

COLLECTIVE BARGAINING AGREEMENT

between

HUDBAY

and

UNITED STEELWORKERS,
LOCAL UNION NO. 7106

EFFECTIVE JANUARY 1, 2018

00158(12)

RIGHT TO REFUSE PROCEDURE

DEFINITION

A worker may refuse to perform work at a workplace where he has reasonable grounds to believe and does believe that the particular work is dangerous to his safety or health, or the safety and health of another worker or any other person.

STEP 1

An employee should contact his immediate supervisor immediately and explain the reasons why he/she believes that the task is dangerous. A visual investigation should take place, at that point, between the immediate supervisor and the employee. If the situation has been resolved between the immediate supervisor and the employee by implementing a temporary solution, the matter will be recorded and the details of the temporary resolution documented.

STEP 2

If satisfactory conclusion does not occur at Step 1, the incident will be recorded as a formal "right to refuse" and the appropriate documentation will be signed by the employee and the immediate supervisor, and the employee should be reassigned to another job, preferably in the immediate area, but must be available pending any further investigation.

STEP 3

A supervisor shall not assign or require any other worker to perform the particular work unless that worker has been informed

by the first worker, or a Safety and Health Officer, of the worker's refusal to perform the work and the reasons thereof.

STEP 4

If the situation cannot be resolved between the immediate supervisor and the employee, it is now referred to senior supervision, the appropriate Union Health and Safety representative and the Safety Department. It is understood that if the employee so desires, a Union steward will be made available.

STEP 5

If the situation cannot be resolved, the situation may be referred to a Safety and Health Officer by any of the participating parties.

AGREEMENT

THIS AGREEMENT made as of the 1st day of January **2018**

BETWEEN

HUDBAY

OR ITS SUCCESSORS

(hereinafter called the "Company")

OF THE FIRST PART

- and -

UNITED STEELWORKERS,
LOCAL UNION NO. 7106

(hereinafter called the "Union")

OF THE SECOND PART

ASSOCIATION OF FLIN FLON TRADE UNIONS - CBA

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Article 1

PREAMBLE

1.01 In becoming parties to this Agreement, the signatories recognize a strong mutual interest in the safe and economic operation of the mines and plants with due care and attention for quality of output, protection of property and the maintenance of satisfactory wages, hours, and standards.

It is further recognized that this Agreement will be the principal instrument by which is achieved the above aims, the disposition of disputes and the preservation of traditionally good relationships.

Both the Labour and Management representatives charged with the task of its administration request the active co-operation and continuing goodwill of each and every Company employee.

Whenever the masculine gender appears in this Agreement it shall also mean the feminine gender, unless the context requires otherwise.

See Letter of Understanding
#3 - Partnering

Article 2

RECOGNITION

- 2.01 In accordance with the Certification granted the United Steelworkers of America by the Canada Labour Relations Board on the 10th day of March 1967, the Company recognizes the Union therein named as the exclusive representative for the purpose of collective bargaining in respect of rates of pay, wages, hours of employment and other conditions of employment for the employees of the Company as designated in Schedule "B", such bargaining rights to apply to all designated employees on the Company's properties at and in the vicinity of Flin Flon, Manitoba. The Company's mining properties near Snow Lake, Manitoba, are deemed to be in the vicinity of Flin Flon, Manitoba for the purposes of this Agreement.
- 2.02 If the parties cannot mutually agree as to whether a new occupational classification should or should not be within the scope of their Agreement, either party may apply to the Canada Industrial Relations Board to make that determination.
- 2.03 Salaried supervisors whose regular jobs are not in this Agreement shall not work on any jobs which are included in this Agreement except for the purpose of training, giving instruction, experimenting, protecting the safety of employees or equipment, periods of production difficulties or in emergencies when regular employees are not reasonably available.

- 2.04 There will be no Union activity on Company time except that necessary in connection with the handling of grievances and the enforcement of this Agreement; but nothing in this Agreement shall be construed to prohibit the officers of the Union, who are also employees of the Company, from looking after the matters of membership dues, initiation fees, assessments and solicitation of membership, provided it is done after working hours or during lunch hours, provided that prior approval is requested and satisfactory arrangements agreed with the Superintendent of the Department, and provided it does not interfere with the operation of the plant.

See Letter of Understanding
#2 - Union Jurisdiction

Article 3

MANAGEMENT RIGHTS

- 3.01 The Union recognizes that it is exclusively the function and right of the Company to direct the working forces, to make and alter from time to time reasonable rules to be observed by the employees, to hire, promote, demote, transfer, suspend or lay off employees, and also the right of the Company to discipline or discharge any employee for just cause.
- 3.02 The Union further recognizes the right of the Company to operate and manage its business in accordance with its commitments and responsibilities. Without limiting the generality of the foregoing, it shall be the sole and exclusive prerogative of the Company to decide on the location of its plants and mines, the products to be

mined and/or processed, the schedules of production, the methods of mining and processing used, the number of employees needed by the Company at any time, operating techniques, methods, machinery, equipment and supplies and to exercise jurisdiction over all operations, buildings, machinery and tools.

- 3.03 The Company agrees that the exercise of Management rights and powers under this article is subject to the terms of this Agreement, and any such exercise of rights in conflict with provisions of this Agreement shall be subject to the grievance procedure.

Article 4

UNION SECURITY

- 4.01 (a) Every employee covered by this Agreement shall, as a condition of continuing employment, pay to the Union an amount equal to the Union's constitutional monthly dues. The Company will deduct such amount from the employee's pay on the second pay day of each month **or bi-weekly and shall be remitted within fifteen (15) days, by cheque or electronic funds made payable to:**
International Secretary-Treasurer
United Steelworkers
P.O. Box 9083
Commerce Court Postal Station
Toronto, ON M5L 1K1

**(b) A duplicate R115 Form and employee deduction statement shall be forwarded to:
USW Local 7106
86 Main St.
Flin Flon, Mb. R8A 1J8
By facsimile to: (204) 687-8176**

- 4.02 Deduction of monthly Union dues will cease when an employee is permanently transferred to an occupational classification not listed in Schedule "B".
- 4.03 The Company will, one day prior to the Company pay day on which Union dues are deducted, mail or transmit electronically (as per the current practice) to the authorized representative of the Union the total monthly deductions of Union dues, listing the employees by name from whose pay such Union dues have been deducted. The Company will, at the time of making such payment to the Union, list the additions to and deletions from the previous month's listing, noting the reasons for such additions or deletions.
- 4.04 The Company shall also advise the Union of all transfers, promotions or demotions of those employees covered by the Union Certification as listed in Schedule "B".
- 4.05 The Company will, on or before March 1st of each year, furnish to each employee a statement of the total monthly dues which have been deducted from such employee's pay cheques and remitted to the Union during the preceding calendar year.
- 4.06 It is agreed that Union bulletin boards may be used for Union notices only, but it is understood that no political

or non-union contentious materials will be posted. **It is further agreed that there will be no notices posted pertaining to prohibited grounds under the Canada Human Rights Act. For all purposes of this Act, the prohibited grounds of discrimination are race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability and conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered.** Union bulletin boards will be provided in designated locations. The Union Stewards of the area will be in charge of posting and locking of cabinets. It is understood the Union will provide the department timekeeper(s) with keys to the bulletin boards.

4.07 The Company will give to all employees a copy of this Agreement.

See Letter of Understanding

#16 - Employment Security, Employee Empowerment
and Job Flexibility

#26 - Welcome Letter

Article 5

UNION REPRESENTATION

5.01 The Union shall name and the Company shall recognize the following:

(a) Shop Stewards -

(i) Stewards shall be distributed throughout the departments in a reasonable manner.

(ii) The Union may establish for each department a committee consisting of the stewards of such department for the purpose of meeting with the department superintendent and his immediate assistants. For purposes of this clause, the maximum number of stewards from the Steelworkers Union that may attend such meeting will be as follows: for the Snow Lake operations - 2; Flin Flon Area mines - 5; Mill Department - 2; Zinc Plant Department - 4; Surface Department - 2; Stewards Department - 2. The President of the applicable local Union may attend these meetings at the request of that Union or the Company. Each committee shall be entitled to meet monthly to discuss matters pertaining to its department.

In the event that new plants or mines are put into production during the life of the Collective Bargaining Agreement, the Union and the Company shall mutually agree on the number of additional stewards to be recognized for the purpose of meeting with the department superintendent and his immediate assistants.

The Company will attempt to schedule meetings in such a way that the fewest number of people are inconvenienced, in that they have to attend outside their normal working hours.

- (b) (i) Negotiating Committee - Composed of nine (9) employees who shall meet with Company representatives for the purpose of negotiating amendments or a renewal of this Agreement. Union representatives who are not employees may attend such meetings.
- (c) Apprentice Committee - There shall be an Apprentice Committee with equal representation from the Union and the Company. Each trade for which the Company has an employee(s) under an apprentice contract(s) may be represented on this committee.
- (d) Grievance Committee - Composed of a number of employees as agreed upon by the parties, except that no more than five (5) employees (one (1) of whom shall be a shop steward) shall meet at any one time with the Company representatives to deal with matters as outlined in the grievance procedure.
- (e) Combined Labour-Management Committee -
 - (i) Composed of a number of employees as agreed upon by the parties to deal with matters as outlined in Article 5.01 (e)(ii).
 - (ii) Either party may discuss with the other matters which are of mutual interest to the harmonious relations between the Company and the employees. Only the committee shall be present at such meetings with Company representatives except that Union

representatives who are not employees may attend these meetings.

(f) Additional Voluntary Fund Committee - As per Pension Plan Agreement.

(g) The Company agrees to recognize two (2) Mine Production Committees, one (1) consisting of not more than three (3) underground employees from the Flin Flon area and one (1) consisting of not more than three (3) from the Snow Lake area, appointed by the Union. Each committee shall meet with the Mine Superintendent **(or designate) quarterly to address issues and complaints arising out of the operation of the Mine Incentive Bonus System. It is understood that the Company and Committee will discuss pending changes to the mine bonus system.**

(h) Joint Restructuring Committee -

Composed of senior representatives of the Company and the Unions which shall meet as often as is necessary to ensure its mandate is met. The mandate for this Committee is outlined in Letter #3.

5.02 The Union shall supply the Industrial Relations Manager of the Company with a list of all Union stewards and the areas they represent and all committee members of the committees referred to in this Agreement when appointed or replaced by the Union, and upon receipt of such notification they shall be recognized by the Company. The Company shall supply the Unions with a corresponding list of Company representatives.

- 5.03 The members of the above committees shall be paid for any time spent during their regular working hours including incentive bonus while conferring with the Company at all meetings convened between the parties. Notwithstanding the foregoing, committee members and shop stewards shall continue to be paid for any time spent during their regular working hours in accordance with present practices.
- 5.04 No committee, with the exception of the Negotiating Committee referenced in 5.01(b)(i), shall have the right to alter, amend or change any of the provisions of this Agreement.

See Letter of Understanding
#3 - Partnering

Article 6

SAFETY AND HEALTH

- 6.01 The Union and the Company shall co-operate in continuing and perfecting the safety measures now in effect or in introducing additional measures.

The parties undertake to give full support to these objectives by promoting a safety consciousness and a personal sense of responsibility.

The Company agrees to distribute the safety rules to its new employees and instruct all employees on safe working practices and further instruct its supervisors in regard to maintenance of such practices.

6.02 In recognition of the common concern of the Company and the Union in the area of safety and health, joint Safety and Health Committees shall be established.

- (i) The Company agrees to recognize departmental Safety and Health Committees established for each department. For the purposes of this clause, the Snow Lake Area operations shall be considered as one department and the committee shall consist of up to eight (8) members, two (2) to be appointed by the Steelworkers Union from among the employees in the department and up to three (3) to be appointed by the Company. Notwithstanding the foregoing, the parties at Snow Lake may meet as two separate committees, apportioning the number of committee members outlined above. The existing Flin Flon Area mines shall be considered as two (2) departments and the committees shall consist of up to sixteen (16) members, up to four (4) to be appointed by the Steelworkers Union and up to six (6) to be appointed by the Company. The Flin Flon Mill Department committee shall consist of up to seven (7) employees, one (1) to be appointed by the Steelworkers Union from employees in the department and up to three (3) to be appointed by the Company. The Zinc Plant Department committee shall consist of up to ten (10) members, up to three (3) to be appointed by the Steelworkers Union from among the employees in the department and up to four (4) to be appointed by the Company. The CSG Department committee shall consist of up to four (4) members, one (1) to be appointed by the Steelworkers Union from

among the employees in the department and up to two (2) to be appointed by the Company. The Warehouse Department committee shall consist of up to two (2) members, one (1) to be appointed by the Steelworkers Union from among the employees in the department and one (1) to be appointed by the Company. The committee shall make a monthly inspection of the work areas in which employees from their department are working. These committees, monthly or more frequently if mutually determined to be necessary, shall confer with the department superintendent concerned. Personnel from the Safety Department or the Environmental Control Department may attend these meetings. The report of such meetings shall be forwarded to the appropriate Senior Management and all of the Unions and all the Committee Members. In the event of a new mine or operating plant coming into being, the parties agree to jointly establish a departmental Safety and Health Committee for the new department.

Department 79/80 Committee shall consist of up to three (3) members, two (2) to be appointed by the Steelworkers Union from among the employees in this department and up to one (1) to be appointed by the Company.

- (ii) The Company shall recognize the Tier II Safety and Health Committee comprised of all department Co-Chairs. The Superintendent of Safety and Health and the Employee Health and Safety Co-ordinator shall act as co-chairs of this committee. The committee shall meet monthly, or

more frequently, as agreed. The Union representatives shall meet in the morning prior to the Company representatives joining the meeting in the afternoon. It is agreed committee members will be paid at their applicable hourly rate including any bonuses or other incentives for carrying out committee business during regular working hours. It is agreed members of this committee will be paid at overtime rates but not incentive bonus for attending such meetings or conducting committee business outside their normal working hours. It is understood that if any new mine or operating plant comes into being during the life of this Agreement, those department Co-Chairs shall become members of the committee.

The members of this committee shall be granted leave from their normal working hours to attend regular monthly meetings.

- (iii) The Personal Protective Equipment Policy will remain in effect unless changed by the Tier II Safety and Health Committee. This is a jointly administered program that will ensure maximum personal protective equipment at reasonable costs.

6.03 The Company agrees to provide a minimum of two (2) normal working days of training each contract year for the departmental Safety and Health Committee members who are members at the time such training is given. Such training shall be provided in sessions from two (2) to eight (8) hours duration. Such training may be given at a regular monthly meeting. Such training shall be

agreed upon by the Plant Safety and Health Committee. Where possible, such training will be delivered jointly.

6.04 The members of the above committees shall be paid at their applicable hourly rate, including any bonuses or other incentives for any time spent conferring with the Company at all meetings convened between the parties as well as safety tours with Mines' Inspectors for which leave has been granted by the Company. It is agreed members of the above committees will be paid at overtime rates but not incentive bonus for conducting committee business outside their normal working hours.

6.05 The Company accepts the responsibility to make adequate and reasonable provisions for the safety and health of the employees during the hours of their employment provided that in all events employees shall obey all rules and regulations published by the Company in this regard.

A worker may refuse to perform work at a workplace where he has reasonable grounds to believe and does believe that the particular work is dangerous to his safety or health, or the safety and health of another worker or any other person.

6.06 When it is determined that an accident or incident is reportable to the Mines Inspector, the Department Head will immediately notify the department Union Safety and Health Co-Chair, the Employee Safety and Health Representative as appointed under the United Steelworkers, Local 7106 Collective Agreement, and the Health and Safety Department Superintendent. In the event of a reportable accident or incident, a joint investigation shall be conducted by the department

Safety and Health Representatives. The investigation will include the Union Co-Chair or their appointed designate if available on shift or any other safety steward if Co-Chair or designate is not available on shift. In the event of a serious accident or incident that could have resulted in a critical or fatal injury, the Union Co-Chair or designate will be called out to participate in the investigation. The scene of the accident will not be disturbed prior to the inspection if practicable.

The Employee Safety and Health Representative may participate in any of these investigations at his discretion.

It is understood that these investigations will run concurrently with any other investigation required by law unless forbidden by the body conducting such investigation.

- 6.07 Where an employee, after he has commenced work in any day or shift, suffers an industrial accident which, in the opinion of a duly qualified medical practitioner, prevents him from continuing at work, he will be paid at his regular rate of pay, plus any applicable shift premium and Sunday premium, for the balance of the time he would have worked in that day or shift, had that accident not occurred.
- 6.08 In any case where, subsequent to his last date of hiring, the Company requires that an employee undergo a medical examination or obtain a medical certificate as a condition of his employment with respect to a job, other than a medical examination or certificate required by law or the usual Doctor's Certificate of Fitness for Work for employees, the Company will, if any such examination

takes place outside the employee's regular working hours, pay such employee at his basic rate for any time spent on such examination.

If an employee is requested by the Company, or requested by the Short Term Disability (STD) Administrator or Third Party Insurer, to participate in an independent medical evaluation or to provide a medical certificate that requires travel outside of the employee's normal area of residence, eligible travel costs incurred by the employee will be reimbursed in accordance with the Company's travel policy.

- 6.09 (a) In any case where an employee either provides or is required to provide the Company with information from his physician(s), the Company may, where it considers it appropriate to do so after consulting with the Union(s), require that the employee execute a consent authorizing his physician(s) to discuss his medical condition with and to provide all relevant documentation to a Company designated physician.
- (b) The Company designated physician's disclosure to the Employer shall thereafter be limited to a simple statement of verification as to whether the opinions of the employee's physician are sustainable.

6.10 There will be a follow up Safety meeting with the Health and Safety Co-Chair of the department with any new hires, immediately following the completion of their probationary period.

See Letter of Understanding

#1 - Employee and Family Assistance Program

#19 - Safety and Health Representative

#29 - Modified Work

Front page - Right to Refuse Procedure

Article 7

SENIORITY

7.01 In all cases of upgrading, downgrading, increase or decrease in forces, the following factors shall be considered:

- (a) Length of continuous service.
- (b) Ability, skill and physical fitness.
- (c) If, when the Company is considering the merits of persons involved in this article, the factors of ability, skill and physical fitness appear to be relatively equal, length of continuous service shall govern. Length of continuous service will be based on Company service rather than department service.

7.02 All new or rehired employees shall be employed as probationary employees for a period of 480 hours worked (including overtime hours worked). Probationary employees shall have recourse to the grievance procedure in all matters and during the probationary period an employee shall be considered as being employed on a trial basis and may be discharged without notice at any time at the sole discretion of the Company and any such discharge shall be deemed to be for just

cause. An employee terminated during his probationary period would be entitled to review under the grievance procedure outlined in Article 23.05.

7.03 Students hired temporarily for the period between semesters will continue to forego seniority rights if their period of employment should extend past the probationary four hundred and eighty (480) hours worked (including overtime hours worked). Students hired for the summer period (April 15 through September 15) will be terminated at the end of the summer period (September 15) and then considered eligible for rehire as a permanent employee. Students hired temporarily will be paid at job class one (1). However, if a student works overtime, they will be paid time and one-half the normal rate for the job in question.

7.04 (a) (i) Plant progression lists now in operation may remain in operation, but shall be consistent with the provisions of this Agreement. Any changes to progression lists will be made in consultation with the Union.

