overtime will not be paid if incurred as a result of discontinuing the 12 hour shift schedule.
  - d. Mutual trades of shifts or days off of a short nature must be in writing, signed by both parties, and approved by the Department Manager or his designate, 48 hours before proposed, to ensure coverage.
  - e. The principles that govern lieu days are:  
  
The Company will pay overtime to those employees required to work their scheduled lieu days  
  
The Company will determine shift schedules as per the Collective Agreement: Article 15.02 a.  
  
The Company will determine the number of employees required to work lieu days.  
  
The procedure for filling the lieu day overtime will be the practice that is utilized for General Holidays as described in the Overtime Distribution Document in effect.

- f. Whenever practicable and subject to meeting the requirements of the operation, the following guidelines will apply to the scheduling of lieu shifts;
  - (i) Six (6) scheduled crew lieu shifts will be scheduled on the last shift of a ninety-six (96) hour pay period for each crew throughout the calendar year.
  - (ii) Three (3) floating lieu shifts will be scheduled at the employee's request with the Company's approval. Such approval shall not be unreasonably withheld. Should the employee not make a request to schedule the floating lieu shifts by the final quarter of the calendar year, the Company will advise the employee to make his request or have the remaining floating lieu shifts scheduled by the Company, subject to operational requirements.
  - (iii) Employees may request partial shifts be applied toward floating lieu shifts. Employees must obtain prior approval from the Company for partial shifts as lieu shifts. Such approval shall not be unreasonably withheld and will be subject to operational requirements.
  - (iv) All requests for floating lieu shifts must be made in writing using the appropriate Company form and approved prior to the lieu time being taken.
- 2. a. For the purpose of the 12 hour shift schedule, a General Holiday will begin at 7:00 a.m. on the day of the General Holiday and end at 7:00 a.m. on the day following the General Holiday with the exception of Christmas Day, Boxing Day, New Years Day which will be observed from 7:00 p.m. of the day preceding the General Holiday until 7:00 p.m. on the day of the General Holiday.
- b. The days listed as per Article 13.01 shall be observed as holidays with 12 hours pay per employee normally scheduled to work, and eight hours pay per employee not normally scheduled to work.
- c. When any of the above mentioned holidays fall during the period of an employee's regularly assigned day or days of rest, there will be no additional time off granted, nor will overtime be incurred.
- d. All time worked on a General Holiday will be paid as per Article 13.03 of the Collective Agreement. A General Holiday will be observed as defined in clause 2(a) and 2(b) of this letter of agreement.
- 3. a. Vacations will be granted in accordance with Article 14 of the Collective Agreement as it relates to qualifying for vacation and vacation pay. Notwithstanding the provisions of Article 14 of this Collective Agreement, actual vacation pay and time off will be determined as follows:

One Year	80 Hours
Three Years	120 Hours
Nine Years	160 Hours
Nineteen Years	200 Hours
Twenty five years	208 Hours
Twenty six years	216 Hours
Twenty seven years	224 Hours
Twenty eight years	232 Hours
Twenty nine years	240 Hours

At the request of an employee and as approved by the Company, an employee with twenty-five (25) years or more of service may take 200 hours of vacation together with a vacation payout equivalent to any regular vacation entitlement over and above the 200 hours of regular vacation.

- b. For any General Holiday which occurs during the employee's vacation, the said vacation

period shall be increased by eight hours for each General Holiday and the employee shall receive eight hours pay.

- c. Vacations will be granted on the basis of 12-hour days. Employees with less than one year of completed service will be subject to Article **14.01 (b)** of the Collective Agreement.

Subject to Article 14.11, in situations where there are partial remaining vacation days, the following shall apply:

- (i) Four (4) hours remaining shall be granted prior to the end of a scheduled shift providing the employee submits the request in writing forty-eight (48) hours in advance.
- (ii) Eight (8) hours remaining shall be applied as eight (8) hours paid vacation and four (4) hours unpaid leave.

In both situations, this will include General Holiday entitlement where applicable.

- 4. Special leaves of absence as stated in Article 6.03 of the present Collective Agreement shall convert to shifts. This shall be interpreted as a maximum of 36 hours leave with pay in the case of death in the employee's immediate family and in the event of other stated members, 12 hours of leave with pay shall be granted.
- 5.
  - a. Group insurance policies will be maintained as per Article 19 of the Collective Agreement, based on an eight hour day, 40 hour work week
  - b. The five days sick leave, as stated in Article 20.01 of the Collective Agreement, will convert to **48** hours sick leave entitlement
  - c. Sick leave credits accumulated before January 1, 1981 will also be expressed in hours for each individual, with one-day entitlement being eight hours.
- 6. Normal coffee breaks and lunch periods of the 12-hour shift schedule will be as follows:

DAY SHIFT	20 minute break at 10:00 a.m.
	20 minute break at 01:00 p.m.
	20 minute break at 04:00 p.m.
NIGHT SHIFT	20 minute break at 10:00 p.m.
	20 minute break at 01:00 a.m.
	20 minute break at 04:00 a.m.

Due to operational, safety and/or maintenance requirements, it may be necessary for the Company to offset breaks. If necessary, the following will apply:

- 1. There shall only be one off-set break per shift.
- 2. The offset shall be no more than 30 minutes from the normal break time.
- 3. The offset break shall only be applied to the affected equipment.

It is expressly understood that this letter of agreement applies to the HIGHVALE MINE only and remains in effect for the duration of this Collective Agreement.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2013-02**

**BETWEEN:**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Compressed Work Week 10-Hour Shift Schedule**

For purposes of the 10 hour shift schedule:

Unless otherwise mutually agreed to by the Company and the Union, the regular hours of work will be 7:00 a.m. to 5:00 p.m.

1. Mutual trades of shifts or days off of a short nature must be in writing, signed by both parties and approved by the Department Manager or his designate, 48 hours before proposed, to ensure coverage.
2. a. The days listed as per Article 13.01 shall be observed as holidays with eight hours of pay per employee.  
b. Article 13.02 of the Collective Agreement shall apply.  
c. All time worked on a General Holiday will be paid as per Article 13.03 of the Collective Agreement.
3. a. Vacations will be granted in accordance with Article 14 of the Collective Agreement as it relates to qualifying for vacation and vacation pay. Notwithstanding the provisions of Article 14 of this Collective Agreement, actual pay and time off will be determined as follows:

One Year	80 hours pay
Three Years	120 hours pay
Nine Years	160 hours pay
Nineteen Years	200 hours pay
Twenty five years	208 hours pay
Twenty six years	216 hours pay
Twenty seven years	224 hours pay
Twenty eight years	232 hours pay
Twenty nine years	240 hours pay

At the request of an employee and as approved by the Company, an employee with twenty-five (25) years or more of service may take 200 hours of vacation together with a vacation payout equivalent to any regular vacation entitlement over and above the 200 hours of regular vacation.

- b. For any General Holiday which occurs during the employee's vacation, the said vacation period shall be increased by eight hours for each General Holiday and the employee shall receive eight hours pay.
  - c. Vacations will be granted on the basis of 10-hour days. Employees with less than one year of completed service will be subject to Article **14.01 (b)** of the Collective Agreement.
  - d. Days of vacation will be based on hours of entitlement rounded to the nearest 10 hours. This will include General Holiday entitlement where applicable.
4. Special leaves of absence as stated in Article 6.03 of the present Collective Agreement shall convert to shifts. This shall be interpreted as a maximum of 30 hours leave with pay in the case of death in the employee's immediate family and in the event of other stated members, 10 hours of leave with pay shall be granted.
  5.
    - a. Group insurance policies will be maintained as per Article 19 of the Collective Agreement, based on an eight-hour day, 40-hour week.
    - b. The five days sick leave, as stated in Article 20.01 of the Collective Agreement, will convert to **48** hours sick leave entitlement.
    - c. Sick leave credits accumulated before January 1, 1981 will also be expressed in hours for each individual, with one-day entitlement being eight hours.
  6. Normal coffee breaks and lunch periods of 10-hour shift schedule will be as follows:
    - 10 minute break at 09:00 a.m.
    - 15 minute break at 11:00 a.m.
    - 10 minute break at 01:00 p.m.
    - 15 minute break at 03:00 p.m.

Due to operational, safety and/or maintenance requirements, it may be necessary for the Company to offset breaks. If necessary, the following will apply:

1. There shall only be one off-set break per shift.
2. The offset shall be no more than 30 minutes from the normal break time.
3. The offset break shall only be applied to the affected equipment.

It is expressly understood that this letter of agreement applies to the HIGHVALE MINE only and remains in effect for the duration of this Collective Agreement.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING # 2013-03**

**BETWEEN:**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

***RE: Lead Hand***

The Company may designate employees as lead hands and they will receive \$1.00 per hour more than their regular rate of pay on their regularly scheduled shifts as per Article 15.02 b. A lead hand acts as a leader of a group or groups of employees working on similar or related work. He assigns work to the men as directed by the Supervisor and works along with and co-ordinates work among them. The lead hand functions as a work leader and not as a Supervisor. He is responsible for the correct completion of work but not for disciplinary action or other personnel matters which are the responsibility of the Supervisor to whom the lead hand reports. The lead hand function is not considered to be a permanent position except for four (4) positions in the electrical department (2X2 12 Hour Shift) and the one (1) position in pit services, pit pumpman position (5X2 8 Hour Shift). The Company may discontinue lead hand positions due to operational requirements. The lead hand will revert back to his former position immediately after termination of his lead hand position. Lead hands will not be used to replace Foremen or Relief Foremen.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2013-04**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Hot Change**

The Company agrees to maintain the current practice of payment for employees who are required to hot change before the majority of the remaining positions' start time of work.

The positions that are presently involved include:

Dragline Operators and Oilers  
Pre-Strip Truck and Loading Unit Operators  
Associated Support Equipment Operators

The Union and Company agree that at the request of either party, the parties will review the time paid for hot change and/or the positions involved in the posted Hot Change Equipment document and will make adjustments where mutually agreed.

**RENEWED this 3rd day of May, 2014**

**LETTER OF UNDERSTANDING #2013-05**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Relief Foremen**

Effective the date of ratification, the Union and Company agree to apply the following rules and guidelines to bargaining unit employees when they act as a Relief Foreman;

1. The requirement to use and the selection of Relief Foremen will be determined by the Company and will be its exclusive responsibility.
2. Relief Foremen will be actively involved and registered with the Provincial Occupational Health and Safety Supervisory Education Program, hold valid certificates for Basic First Aid and Cardiopulmonary Resuscitation 1 and meet all other requirements of the Occupational Health and Safety Act, Regulation and Code in effect at the time and have one year minimum Highvale and/or Whitewood Site experience.
3. Relief Foremen will perform the duties and responsibilities of regular Foremen save and except for the issuance of discipline and C.I.R.'s.
4. Relief Foremen who work a complete shift will be paid;
  - a. A regular hourly rate of pay of \$2.00 per hour above the highest rate supervised.
  - b. \$50.00 shift premium when required to perform the pre and post shift duties and responsibilities not to exceed one and a half hours;
  - c. Time worked in the Relief Foreman position, above the one and half hours required for the pre and post shift duties and responsibilities will be paid at 1.5 times the employee's regularly posted rate of pay.
5. Relief Foremen who work less than a complete shift will be paid;
  - a. The regular hourly rate of pay as per section 4 for hours actually worked acting as a relief foreman.
6. Relief Foremen who work a complete overtime shift will be paid;
  - a. The standard overtime rate of 1.5 times the relief foreman's rate of pay;
  - b. \$50.00 shift premium when required to perform the pre and post shift duties and responsibilities not to exceed one and a half hours;
  - c. Time worked in the Relief Foreman position, above the one and half hours required for the pre



and post shift duties and responsibilities will be paid at 1.5 times the employee's regularly posted rate of pay.