(ii) When plant progression lists are not in effect, permanent occupational vacancies above the beginner level will be bulletined within the department or filled by a job request system. A job request system may be put into a department if mutually agreed between the Union and Company. A department job request system will require employees to outline in writing requests for job moves. Departments utilizing job request systems will fill vacancies by selecting from amongst

those who have submitted written requests for the job in question from within the department. Within twenty-one (21) calendar days of the expiration date of the bulletin, the Company shall choose the successful applicant, if any, and place him in the vacancy. The name of the successful applicant for every such vacancy shall be posted on the bulletin board on which the notice of such vacancy was posted and a copy of such bulletin will be forwarded to the appropriate local Union. With respect to vacancies so filled, the seniority date of the successful applicant shall be noted.

- (iii) However, nothing in this article shall be read or construed as preventing the Company from hiring skilled employees to fill such vacancies where current employees do not possess adequate ability, skill and physical fitness. Before hiring an employee into a position above entry level in a department, discussions will take place with the Union President or his designate to review possible alternatives to hiring, such as training.
- (iv) For Mine Department operations, where current employees do not possess adequate ability, skill and physical fitness to fill a vacancy, the Company will not hire skilled employees to fill such vacancies with less than two (2) years of underground mine experience if there are current employees that have on file a written request for a job move to the Mine Department in question

and who have been deemed acceptable for transfer to the Mine Department in question.

The foregoing shall not apply in circumstances where the Company is opening a new mine or is required to hire fifteen (15) or more Mine employees and the efficiency of operations would be impacted if the Company did not hire skilled employees with less than two (2) years of underground mine experience. The Company shall consult with the Union prior to hiring skilled employees with less than two (2) years of underground mine experience well in advance of hiring any such individuals.

- (b) Preference shall be given to an employee according to his seniority, subject to the requirements and efficiency of operations and the ability and skill of the employee to fill the normal requirements of the job.
- (c) Successful bidding on bulletins under this clause shall be limited to three (3) per calendar year.
- (d) In the event the Company is unable to place the successful applicant in a vacancy within twenty-one (21) calendar days of being awarded a bulletin, the employee will be paid the higher of the regular hourly rate of the bulletin job or the rate of the job he is performing until he is placed in the vacancy.

7.05 The Company shall maintain seniority lists for the department. A copy of such list shall be posted every

three (3) months. Two (2) copies shall also be provided to the Union.

7.06 Where a Statute of Canada so provides, an employee shall maintain and accumulate seniority during service in the Armed Forces of Canada.

7.07 Before filling vacancies in a department/section or a plant with new employees, full consideration shall be given to any qualified employees who have filed a Job Transfer Request to the department/section in which the vacancy exists.

An employee wishing such transfer shall file a Job Transfer Request with the Human Resources Department. An employee's application shall lapse one (1) year after the date of filing but may be renewed from year to year at his request. The Company shall maintain a file of such forms. Quarterly, at the request of the Union, a Human Resources representative shall meet with a representative of the Union to review any outstanding requests for transfer.

If there are no Job Transfer Requests on file from employees deemed acceptable for transfer and a vacancy arises in one of these departments, the Company will post a notice and give full consideration to those applying before filling the vacancy with a new employee.

The above procedure is not necessary when an employee is transferring from one section to another within the same department.

If an employee is transferred there shall be a probationary period of thirty (30) calendar days in which the employee or the Company may effect his retransfer to his former department and job. Any employee who may have been appointed by bulletin or otherwise to fill any vacancies created by such transfer shall thereupon revert to his former job.

- 7.08 If an employee is transferred from one section to another within the same department there shall be a probationary period of thirty (30) calendar days in which the employee or the Company may effect his retransfer to his former section and job. Any employee who may have been appointed by bulletin or otherwise to fill any vacancies created by such transfer shall thereupon revert to his former job. Past practice with respect to moves within plant progression lists shall remain in effect.

See Letter of Understanding

#20 - Senior Employee to Less Demanding Position

#27 - Seasonal Employment Program

Article 8

REDUCTION AND RESTORATION OF FORCES

- 8.01 The Company and the Unions are committed to exhausting all reasonable efforts to retain senior personnel. Whenever a reduction of force or a reduction of hours is necessary, the Company shall give fourteen (14) calendar days' notice, or fourteen (14) days' pay in lieu of such notice, except in the case of temporary reductions due to breakdown, accident, or

other emergencies making such notice impossible. Notwithstanding the foregoing, the Company will advise employees as soon as possible after a decision is made to reduce hours or manpower.

8.02 (a) In all cases of curtailment of operations, layoff procedures shall be determined in consultation with the Union. In all cases of reduction in the plant forces (other than temporary layoff not to exceed two (2) weeks resulting from accident, breakdown or other emergency) the Company shall lay off the employees affected in the inverse order of their Company seniority ranking except in those cases where certain specialized skills and capabilities are required to fill the normal requirements of the job.

(b) The Company will endeavour to maintain work for such employees who are affected by an accident, emergency or breakdown of two weeks or less.

8.03 Employees laid off shall keep the Company advised of their address or forfeit their right to consideration when the working force is again restored. Notice of restoration shall be given to the employee not less than ten (10) days prior to his recall date by one of the following methods: (i) to the employee personally, or (ii) by leaving a message at the home of the employee, or (iii) by mailing it to him at his last known address by registered mail. The Secretary of the Union will be advised of the method used to try to contact the employee and whether or not the method was successful. Employees who, because of their seniority have been identified for layoff but at the time of layoff are entitled to or are in receipt of Workers'

Compensation benefits or sick benefits under the Sick Benefit Plan, will be laid off. Notwithstanding the foregoing, such employees will continue to receive life insurance benefits and Health Plan benefits as though they had not been laid off, but pension and vacation accrual will cease at time of layoff and all earned but unpaid vacation will be paid at that time. Life insurance and Health Plan benefits will cease at the time such employee recovers from disability or at such earlier date in accordance with the terms and policies of the Group Life Insurance Plan and the Health Plan. If such employee is in receipt of a recall notice but is unable to report for work because of a continuing disability, he shall begin accruing benefits as if he were recalled.

- 8.04 If any employee has followed the above procedure, he shall not lose his seniority status because of a layoff, but his continuous service record shall not be lengthened more than one year during such layoff.
- 8.05 An employee who has been recalled after being laid off for any reason outlined in this article and who has previously completed the probationary period outlined in Article 7.02 shall not be considered a probationary employee.
- 8.06 An employee who, for the convenience and benefit of the employee, is temporarily assigned or transferred to another department at his request instead of being laid off due to lack of work, breakdown of machinery, or other like cause, shall be paid while so employed as follows:
- (a) If the regular rate of pay for the job in the department to which he is transferred or assigned

is higher than the employee's regular pay, he shall receive such higher rate provided he can perform the job to the standard normally required.

- (b) If the rate of pay for the job in the department to which he is transferred is less than the employee's regular rate, he shall be paid a red circle rate.

8.07 An employee who has been temporarily assigned or transferred under Article 8.06 shall, if an additional employee is required in the department from which he was transferred, be given the opportunity to transfer back ahead of other employees who have not worked in that department. Should the employee refuse the opportunity to transfer back to his own section, he will no longer retain any right of preference in this matter. If an employee refuses the opportunity to retransfer the Company will advise the Union in writing that the employee has so declined with a copy to the employee.

8.08 (a) If an employee is temporarily assigned to a job by the Company he shall receive the rate for the job or his regular straight time hourly rate, whichever is the greater. This rate also applies to General Holidays if the General Holiday falls within the period of that temporary assignment. Should such temporary assignment exceed thirty (30) calendar days' duration the employment card rate of the employee will be changed to the rate of the assigned job for the duration of the temporary assignment.

- (b) Senior employees shall receive preference for temporary assignments, provided these employees are on the same shift and are capable of doing the

work. In cases of temporary assignments extended beyond forty-two (42) calendar days in cases of vacation relief, or thirty (30) calendar days in all other cases, the preference will be given to the senior employee available regardless of the shift, provided this employee is capable of doing the work. This provision will not apply to any subsequent vacancies resulting from the above.

8.09 In this article,

- (a) (i) "Card rate" means the rate shown on the time card for the job occupation into which an employee has been placed and as it appears on his time card.
- (ii) "Red circled" means a special wage rate.
- (b) (i) If an employee as a result of technological change or organizational change is downgraded by the Company into a classification of work paying a lesser wage rate than the regular wage rate of his permanent job, the employee shall maintain the rate of the permanent job which shall be red circled. If such employee is subsequently placed into a card rate which equals or exceeds his red circled rate, he will be removed from the red circled rate and paid that card rate.
- (b) (ii) If an employee is laid off for less than 30 days and recalled to a lower paying job he

will be red circled at the rate he held at the time of layoff.

- (c) Red circle differentials established after January 1, 1995 shall be reduced by one (1) job class fifteen (15) months after they are established and they shall be further reduced by one (1) job class every three (3) months thereafter until they are eliminated. Red circle differentials established prior to January 1, 1995 shall be reduced or eliminated by any increase resulting from an increase in the increment between job classes.
- (d) It is a condition of Article 8 that any employee affected by it be required to accept any training the Company offers him and that he accept any other higher card rate job offered to him by the Company through assignment or promotion, and that he be an applicant for any higher card rate job in his department that is posted.
- (e) The Company shall give one hundred twenty (120) calendar days' notice prior to introducing technological change as described in Article 8.09 (b).

In the event of a technological change, the Company will, as far in advance of the change as possible, consult with the affected Union(s) for the purpose of providing:

- (i) A detailed description of the nature of the proposed technological change;

- (ii) The names of the employees who will likely be affected by the proposed technological change;
- (iii) The rationale for the change and the impact it will have on the Company's efficiency and economy of operations, and
- (iv) The Company's plan to minimize the impact of the technological change on the employees affected.

As a result of discussions outlined above and where the scope of the technological change necessitates it, a committee will be established by the Union(s) and the Company and will be comprised of representatives from the Company and the affected Union(s).

The Company shall provide the members of the committee with materials pertaining to technological change which may be required to ensure that the fullest discussion on such matters as retraining, change of work methods, reorganization of work, change to the method of organization, etc. will take place in an effort to implement change with the least possible disruption and with the maximum possible benefits to the Company and employees. It is understood that if new skills are required, the Company shall make every reasonable effort to provide training for employees so that new skill requirements are met from within the existing work force.

- (f) The provisions of this article are intended to assist employees affected by any change described in Article 8.09 (b) to adjust to the effects of the change.
- (g) The provisions of the Canada Labour Code, Division IV, Sections 52, 54 and 55 do not apply during the term of this Agreement to the Company and the Union.
- (h) If an employee notifies the Company that he wishes his employment to be terminated rather than be downgraded as a result of technological change as now defined in the Canada Labour Code, or is required to transfer to another department in order to maintain his employment, and if such notification is given within fourteen (14) calendar days of that downgrading or transfer, the Company shall terminate his employment and pay him severance pay of one week's pay of forty (40) straight hours for each year of the employee's continued service, up to a maximum of ten (10) weeks.
- (i) An employee who
 - (i) has at least one (1) year of continuous service with the Company, and
 - (ii) is laid off after exhausting all "bumping rights" as per Article 8.02 and who is advised by the Company that he will be laid off for at least ninety (90) calendar days or who is in fact laid off for at least ninety (90) calendar days,

shall be entitled to payment of severance pay, as defined in this Article, as follows:

- (a) Subject to clause (c) below, an employee who is entitled to severance under 8.09 (i) (ii) may, at any point in time between the effective date of the layoff and a period that ends 56 weeks after the date of the commencement of the layoff, elect to relinquish all rights to recall and terminate his employment and, upon doing so, shall be entitled to receive severance pay as defined herein.
- (b) For the purposes of this Article, the amount that shall be paid as severance pay shall be an amount equal to:
 - (i) one (1) week's pay of forty (40) straight time hours for each year of the employee's continual service with the Company, minus
 - (ii) any amount paid to him under Article 8.09 (h).

This severance pay shall be considered to satisfy the minimum severance requirements that are set forth in the Canada Labour Code.

- (c) An employee who is on layoff for a period of twelve (12) months and who elects to receive severance in accordance with the minimum provisions of the Canada Labour Code shall

be paid such severance at the end of the twelve (12) month layoff. Such employee will continue to retain any recall rights that he may have under the Collective Agreement, but will be disentitled from receiving any severance pay under the terms of this Collective Agreement.

This Article 8.09 (i) does not apply in the event of layoffs due to strikes, sit-downs, slow-downs or lockouts.

- 8.10
- (a) There will be no direct layoff or displacement from the bargaining unit resulting from a staff employee returning to the bargaining unit. Any hourly reduction resulting will be made through attrition.
 - (b) A staff employee returning to the unit will **be placed in** an entry level position. If possible, this move will be to the department in which he most previously worked as an hourly employee. After thirty (30) days such employee may **only** use his **bargaining unit** seniority to apply for bulletins, transfers or progression moves.
 - (c) If a staff employee has never worked in **a** bargaining unit, he will only be able to enter the bargaining unit if there is a vacancy. That is, he will not be able to displace a bargaining unit employee or be placed in a vacancy if there is notice of impending layoff. Such employee will **only** be able to utilize his **bargaining unit** seniority for the purpose of answering bulletins, progression moves or transfers.

- (d) All efforts will be made to return a staff employee to the hourly unit in which he most recently worked. Moves will be made in consultation with the affected Unions.
 - (e) Staff employees returning to the unit will receive a red circle rate equal to the rate of the last position previously held in the unit.
 - (f) Notwithstanding the foregoing, if an hourly employee is transferred to a staff position, there shall be a period of thirty (30) calendar days in which the employee or the Company may effect his retransfer to his former job in the bargaining unit and the terms of Article 8.10 (a) and (e) will not apply.
- 8.11
- (a) When it is necessary within a department to remove an employee covered by this Agreement from a bulletin job or progression for technological change as defined in the Canada Labour Code, he shall be assigned to the highest permanent occupation covered by this Agreement in which he has previously held the card rate or the next higher job in that progression if his seniority so dictates or, at the employee's option, to an entry level job or, at the employee's option, bump down in his present progression. All employees so affected shall be red circled. All moves will be done in consultation with the Union.
 - (b) In all other cases other than technological change an affected employee, to retain a position, must first bump within his progression. If he is unable to retain a position by this means, an employee

will then bump within his section. If he is unable to retain a position by this means, then the employee will bump to another section within his department. If unable to retain a position by this means, an employee will then bump to a position outside his department in the section or progression in which he previously held the highest card rate. It is understood that an employee, in bumping, cannot bump into a job paying a higher card rate than the one he presently holds, nor can he bump into a job he has not previously held.

- (c) If an employee is unable to retain employment by the above method and he has the skill and ability to do a job at a higher rate, he will only then be allowed to bump up, if he so chooses.

8.12 An employee displaced from their job may elect "voluntary layoff" instead of a job in another operating department or severance under Article 8.09 (h). It is understood between the parties that an employee electing "voluntary layoff" will do so under the following terms:

- (a) Seniority will cease accumulating after one hundred eighty (180) calendar days.
- (b) Entitlement to all benefits will cease at time of "voluntary layoff".
- (c) It is understood an employee on "voluntary layoff" may at a later date elect to receive severance under Article 8.09 (h) and terminate his employment.

The foregoing will not apply to an employee who is removed from his job at his own request or as a result of his inability to perform the normal requirements of his job.

(d) It is further understood, in circumstance involving work force reductions an employee who elects a "voluntary layoff" for reasons that employment within his/her community is not available shall not be subject to article 8.12 (a).

See Letter of Understanding

#24 - Mine Department Training

#25 - Staff to Hourly - Mine Department

#27 - Seasonal Employment Program

#31 - Staff to Hourly - No Hourly Layoffs

#32 - Recall Rights

#34 - Snow Lake Retransfer Rights

#36 - Bumping

#38 – LHD Operator Remote

#40 – Transition of Long Hole Drillers From 777/Reed to Lalor

Article 9

HOURS OF DAILY, WEEKLY AND OVERTIME WORK

9.01 (a) This article provides the basis for the calculation of any payment for overtime, and shall not be read or construed as a guarantee of hours of work per day or a guarantee of days of work per week. A week means the period between midnight on

Saturday and midnight on the immediately following Saturday. A day means a period of twenty-four (24) consecutive hours.

- (b) The Company agrees to post work schedules for jobs in each department.

9.02 (a) Standard rates shall be paid to all hourly paid employees on a basis of a forty (40) hour week as agreed between the Company and the Union. A standard work day is eight (8) hours with time and one-half (1½) being paid for all overtime, except that hours worked in excess of eight (8) per day or forty (40) per week to accomplish the regularly scheduled change of shifts or work schedules will not be considered overtime. If an employee is required to make a change of shift in a pay period other than those necessary for regularly scheduled change of shifts or work schedules, in which the interval is eight (8) consecutive hours or less, the hours worked during that change of shift shall be paid at overtime rates.

- (b) Any work performed in excess of eight (8) hours in a work day at overtime rates will not be considered as time worked in the forty (40) hour work week for the purposes of determining the payment of further overtime.

9.03 (a) Shift workers will be required to work any combination of four (4) shifts to be known as the day shift (starting times between 6:00 a.m. and 12:00 Noon), the afternoon shift (starting times between 12:00 Noon and 6:00 p.m.), the night shift (starting times between 6:00 p.m. and

10:00 p.m.) and the graveyard shift (starting times between 10:00 p.m. and 6:00 a.m.). On continuous shift operations, each employee shall be allowed a reasonable lunch period, which period shall be considered as time worked.

- (b) Day workers will normally begin work at 8:00 a.m. Day workers will be given a lunch period of one-half ($\frac{1}{2}$) hour per day but such lunch period shall not be considered as time worked. It is recognized that in order to maintain efficient operations, certain day workers must begin work earlier or later than 8:00 a.m.

9.04 (a) Changes in Shift

An employee shall be given 24 hours' notice in the event of a change in his shift. Where 24 hours' notice is not given, employees shall be paid at the overtime rate for the first shift.

If an employee is assigned work part way through a shift that requires him to work on a different shift that day, the employee and his supervisor will consult to determine whether the employee should complete his regular shift or leave work early.

(b) Notice Required on Change of Rest Days

In the event that an employee is assigned to a job which changes the employee's scheduled rest days from the job he presently occupies, overtime rates shall be paid for work performed on such rest days for the first week only of the work schedule of the new job, if sufficient notice is not given by

instructing the employee to that effect (or by posting) prior to the scheduled rest days of the job he presently occupies. For the purpose of this article, sufficient notice shall mean the greater of two (2) calendar days or a number of days equal to the number of rest days of the work schedule for the job he presently occupies.

(c) Pay for Work on Rest Days

Notwithstanding the provisions of Article 9.04 (b) overtime rates shall be paid to employees for work performed at the request of the Company on the first and subsequent rest day(s) designated for the job which he presently occupies. The provisions of this paragraph shall apply also to General Holidays or days observed in lieu.

9.05 (a) If an employee has completed the scheduled hours of work for his shift and is called in for overtime work, he shall receive pay for the full time so worked plus one (1) hour, except that he shall receive pay for a minimum of four (4) hours. However, this provision of "plus one hour" shall not apply in situations as described in Article 9.06.

(b) (i) A steady day worker who is called out within ten (10) hours of his next regularly scheduled shift shall be paid for the call-out as per Article 9.05 (a). In this situation he shall have the option of not reporting for any portion of the first four (4) hours of his next regularly scheduled shift, with no pay for the hours not so worked. In addition, if the call-out occurs between 12 midnight and 4:00 a.m. an

additional payment of \$50.00 shall be made to the employee.

(ii) If a steady day worker, as a result of a call-out within ten (10) hours of his next regularly scheduled shift, is required to work six (6) hours or more on call-out, he will be deemed to have worked more than sixteen (16) consecutive hours at the request of the Company and Article 9.07 will apply. In any event, where the call-out occurs between 12:00 midnight and 4:00 a.m. an additional payment of \$50.00 shall be made to the employee.

(c) The Company shall endeavour to provide transportation to outlying mines to all employees called out, pursuant to Article 9.05 (a). In the event that the employee is required to use his own vehicle when called out to work at outlying mines the Company agrees to pay its normal mileage allowance of 40¢ per kilometre.

(d) In the event an employee is called out to perform overtime work under Article 9.05, and he completes the work for which he was called, he will not be assigned additional work unless the nature of that additional work is such that it would have otherwise warranted a call-out on its own account.

9.06 Overtime rates shall be paid to employees for all prearranged overtime worked before the regular starting time of any shift or are held after the end of a shift of eight (8) hours for the time worked in excess of eight (8)

hours. It is understood that if an employee is required to report for work prior to the normal start of his regular shift, he will be allowed to work until the end of his regularly scheduled shift, unless he is notified by the day before that both his starting and stopping times have been changed.

- 9.07 Where an employee works more than sixteen (16) consecutive hours at the request of the Company, he shall be entitled to an eight (8) hour rest period. If his regular shift is scheduled to commence before the expiration of an eight (8) hour rest period he will be permitted to remain at rest for said period and will be paid his regular rate for the hours of his regular shift which fall within said rest period and for the remainder of his regular shift which he works he will also receive his regular rate of pay. Where an employee is directed by his supervisor to work on that part of his regular shift which falls within the said rest period he shall be paid at overtime rates on his base rate for those hours so worked. If not so directed the employee will remain at rest for an eight (8) hour period.
- 9.08 No employee shall be required to work more than six (6) hours, which includes two (2) hours' overtime, without being allowed a reasonable lunch period on Company time. For each additional three (3) hours overtime such employee works, he shall be provided with an additional lunch period. For such overtime which is unscheduled, the Company shall supply to the employee a meal or, at the Company's or employee's request, a meal allowance of \$15.00 shall be paid in lieu of a meal. If the end of a three (3) hour overtime period (outlined above) coincides with the end of the overtime assignment the

employee will receive a meal allowance of \$15.00 which shall be paid in lieu of a meal and lunch period.

For the purposes of Article 9.08, overtime shall be considered as unscheduled if an employee is not provided with at least twelve (12) hours' notice prior to the start of the overtime assignment. It is understood that the Company will provide meals for scheduled overtime for special projects which require employees to work extended shifts for periods longer than three (3) consecutive days. It is further understood that in such situations, meals will be provided from the first day.

- 9.09 Special arrangements in regard to hours worked and other conditions on isolated jobs may be made by mutual agreement between the Union and the Company.
- 9.10 After completing unscheduled overtime work, an employee has the right to request transportation home and the Company will supply such transportation.
- 9.11 When overtime work is scheduled by the Company it shall distribute such work as evenly as practicable among the employees in the working group and for this purpose it shall take into consideration the preferences of the employees and the availability of the employees in the same group who can do the work.
- 9.12 With respect to the payment of overtime rates, an employee shall not be entitled to more than two and one-half (2½) times his regular rate of pay for time worked on General Holidays (including General Holiday pay) or more than one and one-half (1½) times his regular rate of pay for time worked on other days,

although such time may be overtime under more than one provision of this Agreement.

See Letter of Understanding

#6 - Overtime on Rest Days

#7 - **Banked Overtime Pay**

#12 - Material Pick-up

#13- Training and Conference Travel

#14 - Service Crews

#18 - 1 & 2 Day Shutdowns

#22 - Extended Shifts

#35 - Compensation for First Aid Training

Article 10

REPORTING ALLOWANCE

10.01 When the Company fails to inform an employee before his departure for work, by notice or otherwise, that work will not be available and the employee, in good faith, reports for work on schedule and finds there is no work for him, he shall receive four (4) hours' reporting allowance at his regular rate. Such four (4) hours shall not be included in working hours which may entitle the employee to overtime pay. The provisions of this clause shall not apply when an employee has been absent from his regular work period and has failed to inform his foreman or such other supervisors designated by the Company for this purpose, at least seventeen (17) hours prior to reporting to work, of his intention to return to work.

When Article 10.01 applies, every reasonable effort will be made to provide alternative work. Should alternative

work be unavailable, the employee will have the option to make up the lost time at a mutually agreeable date at straight time rates. This mutually agreeable date will be agreed to by the employee and his supervisor as soon as possible or during his next scheduled shift. The employee will be given the option of a make-up shift whether he has been notified or not.

- 10.02 When an employee returns to work after an absence and, after having complied with all plant regulations concerning returning from such absence, is instructed to return home and report to work on another shift, he shall be paid four (4) hours' reporting allowance at his regular rate. However, such four (4) hours shall not be included in working hours which may have entitled the employee to overtime pay. However, should the Company have succeeded in notifying the employee of his non-requirement before his departure for work, such employee shall not be entitled to reporting allowance.

See Letter of Understanding
#21 - 17-Hour Reporting Rule

Article 11

RATES OF PAY

- 11.01 The Company agrees to pay the wage rates as contained in Schedule "A", which is part of this Agreement.

New Job Classification

11.02 The Company will consult with the Unions regarding Union jurisdictions with respect to any new occupational classifications established by the Company.

11.03 A shift differential shall be paid for all hourly paid employees on the following basis:

Afternoon Shift	45 cents per hour
Night Shift	50 cents per hour
Graveyard Shift	50 cents per hour

Any shift starting between 6:00 a.m. and 12:00 Noon will be classed as day shift. Any shift starting between 12:00 Noon and 6:00 p.m. will be classed as afternoon shift. Any shift starting between 6:00 p.m. and 10:00 p.m. will be classed as night shift. Any shift starting between 10:00 p.m. and 6:00 a.m. will be classed as graveyard shift.

11.04 Weekend premium pay of one dollar (\$1.00) per hour will be paid to all hourly rated employees for each straight time hour worked on Saturday and/or Sunday.

11.05 Employees required to serve on Jury Duty shall be paid the difference between the straight time day shift earnings they would have earned and the amount they received for Jury Duty subject to the following provisions:

(a) Employees must notify their department supervision within forty-eight (48) hours after

receipt of notice of selection for Jury Duty or on his next regularly scheduled shift;

- (b) Any employee called for Jury Duty who is temporarily excluded from attendance at Court must report to work as soon as possible; and
- (c) In order to be eligible for such payment the employee must furnish the Industrial Relations Department with a written statement from the appropriate public official showing the date, time served and the amount of pay received.

11.06 (a) A Cost of Living Allowance will, if applicable, be paid to each employee as set out below. This allowance will be based on the Consumer Price Index (all items - base; 1971 = 100) published by Statistics Canada (hereinafter referred to as the "CPI") and will be calculated as follows:

- (b) Effective October 1, 1999 a Cost of Living Allowance (COLA) will become effective to be triggered only if the cost of living for the previous quarter exceeds one and one-quarter percent (1.25%) and to be paid on that portion of the increase only which exceeds one and one-quarter percent (1.25%) for that quarter.

For each 0.35 point rise in the official Consumer Price Index for Canada (all items 1971 = 100) that is in excess of a one and one-quarter percent (1.25%) rise in the quarter in question, a Cost of Living Allowance of one (1) cent rounded off to the nearest one (1) cent shall be paid. Such payment shall not form part of the employee's

straight time hourly rate and will only be paid for straight time hours worked in the quarter and will not be included for the calculation of vacation pay. The first such allowance shall become the COLA float and be payable following the publication of the September, 1999 CPI and will be based on that portion of the increase in excess of one and one-quarter percent (1.25%) rise in the CPI reported for June, 1999 and September, 1999 and subsequent Cost of Living Allowances shall be calculated quarterly thereafter, based on the increase over one and one-quarter percent (1.25%) in the previous three-month period. Subsequent adjustments shall be added to the COLA float.

- (c) The amount of the Cost of Living Allowance in effect at any time shall not form part of the employee's straight time hourly rate and will only be paid for straight time hours worked and will not be included for the calculation of vacation pay.
- (d) No adjustment retroactive or otherwise shall be made due to any revision which may later be made in any CPI published by Statistics Canada.
- (e) The continuance of the Cost of Living Allowance shall depend upon the availability of the CPI calculated on its present basis and in its present form.

11.07 Each employee with at least one (1) year seniority will be paid a service premium of thirty cents (30¢) in addition to his basic rate for each straight time hour worked by him. This service premium shall not form part

of the employee's straight time hourly rate and will only be paid for straight time hours worked and will not be included for the calculation of vacation pay.

- 11.08 Any employee covered in this CBA, working in Snow Lake and not living in subsidized Company accommodation will be paid a premium of two dollars and fifty cents (\$2.50) in addition to his basic rate for each straight time hour worked. This premium shall not form part of the employee's straight time hourly rate and will only be paid for straight time hours worked.

See Letter of Understanding
#9 - Profit Sharing Plan

Article 12

WAGE STUDY

- 12.01 The Co-operative Wage Study Manual (herein referred to as "the Manual"), which was Appendix "A" to the previous Collective Bargaining Agreement between the Company and the Union, shall be incorporated into this Agreement as Appendix "A" and its provisions shall apply as if set forth in full herein.
- 12.02 Any mathematical or clerical errors made in the preparation, establishment or application of job descriptions, classifications or standard hourly rates shall be corrected.

- 12.03 No employee shall be entitled to allege that a wage rate inequity exists, except as otherwise provided.
- 12.04 There shall be a committee known as the "Flin Flon/**Snow Lake** USW Local 7106 CWS Committee" with equal representation consisting of **three (3)** Union and **three (3)** Management appointees, **with one (1) union and one (1) Management designated for Snow Lake and two (2) union and two (2) Management designated for Flin Flon.**

A union steward from the department shall accompany the Committee during the plant tour.

- 12.05 The CWS committee will meet as requested.
- 12.06 Leaves of absence shall be granted to Union representatives on the CWS Committees to the extent required for handling job descriptions and job classifications during the required stages to administer the Manual. Time lost by members of the committees shall be paid at the respective basic rates of such Union representatives, plus any applicable premiums, including incentive bonuses.
- 12.07 If the Company and the Unions fail to reach agreement upon any job description, classification or assignment to job class through the procedure provided in the Manual, such matter shall constitute a difference between the Company and the Unions to which Article 24.07 (c) applies and, if no agreement is reached at that stage, shall be settled by arbitration in accordance with Article 25.

12.08 Management is responsible to ensure a D Form is completed when there is a change to a job.

See Letter of Understanding

#23 - Special Allowance - Job Amalgamation

Article 13

BENEFIT PLANS

13.01 The Company agrees to continue to provide or to commence to provide the following benefits as set out and summarized in this article.

13.02 Pension Plan

The employees covered by this Agreement will receive the benefits of a non-contributory pension plan in accordance with the terms and conditions set out in a separate agreement between the Unions and the Company. The Pension Plan Agreement shall provide:

- Basic pension, payable at 58 years of age and 30 years service:

Effective **January 1, 2018** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$60.70** per month times years of service.

Effective **January 1, 2019** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$61.90** per month times years of service.

Effective **January 1, 2020** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$63.10** per month times years of service.

- The Pension Plan Agreement will provide a supplementary pension of **\$24.00** per month times years of service, payable at 58 years of age and 30 years service, until the employee is eligible for Old Age Security.

13.03 The Group Life Insurance Program is to be continued, with the insurance coverage to provide for:

- \$45,000 life insurance for all employees.
- \$45,000 accidental death and dismemberment.
- \$2,000 life insurance for employees retiring on or after October 1, 1987.

13.04 Health Plan

The Company will provide Health Plan benefits in accordance with the terms and conditions set out in a separate agreement between the Union and the Company (The Health Plan Agreement).

The Company shall be responsible for funding the Health Plan benefits in an amount sufficient to provide the agreed services to employees and their dependents, as well as to members of Special Participating Groups who qualify in

accordance with the definition of Special Participating Groups.

The following is merely intended to provide a general description of the benefits provided. The specific terms of the Plan, including eligibility and entitlement to benefits, shall be set forth in the Health Plan Agreement. Any changes to the Health Plan Agreement would require the approval of the Company and the Union. The principal features of the benefits program are as follows:

- (a) Payment of the charges for a private and semi-private room in a hospital if the hospital does not normally provide the private and semi-private room without charge to any patient.
- (b) The following dental expenses are paid at 100%:

Basic Services:

Diagnostic Services, Preventive Services, Restorative Services, Simple Extractions and Prosthetic Services (repair of damaged dentures) and to include routine examinations as frequently as every six consecutive months.

The following dental expenses are paid at 60%: Intermediate Services, Endodontic Services, Periodontal Services, Prosthodontic Services (Removable), Prosthodontic Services – Fixed (Bridges), Oral Surgery.

These services are subject to a combined maximum of \$2,250.00 per person, per calendar year.

Orthodontic services are covered at 50% for dependent children with a lifetime maximum of \$5,000.00 per dependent child. Braces must be placed prior to the patient's

17th birthday. There is no reimbursement in advance for orthodontic services not yet received.

One return bus fare will be paid to an employee and his registered dependent for out of town orthodontic services to a maximum of 5 trips per family per year within Manitoba or Saskatchewan.

- (c) Payment for the non-recoverable portion of prescription drugs that are listed in the most current edition of the drug formulary as issued by the Government of Manitoba, which is sold on the prescription of a physician or dentist and dispensed by a pharmacist. Charges for smoking cessation products, not on the Manitoba Drug Formulary, which are sold on the written prescription of a physician and dispensed by a pharmacist, may be covered, to a lifetime maximum of \$500.00 per employee.

Drug benefit eligibility will be contingent on an employee, dependent over the age of 18 and retiree providing proof to the Company that they have submitted an application for Pharmacare to Manitoba Health or application for the Drug Special Support Program to Saskatchewan Health.

- (d) Ambulance and stretcher service to the hospital will be provided if, in the judgement of the attending physician, it is necessary.
- (e) Vision Care - reimbursement for prescription lenses, frames, tints and coatings, repairs to prescription glasses, foldable lens implants, laser eye surgery and contact lenses to a maximum of **\$300.00** per eligible member every twenty-four (24) months.

The Company will pay for the eye examination fee every twenty four (24) months.

(f) **Transportation Reimbursement - Flin Flon, MB Area Permanent Residents**

Reimbursement of transportation costs for eligible members who are referred to a medical or dental specialist outside the Flin Flon, MB area and do not qualify for the Northern Patient Transportation Program or other Plans may be reimbursed for second and subsequent trips. Reimbursement is based on the bus rate to the city within Manitoba or Saskatchewan to which they are referred.

Where bus service is not provided, travel will be reimbursed at 20¢ per kilometer from Flin Flon, MB to the city within Manitoba or Saskatchewan to which they are referred. Members qualifying for an escort rate will receive an additional 10¢ per kilometer.

Reimbursement of transportation costs will be paid to eligible members for out of town orthodontic services to a maximum of 5 trips per family per year from Flin Flon, MB to a city within Manitoba or Saskatchewan. Reimbursement is based on the bus rate to the city within Manitoba or Saskatchewan.

Where bus service is not provided, travel will be reimbursed at 20¢ per kilometer from Flin Flon, MB to the city within Manitoba or Saskatchewan. Members qualifying for an escort rate will receive an additional 10¢ per kilometer.

If a family travels out of town on a referral basis and more than one family member is being referred at the same time only one transportation fee will be paid.

Transportation Reimbursement - Snow Lake, MB Permanent Residents

Reimbursement of transportation costs for eligible members who are referred to a medical specialist outside the Snow Lake, MB area and do not qualify for the Northern Patient Transportation Program or other Plans may be reimbursed for second and subsequent trips.

Medical referrals from Snow Lake, MB to Flin Flon, MB, Thompson, MB, or The Pas, MB are covered by the Northern Patient Transportation Program. The Company subsidizes this medical travel at the difference between 40¢ per kilometer and the amount paid by the Northern Patient Transportation Program.

Reimbursement of transportation costs for eligible members to attend 2 appointments with a licensed optometrist per person per year, 5 appointments with a licensed chiropractor per family per year, and unlimited dental appointments with a licensed dentist per person per year from Snow Lake, MB to The Pas, MB, Thompson, MB, or Flin Flon, MB will be reimbursed at 40¢ per kilometer.

Reimbursement of transportation costs will be paid to eligible members for out of town orthodontic services to a maximum of 5 trips per family per year from Snow Lake, MB to a city within Manitoba or

Saskatchewan. Reimbursement is based on the bus rate to the city within Manitoba or Saskatchewan.

Where bus service is not provided, travel will be reimbursed at 20¢ per kilometer from Snow Lake, MB to the city within Manitoba or Saskatchewan. Members qualifying for an escort rate will receive an additional 10¢ per kilometer.

If a family travels out of town on a referral basis and more than one family member is being referred at the same time only one transportation fee will be paid.

- (g) (i) **Extended Health Services will be reimbursed up to \$250.00 per year per family on a 50% coverage basis for services used. This benefit does not apply to retirees.**

Extended Health Services include:

- **Chiropractic services and/or Orthotics and/or Registered Massage Therapy and/or Physiotherapy**
- **Usual, customary and reasonable charges for rental, purchase or repair of CPAP (Continuous Positive Airway Pressure) masks & machines, insulin pumps, and braces, when prescribed by an attending physician, nurse practitioner, physiotherapist or occupational therapist**
- **Coverage for the purchase or repair of hearing aids (excluding batteries) when prescribed by an otologist or audiologist**

- (h) A member or his registered dependents, while on business or vacation beyond the vicinity of the principal operations of the Company but within Canada, will continue to enjoy the benefits as provided by the Health Plan.

A general description of those who are covered under the Plan is as follows:

1) Regular Participating Status

Employees and eligible dependents of employees provided that they reside with the employee, as defined:

Spouse is the participant's legal spouse or a person acknowledged by the participant as his spouse, with whom the participant has been living in a permanent manner for over 1 year. However, when the person is the biological or adoptive father or mother of at least one of the participant's children, the spouse will be recognized as of the date of birth or adoption, if it precedes the end of the 1 year of cohabitation.

Any dissolution of marriage through divorce or annulment, or legal separation results in the loss of status of spouse. Any spouse that has been living separate or apart from the employee for over 6 months, will lose status as spouse. In the case of a common law marriage, separation for over 3 months results in the loss of status as spouse.

In the event that two individuals satisfy the definition of spouse, only one will be granted coverage under this plan and that will be the spouse who is cohabiting with

the employee, unless advised otherwise in writing by the participant.

Eligible dependent is the following persons who reside with and are wholly dependent on an employee, provided they have been accepted and registered as dependents with the Company:

Children of the employee including adopted children and step-children. Coverage for children shall end at age 19 unless the child is attending an accredited high school, vocational training school or university on a full-time basis as defined by the Company, in which case coverage may be extended until the dependent's 25th birthday.