7. Relief Foremen who work an overtime shift will be stale dated pursuant to the overtime agreement in effect.
8. Employees who work more than six (6) hours in a shift as a Relief Foreman will not be eligible to work overtime on that shift in any classifications covered by the Collective Agreement unless all other employees on shift capable of performing the work have been offered and refused the overtime first.
9. The Union and Company will ensure that Relief Foremen understand and administer the overtime scheduling procedures required pursuant to the overtime agreement in effect.
10. Employees who act as Relief Foremen shall continue to accumulate seniority; however such employees shall not accumulate any seniority for time worked as Relief Foremen in excess of 480 hours in that calendar year. The primary employee(s) moved to Relief Foreman in each calendar year must work the full 480 hours before another bargaining unit member(s) can be moved to Relief Foreman. In the case where the primary Relief Foreman is not available, a secondary Relief Foreman may be used. The Company will provide the Union with a monthly list of all hours worked by Relief Foremen.
11. Notification in a form acceptable to both the Union and the Company will be made to the Union whenever an employee is acting as a Relief Foreman.
12. Employees who are promoted to a permanent supervisory position are exempt from coverage under the Collective Agreement.

It is understood by both parties that, should this Letter of Understanding not be renewed or incorporated into the Collective Agreement in the future, then Article 11, marginal paragraph 11.10 of the Collective Agreement effective date April 1, 2001-March 31, 2004 will form part of and be re-inserted into the current Collective Agreement.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2013-06**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Relief Dispatchers and Relief Planners**

Effective the date of ratification, the Union and Company agree to apply the following rules and guidelines to bargaining unit employees when they act as a Relief Dispatcher or a Relief Planner:

1. The requirements and the selection of interested employees will be determined by the Company and will be its exclusive responsibility.
2. Employees acting as Relief Dispatchers or Relief Planners will be paid a \$2.00 per hour premium in addition to their regular rate of pay for their hours worked.
3. Relief Dispatchers or Relief Planners who work over and above their regular hours of work including their days off, will be paid a \$2.00 per hour premium in addition to double their regular rate of pay.
4. Employees who act as Relief Dispatchers or Relief Planners shall continue to accumulate seniority; however such employees shall not accumulate any seniority for time worked as Relief Dispatchers or Relief Planners in excess of 480 hours in that calendar year. The Company will provide the Union with a monthly list of all hours worked by Relief Dispatchers or Relief Planners.
5. The provisions of this letter do not apply to employees who are in the position for accommodation.
6. Employees who are promoted to a permanent Dispatcher or Planner position are exempt from coverage under the Collective Agreement.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2013-07**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**Re: Decommissioning Of The Whitewood Mine**

This Letter of Agreement is incorporated into the Highvale Collective Agreement.

The Union and Company agree to apply the following rules and guidelines to bargaining unit employees at the Whitewood and Highvale mines who, due to decommissioning of the Wabamun Generating Power Plant or other unforeseen reason(s), are laid off at Whitewood and/or accept a transfer or a recall to the Highvale mine;

**Seniority:**

1. As of the date that this agreement is signed, a single seniority list will be established for the Highvale and Whitewood hourly employees. The single list will incorporate the following:
  - a. All Highvale hourly employees who have a seniority date prior to November 22, 2002, will maintain their original seniority.
  - b. All Whitewood hourly employees who have a seniority date prior to November 22, 2002, will be placed on the seniority list below the list of employees detailed in *a.* above.
  - c. The Whitewood hourly employees detailed in *b.* above will be assigned a seniority date of November 22, 2002, at Highvale.
  - d. The Whitewood hourly employees detailed in *b.* above and assigned the November 22, 2002, seniority date as detailed in *c.* above, will for purposes relating to all existing and future collective agreement entitlements, maintain their order of seniority as it existed at the Whitewood mine prior to the signing of this Agreement.
  - e. Any new hourly employee hired at either Highvale or Whitewood after November 22, 2002, will be placed on the seniority list below those employees detailed in *a.* and *b.* above, in sequence according to their date of hire at either mine.
  - f. All employees detailed in *e.* above, will as a condition of employment, be made aware of the seniority requirements detailed in this Letter of Agreement and will be required to sign the Letter of Memorandum dated November 23, 2002. The Company will forward to the Union a copy of all signed Letters of Memorandum by employees detailed in *e.* above. A copy of the Letter of Memorandum is attached hereto as Appendix A.

### **Transfer Of Employees:**

1. Employees transferring from the Whitewood mine to the Highvale mine will do so using the following procedure:
  - a. At the employee's option, he/she may elect to claim any vacancy they have the ability to perform or they may choose to claim a position by following the procedure detailed in Article 9, marginal paragraph 9.03 of the Highvale Collective Agreement.
  - b. For the purpose of this Agreement, a vacancy is defined as a position that has been posted following the procedure detailed in Article 11 of the Highvale Collective Agreement and no successful candidate(s) are confirmed in the position(s).
2. Employees transferring from the Whitewood mine to the Highvale mine will not be subject to the probationary period detailed in Article 8, marginal paragraph 8.01 a. of the Highvale Collective Agreement provided the probationary period has been completed at Whitewood. A Whitewood hourly employee being transferred or recalled, having not completed the probationary period at Whitewood at the time of transfer or recall, will be required to complete the probationary period at Highvale with the time earned at Whitewood being credited toward the Highvale probationary period.
3. The Union and Company agree to follow the current practice and applicable laws when having to consider, due to permanent medical restrictions, the accommodation of a transferring employee.
4. Prior to laying off an hourly employee, the Company will meet the requirements of Article 27, marginal paragraph 27.01 and Article 21, marginal paragraph 21.12 of the Highvale Collective Agreement as they relate to contractors and students.
5. Whitewood employees with a seniority date prior to November 22, 2002, who have transferred to Highvale before the signing of this Agreement without a break in service, will be assigned the seniority date of November 22, 2002, as detailed in *1 c.* in the *Seniority* section of this Agreement and will be placed on the seniority list in accordance with *1 b. & d.* in the *Seniority* section of this Agreement.