The father, mother, stepfather, stepmother, grandchild, brother and sister of the employee, provided they are not suffering from a chronic illness or disease or any disability of a serious nature and provided that a Wholly Dependent Application is filed with the Company and approved.

Any unmarried mentally or physically handicapped child, who is totally dependent on the employee, will continue to be eligible after reaching normal termination age provided a Wholly Dependent Application is filed with the Company and approved.

2) Special Participating Groups

- (i) Surviving spouses of employees who died while employed by the Company, and their eligible dependent children, for so long as the surviving spouse and the dependent children continue to

reside in Canada. Any such surviving spouse and dependent children who were special participating members and who were not resident within the area of the principal operations of the Company as at January 2, 2002 shall not however qualify for coverage under the Plan and

- (ii) Pensioned employees and their eligible dependents provided that both the pensioned employee and the eligible dependents reside and continue to reside in Canada. Any such employee (or the dependent of such employee) who has retired and is not resident within the area of the principal operations of the Company as at January 2, 2002 shall not however qualify for coverage under the Plan.

13.05 Short Term Disability and Long Term Disability Benefits

Eligibility for Short Term Disability Benefits ("STD Benefits") and Long Term Disability Benefits ("LTD Benefits") shall be determined in accordance with the Short Term Disability Policy (the "STD Policy") and Long Term Disability Policy (the "LTD Policy") respectively. STD Benefit claims of less than 52 weeks will be administered by a third party administrator (the "STD Administrator") and paid by the Company. After 52 weeks, STD Benefit claims will transition to LTD Benefit claims determined and provided through a third party insurance carrier (the "LTD Insurer"). Effective June 1, 2015 the STD Policy and LTD Policy shall provide as follows:

- (a) \$120.00 per day or the amount required to maintain registration with the Employment

Insurance Commission for the first seventeen (17) weeks. A minimum claim shall be for 23, 24, or 25 hours based on applicable shift schedule.

- (b) The greater of \$120.00 per day or the amount required to maintain registration with the Employment Insurance Commission as a Wage Loss Insurance Plan per day for each lost work day in the following fifteen (15) weeks for employees not eligible for Employment Insurance ("EI") benefits. Those employees eligible for EI benefits in this period must collect same in lieu of Short Term Disability payments, followed by:
- (c) **\$160.00** per day for each lost work day in the next twenty (20) weeks.
- (d) Effective June 1, 2014, STD Claims that commence after June 1, 2014 will be transitioned to the LTD Policy after fifty two (52) weeks, and the LTD Benefits will be provided through the LTD Insurer. At that time, eligibility for benefits under the STD Policy will cease and an employee must apply for LTD Benefits pursuant to the LTD Policy. The LTD Benefit will be \$120.00 per day.
- (e) The **\$120.00/160.00** per day STD and LTD benefit referenced above is applicable to employees working eight (8) hour shifts. The benefit shall be converted to an hourly equivalent of **\$15.00/20.00** per hour for employees working extended shifts, and subsequently multiplied by an employee's normal hours.

- (f) Benefits as described under this Article 13.05 may be extended to those employees making application who, as a result of industrial accident or illness, are expected to be absent from work in excess of two (2) weeks in duration and the WCB claim adjudication has exceeded two (2) weeks. Benefits may be extended provided that the WCB claim adjudication delay is not related to the employee's failure to provide medical documentation or to respond to WCB inquiries. Employee will be required to sign a repayment agreement prior to receiving Short Term Disability benefits. Such benefits are subject to repayment upon the employee being in receipt of WCB benefits.**

13.06 Notwithstanding Article 13.05, applications for the first forty (40) hours of STD Benefits (forty-six (46) hours for 11.5 hour shifts and forty-eight (48) hours for 12 hour shifts) shall be submitted directly to the Company's Benefits Office. Approved claims for this initial period will be paid directly by the Company. Medical documentation/confirmation will not normally be required in support of the STD Benefit application submitted to the Company's Benefits Office for the first forty (40) (or forty-six (46) or forty-eight (48), as applicable) hours of benefit, however, an employee may be required to provide medical documentation to confirm an absence from work if so requested by Human Resources and/or the applicable Department Head (or designate).

Applications for STD Benefits in excess of forty (40) (or forty-six (46) or forty-eight (48) hours, as applicable) must be submitted on the STD Administrator's STD Benefit Application form, including any required medical information.

- 13.07 Medical information submitted by an employee in support of an application for STD Benefits or LTD Benefits will remain confidential with the STD Administrator and/or LTD Insurer, as applicable, except as required to facilitate an accommodation and/or return to work process.
- 13.08 The Company will pay for any physician's fees associated with the completion of any required STD Benefit or LTD Benefit application forms.
- 13.09 An employee on an approved STD Benefit claim that subsequently works partial days on a graduated return to work plan arranged between the Company and the STD Administrator may receive prorated STD Benefits for the partial days worked. The amount of the STD Benefit will be prorated for the number of non-working hours during the employee's normal daily work schedule.
- 13.10 An employee that is not anticipating retirement at age 65 will be eligible for STD Benefit past age 65 to a maximum of seventeen (17) weeks beyond the employee's 65th birthday.
- 13.11 Employees receiving STD Benefits or LTD Benefits must obtain approval from **Hudbay's Disability Management Coordinator** before leaving the employee's primary residence area.

13.12 An employee may appeal a STD Benefit claim through the appeal process set forth in the STD Policy. The employee will continue to receive STD Benefits during the appeal process if the following conditions are satisfied:

- (a) the appeal is based on a difference of medical opinions and not a failure to provide medical documentation; and
- (b) the employee is fully participating in the appeal process.

13.13 After the completion of the STD Benefit appeal process, the Union maintains the right to access the grievance and arbitration procedures with respect to any STD Benefit claim.

13.14 An employee may appeal a LTD Benefit claim through the appeal process set forth in the LTD Policy. There shall be no access to the grievance or arbitration procedures by an employee or the Union with respect to any LTD Benefit claims.

13.15 Death Benefit Plan

The Company agrees to continue to administer the Death Benefit Plan, but without Company participation. Members of the Plan will, on the death of a Plan member, have deducted from their pay an amount in accordance with the Death Benefit bylaws. The employees' contributions will form the basis of benefits under the Plan.

See Letter of Understanding

#15 - Long Term Absenteeism

#37 - Geographic Requirement for Benefit Coverage

Article 14

GENERAL HOLIDAYS

- 14.01 Eight (8) hours straight time shall be paid to all hourly rated employees not required to work on New Year's Day, Good Friday, Victoria Day, Canada Day, August Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and the second Monday in June in each year of this Agreement, provided they comply with the regulations of this Article 14.
- 14.02 All hourly rated employees other than those referred to in Article 14.04 required to work on the eleven (11) General Holidays listed in Article 14.01 shall be paid for the first eight (8) hours or less of such work at the rate of one and one-half (1½) times his regular rate of pay and in addition, he shall be paid holiday pay in an amount equal to his regular rate of pay for eight (8) hours and he shall be paid at the rate of two and one-half (2½) times his regular rate of pay for all hours in excess of eight (8) hours worked by him on that General Holiday.
- 14.03 No hourly rated employee is entitled to pay for any General Holiday as specified in Article 14.01 unless he has worked or was on paid vacation during the thirty (30) calendar days immediately preceding the General Holiday.

- 14.04 No hourly rated employee is entitled to pay for any General Holiday as specified in Article 14.01 if a General Holiday occurs in the first thirty (30) days of employment. Any such employee required to work on such General Holiday shall be paid at a rate of one and one-half (1½) times his regular rate of pay for the time worked. Notwithstanding anything to the contrary stated herein, upon completion of the first thirty (30) consecutive days of continuous employment with the Company, the said employee shall receive all unpaid General Holiday pay for any General Holiday that occurred during the first thirty (30) days of employment.
- 14.05 No employee is entitled to pay for any General Holiday, as specified in Article 14.01, on which he was absent without leave after being scheduled to work on the General Holiday.
- 14.06 Where a General Holiday falls on an employee's regularly scheduled day off and he is not required to work that day, he shall, subject to the provisions of this Article 14, be granted a holiday without pay at a mutually agreeable time.

Alternatively, where a General Holiday falls on a Monday that is an employee's regular day of rest, the Company agrees to consider making special arrangements for particular groups of such employees in order that they may enjoy an extra day off by an extension of one day to their regular day of rest. When that occurs, the Company is not required to pay overtime rates for any hours worked in excess of forty (40) hours in one work week where the excess hours were as a result of such arrangements.

14.07 Notwithstanding the terms of this Article, at a department's discretion an employee who is required to work on a General Holiday may be allowed to take a substitute day off without pay at a mutually acceptable time.

A substitute day must be taken within one (1) year of the General Holiday for which it was granted.

See Letter of Understanding

#4 - General Holiday - Notice of Working

Article 15

VACATIONS WITH PAY

15.01 Vacation anniversary dates for all employees will be the first day of January. A new or rehired employee will have his vacation with pay entitlement for his first vacation calculated according to the number of calendar days he was on the payroll from date of hire or rehire to December 31.

15.02 (a) Employees with less than one (1) year's continuous service will receive vacation pay based on 0.4% of their previous calendar year's earnings for each day of paid vacation.

(b) Employees with more than one (1) year of continuous service will receive a vacation allowance calculated using an eight (8) hour day and the employee's normal rate of pay at the time of his or her vacation, including any production bonuses. Rate of pay being received as a result of

temporarily filling in on other than the employee's normal work will not be considered as his or her normal rate of pay.

- (c) Pursuant to 15.02 (b) where employees are working on individual production bonus or contract work at the time of taking their vacation, the allowance per day will be calculated by dividing the total bonus of the previous twelve (12) pay periods by the total number of hours worked.
- (d) In addition to the vacation pay as described in this Article 15.02 there shall be added to the vacation pay of any employee an amount of \$2.125 for each working hour of regular vacation granted and taken under Article 15.08.

15.03 When any of the eleven (11) General Holidays as listed in Article 14 fall during an employee's vacation with pay, such vacation with pay shall be extended by one (1) day, subject to the other provisions of Article 14.

15.04 Vacations, at the employee's request, may be split as outlined below:

1 year	-	no splits
2nd to 5th year	-	1 split
Over 5th year	-	2 splits

Additional splits may be granted at the discretion of the department.

15.05 (a) Employees will arrange with their department supervision as to the dates they will be granted vacations. An endeavour will be made to meet the

desire of the individual employee, but Management reserves the right to so arrange vacations that the work will be as little affected as possible. Where necessary to give preference as to times for vacations, employees with the longest Company service record will be given such preference. A senior employee may designate his entire vacation for one continuous unbroken period. In the event that he chooses to split his vacation, his second choice may only be designated after more junior employees have designated their first choice.

- (b) Pursuant to 15.05 (a), in order to obtain first choice bookings, vacation will be out and booked by February 28th and approved and posted by March 15th.

15.06 It is desired that vacation be taken each year but employees may, under special circumstances, accumulate their vacation periods. Any request to accumulate vacations must be in writing to the department superintendent stating reasons for the request. Decisions respecting such requests will be made by Company Management.

15.07 If an employee leaves the service of the Company or his employment is terminated, he shall be paid a sum proportionate to the service he has completed in the qualifying period. Should his employment be terminated by his death, such sum shall be paid to his estate.

Regular Vacation

15.08 The following is the hourly rated employees' table for vacations based on forty (40) hours per week, eight (8) hours per day, five (5) work days per week:

Vacation Anniversary Date	Hourly Rated Employees' Vacations Due With Pay
1st	10 working days, as per calculation in 15.01
2nd	11 working days
3rd	12 working days
4th	13 working days
5th	15 working days
6th	15 working days
7th & 8th	16 working days
9th & 10th	17 working days
11th & 12th	18 working days
13th & 14th	19 working days
15th to 19th incl.	21 working days
20th	22 working days
21st	23 working days
22nd	24 working days
23rd & over	25 working days

15.09 Hourly rated employees will have the option of reducing the length of their vacation to the accumulated number of paid vacation days. Any such option should be stated at the time vacations are arranged in each department.

Special Vacation

- 15.10 During the life of this Agreement each employee who completes three (3) years of continuous service since the date of his most recent hiring or since the date he last became entitled to a special vacation with pay under the previous Collective Agreement between the Company and the Union, whichever is later, shall become entitled to three (3) weeks of special vacation with pay.
- 15.11 Vacation pay for special vacations will be paid as outlined in Article 15.02 on the basis of a five (5) day, forty (40) hour week.
- 15.12 The Company reserves the right to grant special vacations only at such times and in such amounts as the Company in its sole discretion may determine. Consideration will be given to special requests from individual employees.

The practice will continue to be that an employee will be allowed to split his special vacation entitlements as long as special vacation bookings will be for a minimum of five (5) working days. This minimum of five (5) working days may be waived at the discretion of the department.

- 15.13 Should an employee who is entitled to any special vacation with pay fail, for any reason, to take the same within three (3) years after becoming entitled thereto, or should he retire or otherwise cease to be employed by the Company or die before taking same, the Company will, in lieu of granting such special vacation, pay to such employee or to his estate should he have died, the special vacation pay to which he would have been

entitled if he had taken such special vacation immediately prior to the third (3rd) anniversary of his becoming entitled thereto or immediately prior to the cessation of his employment with the Company or immediately prior to his death as the case may be.

15.14 In determining the length of a special vacation, a week shall mean five (5) working days.

15.15 The allocation of vacations with pay under the provisions of the regular vacation plan shall have priority over the allocation of special vacations hereunder.

See Letter of Understanding

#5 - Vacation and Shift Scheduling

#33 - Special Vacation Accrual

Article 16

LEAVE OF ABSENCE

16.01 When the requirements of the plant or plants will permit, employees, for satisfactory cause or circumstance, will be granted leave of absence for a limited period and under the following conditions:

- (a) Application for leave of absence shall be made by the employee in writing **by completing form HRO-010 Application for Short Term Leave** to the department superintendent stating full particulars, including length of intended leave of absence and reason, except in the case of leave of absence of less than seven (7) calendar days, in which case a verbal request may be made to the

employee's supervisor. Such leave of absence without pay will not be unreasonably withheld.

- (b) An employee granted leave of absence for a period not exceeding one hundred and eighty (180) calendar days shall retain his seniority status and seniority shall accrue to him during his absence. **For leaves of absence exceeding one hundred and eighty (180) days, employees shall cease to accrue seniority and will be ineligible for benefits on the first day of the extended leave (day 181).**

16.02 When the requirements of the plant or plants will permit, the Company shall grant leave of absence without pay for work of an official nature for the Union as follows:

- (a) Notwithstanding the foregoing, upon written application, the Company shall grant extended leave for the duration of this Agreement to one (1) employee acting as a Union Representative for the Union. One (1) additional employee, as shall be mutually agreed upon, shall be granted extended leave for a minimum period of three (3) months to act as a Union Representative. Seniority shall accrue during such leave.
- (b) Upon written application, no less than one (1) week in advance, the Company will grant employees leave of absence without pay provided the numbers of employees absent at any one time shall be mutually agreed upon. Such leave of absence without pay will not be unreasonably withheld.

- (c) When leave is granted to an employee under Article 16.02 (a) he will not accrue vacation entitlement or vacation pay.

16.03 Where an employee wishes to further the possibility of his advancement with the Company by taking a full-time course of training, **the employee must complete form HRO-061 Education Leave Application.** The Company may, subject to the requirements and efficiency of operations, grant him a leave of absence without pay provided that:

- (a) He has at least one (1) year seniority.
- (b) No such leave will be for a period exceeding one (1) year unless extended by the Company.
- (c) The number of employees on such leave from any department at any one time shall not in the opinion of the Company interfere with the requirements of operations in that department.

16.04 When leave is granted to an employee under Article 16.03 he shall be permitted, if he wishes, to continue his entitlement to benefits under all but not less than all of the following five (5) plans in accordance with the terms and conditions of the plans:

- (a) Revised Retirement Pension Plan
- (b) Group Life Insurance Plan
- (c) Health Plan
- (d) Sick Benefit Insurance Plan
- (e) Death Benefit Plan

provided he pays to the Company such amount as the Company considers reasonable towards the cost of these five (5) plans. For each month the employee remains on the payroll immediately following such leave the amount charged to him toward the cost of the five (5) plans will be forgiven on a pro-rata basis over a period in months equal to the period the employee was absent on such leave.

- 16.05 If an employee on leave granted under Article 16.03 fails to maintain regular attendance at the course of training for which that leave was granted, for reasons other than justifiable absence, his employment may be terminated by the Company.
- 16.06 Subject to Article 16.05 the period of leave granted under Article 16.03 shall be counted in determining the employee's seniority. It is agreed that an employee returning from education leave will be placed in an entry level position in the department from which he left.
- 16.07 Notwithstanding anything else contained in this Agreement, an employee, while on educational leave in accordance with the provisions of Article 16.03, shall be entitled to vacation leave commensurate with his years of service and vacation pay of 2% of his previous year's wages for each week of vacation entitlement or proportion thereof.
- 16.08 Upon written request by the individual concerned, the Company shall grant leave of absence without pay to any employee elected to or campaigning for his own election to the Manitoba or Saskatchewan Legislature or the House of Commons of Canada. Such leave shall be for a maximum period of two (2) months in the case of

campaigning, or in the case of his election, for a period equal to the time that he continues as an elected member of either the Provincial Legislature or the Federal House of Commons.

16.09 If elected, an employee granted leave under Article 16.08 shall not participate in the Company's benefit programs while on such leave, and the leave granted shall not be counted in determining the employee's seniority.

16.10 Maternity Leave

(a) An employee may advise her immediate supervisor in writing, **by completing form HRO-010 Application for Short Term Leave** with confirmation from a qualified medical practitioner stating the expected date of delivery, that she is pregnant and wishes to have leave of absence. Provided the application for such leave is given to her immediate supervisor at least four (4) weeks prior to the day on which she intends to commence the leave, the Company shall grant her a maternity leave of absence without pay for the period of seventeen (17) weeks, six (6) weeks of which shall be taken immediately following the date of her delivery. If delivery takes place later than the expected delivery date shown on the application, the seventeen (17) weeks leave may be extended by a number of days equal to the days between the expected and actual dates of delivery.

- (b) The Company may require a pregnant employee to provide a medical opinion regarding her fitness for work at any time during her pregnancy.
- (c) The Company may at any time require an employee on maternity leave or entitled to maternity leave pursuant to this article, to provide certification from a qualified medical practitioner of her condition including the expected and actual date of her delivery. In addition, prior to the employee returning to work from a maternity leave of absence such an employee may be required by the Company to present the Company with the written opinion of a qualified medical practitioner that she is able to perform the normal duties of her job.

16.11 Child Care Leave

Where an employee has or will have the actual care and custody of a new-born child or adopts a child, such employee shall be granted in accordance with the Canada Labour Code an unpaid leave of absence of up to thirty-seven (37) weeks.

See Letter of Understanding

#8 - Short Term Personal Leaves of Absence

#10 - Union Leave

Article 17

APPRENTICES

- 17.01 **Apprentices will be registered** under the Province of Manitoba Apprenticeship & Industrial Training Division of the Department of Labour. Present apprentices who qualify for registration with such Division will **register themselves** and the registration fee will be **reimbursed** by the Company **upon submission of a receipt.**
- 17.02 The length of apprenticeship shall be three (3), four (4) or five (5) years depending upon the trade. The Company, subject to approval by the Manitoba Apprenticeship & Industrial Training Division of the Department of Education, may reduce the regular period of apprenticeship training where it is satisfied that an apprentice has received equivalent training or experience in his trade outside the Company's apprenticeship program. Upon the successful completion of a period of apprenticeship training, an apprentice will, subject to the requirements of operations, be employed at the graduate tradesman's rate in the trade for which he is apprenticed and for this purpose the job bulletin provisions of this Agreement shall not be applicable.
- 17.03 Apprentices registered by the Company shall be paid as follows:
- Forty (40) hours per week for the first two (2) weeks of each training course.

Twenty-five (25) hours per week for the balance of in-school training for each training course.

In order to become eligible for the foregoing payments the apprentice must successfully complete the training course in question.

The Company will accept a fax from the Apprenticeship Instructor on school letterhead as satisfactory proof of successful completion.

The Company shall also pay the tuition costs that are incurred for such apprenticeship training courses. Payment of tuition costs will not be dependent upon successful completion of the training course.

- 17.04 Subject to the terms of this Collective Agreement, apprentices removed from the apprenticeship program will be offered other employment.
- 17.05 No rules and regulations regarding apprenticeship training shall conflict with the provisions of this Agreement. In case of conflict, the provisions of this Agreement shall apply.
- 17.06 Overtime hours worked by an apprentice shall not be used to reduce the period of apprenticeship but may be used in arriving at the total number of hours required per year.
- 17.07 An apprentice, who has faithfully and satisfactorily completed his term of instruction will, in consideration thereof, receive from the Company a signed certificate setting forth that he has completed his term of apprenticeship. In addition, each such apprentice shall

receive a bonus of \$100.00. This bonus is offered solely as an inducement to apprentices to fully and satisfactorily complete their contracts and it is understood that no part thereof shall be deemed earned until the contract has been fully and satisfactorily completed. Each employee who completes his apprenticeship with the Company on or after October 1, 1979 will receive \$1000 after one (1) year as a journeyman tradesman with the Company.

- 17.08 The starting wage rate for an employee who is accepted by the Company as an apprentice and is then receiving a wage rate higher than the starting rate for his apprenticeship shall not have his rate reduced below the "twelve (12) months" rate.
- 17.09 While an apprentice is assigned the responsibility of a maintenance or construction job, or the direction of other apprentices by the Company, or is responsible for the maintenance function of an operating unit such as a mine for a minimum of one (1) full shift, he shall receive a rate of pay not less than the starter rate of pay for the trade in which he is an apprentice, for all such shifts worked. The minimum of one (1) full shift requirement will be waived in cases of call-outs.
- 17.10 The Company agrees to pay a two (2) job class additive for journeyman tradesmen with Provincial or Interprovincial Government Certification. It is understood that this certification may have been attained through successfully completing a Government approved apprenticeship program or through examination.

Article 18

CONSTRUCTION PROJECTS

18.01 When an employee is assigned to work on a construction project outside of his normal working area, Article 18.02 and 18.03 shall apply.

18.02 If in the opinion of the Company, it is necessary for an employee to reside in other than his normal place of residence, the Company will supply free board and room and free transportation from a Company designated place to and from the job. The employee will travel to and from the job on his own time, subject to Article 19.02, and work a full shift.

Subject to the provisions of Article 9.02, employees working under this Article 18.02 may work on the basis of a 48 hour week.

18.03 If in the opinion of the Company, it is not necessary for an employee to reside in other than his normal place of residence, the Company will not supply free board and room, but the Company will supply transportation from a Company designated place to and from the job. The employee will travel to and from the job on his own time, subject to Article 19.02 and will work a full shift.

18.04 Departmental service crews who, after having reported to their normal place of work are assigned to work at an outlying mine and take their lunch period at the outlying mine, shall work a straight eight (8) hours including a paid lunch period. It is understood that return

transportation to the normal place of work will be on Company time.

The present practice affecting such employees being temporarily designated to a workplace outside the main Flin Flon and Snow Lake plant areas and travelling on their own time will remain in effect when in the opinion of the Company management it is deemed necessary or advisable.

- 18.05 Flin Flon employees sent to Snow Lake for a temporary period would be paid an amount equal to two and one-half (2½) hours of straight time pay to cover the transportation for themselves and their personal tools to Snow Lake and an additional amount equal to two and one-half (2½) hours of straight time pay to cover the transportation for themselves and their personal tools from Snow Lake when they return from the completion of a temporary job. The employees would be expected to be at Snow Lake, ready for work at the start of the shift, with their personal tools, and would work a full shift on the day that they were returning to Flin Flon. The Company could reserve the right to use other means of transportation outside of the above when, in the sole opinion of Company management, it was necessary or advisable. The Company further agrees to provide the equivalent of return bus fare, Flin Flon to Snow Lake, for each weekend during the said temporary period that does not coincide with the date of transportation at the commencement and completion of the said temporary period. The above terms and conditions will also apply to Snow Lake employees sent to Flin Flon for a temporary period.

Article 19

MISCELLANEOUS PROVISIONS

19.01 (i) The Company agrees that the Unions have an understandable concern over "contracting out" by the Company because of its effect upon such matters as job opportunity for the employees.

The Company will continue to place its primary reliance on its own employees to perform all work that has historically been performed at their mines and surface plants.

The Unions agree that there are certain situations where contracting out is necessary but they will be dealt with under the following guidelines:

1. The Company agrees to continue with its practice to perform production and maintenance work at its mines and surface plants with its own employees. To this end, the Company will give full consideration to the availability of equipment, engineering, skills, manpower, supervision and services, efficiency of operations and to the time required to do the work prior to contracting out.
2. The Company will consult as far in advance as possible with the Presidents or their designate of the affected Unions prior to awarding a contract which would result in an outside firm having its employees work on Company property or a contractor does a

major repair or rebuild costing in excess of \$50,000 outside Company property. The Company will also consult with the appropriate Union President prior to going out for tender on a long term contract such as the Trout Lake ore haul or a diamond drill contract. All other considerations being equal, the Company will give preference to union contractors for such work. It is understood between the parties that contracting is the least preferred route to getting work done. Prior to going out for tender or deciding to contract out, the affected Union President or his designate will be contacted and all pertinent information made available to him so that a meaningful assessment of alternatives to contracting out the work can be made.

If, subsequently, the decision is made to contract out the work, the Union President will be so advised and provided with full information on the reasons for the decision. At this time, the Union will be provided with the name of contractor, nature of work, number of employees and number of estimated hours worked. When the work has been completed by the contractor, the Company will share with the Union President or his designate all pertinent information which would allow the parties to assess whether the work was, in fact, more effectively and efficiently done by the contractor.

3. A list of work that has historically been contracted out or may be contracted out will be established to determine whether such work could be as effectively and efficiently performed by Company employees, with the goal of reducing such work to as low a level as possible.
4. For the purposes of this Article, a joint committee will be set up with Company and Union representatives and will meet as often as necessary to deal with situations as they may arise. The committee may meet in conjunction with the Labour Management Committee.
5. It is also understood that once yearly, on the anniversary date of this Agreement, the Unions and Senior Management will meet to review and discuss contracting out issues.
6. The Company agrees that no employee shall be demoted, laid off or discharged as a result of work being contracted out by the Company.
7. Notwithstanding any of the above, the Company agrees to have their department representatives meet with the Union on a monthly basis concerning contracting out. A significant purpose of these meetings is to have meaningful discussions on contracting out issues including but not limited to any potential movement of manpower and other issues to assist in the alleviating of contracting out.

19.02 The Company will continue its present practice of supplying free transportation to and from a Company designated point to all outlying mines and other projects unless special arrangements are made under Article 9.09.

When an employee is required by the Company to travel in excess of thirty (30) minutes each way to or from a Company designated point and the outlying job site, outside the time of his regularly scheduled shift, a travelling allowance will be paid. Such travelling allowance will be the number of hours in excess of thirty (30) minutes each way multiplied by his regular rate of pay.

However, for the first thirty (30) calendar days of a temporary assignment, the 30 minute portion will be paid. Any applicable premiums would be paid from the start of the assignment.

19.03 Without restricting Management Rights as set out in Article 3 of this Agreement, all working conditions now established by practice and negotiation and now in effect shall remain in force insofar as they are consistent with this Agreement.

See Letter of Understanding

#11 - Contracting Out

#13 - Training and Conference Travel

#28 - Consultation

#30 - Electronic Monitoring

Article 20

REPLACEMENT OF JOB TOOLS AND CLOTHING

- 20.01 Personal tools broken in service or lost in inaccessible places shall be replaced by tools of equal value by the Company, unless an investigation by the Company and the Union proves that the wear or breakage or loss was due to the employee's carelessness or neglect.
- 20.02 The Company will continue with its present practice of partial or full reimbursement for damage to clothing in circumstances where the damage arises while an employee of a service department is assigned to a Plant for temporary duty. Such amount shall be as determined and approved by the department superintendent.

Article 21

BEREAVEMENT LEAVE

- 21.01 A maximum bereavement leave of ten (10) calendar days will be granted to an employee, commencing on the day of the death of his spouse, son or daughter. **For the purposes of this section the term "son or daughter" will include a miscarriage or stillbirth by any employee covered by this agreement or their current spouse. In order to be eligible for bereavement leave in the case of a miscarriage or stillbirth medical documentation must be provided.** For each day the employee was regularly scheduled to work during such leave he shall be paid his regular rate of pay.

- 21.02 A maximum bereavement leave of three (3) scheduled working days will be granted to an employee, upon the death of his mother, father, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandmother, grandfather, spouse's grandmother, spouse's grandfather, grandchild, and any relative permanently residing in the employee's household or with whom the employee resides. **For the purposes of this section the term "grandchild" will include a miscarriage or stillbirth. In order to be eligible for bereavement leave in the case of a miscarriage or stillbirth medical documentation must be provided.** In this situation the bereavement leave will be extended by two (2) scheduled working days if the employee attends the funeral outside Manitoba and Saskatchewan. For each scheduled working day of such leave of absence the employee shall be paid his regular rate of pay.
- 21.03 In the event that an employee's bereavement leave overlaps or occurs during his vacation period his vacation time will be extended by the number of days that his bereavement leave encroaches on it.
- 21.04 To qualify for bereavement leave pursuant to 21.01, 21.02 or 21.03 the employee shall notify his immediate supervisor as soon as possible following the bereavement.
- 21.05 Notwithstanding the terms of 21.01 and 21.02, under the Canada Labour Code an employee is entitled to three (3) calendar days bereavement leave immediately following the death of the employee's spouse, son, daughter, mother, father, sister, brother, mother-in-law

or father-in-law. There is no requirement under the Code to attend the funeral to be eligible for such leave.

Article 22

NO DISCRIMINATION OR HARASSMENT

22.01 The parties mutually agree that there shall be no discrimination or harassment by either of them or by any of the members of the Union against any employee by reason of membership or non-membership in any labour organization or by reason of **race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability and conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered.**

Article 23

DISCIPLINE PROCEDURE

23.01 The following procedure shall govern in all cases of discipline:

- (a) The Company shall have the right to discipline any employee for sufficient and just cause.
- (b) Employees will be advised of any discipline as soon as possible following the incident giving rise to the discipline.

- (c) When an employee is formally disciplined while at work, a steward will attend. Every reasonable effort will be made to have the attending steward be from his own jurisdiction. An opportunity will be given to the steward to discuss the circumstances surrounding the discipline with the superintendent or his representative during the discipline procedure. The employee and his Union will be made aware of any information which is being considered for use in the discipline and informed of any information which is being placed in the employee file that could be used for discipline; and

- (d) When there is an incident which could lead to a suspension of an employee, there will be a joint investigation (by Union and Supervision) to determine the pertinent facts. It is understood that any discipline stemming from the investigation will be solely determined by management. Every reasonable effort will be made to have this investigation completed within seven (7) calendar days. Suspensions will be administered at the end of an employee's shift whenever appropriate and possible, it being understood there are circumstances where it is appropriate to remove the employee from the workplace immediately following the incident. Except in those circumstances where it is appropriate to remove the employee from the property immediately, when a suspension is imposed the suspension will not be served, if the employee decides to file a grievance on the matter, until Step 2 of the grievance procedure has been completed. Union President or designate

will attend (including teleconference or videoconference) all joint investigations and may request to bring stewards for training purposes. Teleconference or videoconference sessions will not be recorded.

- (e) **When an employee is formally disciplined while at work** the employee and the steward in attendance will receive a written copy of the **discipline** or **termination** letter. The appropriate Union **will also be provided a written reason(s) and a copy of the notice of discipline or termination letter.**

- 23.02 There may be situations outside of the formal discipline procedures in which an employee may feel that he would be more comfortable with a Union Steward present when he is called into a meeting with management. Such request for a Union Steward will not be unreasonably denied. If either party feels the intent of this clause is not being followed, the parties will meet to resolve the matter.
- 23.03 If any employee feels that he has been unjustly disciplined, he shall have the right of appeal through the grievance procedure at Step 2. Such appeal must be filed in writing by the Union with the Company within fourteen (14) calendar days after the date of notification of discipline and, unless so filed, the right of appeal shall be lost.
- 23.04 Should it be found upon investigation that an employee has been unjustly **disciplined** or **terminated**, such employee shall be immediately reinstated in his former position without loss of seniority rating, and shall be

compensated for all time lost in an amount equal to his average earnings during the pay period next preceding such **termination** or **discipline**, less any money earned by the employee during the period of **termination** or **discipline**.

- 23.05 All new employees shall be engaged for a probationary period of 480 hours worked (including overtime hours worked). During this probationary period an employee shall be considered as being employed on a trial basis and may be discharged without notice at any time at the sole discretion of the Company and any such discharge shall be deemed for just cause. The Probationary Employee may grieve the dismissal under this clause. However if Management has acted in good faith in assessing the employee the grievance shall be dismissed.
- 23.06 Any employee with more than one (1) year's seniority may once annually request a formal evaluation from his supervisor. In addition, once yearly an employee may request to review his departmental employee file. The written evaluation will include items such as attendance, disciplinary action, promotability and attitude to work and safety.

An employee wishing to review his departmental employee file shall make such request to his department superintendent or designate. All of the material in the file will be reviewed with the employee. If the employee disagrees with the factual nature of any material in his file and the superintendent or designate is unwilling to remove the material from the file, such employee will be entitled to write a note to the file explaining his disagreement. Such note will become part of the file.

After 18 months, any non-punitive discipline that has been issued and is subsequently out of the system will not be used against the employee for further non-punitive discipline, provided that no other infractions have occurred.

Article 24

GRIEVANCE PROCEDURE

- 24.01 Every effort will be made to resolve differences before grievances are filed. Failing that, the parties agree that grievances and grievance meetings should be treated as opportunities for mutual problem solving. Should any difference arise between the Company and any of the employees from the interpretation, application, administration or alleged violation of the provisions of this Agreement, an earnest effort will be made to settle such grievance without undue delay. All grievances, in order to settle them as quickly as possible, will have to be submitted to the Company representative within fourteen (14) calendar days of the occurrence of the incident which gave rise to the grievance and shall be dealt with as hereinafter provided. Every reasonable effort will be made to schedule Step 1 and 2 grievance meetings during the grievor's working hours. Failing that, every reasonable effort will be made to hold the meeting immediately before or after the grievor's working hours. Also, every effort will be made to include all involved parties (original steward, supervisors, etc.) in all steps of the grievance procedure.
- 24.02 Step 1 -- Any employee with a personal grievance must take the matter up with his front line supervisor

accompanied by a Union steward of his choice from his own department. Consistent with the parties' intent to empower stewards and supervisors, Step 1 resolutions will be made without prejudice or precedent.

- 24.03 Step 2 -- Failing satisfactory settlement within seven (7) calendar days after presentation at Step 1, the chief steward and/or steward shall meet with the department superintendent and present the case to him with the grievor, if desired. Such meeting with the department superintendent shall take place within seven (7) calendar days of completion of Step 1.
- 24.04 Step 3 -- Failing satisfactory settlement within seven (7) calendar days after Step 2, the Grievance Committee shall present the matter to the appropriate manager or his designated representative within seven (7) calendar days thereafter. This designated representative is not to be the same individual who replied at Step 2. The Union representative or Business Agent may be present at this step. The grievor and/or a department representative may also be in attendance. Such meeting with the manager or his designated representative shall take place within seven (7) calendar days of notification or at a time mutually agreed upon.
- 24.05 (a) Step 4 -- If settlement is not made within seven (7) calendar days under Step 3, the Grievance Committee may refer the grievance to an Arbitration Board within thirty (30) calendar days after the answer in writing in Step 3 has been given, but not later. The Grievance Committee shall notify the Company as soon as possible within the aforesaid thirty (30) calendar

days of its intention to refer the matter to an Arbitration Board.

(b) Prior to referral to an arbitration board, as referenced in article 24.05(a), the parties may jointly apply to Federal Mediation and Conciliation Service (FMCS) for assistance in resolving/settling any outstanding grievance.

Applications to FMCS must be by mutual agreement of the Company and the Union.

- 24.06 Grievances other than a personal grievance that concern the interpretation, application, administration or alleged violation of the provisions of this Agreement may be initiated by the Union and shall be resolved in accordance with the provisions of this article beginning at Step 3. Also grievances on termination will begin at Step 3.
- 24.07 (a) Personal grievances shall be presented in writing to the department superintendent in Step 2 in Article 24.03.
- (b) The department superintendent's reply to the Step 2 grievance shall be in writing.
- (c) Grievances other than personal grievances shall be presented in writing by the Grievance Committee to the appropriate manager in Article 24.06.
- 24.08 If it should be found inexpedient to carry out promptly the clauses of this article, due to absence of a Company official from the vicinity, a substitute may be appointed by the Company with full power to effect settlement of

grievances, or the step of grievance procedure in which said official is concerned may be eliminated from the procedure.

See Letter of Understanding
#17 - Grievance Procedure

Article 25

ARBITRATION

25.01 If the Company and the Union are unable to settle any grievance in the manner provided in Article 24, that grievance may be referred to an Arbitrator selected in rotation from the panel of individuals set forth below:

Michael Werier
Diane Jones
Gavin Wood
Andy Sims
William Hamilton

If any individual of the above panel, who having been requested in his turn to act as an Arbitrator, shall be unable or unwilling to act within a reasonable time, he shall not again be requested to act as an Arbitrator until his name comes up again on the regular rotation of the panel.

Notwithstanding the foregoing, the Company and the Union may agree to the election of appointees and put the grievance before an Arbitration Board consisting of one (1) appointee of the Company, one (1) appointee of the Union and a third member to be selected from the

above panel and that member shall be chairman of the Arbitration Board.

- 25.02 Unless otherwise agreed between the Company and the local Union concerned, arbitration hearings will be scheduled to be held in Flin Flon.
- 25.03 The Arbitrator shall render his decision as to the matter in dispute within thirty (30) calendar days of the arbitration hearing and shall remain seized as to the matter for a period of ninety (90) calendar days from the receipt of the award by the parties for questions of interpretation and clarification.
- 25.04 The Arbitrator or the Arbitration Board shall proceed with all dispatch to hear and determine the grievance.
- 25.05 The decision of the Arbitrator or the decision of the Arbitration Board shall be in writing and delivered to the parties hereto. The decision shall be final and binding upon the parties, subject to the condition that the decision shall not, without the consent and approval of the parties, rescind or amend any of the terms or conditions of this Agreement, but shall be in accord with the scope and terms hereof.
- 25.06 The Arbitrators, in giving their decision, shall state whether it is to have retroactive effect and from what date it shall take effect.
- 25.07 The Union and the Company agree that each party is responsible for the cost of its own appointee, if applicable, to the Arbitration Board, and further agree that the cost of the Arbitrator shall be shared equally by both parties.