### **Promotions And Vacancies:**

1. All training records of Whitewood hourly employees will be recognized by the Company at Highvale once a transfer has taken place and site specific orientation has been completed as it pertains to general rules and individual job specifics.
  2. Once a transfer to Highvale has taken place, the bidding procedure detailed in Article 11 of the Highvale Collective Agreement will apply.
  3. Whitewood hourly employees being transferred or recalled to Highvale in a labourer's classification will be eligible for the higher rate of pay provided they have qualified for the higher rate of pay at Highvale in accordance with Article 22, marginal paragraph 22.01 a. of the Highvale Collective Agreement.
  4. Hours spent by Whitewood hourly employees oiling in the Coal Handling Plant or on Draglines at Whitewood, will be recognized by the Company when considering the requirements of Article 11, marginal paragraph 11.12 of the Highvale Collective Agreement.
-

**Benefits:**

1. Whitewood hourly employees being transferred or recalled to the Highvale mine shall be eligible for all benefits (i.e. dental, health care, Life insurance, STD, LTD, major medical and optical) in the Highvale Collective Agreement that are in effect at the time of Transfer or recall.
2. Any eligibility requirements for the benefits detailed in 1. of this section, will be waived by the Company for transferred or recalled hourly employees provided the eligibility requirements have been met at Whitewood. A Whitewood hourly employee being transferred or recalled, having not met the eligibility requirements at Whitewood at the time of transfer or recall, will be required to complete the eligibility requirements at Highvale with the time earned at Whitewood being credited toward the Highvale eligibility requirements.

**Vacation And General Holidays:**

1. The Company will recognize vacation entitlements of Whitewood hourly employees who transfer to Highvale, which were earned and/or accrued at the Whitewood mine.
2. At the time of transfer or recall, should a Whitewood hourly employee become eligible for additional vacation entitlement under the requirements of Article 14, marginal paragraph 14.01 of the Highvale Collective Agreement, they will not receive the additional entitlement until their next anniversary date. An employee's Anniversary Date is defined as their Whitewood seniority date.
3. Vacation scheduling will be in accordance with the requirements detailed in Article 14, marginal paragraph 14.07 in the Highvale Collective Agreement, subject to the provisions of *1 b. & d.* in the *Seniority* section of this Agreement.
4. The eligibility requirements detailed in Article 13, marginal paragraph 13.04 of the Highvale Collective Agreement will be waived by the Company for transferred or recalled hourly employees provided the eligibility requirements have been met at Whitewood. A Whitewood hourly employee being transferred or recalled, having not met the eligibility requirements at Whitewood at the time of transfer or recall, will be required to complete the eligibility requirements at Highvale with the time earned at Whitewood being credited toward the Highvale eligibility requirements.

**Pension:**

1. Whitewood hourly employees being transferred or recalled to Highvale would leave their Whitewood pension until such time as they retire or employment is terminated and would then be subject to the applicable pension laws in effect and;
2. Whitewood hourly employees shall join the Highvale pension plan while employed at Highvale until such time as they retire or employment is terminated and would then be subject to the applicable pension laws in effect.
3. Whitewood hourly employees who are fully vested in the Whitewood pension plan will be deemed as fully vested in the Highvale pension plan at time of transfer or recall to the Highvale mine. Those employees not fully vested would have any Whitewood time credited to the Highvale vesting requirement.

4. Should there be any agreed upon changes to the Whitewood Pension Plan before the final closure of the Whitewood mine, both the Union and Company agree to discuss possible amendments to this Letter of Agreement, taking into consideration the viability and reasonableness of combining both the Whitewood and Highvale plans.
5. The Highvale-Whitewood Defined Benefit Pension Plans will be consolidated into one plan subsequent to ratification and subject to regulatory approval.

**Whitewood Mine Decommissioning:**

The Union and Company agree to meet as required to review the rules and guidelines in this Agreement in addition to other pertinent matters, as they affect the transfer or recall of hourly employees from the Whitewood mine to the Highvale mine.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2013-08**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Coveralls**

The Company will supply coveralls at the beginning of each calendar year with reflective striping and will bear the logos of the Company and the official bargaining agent (Union) that are parties to this collective agreement. The coveralls will also bear the employee name.

1. Two (2) pair of coveralls will be provided at no cost to all active employees and where the coveralls are damaged beyond repair, pose a potential safety hazard or worn out, the Company agrees to replace the coveralls at no additional cost.
2. An additional pair of coveralls will be provided for the following group of employees:
  - a. Maintenance employees
  - b. Coal Handling Plant Oiler
  - c. Shovel & Dragline Oiler
  - d. Pumpmen
  - e. Pit Utility
  - f. Blasters & Helpers
  - g. Tire Serviceman

Employees wishing to purchase additional coveralls at cost must submit their requests in writing to the Human Resources department during the ordering period.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING# 2013-09**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Union Leave Reimbursement**

The Company agrees to pay for regularly scheduled time lost by employees delegated by the Union for the purpose of conducting Union business pursuant to Article 6, Marginal Paragraph 6.01.