25.08 Notwithstanding the terms of Article 25 if one of the parties wishes to proceed to an expedited form of arbitration with respect to an employee termination they will within fourteen (14) days after the matter has been advanced to arbitration by the Union, advise the other that they wish to invoke the expedited procedure.

The expedited procedure will require that the parties immediately advise each other of the potential hearing dates when they and their counsel can be available over the next ninety (90) days. The parties will also advise as to the number of days they anticipate the hearing will take. This information will then be provided to the next arbitrator in rotation and he will then immediately determine if he can hear the matter within that time period.

If he cannot, the matter will be referred to the next arbitrator in rotation.

After rotating through the entire list of arbitrators, if a date has not been set within the ninety (90) day period outlined above, the parties will within fourteen (14) calendar days, initiate a conference call with the original arbitrator to determine the earliest date the matter can be heard.

Article 26

NO STRIKES, NO LOCKOUTS

26.01 In view of the orderly procedures established by this Agreement for the settlement of disputes and the

handling of grievances, the Unions agree that, during the duration of this Agreement they shall not declare, authorize or engage in any strike, sit-down, slow-down or any suspension of work, nor shall the Company engage in any lockout in the Flin Flon and Snow Lake areas.

Article 27

DURATION OF AGREEMENT

27.01 This Agreement shall become effective as of **January 1, 2018** and shall remain in effect until **December 31, 2020** and including and shall be automatically renewed thereafter for successive periods of twelve (12) months unless either party requests the negotiation of a new agreement by giving written notice to the other party not less than thirty (30) calendar days and not more than ninety (90) calendar days prior to **December 31, 2020** or not less than thirty (30) calendar days and not more than ninety (90) calendar days prior to the anniversary date of any automatic renewal of this Agreement.

SCHEDULE "A"**MINE**

Occupation	Job Class
Bit Brazer	9
Blast Hole Driller	13
Boom Truck Operator	9
Boom Truck Operator Helper	5
Bullcook	5
Bulldozer	9
Bulldozer Operator	9
Bulldozer Operator Learner (1st)	7
Bullgang Foreman	16
Cable Bolter	10
Cage Skiptender	12
Cagetender	11
Cavo Operator	12
Cement Plant Operator	7
Changehouse Man	3
Cook	14
Cook Learner (3rd)	12
Cook Learner (2nd)	10
Cook Learner (1st)	8
Crusher (Underground)	13
Crusher Operator (Open Pit)	11
Development Miner	18
Drill Steel Shop Foreman	17
Driller (Open Pit)	13
Driller Helper S/L	7
Front End Loader Operator	10
Grader Operator	9
Handyman (Surface)	6
Heavy Equipment Operator	11

	98
High Raise Blaster	16
Hoistman (Single Drum)	11
Ho-Ram Operator	9
Hydraulic Fill Man	9
Hydraulic Fill Operator	10
Industrial Mechanic (Certified)	21
Industrial Mechanic (Standard)	19
Industrial Mechanic (Intermediate)	17
Industrial Mechanic (Start)	15
In-Hole Driller Blaster	13
In-Hole Driller	12
In-Hole Loader	12
In-Hole Driller Helper	7
Labourer (Underground)	4
Labourer (Utility)	4
Labourer (Grounds)	4
Lampman	5
L.H.D. Operator	12
L.H.D. Operator Remote	13
Lift Truck Operator	8
Maid	1
Repairman Utility	9
Mine Helper	7
Miner (Certified)	18
Miner (Standard)	18
Miner (Intermediate)	18
Miner (Start)	18
Miner Apprentice (6th period)	14
Miner Apprentice (5th period)	12
Miner Apprentice (4th period)	10
Miner Apprentice (3rd period)	7
Miner Apprentice (2nd period)	5
Miner Apprentice (1st period)	3
Miscellaneous Trammer	9
Oiler	11

	99
Ore Handling Operator	12
Pit Blaster (Open Pit)	14
Pit Blaster Helper (Open Pit)	8
Personnel Carrier Operator	11
Powderman	7
Production Loader (Open Pit)	14
Production Trammer	11
Ring Drill Operator	17
Rock Machine Operator (Mobile)	13
Sanitary Man	4
Shaft Inspector	16
Shovel Operator (Open Pit)	16
Skiptender	12
Slusherman	11
Steel Sharpener	8
Stope Miner	13
Stope Miner Learner (2nd)	11
Stope Miner Learner (1st)	9
Timberman	13
Timberman Learner (2nd)	11
Timberman Learner (1st)	9
Timberman Helper	7
Trackman	9
Truck Driver (Underground)	11
Truck Driver (Heavy)	10
Truck Driver (Service)	8
Truck Operator (Open Pit)	10
Utility Serviceman	8
Waitress	2
Warehouse Checker	11

MILL (SNOW LAKE)

Occupation	Job Class
Changehouse Man	3
Control Room Operator	19
Crushing Plant Operator	15
Crushing Plant Operator Helper	8
Front End Loader Operator (Conc.)	9
Grind/Float Operator	15
Helper	8
Labour Boss	10
Labourer	4
Oiler	11
Oiler/Sampler	12
Sampler/Reagent Mixer	9
Stocktender	8
Thickener/Filter Operator	11

MILL (FLIN FLON)

Occupation	Job Class
Chief Flotation Operator	17
Backfill Operator	8
Changehouse Man	3
Copper Sulphate Operator/Reagent Mixer	9
Crusher Conveyor Attendant	5
Crusher Utility Operator	11
Crushing Plant Operator	15
Filter Plant Operator	11
Grinding Mill Operator	15
Grind Float Operator	19
Assistant Grind Float Operator	16

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Labour Leader	10
Labourer	4
Labourer (Utility)	4
Launderman	3
Lime Plant Operator	8
Mill Helper	10
Oiler	9
Paste Plant Operator	14
Reagent Mixer	7
Sampler	7
Special Flotation Operator	15
Special Flotation Operator Learner 2nd	11
Special Flotation Operator Learner 1st	9
Thickener Operator	10
Utility Operator	9

MILL (NAMEW):

Occupation

Job Class

Control Room Operator	19
Control Room Operator Assistant	17
Mill Helper - Namew Lake	9

ZINC PLANT

Occupation

Job Class

Zinc Roasters

Ball Mill Attendant	7
Labourer	4
Roaster Operator	15
Roaster Operator Assistant	9
Tripperman	7

Zinc Leaching

Cadmium Caster	11
Cadmium Caster Helper	8
Cadmium Control Operator	14
Cadmium Stripper	9
Filter Press Cleaner	7
Filter Press Maintainer	9
Industrial Tailor	10
Industrial Tailor Learner 2nd	8
Industrial Tailor Learner 1st	6
Labourer	4
Leach Helper (Cadmium)	8
Lift Truck Operator	10
Oxide Neutral Leach Operator	12
Oxide Secondary Leach Operator	10
Pachuca Cleaner	8
Pachuca Cleaner Helper	6
Purity Control Operator	19
Sulphide Leach Operator	14
Sulphide Thickener/Filter Operator	10
Tank Cleaner	5
Zinc Stockroom Attendant	8

Zinc Tankhouse

Cell Cleaner	8
Changehouse Man	3
Cooler Maintainer	8
High Acid Man	10
Labourer	4
Lead Room Operator	10
Lead Room Operator Helper	7
Lift Truck Operator	9

Stripper (Gang Cathodes)	16
Tester	12

Zinc Casting Plant

Alloy Control Operator	15
Atomizer Operator	13
Atomizer/Stackdust Leach Operator	14
Casting Operator	17
Caster	12
Charging Operator	16
Charger	10
Dross Plant Operator	9
Equipment Maintainer	12
Labourer	4
Loader	11
Stack Dust Leach Operator	14
Weighmaster	12

Zinc Pressure Leach

Conveyor Attendant	4
Feed Prep Operator	10
Ferrite Residue Operator	7
High Pressure Cleaner	8
High Pressure Cleaner Helper	6
Process Operator	21
Sampler/Assayer	10
Sulphur Control Operator	10
ZPL Process Assistant	14

Zinc Cellhouse

Cell Cleaner Tower Crew	9
Cell Repair	17

Process Operator	18
Process Operator (3 rd Period)	14
Process Operator (2 nd Period)	12
Process Operator (1 st Period)	10

SMELTER

Occupation

Job Class

Anode Furnace Operator	17
Anode Furnace Operator Assistant	14
Anode Man	9
Backhoe Operator (Concentrate)	14
Backhoe Operator (Conc.) Learner 1st	8
Baghouse Operator	10
Bag Maintenance Man	10
Bag Maintenance Man Assistant	7
Bailman	18
Brakeman (Cleanup)	7
Bricklayer Helper	8
Calcine Attendant	13
Calcine Motorman	11
Calcine Brakeman	9
Casting Wheel Helper	6
Changehouse Man	3
Concentrate Sampler	7
Concentrate Sampler Helper	4
Converter Skimmer	18
Converter Helper	6
Conveyorman Attendant (Bedding)	4
Dryer Utility Operator	11
Front End Loader Operator (Conc)	11
Holding Furnace Operator	11
Holding Furnace Tapper	10
Labourer	4

Launder Liner	11
Loader	9
Mobile Service Equipment Operator	11
Motorman (Cleanup)	9
Mould Washer	8
Puncher	10
Quality Control Operator	16
Receiving Bin Operator	8
Reverb Furnace Operator	17
Reverb Matte Tapper	10
Reverb Slag Tapper	10
Reverb Utility Man	8
Reverb Feeder	6
Reverb Arch Cleaner	5
Roaster Operator	14
Roaster Operator Assistant	9
Scaleman	6
Senior Reverb Matte Tapper	12
Shuttle Motorman	9
Shuttle Brakeman	6
Smelter Helper	6
Stocktender	8
Transfer Man (Bedding)	7
Tripperman	6
Vacuum Truck Operator	14
Vacuum Truck Helper	6
Wheelman	12

MACHINE SHOP

Occupation

Job Class

Floorman	8
Warehouse Checker Sr.	10

SURFACE & TRANSPORTATION

Occupation	Job Class
Backhoe Operator	9
Bulldozer Operator	9
Changehouse Man	3
Changehouse Man/Service Truck Driver	8
Crane Operator Mobile Certified	16
Crane Operator Mobile 2nd	14
Crane Operator Mobile 1st	10
Driller	11
Front End Loader Operator (Conc.)	10
Front End Loader Operator	9
Front End Loader Operator Learner 1st	7
Grader Operator	9
Handyman	6
Heavy Equipment Operator	11
Heavy Production Operator	14
Labourer (Utility)	4
Labourer (Grounds)	4
Railroad Maintenance & Equipment Operator	13
Railroad Maintenance Worker	10
Track Boss (Hi Dump)	9
Track Labourer	4
Truck Driver (Crane)	10
Truck Driver (Heavy)	10
Truck Driver (Boom)	11
Truck Driver (Powder)	8
Truck Driver (Service)	8
Truck Operator Helper (Boom)	5
Yardman	13

SAFETY

Occupation	Job Class
Health and Safety Co-ordinator	20
Modified Worker	2
Loss Control Modified Worker	4

WAREHOUSE

Occupation	Job Class
Warehouse Checker (Senior)	10
Warehouse Checker	11
Warehouse Labourer (Student)	1

SECURITY & SERVICES

Occupation	Job Class
Janitor	3
Labourer	4

WAGE SCALE

Job Class	Jan. 1/18	Jan. 1/19	Jan. 1/20
1	\$27.528	\$28.216	\$28.921
2	\$27.959	\$28.658	\$29.374
3	\$28.395	\$29.105	\$29.833
4	\$28.827	\$29.548	\$30.287
5	\$29.262	\$29.994	\$30.744
6	\$29.693	\$30.435	\$31.196
7	\$30.126	\$30.879	\$31.651
8	\$30.558	\$31.322	\$32.105
9	\$30.994	\$31.769	\$32.563
10	\$31.431	\$32.217	\$33.022
11	\$31.861	\$32.658	\$33.474
12	\$32.296	\$33.103	\$33.931
13	\$32.727	\$33.545	\$34.384
14	\$33.159	\$33.988	\$34.838
15	\$33.596	\$34.436	\$35.297
16	\$34.029	\$34.880	\$35.752
17	\$34.462	\$35.324	\$36.207
18	\$34.896	\$35.768	\$36.662
19	\$35.332	\$36.215	\$37.120
20	\$35.764	\$36.658	\$37.574
21	\$36.200	\$37.105	\$38.033
22	\$36.628	\$37.544	\$38.483
23	\$37.061	\$37.988	\$38.938
24	\$37.498	\$38.435	\$39.396
25	\$37.929	\$38.877	\$39.849
26	\$38.363	\$39.322	\$40.305
27	\$38.796	\$39.766	\$40.760
28	\$39.230	\$40.211	\$41.216
29	\$39.664	\$40.656	\$41.672
30	\$40.100	\$41.103	\$42.131
31	\$40.531	\$41.544	\$42.583
32	\$40.961	\$41.985	\$43.035
33	\$41.394	\$42.429	\$43.490
34	\$41.822	\$42.868	\$43.940
35	\$42.254	\$43.310	\$44.393
36	\$42.686	\$43.753	\$44.847
37	\$43.116	\$44.194	\$45.299
38	\$43.547	\$44.636	\$45.752
39	\$43.977	\$45.076	\$46.203
40	\$44.406	\$45.516	\$46.654

**The foregoing includes a \$2.00 per hour Northern Travel
Benefit**

SCHEDULE "B"

Classifications of employees of Hudbay for whom the UNITED STEELWORKERS are certified as collective bargaining agents:

MINING:

Bit Brazer
Blast Hole Driller
Boom Truck Operator
Boom Truck Operator Helper
Bullcook
Bulldozer
Bulldozer Operator
Bulldozer Operator Learner 1st
Bullgang Foreman
Cable Bolter
Cage Skiptender
Cagetender
Cavo Operator
Cement Plant Operator
Changehouse Man
Cook
Cook Learner 3rd
Cook Learner 2nd
Cook Learner 1st
Cook Second
Cook Relief
Cook Camp
Cooke
Crusher (Underground)
Crusher Operator (Open Pit)
Development Miner
Drill Steel Shop Foreman
Driller (Open Pit)
Driller Helper Snow Lake

Front End Loader Operator
Grader Operator
Handyman (Surface)
Heavy Equipment Operator
High Raise Blaster
Hoistman (Single Drum)
Ho-Ram Operator
Hydraulic Fill Man
Hydraulic Fill Operator
Industrial Mechanic (Certified)
Industrial Mechanic (Standard)
Industrial Mechanic (Intermediate)
Industrial Mechanic (Start)
In-Hole Driller Blaster
In-Hole Driller
In-Hole Loader
In-Hole Driller Helper
Labourer (Underground)
Labourer (Utility)
Labourer (Grounds)
Lampman
L.H.D. Operator
L.H.D. Operator Remote
Lift Truck Operator
Maid
Repairman Utility
Mechanical Trades Helper
Mine Helper
Miner (Certified)
Miner (Standard)
Miner (Intermediate)
Miner (Start)
Miner Apprentices
Miscellaneous Trammer
Oiler

Ore Handling Operator
Personnel Carrier Operator
Pit Blaster (Open Pit)
Pit Blaster Helper (Open Pit)
Powderman
Production Loader (Open Pit)
Production Trammer
Ring Drill Operator
Rock Machine Operator (Mobile)
Sanitary Man
Shaft Inspector
Shovel Operator (Open Pit)
Skiptender
Slusherman
Steel Sharpener
Stope Miner
Stope Miner Learner 2nd
Stope Miner Learner 1st
Timberman
Timberman Learner 2nd
Timberman Learner 1st
Timberman Helper
Trackman
Truck Driver (Underground)
Truck Driver (Heavy)
Truck Driver (Service)
Truck Operator (Open Pit)
Utility Serviceman
Waitress
Warehouse Checker

MILL (SNOW LAKE):

Changehouse Man
Control Room Operator
Crushing Plant Operator
Crushing Plant Operator Helper
Front End Loader Operator (Conc.)
Grind/Float Operator
Labour Boss
Labourer
Mill Helper
Oiler
Oiler/Sampler
Sampler/Reagent Mixer
Stocktender
Thickener/Filter Operator

MILL (FLIN FLON):

Backfill Operator
Changehouse Man
Chief Flotation Operator
Copper Sulphate Operator/Reagent Mixer
Crusher Conveyor Attendant
Crusher Utility Operator
Crushing Plant Operator
Filter Plant Operator
Grind Float Operator
Assistant Grind Float Operator
Grinding Mill Operator
Mill Helper
Labour Leader
Labourer
Labourer (Utility)
Lauderman

Lime Plant Operator
Oiler
Paste Plant Operator
Reagent Mixer
Sampler
Special Flotation Operator
Special Flotation Operator Learner 2nd
Special Flotation Operator Learner 1st
Thickener Operator
Utility Operator

MILL (NAMEW):

Control Room Operator
Control Room Operator Assistant
Mill Helper - Namew Lake

ZINC PLANT:

Zinc Roasters

Ball Mill Attendant
Labourer
Roaster Operator
Roaster Operator Assistant
Tripperman

Zinc Tankhouse

Cell Cleaner
Changehouse Man
Cooler Maintainer
High Acid Man
Labourer
Lead Room Operator

Lead Room Operator Helper
Lift Truck Operator
Stripper (Gang Cathodes)
Tester

Zinc Leaching

Cadmium Caster
Cadmium Caster Helper
Cadmium Control Operator
Cadmium Stripper
Filter Press Cleaner
Filter Press Maintainer
Industrial Tailor
Industrial Tailor Learner 2nd
Industrial Tailor Learner 1st
Labourer
Leach Helper (Cadmium)
Lift Truck Operator
Oxide Neutral Leach Operator
Oxide Secondary Leach Operator
Pachuca Cleaner
Pachuca Cleaner Helper
Purity Control Operator
Sulphide Leach Operator
Sulphide Thickener/Filter Operator
Tank Cleaner
Zinc Stockroom Attendant

Zinc Casting Plant

Alloy Control Operator
Atomizer Operator
Atomizer/Stackdust Leach Operator
Casting Operator

Caster
Charging Operator
Charger
Dross Plant Operator
Equipment Maintainer
Labourer
Loader
Stack Dust Leach Operator
Weighmaster

Zinc Pressure Leach:

Conveyor Attendant
Feed Prep Operator
Ferrite Residue Operator
High Pressure Cleaner
High Pressure Cleaner Helper
Process Operator
Sampler/Assayer
Sulphur Control Operator
ZPL Process Assistant

Zinc Cellhouse:

Cell Cleaner Tower Crew

Cell Repair

Process Operator
Process Operator (3rd Period)
Process Operator (2nd Period)
Process Operator (1st Period)

SMELTER:

Anode Furnace Operator
Anode Furnace Operator Assistant

Anode Man
Backhoe Operator (Concentrate)
Backhoe Operator (Concentrate) Learner 1st
Baghouse Operator
Bag Maintenance Man
Bag Maintenance Man Assistant
Bailman
Brakeman (Cleanup)
Bricklayer Helper
Calcine Motorman
Calcine Brakeman
Casting Wheel Helper
Changehouse Man
Concentrate Sampler
Concentrate Sampler Helper
Converter Skimmer
Converter Helper
Conveyorman Attendant (Bedding)
Dryer Utility Operator
Front End Loader Operator (Conc)
Holding Furnace Operator
Holding Furnace Tapper
Labourer
Launder Liner
Loader
Mobile Service Equipment Operator
Motorman (Cleanup)
Mould Washer
Puncher
Quality Control Operator
Receiving Bin Operator
Reverb Furnace Operator
Reverb Matte Tapper
Reverb Slag Tapper
Reverb Utility Man

Reverb Feeder
Reverb Arch Cleaner
Roaster Operator
Roaster Operator Assistant
Scaleman
Senior Reverb Matte Tapper
Shuttle Motorman
Shuttle Brakeman
Smelter Helper
Stocktender
Transfer Man (Bedding)
Tripperman
Vacuum Truck Helper
Vacuum Truck Operator
Wheelman

MECHANICAL:

Floorman
Senior Clerk (Stock) (Trout Lake)
Warehouse Checker Sr.

SURFACE & TRANSPORTATION:

Backhoe Operator
Bulldozer Operator
Changehouse Man
Changehouse Man/Service Truck Driver
Crane Operator Mobile Certified
Crane Operator Mobile 2nd
Crane Operator Mobile 1st
Driller
Front End Loader Operator (Conc.)
Front End Loader Operator

Front End Loader Operator Learner 1st
Grader Operator
Handyman
Heavy Equipment Operator
Heavy Production Operator
Labourer (Utility)
Labourer (Grounds)
Railroad Maintenance & Equipment Operator
Railroad Maintenance Worker
Track Boss (Hi Dump)
Track Labourer
Truck Driver (Crane)
Truck Driver (Heavy)
Truck Driver (Boom)
Truck Driver (Powder)
Truck Driver (Service)
Truck Operator Helper (Boom)
Yardman

SAFETY:

Health and Safety Co-ordinator
Modified Worker
Loss Control Modified Worker

WAREHOUSE:

Warehouse Checker (Senior)
Warehouse Checker
Warehouse Labourer (Student)

CLERICAL OFFICE & STEWARDS:

Cook
Janitor/Janitress

Labourer
Maid
Waitress

January 1, 2018

LETTER OF UNDERSTANDING - #1

To the Union:

RE: EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

The Company agrees to continue with the Employee and Family Assistance Program for the duration of this Agreement.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #2

To the Union:

RE: UNION JURISDICTION

The parties will meet, no later than September 30, 2011, in order to review the practice that has existed with respect to layoff, recall and movement of employees without regard to Union jurisdiction.

The purpose of such meeting(s) shall be to draft either a clause, for insertion in the Collective Agreement, or a Letter of Understanding, reflecting the practice that has existed with respect to this issue.

The practice that has existed up to this date will continue until such time as the parties have concluded an agreement with respect to this matter.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #3

To the Union:

RE: PARTNERING

The Company and the Unions are committed to a successful profitable operation founded on principles of respect and tolerance between the Unions and the Management of the Company.

Both the Company and the Unions share common objectives relating to achieving the ongoing viability of HBMS and in turn providing greater employment security and improved working life for employees. The parties recognize that change and involvement is required on the part of all levels of Management, Unions, and employees in order to achieve these objectives.

Therefore the Company and the Unions have established a Joint Restructuring Committee made up of senior Union and Management officials with a mandate to develop and implement:

- a) an overall vision for HBMS,
- b) a highly involved workforce and
- c) improved communications at all levels of the organization

and to ensure significant progress over the life of this Agreement in implementing the following principles and values.

Hudbay will be safe, profitable, customer-focused and environmentally responsible. We, as individuals and organizations, are committed to:

1. Treating everyone with dignity, demonstrating respect for individual differences and perspectives and communicating openly and honestly.
2. Recognizing the importance of and accepting the responsibility for effective job training, education on our processes and business, and individual development.
3. Empowering employees at all levels of our organization to become highly involved and to significantly share in the decision making process.
4. Fostering innovation, co-operation and commitment to change which will enhance job security through increased productivity and profitability.

The following better define the preceding principles and values:

Safe:

Establishing standards, practices, procedures and responsibilities that eliminate or prevent unsafe conditions or acts.

Profitable:

Yielding an acceptable financial profit to the mutual benefit of Company employees and shareholders.

Customer Focused:

Recognizing and anticipating the needs of internal and external customers in order to provide a quality product and service. Internal customers are operating divisions, departments, employees at all levels and unions. External customers are those who purchase our product, the community at large and all levels of government.

Environmentally Responsible:

Making decisions and policies in the building and management of our plants and mines to comply with regulations and rules in the interest of protecting the environment in which we live and work now and in the future.

Individuals and Organizations:

All persons employed by Hudbay and the Unions and Associations that may represent them in the course of their employment.

Individual Differences and Perspectives:

Recognizing that all employees, either individually or collectively, are legitimately entitled to have their own views and needs heard and considered.

Job Training:

Providing orientation and instruction on standards, practices, procedures and responsibilities in the safe and efficient performance of work.

Education on Our Processes and Business:

Developing a basic knowledge and understanding of our mining methods and plant processes and an ongoing appreciation of the financial, environmental, political and global considerations that affect our business enterprise.

Individual Development:

Providing opportunities and resources in order for employees to realize their full potential within the organization.

Empowerment:

Workers having the authority and training to make decisions in workplace matters involving continuing improvements in productivity, unit cost reduction and quality and providing timely and pertinent information and the resources, authority, responsibility and accountability to enable employees to manage their work environment.

Highly Involved:

Actively participating in planning and decision making as a normal consequence to employment with HBMS. This may lead to the role of supervisors evolving into a role which emphasizes coaching and co-ordination instead of directing.

Significantly Share:

Meaningful participation in the decision making process at all levels of the organization.

Innovation:

Receptiveness to new and fundamentally different ideas and approaches in the way we do business.

Co-operation:

Willingness to listen to each other and work together for mutual benefits.

Commitment to Change:

Desire and willingness to expect and explore better ways of doing business.

Job Security:

A concerted and collective effort to maintain employment opportunities and associated benefits for all employees.

Productivity:

To produce the highest quality and quantity of product or services at the lowest attainable unit cost on a sustained basis.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #4

To the Union:

RE: GENERAL HOLIDAY - NOTICE OF WORKING

When scheduling work on a General Holiday, the Company agrees that fourteen (14) days' notice will be given to an employee who:

- 1) is required to work on a holiday in an area which is normally shut down during a General Holiday

or

- 2) is not required to work on a holiday in an area which normally operates during a General Holiday.

It is understood that emergencies or production difficulties may reverse or shorten this period.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #5

To the Union:

RE: VACATION AND SHIFT SCHEDULING

The intent of this letter is to give employees direct involvement in, and to make both Management and employees directly accountable for, vacation and shift scheduling decisions.

Guidelines for vacation booking will be developed in direct consultation with the appropriate representatives from individual working groups with each party recognizing the individual requirements of the other.

The Company will consult with the Union prior to January 31 of each vacation year prior to making any changes to existing vacation booking guidelines. If the Union wishes to discuss changes to the existing vacation booking guidelines, they will make that request known by January 1 of the vacation year to allow consultation by January 31 of that year.

All affected work groups can, through a union representative, enter into interest-based discussions to address and resolve shift and work scheduling issues.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #6

To the Union:

RE: OVERTIME ON REST DAYS

The following clarifies the understanding of the parties with respect to Article 9.04 (b):

The intent of Article 9.04 (b) is to provide overtime rates of pay (in cases where sufficient notice is not given) for the first block of rest days only that the employee would have received had he remained on his previous job.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #7

To the Union:

RE: BANKED OVERTIME PAY

This will confirm the agreement reached between the parties that during the term of the Collective Agreement, the Union and individual departments may enter into agreements to "bank" overtime pay. Any agreement reached will contain the following provisions:

- 1) At an employee's request, he will not be paid for overtime worked and payment for this work will be banked (banking of pay, not banking of hours).
- 2) It is understood that this banked overtime pay may be paid out any time at the discretion of the employee (e.g. short term personal leaves of absence outlined in Letter #8).
- 3) It is understood that this banked overtime pay is not to exceed the dollar amount of \$10,000. Any employee currently exceeding this amount will not be allowed to further bank overtime pay until such time that their balance falls below the \$10,000 limit.**

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #8

To the Union:

RE: SHORT TERM PERSONAL LEAVES OF ABSENCE

At the 1993 Interest Based Negotiations, the issue of granting short term personal leaves of absence was discussed in detail.

After an extensive exploration of the different interests and concerns, and after having considered a number of different options, the following general guidelines were agreed to through consensus:

- 1) Subject to the requirements of operations, every effort will be made to grant employees leaves of absence of a personal nature.
- 2) Recognizing differences in operations in each department, individual departments will establish their own practices based on their own unique circumstances.
- 3) In the granting of compassionate and medical leave every effort, including the use of overtime, will be considered.

In the granting of compassionate and medical leave, employees will not be required to use vacation days.

If an employee is designated as an executor for an estate, and the employee requests leave to carry out their function, such request will be considered as a request for compassionate leave.

- 4) It is important that the front line supervisor have input to administer the leave provisions.
- 5) When granting personal leaves of absence, other than for compassionate and medical reasons, the following options may be considered (depending on departmental circumstances):
 - a) Leave without pay (for greater clarity, it is understood that banked overtime pay may be paid out in these instances at the employee's request).
 - b) Employee would only be required to take an unbooked "regular" vacation day after July 1st (vacation days taken in this regard would not be considered a split).
 - c) Employee would take a "special" vacation day at his request only (vacation days taken in this regard would not be considered a split).
- 6) In the determination of granting of personal leave requests, individual circumstances should be taken into account (e.g. commuting) and each leave should be dealt with on its individual merit.

It was the general consensus of the group that addressed this issue that personal leave requests need to be handled in a reasonable manner by all concerned (management and employees).

Thank you for your co-operation in this matter.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #9

To the Union:

RE: PROFIT SHARING PLAN

1. The Company agrees to establish a Profit Sharing Plan with effect as of January 1, 1994. The Plan, which shall not be amended without agreement of the Unions, includes all employees in the Flin Flon/Snow Lake operations, with the exception of executive officers of the Company and all others who participate in any management incentive plans other than this Profit Sharing Plan.
2. At the end of each calendar year, ten percent (10%) of the Company's "After Tax Earnings (Loss)" if positive, as defined in point 3 of this letter, shall be distributed on the first pay day following the issue of the Profit Sharing Plan Statement to the full time hourly and salaried employees on the following basis:
 - a) Full time hourly and salaried employees who are employed for the full year shall receive a full and equal share.
 - b) Employees who retire or are laid off during the year shall receive a partial share on a quarterly pro rata basis.
 - c) Employees who are hired or are recalled during the year and are on the payroll at year end shall receive a partial share on a quarterly pro rata basis.

It is understood between the parties that employees who quit or are terminated during the year will not be afforded profit sharing. It is further understood that quarterly pro rata basis shall mean an eligible employee who was on the payroll during any portion of a quarter will be afforded profit sharing as if he worked that full quarter.

By way of example, if an employee retires in August, he would receive three (3) quarters of the profit sharing payment afforded an employee who was on the payroll for a full year.

Any negative "After Tax Earnings (Loss)" for the calendar year shall be eliminated and not carried forward to future years.

3. For the purposes of this Profit Sharing Plan "After Tax Earnings (Loss)" shall comprise "Net Income (Loss)" calculated in accordance with Hudbay's accounting policies and IFRS Accounting Standards with the following exclusions:
 - (i) Profit Sharing Plan costs
 - (ii) Provisions for deferred income tax
 - (iii) The Company's portion of any gains which result in payments under a Gainsharing Plan during the year including the annual global reserve payout.
4. There is no cap on the size of the Profit Sharing Plan.

5. Verification

Thirty (30) days following release of HudBay Mineral Inc.'s annual results, the Company shall provide the Unions with an audited Profit Sharing Plan Statement for that fiscal period. Such statement shall include verification of the exclusions per points 3 (i), (ii) and (iii).

Within one week of the Union receiving a copy of the audited Profit Sharing Plan Statement and prior to making the Profit Sharing Plan payment to employees the Company will arrange an in camera meeting between the Union Presidents or their designates and/or Union Staff Representatives and the Auditors to review the audited Profit Sharing Plan Statement.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #10

To the Union:

RE: UNION LEAVE

Further to Article 16.02(a) it is understood that such leave may be for the purpose of International Union business and in these cases such employee will be required to pay the Company's cost of carrying him on the payroll in addition to the employee's regular contributions and he will not accrue vacation entitlement and vacation pay.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #11

To the Union:

RE: CONTRACTING OUT

Notwithstanding the terms of Article 19.01, it is understood and agreed between the parties that any information which is provided shall be given to the local Union Executive for their eyes only, and shall be used only for the purposes contemplated by Article 19.01 and not for any other purposes whatsoever, and shall not be disclosed to any other persons or parties.

The parties further understand and agree that any information referred to in Section (2) of Article 19.01, and the disclosure of such information by the Company to the Unions or Union Executive, is expressly subject to and contingent upon any confidential, sensitive, proprietary, trade secrets or contractual rights or restrictions of any third party or the Company, as determined by the Company.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

Letter of Understanding - #12

To the Union:

RE: MATERIAL PICK-UP

Should an employee be specifically instructed to pick up equipment or material prior to the start of his normal shift or return same at the end of his shift, he will be paid for such work. The words "equipment or material" shall include personal tools.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #13

To the Union:

RE: TRAINING AND CONFERENCE TRAVEL

1. Training

- (a) Training will generally be afforded employees on Company time, it being understood that homework assignments and studying will be done by employees on their own time.
- (b) In the event an employee is directed to take a correspondence course, the Company will pay the tuition for the course and for any books required. In addition, on successful completion of the course, an employee will be paid a lump sum as agreed to between the Company and the Union(s).
- (c) It is understood this Letter will not apply to such training as apprenticeship training, training taken by Powerhouse Engineers, etc.

2. Out of Town Travel for Training and Conferences

Payment for travel outside an employee's normal working hours for hourly employees will be as follows:

- (a) There will be no compensation in the event the travel is voluntary and not specifically at the request of the Company. All pay is to be at straight time.

- (b) Travel time shall be defined as the time in transit from Flin Flon to the city of destination (return trip to be handled in the same fashion). The city of destination shall be defined as the city in which the training takes place or if there is a requirement to overnight in a hotel on route to the city in which that hotel is located. If the mode of transportation is airplane, travel time will be the time spent in the air plus any time spent in the airport waiting for a connecting flight. Such times will not be the actual times but the times outlined on the airline ticket. The maximum time to be compensated for waiting for a connecting flight shall be two (2) hours.
- (c) There will be a per diem paid which does not cover hotel, transportation to and from the airport or to and from training.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #14

To the Union:

RE: SERVICE CREWS

Subject to Article 19.02 and Article 18, departmental service crews who have places of work designated outside the main Flin Flon and Snow Lake plant areas, respectively, shall work a straight eight (8) hours, including a paid lunch period.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #15

To the Union:

LONG TERM ABSENTEEISM

Employees off work on Short Term Disability, Long Term Disability and/or Workers' Compensation will cease accruing regular and special vacations on being off work for twelve (12) months. Accrual of regular and special vacations will restart once an employee has returned to work on a full time basis for a minimum of three (3) months (accrual from date of return to work). It is understood that an employee will not be considered to have returned to work for the three (3) month period outlined above if, during the period in question, they are absent from work for any period of more than forty-eight (48) consecutive working hours related to the original injury or illness.

Regular Vacation - entitlements will be prorated in the year the accrual ceases (after being off work for twelve (12) months), and also in the year the accrual restarts.

Special Vacation - the employee's special anniversary date will be delayed by the number of days lost due to sickness or injury in excess of 365.

Employees who are expected to be off work for extended periods and be affected by these provisions will be allowed to carry over regular and special vacation from year to year.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #16

To the Union:

**RE: EMPLOYMENT SECURITY, EMPLOYEE
EMPOWERMENT AND JOB FLEXIBILITY**

This will confirm our understanding and recognition that there is a direct connection between employment security, employee empowerment and the flexible use of employee skills. The parties agree that in order to meet production targets and cost cutting goals that will ensure our survival, the parties will encourage employees to perform any work provided that they have the necessary knowledge and skills to perform the work safely. It is understood that this workplace flexibility will not result in the removal of the primary responsibilities of operation of the plant from operators to tradespersons, nor of the primary responsibility of maintaining the plant from tradespersons to operators.

The parties recognize that some employees may require additional training in order to fulfil these targets and goals and that the additional skills acquired may justify, in some instances, increases in pay.

To give greater clarity to the above:

- a) Safety - All work will be performed in the manner consistent with Article 6 of the Collective Agreement as well as the Company's Safety Rules, the regulations issued by the Workers Compensation Board and other applicable legislation. It is recognized that some tasks can only be performed by employees who possess certain government

certification and, in that instance, the work will only be performed by employees who possess the required government certificate.

- b) Trades - In order to maintain flexibility, tradespersons will assist other tradespersons for the efficient operation of the plant as long as the tradesperson is capable of doing the work in a safe manner and has the necessary qualifications to do the work in accordance with paragraph a) above. Tradespersons will assist operating crews to improve the efficiency of the plants or mines.
- c) Operators - In order to maintain flexibility, operators will assist tradespersons and other operators in the efficient operation of the plant as long as the operator is capable of doing the work in accordance with paragraph a) above.

The parties agree that a sub-committee of the HBMS Restructuring Committee will be established consisting of one (1) representative of the United Steelworkers, one (1) representative of the Association of Flin Flon Trade Unions and two (2) representatives from the Company. The committee will be responsible for:

- a) Reviewing training programs which are designed to provide employees with the necessary knowledge and skills required to perform the additional duties safely. This committee will also review the selection criteria for such training in instances where the additional skills acquired will result in increases in pay.
- b) Providing input and guidance on the implementation of flexible work practices and seeking to anticipate and/or resolve any disputes which may arise. It is understood that

an affected employee, a Union, or the Company may forward matters to the committee for resolution.

- c) Taking all necessary steps to ensure flexible work practices are utilized broadly in order to reduce costs and increase productivity.
- d) Fostering and promoting the principles of employee empowerment which is defined as having the authority and training to make decisions in workplace matters involving continuing improvements in productivity, unit cost reduction and quality and providing timely and pertinent information and the resources, authority, responsibility and accountability to enable employees to manage their work environment.

It is further agreed that no employee will be laid off as a direct result of the flexible use of employee skills.

Effective October 1, 1996 it is agreed that no employees will be laid off unless such layoffs are the result of the following:

- a) Layoffs because of temporary shutdowns, vacation shutdowns, market conditions, interruption or cessation of feed supply, compliance with government orders or force majeure.
- b) Layoffs resulting from decreased manning levels required because of the shutting down or substantially reduced output levels of an existing mine, operating plant or a significant portion thereof, not including work reorganization or process modifications.
- c) Layoffs of any employee hired after the effective date of the collective agreement then in force.