The Company will use the Union leave form in lieu of time sheets to determine regularly scheduled lost time, and will pay the employee at their standard rate of pay.

Monthly the Union will reimburse the Company an amount equal to the employee's hourly rate that was paid out by the Company.

**RENEWED this 3rd day of May, 2014.**



**LETTER OF UNDERSTANDING# 2013-10**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

**RE: Alternative Training**

1. The Company and the Union Executive shall meet monthly to discuss and review the training requirements on the mine site.
2. It is in the best interests of the Company and the Union to have a sufficient number of trained and qualified employees to provide coverage due to illness or for vacation relief. The Company reserves the right to train as manpower and equipment are available.
3. Crew requirements will be monitored to ensure that there is sufficient coverage during regular employee absences. All training records will be kept current.
4. An alternative training program for out of classification training for each mine operations crew will be set up for that crew's employees. Each classification of equipment where training is required will be posted on a separate bulletin board.
5. All mine department employees will be eligible to apply for the alternative training on their crew. A list of three employees eligible for alternative training will initially be identified for each classification from the applicants on the basis of seniority; most senior first then second and third. Once the most senior employee has completed his/her training the other two employees will move to the first and second positions and the third position will again be filled from the crew by seniority. Standard bid sheets will be used for this process. Active alternative training will only occur with the listed senior employee.
6. Training time may not be continuous. Once 480 hours has been achieved within a twelve month period a field assessment will be done by the regular shift foreman or the training department foreman. The results of this field assessment will determine if the employee fails, is given a time extension, or is allowed to write the final exam. Upon successfully completing the final exam and 480 hours in a twelve month period the employee will be considered qualified.
7. Employees who are currently being trained on a permanent bid as outlined in article 11 are ineligible to apply for alternative training until they have successfully completed the final exam, and operated their bid unit for 4 months after their 480 hour training. Employees may train in only one (1) classification at any given time. Employees are only eligible to train on two (2) different classifications of equipment per year.
8. The only other restriction from being eligible to apply for alternative training would be if an employee has a 18 month bid restriction resulting from the application of article 11.05 for a particular classification.

9. Refresher training will be required for employees who have previously been in a classification but have not operated equipment in that classification for three (3) years, or have been in another department out of classification for one (1) year. New employees who have previous mining experience may be Highvale refreshed without participating in the alternate training, however priority will be to train the senior employee who's alternate training is already under way.
10. The Union and the Company will jointly monitor this alternative training program for fairness and consistency.

**RENEWED this 3<sup>rd</sup> day of May, 2014.**

**LETTER OF UNDERSTANDING# 2013-11**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE  
MINE**

**- AND -**

**THE UNITED  
STEELWORKERS LOCAL  
1595**

**RE: Union Executive Position**

**The Company and the Union (the Parties) agree to the following:**

1. There are many bid positions that are on rotating shifts that the Company requires to have filled by individuals who are at work on all scheduled shifts except for vacation and other approved (non- Union) leaves in accordance with the Collective Agreement.
2. The Elected Executive of Local 1595 have a need to fulfill the responsibilities of their elected positions within the Union, and this responsibility requires their absence from the mine on a periodic basis in accordance with the provisions for Union Leave in the Collective Agreement. Depending on the position within the Executive of the Local, this Union Leave may be more or less frequent.
3. In order to provide the necessary coverage at the mine site in bid positions, it may be necessary to amend the scheduled shift of a mutually agreed member of the Elected Executive of Local 1595 to allow the necessary time off for Union Leave, and still meet the operational requirements of the Mine.
4. The determination of when the provisions of this Letter of Understanding need to be enacted will be subject to mutual agreement of the Parties.
5. When the Parties have determined to enact the provisions of this Letter of Understanding, the Local Union Executive and the Company will mutually agree on the individual that the Local Union Executive will appoint from the current Elected Executive of the Local to fill a shift consisting of an eight (8) hour day, five (5) days per week Monday to Friday schedule.
6. The selected individual's bid position will be bid on an indefinite-term temporary basis for the remainder of the appointment. All resulting vacancies required by the Company to be filled will also be bid on an indefinite-term temporary basis for the remainder of the appointment.
7. The selected individual will normally continue with the duties of their current bid position, within their classification, while on the indefinite-term assignment. If the duties of their current bid are not required on the new shift, the Company will ensure that the individual is provided with alternate work consistent with their qualifications, and the individual shall not suffer a loss in their regular hourly rate.

8. The selected individual will be utilized as an integral part of the harmonious working relationship between the Union and the Company.
9. Once the appointment is completed the individual will revert back to their previously scheduled shift, bid position/equipment and all subsequently bid indefinite-term temporary bids will also revert back to their previously held shifts and bid positions/equipment.
10. Should the appointed individual's bid position be reduced during the appointment the process identified in Article 9 Reduction of Work will be followed once the appointment is completed.
11. Either the Company or the Union can withdraw this Letter of Understanding with sixty (60) days written notice to the other Party.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING# 2013-12**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE  
MINE**

**-AND-**

**THE UNITED  
STEELWORKERS LOCAL  
1595**

**RE: Retiree Group Benefits**

On an annual basis the Company and Union will jointly research options that would allow retired employees to purchase benefits at a reduced market rate versus individual premium rates. Benefits that will be reviewed will include:

1. Prescriptions coverage
2. Vision care
3. Paramedical coverage
4. Dental

The program must meet all of the following criteria:

1. The Company will identify a carrier
2. The retired employees will bear the full cost of premiums
3. Administration costs will be borne by the Company
4. The program cannot negatively impact the operations of the Company's regular benefit program and associated costs.

All criteria must be met before implementation will take place.

**RENEWED this 3rd day of May, 2014.**

**LETTER OF UNDERSTANDING #2014-01**

**BETWEEN:**

**SUNHILLS MINING LP  
HIGHVALE  
MINE**

**- AND -**

**THE UNITED  
STEELWORKERS LOCAL  
1595**

**RE: Twelve (12) Hour Shift Trial**

- 1. A shift trial will be introduced 90 days after date of ratification.**
- 2. The following terms for the shift trial will apply:**
  - a. The trial period for the new shift will last nine (9) months following implementation.**
  - b. Crews will be fixed and will not offset one another. For example – A/D crews will work the same scheduled tours and B/C crew will work the same scheduled tours, rotating days and nights with common days of rest.**
  - c. The new shift will be referred to as the 4X4 rotating shift. The shift will consist of four (4) continuous day shifts of twelve (12) hours, followed by four (4) continuous days off, followed by four (4) continuous night shifts of twelve (12) hours, followed again by four (4) continuous days off. The shift cycle will repeat itself with day shift.**
  - d. In the event of a conflict with the current Collective Agreement Language, provisions listed in this letter will supersede those of the Collective Agreement.**
- 3. At the end of the trial period for the 4X4 rotating shift, employee will be required to vote on:**
  - (i) whether they wish to permanently implement the 4X4 rotating shift or**
  - (ii) whether they wish to return to the previous continuous shift currently in effect prior to the trial**
  - (iii) to ensure that the vote outcome represents a clear majority of the interests of the employees, an approval vote to move to the 4X4 rotating shift must meet a minimum threshold of 60% acceptance of those employees who vote on the trial shift**
- 4. If employees vote to enter into the 4X4 rotating shift, the shift will become permanent and the provision of the Collective Agreement will be altered to reflect the new schedule and applicable terms as outlined above.**

- 5. If employees vote to return to their previous schedule, the return to the previous schedule will occur within 60 days after the results of the vote are communicated to the Company.**
- 6. During the period of this trial, night shift premiums will be adjusted from \$1.10 to \$1.75 per hour for all hours worked on the night shift.**
- 7. In the event that the trial for both LOU 2014-01 (4X rotating 12 hour shift schedule) and LOU 2014-13 (starting times and break times) is voted in by the employees, the \$1.75 night shift premium will become the permanent night shift premium.**

**LETTER OF UNDERSTANDING #2014-02**

**BETWEEN:  
SUNHILLS MINING LP  
HIGHVALE MINE**

**-AND-**

**UNITED STEELWORKERS  
LOCAL 1595**

**RE: Starting Times and Break Times for 12 Hour Shifts**

- 1. The starting times and breaks times for 12 Hour Shifts trial will be introduced 90 days after date of ratification.**
- 2. The following terms for the trial will apply:**
  - a. The trial period for the start times and break times will last nine (9) months following implementation.**
  - b. Start times for shifts will be between the hours of 0600 and 0700 for day shifts and 1800 and 1900 for night shifts. Shift start times will be determined based on operations and maintenance requirements.**

**Classifications that may be potentially affected to start at 6:00am or 6:00pm.**

- (i) Certified Field Maintenance Mechanics**
  - (ii) Certified Welders**
  - (iii) Certified Mobile Maintenance Mechanics**
  - (iv) Certified Electricians**
  - (v) Trac-Truck Serviceman**
  - (vi) Pumpmen & Reclamation (weather driven)**
  - (vii) Tiremen**
- c. There will be a total break period of sixty minutes for each 12 hour shift. Break times will be taken as follows:**

**Maintenance: Three twenty minute breaks will be taken by employees working on both day and night shifts.**

**Normal breaks for employees starting at 6:00 for both day and night shifts will be as follows:**

- (i) twenty minute break taken between 8:00 and 10:00**
- (ii) twenty minute break taken between 11:00 and 1:00**
- (iii) twenty minute break taken between 2:00 and 4:00**



Normal breaks for employees starting at 7:00 for both day and night shifts will be as follows:

- (i) twenty minute break taken between 9:00 and 11:00
- (ii) twenty minute break taken between 12:00 and 2:00
- (iii) twenty minute break taken between 3:00 and 5:00

**Operations:** One fifteen minute break, followed by one thirty minute break, followed by one fifteen minute break by employees working on both day and night shifts.

Normal breaks for both day and night shifts will be as follows:

- (i) fifteen minute break taken between 9:00 and 11:00
- (ii) thirty minute break taken between 12:00 and 2:00
- (iii) fifteen minute break taken between 3:00 and 5:00

2. At the end of this trial period, employees will be required to vote on:
  - a. whether they wish to permanently implement the new starting times and break times or
  - b. whether they wish to return to their previous starting times and break times currently in effect prior to this trial.
  - c. to ensure that the vote outcome represents a clear majority of the interests of the employees, an approval vote must meet a minimum threshold of 60% acceptance of those employees who vote on the starting times and break times.
3. If employees vote in favor of the starting times and break times, this will become permanent and the provisions of the Collective Agreement will be altered to reflect the new starting times and break times and applicable terms as outlined above.
4. If employees vote to return to their previous starting times and break times, they will return to the previous starting times and break times within 48 hours after the results of the vote are communicated to the Company.
5. During the period of this trial, night shift premiums will be adjusted from \$1.10 to \$1.75 per hour for all hours worked on the night shift.
6. In the event that the trial for both LOU 2014-01 (4X4 12 hour shift schedule) and LOU 2014-13 (starting times and break times) is voted in by the employees, the \$1.75 night shift premium will become the permanent night shift premium.

**LETTER OF UNDERSTANDING #2014-03  
LETTER OF AGREEMENT**

**BETWEEN:  
SUNHILLS MINING LP  
HIGHVALE MINE**

**-AND-**

**UNITED STEELWORKERS  
LOCAL 1595**

**Re: Alternative Bidding Guidelines (Living) Document**

During the course of negotiations, the parties discussed specific classifications, jobs and equipment that are integral to the efficiency, productivity and long term viability of the Highvale mine. The parties are committed to building a culture of highly skilled operators dedicated to ongoing training and continuous improvement.

The Company further identified that the current bidding process for some classifications has contributed to:

- Increased maintenance costs in repair work resulting from damaged equipment
- Loss of production due to maintenance downtime;
- Failure to achieve production requirements;
- Lack of ability to respond to the changing business environment. (Ex: Increased fuel costs, changing strip ratio);
- Failure to leverage the skill sets of employees in critical positions.

The Alternative Bidding Guidelines Living Document will be introduced within 90 days after the date of ratification.

The following terms for the Alternative Bidding Guidelines Living Document will apply:

1. The Company and the Union will establish a joint Evaluation Review Committee consisting of two (2) Union representatives and two (2) Company representatives.
2. A Bidding Process for Specified Job Classifications will be by mutual agreement between the Company and the Union.
3. The objectives of the committee shall be:
  - a. To establish a list of classifications, jobs and equipment that are integral to the efficiency, productivity and long term viability of the Highvale mine. To ensure that specified classifications run at maximum output and that minimal downtime is paramount for the long term operation of the mine and continued long term employment for current and future Highvale employees.

- b. To identify and discuss what job qualifications and requirements are required for classifications and equipment.**
- c. To amend the bidding process for certain classification prior to the initial posting of any job vacancies that may identify minimum qualifications and restrictions.**
- d. To review and evaluate all current and past employees who have performed work in the classifications that are subject to meeting the minimum qualifications and restrictions.**
- e. For the purpose of the jobs outlined in this Letter of Understanding the provisions of Article 11.03 a. i. will apply subject to meeting the following requirements:**
  - (i) All candidates that meet the job posting criteria will be considered for the posting.**
  - (ii) Candidates will be given practical/operational, skill and aptitude evaluation/testing as part of the overall evaluation process for selection of a successful candidate.**
  - (iii) Unsuccessful candidates will be given the opportunity for alternate training for the job to which they applied for but where deemed unsuccessful.**
  - (iv) Decisions of the committee will not be subject to the grievance and arbitration procedure of this agreement. If the Evaluation Review Committee is unable to make a definitive ruling, the appeal will be denied.**

**LETTER OF COMMITMENT #2014-01  
BETWEEN:  
SUNHILLS MINING LP  
HIGHVALE MINE**

**-AND-**

**UNITED STEELWORKERS  
LOCAL 1595**

***This Letter of Commitment is for information purposes only and does not form part of the collective agreement.***

**RE: Coverall Service**

**Effective January 1, 2015 the Company will implement a Coverall Service for all employees. As a result, LOU #2011 – 08 is suspended as of January 1, 2015.**

**For the implementation of the coverall service the Company will provide as follows:**

**Four (4) pair of coveralls at no cost to active pit operation employees and where the coveralls are damaged beyond repair, pose a potential safety hazard or worn out, the Company will replace the coveralls at no additional cost.**

**Eight (8) pair of coveralls at no cost to employees in the positions listed below and where the coveralls are damaged beyond repair, pose a potential safety hazard or worn out, the Company will replace the coveralls at no additional cost.**

- |  |                        |
|--|------------------------|
| ○ Certified Welders                      | ○ Tire Serviceman      |
| ○ Certified Air Conditioning Technicians | ○ Dragline Oilers      |
| ○ Certified Mechanics                    | ○ Shovel Oilers        |
| ○ Certified Electricians                 | ○ Pumpmen              |
| ○ Certified Machinists                   | ○ Pit Utility          |
| ○ Certified Millwrights                  | ○ Blaster & Helpers    |
| ○ Coal Handling Plant Oilers             | ○ Tradesman Helper     |
| ○ Field Maintenance Oilers               | ○ Pit Service Labourer |
| ○ Serviceman                             |                        |

**LETTER OF COMMITMENT #2014-02**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

*This Letter of Commitment is for information purposes only and does not form part of the collective agreement.*

**RE: Certified Blaster Lead Hand**

**The Company agrees to pay the \$1.00 per hour lead hand rate when they implement a blaster in charge.**

**LETTER OF COMMITMENT #2014-03**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

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**RE: Overtime Dispute Resolution Process**

The parties will implement the following procedure:

During the currency of this Agreement, in the event of any discrepancy arising from the Overtime Document, the employees concerned shall within fourteen (14) calendar days after the employee knew of the missed overtime shift, follow the steps as outlined below.

1. The “Overtime Dispute Form” (attached) must be filled out and signed by the affected employee(s).
2. The Company Supervisor must respond in fourteen (14) calendar days, indicating on the dispute form, as to whether the employee(s) claim is accepted or declined, if it is declined the reason for the denial will be written on the form.
3. In the event that the Supervisor does not give a decision satisfactory to the employee(s), the employee(s) may advance the Overtime Dispute Form to the Union/Management Contractors Committee referenced in article 27.04.
4. The Union/Management Contractors Committee will meet and make a decision to accept or decline the employees Overtime Dispute Form within thirty one (31) days.
5. In the event that the Union/Management Contractors Committee is unable to come to a mutual decision on the employees claim it will be returned to the employee as unresolved and at that point the employee may file a grievance on the matter and have it dealt with through the grievance procedure outlined in the collective agreement. Grievances filed through this process will be filed at Step 2 of the grievance process.

**LETTER OF COMMITMENT #2014-04**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

*This Letter of Commitment is for information purposes only and does not form part of the collective agreement.*

**RE: Unclear/Conflicting Medical Return To Work Documentation**

The parties will use the following process, during the term of this agreement, in cases of unclear or conflicting medical return-to-work documentation.

1. In the event that an Employee presents medical return-to-work information from his/her medical practitioner that is unclear; contains information to which the medical practitioner would not have access; and/or conflicts with other known information, the Company at its sole discretion may:
  - a. Require the Employee to return to his/her medical practitioner for further clarification;
  - b. Require the Employee to attend the Company's physician for assessment.
2. In the event that a medical practitioner recommends workplace restrictions for which the Company cannot accommodate, Human Resources will provide Short Term Disability (STD) application forms and recommend the employee commence the application process.
3. In the event that the Company's physician recommends additional restrictions than those of the Employee's own medical practitioner, the Company's physician will communicate to Sun Life the medical information to support the additional restrictions based on their assessment.
4. Should the action described above in point 3 be required, the Company at its sole discretion may provide the Employee a wage continuance no greater than the equivalent benefit value of the short term disability benefit for a period of not greater than eight (8) shifts. If the Company provides a wage continuous, the following will apply:
  - a. The Employee must follow all aspects of any medically advised/approved treatment plan.
  - b. The Employee must complete and submit all required documentation promptly.

- c. **In the event that Sun Life approves disability benefits covering the period of the wage continuance, the Employee will sign over to the Company the benefits received during the period in which he/she received wage continuance.**
  - d. **During the period of wage continuance, the Employee must provide the Company with current contact information and respond to the Company within 24 hours after being contacted. The Employee may not travel from geographic area without prior consent by the Company, who reserves the right to any or all of the following:**
    - (i) **Receive the reason(s) for the travel;**
    - (ii) **Obtain substantiation of those reasons;**
    - (iii) **Require full contact information related to the travel;**
    - (iv) **Discontinue wage continuance for the period involving travel.**
  - e. **If the Employee does not follow the terms described above, the Company reserves the right to terminate wage continuance without notice.**
5. **In the event that Sun Life, upon consideration of available medical documentation declines the Employee's claim, it will be the sole responsibility of the Employee to take any further steps to appeal their decision.**



**LETTER OF COMMITMENT #2014-05**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

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**RE: Mine Rescue Program**

**During the course of collective bargaining the Company and Union re-affirmed their commitment towards a successful and fully functioning mine rescue program.**

**The Company and the Union both share common objectives relating to the health and safety of all employees at the Highvale mine site and agree that in respect to professional and timely responses to critical situations at the mine, fully trained Mine Rescue teams and a fully functional Mine Rescue program is an integral part of the mine operation.**

**As such the Company will endeavour to administer this Rescue Program as follows:**

**Structure**

- 1. Members of the mine rescue team(s) at the mine site may be comprised of both USW bargaining unit employees and SunHills Mining staff employees.**
- 2. Subject to employees shift schedules, mine rescue teams on each crew will be staffed with a sufficient number of members that will be able to perform the tasks of the team, as required and necessary, during event(s) in the mine that would require the involvement of the mine rescue team(s).**

*Note - Current mine practice has a minimum of one (1) Mine Rescue Team per shift, each comprised of seven (7) trained persons.*

- 3. Each shift team will have a captain and vice-captain. The overall Mine Rescue program will have a Mine Rescue Coordinator. The Coordinator and Captain(s) positions will be determined by qualifications and experience in the area of mine rescue.**

## **Training**

- 4. All Mine Rescue personnel will be trained in a recognized course of Confined Space Rescue every two (2) years and trained to Industrial Fire Fighter Certification by the end of their second year. Personnel will also need a minimum requirement of Standard First Aid.**
- 5. Each team will practice a minimum of eight (8) hours per month. Where possible and practicable each team will practice as a complete unit during scheduled practice times.**
- 6. The company will endeavor to license all Mine Rescue personnel to operate all Emergency Vehicles. The Company agrees that it will be responsible for covering costs incurred for testing and medicals of mine rescue personnel.**
- 7. When extra training is required or where the team is entered into competitions, employees on the mine rescue team will not suffer any loss of wages for extra practice sessions that may be required.**
- 8. Training and certification requirements for team members will also be in conjunction with any applicable provincial legislation that may apply.**

## **Meetings**

- 9. The on shift Mine rescue Captains or Vice Captains will be required to meet within forty eight hours (48) hours after any event on the mine site where the mine rescue team was required to attend. The purpose of the meeting is to debrief the situation, evaluate the performance of the team, and communicate any findings resulting from the debrief to the remainder of the mine rescue team, Company and Union executive.**
- 10. There will be an annual meeting between the Mine Rescue Coordinator, Captains and Vice Captains. The purpose of the meeting is to review and evaluate the performance of the program, members and training over the course of the year. The meeting will be a means to assess ongoing needs of the program and members and to provide recommendations to the Company for ongoing resources and support.**

## **Mine Rescue Program**

- 11. The Company will commit to develop and maintain proper protocols with involvement of the Mine Rescue Captains and/or Vice Captains for training and maintenance of the mine rescue teams. Protocols will be reviewed annually at the Coordinator/Captains meeting.**
- 12. In an effort to identify and recognize members of the Mine Rescue teams, the Company will provide a physical location within the main mine operations building that will be designated for Mine Rescue. This location will include a place to post information specific to the mine rescue program and will also identify each member of the mine rescue team (this could include photos of each member).**

**The Current practice pays members of the mine rescue team at Trades rate for practices and responses.**

**LETTER OF COMMITMENT #2014-06**

**BETWEEN**

**SUNHILLS MINING LP  
HIGHVALE MINE**

**- AND -**

**THE UNITED STEELWORKERS  
LOCAL 1595**

*This Letter of Commitment is for information purposes only and does not form part of the collective agreement.*

**RE: Union Office**

**The Company will provide space for use by the Local Union Executive on the mine site for the purposes of storage and meeting opportunities. Provision of this space may be rescinded in the event that it is not utilized as intended.**