- d) Discharge for cause
- e) Layoffs due to closure, sale or merger, or significant reduction in the operating or manning level which precedes final closure, sale or merger.

It is understood that any layoff resulting from the foregoing shall not be characterized as being the direct result of the flexible use of employee skills.

It is further understood that employees may be laid off if they are hired, retained or recalled for temporary periods.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #17

To the Union:

RE: GRIEVANCE PROCEDURE

During 1993 bargaining, the Company and the Unions committed themselves to the following with regard to problem resolution and the grievance procedure:

- a) Joint training of Union stewards and supervision on all aspects of the CBA, Letters of Understanding, etc.
- b) Joint training of Union stewards and supervision on issue resolution.
- c) To share all information and, wherever practicable, use joint fact finding.
- d) That the time limits outlined in Article 24 are a guideline to provide timely resolve to all grievances. It is not the intent of either party to gain advantage by either exceeding time limits or denying grievances because of a reasonable non-compliance with time limits.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers *

January 1, 2018

LETTER OF UNDERSTANDING - #18

To the Union:

RE: 1 & 2 DAY SHUTDOWNS

Employees affected by plant shutdowns of 48 consecutive hours or less will have the option of taking outstanding holidays or being granted leave without pay.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #19

To the Union:

RE: SAFETY AND HEALTH REPRESENTATIVE

The Company will continue to employ for the duration of this Agreement a full time Safety and Health Representative from the hourly workforce, nominated by the United Steelworkers, who will be paid for by the Company and who is acceptable to both parties.

It is understood that such employee is a member of the Safety Department, and reports to the Safety Superintendent and may attend quarterly Plant Safety and Health Committee meetings as an additional member to those outlined in Article 6.02 (ii).

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #20

To the Union:

RE: SENIOR EMPLOYEE TO LESS DEMANDING POSITION

Further to our discussions concerning Article 7.04 (c), the Company agrees that if plant operations permit, in consultation with the Union it will endeavour to accommodate a senior employee who may wish to move to a less demanding position.

It is further understood that in this situation the limitation of three (3) successful bids on bulletins could be waived.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #21

To the Union:

RE: 17-HOUR REPORTING RULE

This will confirm our discussions during 1990 bargaining that the intent of the "17-hour reporting rule" is to protect the Company from having to pay two employees to do one job.

An employee who has not provided the required notice will not be disallowed from working unless arrangements have been made for his replacement.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #22

To the Union:

RE: EXTENDED SHIFTS

The parties agree that no additional wage and benefit costs will be incurred with the adoption of a twelve (12) hour shift schedule and, to this end, the following clauses in the Collective Bargaining Agreement have been revised. This summary is for information purposes only and does not prohibit the establishment of other provisions as may be deemed necessary by individual departments when implementing extended hours.

7.02 All new or rehired employees shall be considered to have accumulated 1.5 straight time working shifts for any twelve (12) hour shifts worked for purposes of completing the normal probationary period of four hundred eighty (480) working hours (including overtime hours worked).

9.02 Standard rates of pay for hourly employees working extended hours shall be calculated on the basis of working 320 hours in an eight (8) week period (average forty (40) hours per week).

Standby allowance will be paid to hourly employees working extended hours if the department requires such an arrangement. The allowance payable will be one-half (1/2) hour's pay at straight time at the employee's applicable hourly rate.

For areas which work four on/four off with 12-hour shifts and do not use a swingman, the basis for their scheduled overtime pay will be as follows:

- (i) 2.3 hours at 1/2 regular rate will be paid for each 48-hour working set of shifts which are worked as scheduled.
- (ii) Employees who miss a shift(s) due to sickness or AWOL during a 48-hour set of scheduled shifts will not receive the payment outlined in (i) for that 48-hour set.
- (iii) For the purpose of determining the payment in (i), shifts of paid leave such as vacation and bereavement leave will be considered as shifts worked.
- (iv) Payment under (i) will be prorated for shifts missed in the 48-hour set for shifts of unpaid leave (i.e. if there is one shift of unpaid leave in the 48-hour working set, the payment would be $36 \div 48 \times 2.3 \text{ hours} \times 1/2 \text{ regular rate}$).

9.04 For employees working 12-hour shifts, two (2) working days shall be considered as sufficient notice for change of rest days. Also, shifts paid at overtime rates because of insufficient notice of either change of shift or rest days shall be considered as straight time hours worked for the purposes of calculating subsequent overtime entitlement based on the 8-week averaging period.

11.03 A second-shift differential shall be paid to hourly employees working such extended hours on the basis of 2/3 the combined afternoon and night/graveyard shift

differential payable to employees on standard eight (8) hour shifts.

- 14.01 Statutory holiday pay for employees on a compressed work week who are not required to work on a statutory holiday shall consist of eight (8) hours pay at straight time, provided they comply with the regulations of Article 14.
- 14.02 Statutory holiday pay for employees on a compressed work week, other than those referred to in Article 14.04, who are required to work on the eleven (11) General Holidays listed in 14.01 shall consist of holiday pay in an amount equal to his regular rate of pay for all hours worked and one and one-half (1 1/2) times his regular rate of pay for all hours worked by him on that General Holiday.
- 15.02 (d) Regular vacation bonus for employees on a compressed work week shall be adjusted to 1.5 times the current regular vacation bonus for each compressed day of regular vacation granted and taken under Article 15.08.
- 15.08 Regular vacation entitlement for employees on a compressed work week shall be converted as outlined below. It is understood that anything less than one full compressed vacation day will be taken as a part shift, or paid out at the end of the year.

Vacation Anniversary Date	Regular Vacation Days (8 Hour Shifts)	Compressed Vacation Days (12 Hour Shifts)
1 st (as per 15.01 calculation)	1	0 days, 8 hours
	2	1 day, 4 hours
	3	2 days, 0 hours
	4	2 days, 8 hours
	5	3 days, 4 hours
	6	4 days, 0 hours
	7	4 days, 8 hours
	8	5 days, 4 hours
	9	6 days, 0 hours
	10	6 days, 8 hours
2 nd	11	7 days, 4 hours
3 rd	12	8 days, 0 hours
4 th	13	8 days, 8 hours
5 th and 6 th	15	10 days, 0 hours
7 th and 8 th	16	10 days, 8 hours
9 th and 10 th	17	11 days, 4 hours
11 th and 12 th	18	12 days, 0 hours
13 th and 14 th	19	12 days, 8 hours
15 th to 19 th	21	14 days, 0 hours
20 th	22	14 days, 8 hours
21 st	23	15 days, 4 hours
22 nd	24	16 days, 0 hours
23 rd and over	25	16 days, 8 hours

15.10 Special vacation entitlement for employees on a compressed work week shall be converted to compressed days as per regular vacations.

For example: 15 days (8 hour shifts) = 10 days (12 hour shifts)

- 21.01 Bereavement leave for workers on extended hours shall consist of a maximum of ten (10) calendar days commencing on the day of the death of his spouse, son or daughter. For each day the employee was regularly scheduled to work during such leave he shall be paid his regular rate of pay for twelve (12) hours.
- 21.02 Bereavement leave for workers on extended hours shall consist of a maximum of **three (3)** working days, upon the death of his mother, father, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandmother, grandfather, grandchild, spouse's grandmother and spouse's grandfather, and any relative permanently residing in the employee's household or with whom the employee resides. In this situation, travelling time will be adjusted to one (1) day and four (4) hours if the employee attends the funeral outside Manitoba and Saskatchewan. For each scheduled working day of such leave of absence, the employee shall be paid his regular rate of pay for twelve (12) hours.

It is agreed that the Company or the Unions may terminate a twelve (12) hour shift schedule in any particular department and/or work area and revert to eight (8) hour shifts by giving the other party fourteen (14) days' notice.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #23

To the Union:

RE: SPECIAL ALLOWANCE - JOB AMALGAMATION

During 1987 bargaining the Company and the Union agreed that a special allowance of one job class would be paid if, as a result of job amalgamation, the CWS evaluation of the amalgamated job does not result in a minimum one job class increase above the highest classified job being amalgamated and the following criteria are met:

- (i) two or more job descriptions are combined into one or more job descriptions and one or more job descriptions are terminated, and
- (ii) the primary function(s) of the terminated job(s) become part of the primary function(s) of the remaining job(s), and
- (iii) as the result of the amalgamation less employees are required to do the work.

It is understood that if technological change were to eliminate most of a job's duties and the remaining duties were added to another occupation, or a job were terminated and its duties spread amongst a large number of jobs or incumbents, the special allowance would not apply.

The special allowance will not form part of the CWS evaluation or classification but will remain a separate allowance.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #24

To the Union:

RE: MINE DEPARTMENT TRAINING

Further to the 1993 negotiations, the following practices were agreed to regarding Mine Department training:

- 1) Vacancies for development miners and blasthole drillers will be bulletined within the department prior to hiring. If no qualified development miners or blasthole drillers apply, the Company will commit to training up to two (2) employees as development miners or blasthole drillers, at any one time, at each of the 777, Reed and Lalor mines. Provided there are two (2) such trainees (two (2) development miners, two (2) blasthole drillers or one (1) of each) established at the mine with the vacancy (or vacancies), the Company may fill the vacancy (or vacancies) at that mine. In the event a situation arises which will cause the Company to increase its need for new development miners or blasthole drillers beyond the two (2) per mine outlined, the Union will be consulted as far in advance as possible to discuss alternatives to hiring. One potential alternative to hiring would be to recall qualified development miners or blasthole drillers from other departments or from the recall list out of seniority.
- 2) If there is a requirement to bring additional employees into the mines to fill temporary vacancies created as a result of the training program, such employees will be required to return to their original department or return to layoff once the training has been completed.

- 3) After completion of the training, if no permanent vacancy exists, the person trained will remain within the mine department and will be placed in the first available vacancy, without a bulletin.
- 4) During the training period and until the person trained is placed in a permanent development miner or blasthole driller position (as applicable), he shall be paid at the rate of his former job. In addition, after the first year of training, the trainee will be unable to bulletin to any other position for the remainder of the training period.
- 5) Anyone who receives training as a development miner or blasthole driller as outlined above will be unable to bulletin to any other position in the mine for a one (1) year period after completion of the training.
- 6) After the signing of this agreement employees who enter into a development miner or blasthole driller training program will be required to fill vacancies for development miner or blasthole driller positions respectively, either temporary or permanent, regardless of whether such vacancies are at 777, Reed or Lalor .
- 7) Employees who receive development miner training under this program must be prepared to qualify for all development miner jobs including drift mining.
- 8) The Company shall establish selection criteria to assist with the selection process of development miners and blasthole driller trainees.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #25

To the Union:

RE: STAFF TO HOURLY - MINE DEPARTMENT

The parties agree that staff employees returning to the bargaining unit in the Mine Department will return to an entry level position. Such employees will remain at entry level for at least thirty (30) days and be considered the junior employee for temporary assignment while at entry level. The terms of Article 8.08 (b) would apply to such temporary assignment. The returning staff employee will remain at entry level until he is the successful applicant for a bulletin.

It is not the Company's intent to show favouritism to a returning staff employee. That being the case, any disputes arising regarding job assignment or work location involving a returned staff employee will be considered a proper subject for the Grievance Procedure. The employee and his immediate supervisor are encouraged to settle any disputes prior to proceeding to Step I of the Grievance Procedure.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #26

Mr. Tom Davie
President
United Steelworkers, Local Union No. 7106

In view of your expressed desire to meet and welcome new employees of the Company and introduce them to the communities of Flin Flon and Snow Lake, we shall be pleased to inform them of your desire to do this by giving new employees a letter, copy of which is attached, from the Union. The letter will be passed out at the time of new employee documentation. It is understood that the Union will provide the Company with a suitable quantity of letters for distribution.

Greetings:

As President of the United Steelworkers, Local Union 7106, I wish to welcome you to Flin Flon and Snow Lake.

The Steelworkers are involved in many and varied activities. Information can be obtained by visiting us at our office, 86 Main Street, Flin Flon.

I would like to extend a hearty welcome to you to visit us so that we can get to know each other.

Good luck in our communities.

Please find below the United Steelworkers Anti-Harassment Policy.

UNITED STEELWORKERS ANTI-HARASSMENT POLICY

Steelworker members are entitled to a harassment free environment at all union activities, events and meetings.

There are two principles fundamental to the labour movement: human rights and solidarity. Harassment strikes at the heart of both.

Steelworkers will not tolerate nor condone behaviour that is likely to undermine the dignity or self-esteem of an individual, or which creates an intimidating, hostile or offensive environment. As Steelworkers we must speak out against harassment and stand together to protect human rights.

Harassment is not a joke. It is an expression of perceived power by the harasser over another person, usually for reasons over which the victim has little or no control. Prohibited grounds under Human Rights Codes across Canada can include sex, race, age, marital status, sexual orientation, disability, political or religious beliefs, and place of national origin.

Harassment can be defined as any action (verbal, psychological or physical) on a single or repeated basis which humiliates, insults or degrades and is known or ought reasonably to be known to be unwelcome by the victim of the harassment.

Harassment can include but is not limited to: unwanted comments, slurs, racist or sexist jokes, pictures or posters, bullying or intimidation, graffiti, physical contact of any kind, remarks about a person's appearance or personal life, unwelcome sexual advances or demands, suggestive looks or gestures.

Steelworkers take harassment complaints seriously. Complaints of harassment at Steelworkers activities will be investigated by one of our anti-harassment complaints counsellors and reported to the Canadian National Director for any necessary follow-up. A substantial complaint will result in action by the Union, which could include the removal of the harasser from the event. A letter outlining the reasons for the removal will be sent to the local union.

“We can’t make people like each other. But we can, through concrete action, promote tolerance and mutual respect in our Union.”

Solidarity,

Tom Davie
President, USW 7106

January 1, 2018

LETTER OF UNDERSTANDING - #27

To the Union:

RE: SEASONAL EMPLOYMENT PROGRAM

The parties to this Agreement recognize that the Company will ensure that permanent employees on layoff will be given, by seniority, first option of what historically has been considered student employment opportunities, without losing recall rights if the employee turns down seasonal work. Employees will indicate at time of layoff their interest in seasonal employment. The appropriate Union will be notified of any seasonal employee whose employment is being extended beyond the normal seasonal vacation period.

Laid off employees will be advised of the terms and conditions of the Collective Bargaining Agreement and the Seasonal Employment Program.

Seasonal employees will be informed of the following:

- a) No accrual of seniority while on seasonal work except for pension accrual
- b) Pay at applicable hourly job rate (not student rates)
- c) Normal employee benefits will apply

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #28

To the Union:

RE: CONSULTATION

For the purpose of this Agreement, consultation will mean the early involvement of the Union with the view to having meaningful discussions regarding proposed changes and suggested alternatives.

Meaningful will be defined as having significance or purpose.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #29

To the Union:

RE: MODIFIED WORK

The Company and the Unions have agreed to establish a Modified Work Program which is designed to help employees return to meaningful work with minimal risk to their rehabilitation. To this end, the parties agree to the following:

1. A committee of seven (7) representatives will be formed consisting of: three (3) from the Company, one (1) from the Trades Association, one (1) from the International Association of Machinists and Aerospace Workers, one (1) from the United Steelworkers, Local 7106 and one (1) from the United Steelworkers, Local 9338.
2. **The purpose of the committee will be to review duties within the operations that could be used to temporarily accommodate employees returning to work with restrictions and limitations. The committee will meet on a quarterly basis.**
3. The committee will **be provided with statistics related to accommodations on an annual basis.**
4. The employee will be involved in placement decisions. All reasonable efforts will be made to meet the employee's needs both medically and personally. Every effort will be made to place the employee on modified work in his original department and classification.

5. Wage structure:

a) Workers' Compensation

The employee will receive the rate of pay for the modified work performed until a decision on make-up of wages is made by WCB. If there is no make-up of wages, then the Company will retroactively pay the red circled rate of the employee's former job.

b) Short Term Disability

The employee will receive a red circled rate **according to Article 8.09 (c)** for each unrelated occurrence of modified work. If a dispute arises over whether an occurrence is a reoccurrence, it will be referred to the Committee.

6. The employee's originating department will assume the costs for the first 520 hours if the employee is assigned to another department.

7. The Modified Work Program will be co-ordinated by the **HR Disability Management Coordinator** who will also serve as the Company representative on the committee.

8. Union jurisdiction:

If an employee is assigned to a job outside of his current Union jurisdiction, he will continue to pay dues to his Union for a one (1) year period. At that time it will be reviewed by the committee and the affected Unions.

9. Transfers:

An employee on temporary modified work can only apply for job bulletins in his original department.

- 10.** A meeting will take place between the department, the co-ordinator, the employee and his Union steward to outline the restrictions and responsibilities of all involved in the modified work assignment.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #30

To the Union:

RE: ELECTRONIC MONITORING

The primary function of electronic monitoring equipment is to observe, measure and monitor production difficulties, problem areas, processes, troubleshooting, etc.

Electronic monitoring equipment is not intended for invading the privacy of employees or to administer undue disciplinary action; however, employees should be aware that performance could be monitored as a by-product of electronic monitoring.

It is agreed that in the event of a criminal investigation (i.e. RCMP), employees may not be notified of the installation of electronic monitoring equipment.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #31

To the Union:

RE: STAFF TO HOURLY - NO HOURLY LAYOFFS

It was agreed at 1993 bargaining that in the future, if staff employees are returned to the bargaining unit under Article 8.10, no hourly employee will be laid off until there has been attrition equal to the number of staff employees returned to the unit.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #32

To the Union:

RE: RECALL RIGHTS

This will confirm the agreement reached at 1993 bargaining that an employee will not lose recall rights if he turns down seasonal work, nor if he declines recall to a community other than that in which he worked at time of layoff. Community is defined as either Snow Lake or Flin Flon.

It is further understood between the parties that a tradesman will be removed from the recall list for positions certified to the United Steelworkers if he declines recall to any such position once laid off.

Employees on the recall list prior to January 1, 2012 will fall under the provisions of the previous CBA.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #33

To the Union:

RE: SPECIAL VACATION ACCRUAL

The parties agreed at 1993 bargaining that, notwithstanding the terms of Article 15.10, effective October 1, 1994 employees who have three (3) or more years of service who are laid off for ninety (90) calendar days or more, or who retire, will be afforded special vacation pay on an annual pro rata basis at time of layoff or retirement. That is, after three (3) years of service, employees who are laid off or who retire will be afforded one-third (1/3) of the three (3) week special vacation allotment for each full year of employment.

By way of example, special vacation pay on an annual pro rata basis shall mean an employee who has been on the payroll for five (5) years and three (3) months at time of layoff will be entitled to two weeks' special vacation pay in addition to that earned but not taken on obtaining three (3) years of service. An employee with three (3) years and six (6) months of service at time of layoff will be entitled to no additional special vacation.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #34

To the Union:

RE: RETRANSFER RIGHTS

Notwithstanding the terms of Article 8.07 of the Collective Agreement, underground employees displaced from Snow Lake/Flin Flon on an involuntary basis will be afforded "retransfer rights" to the Flin Flon/Snow Lake Mine/Mill on the same basis as a Flin Flon Mine employee, regardless of whether they worked in the Flin Flon/Snow Lake Mine/Mill Department or not. Employees who voluntarily transferred from the Snow Lake/Flin Flon Mine/Mill will be placed on the bottom of the retransfer list.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #35

To the Union:

RE: COMPENSATION FOR FIRST AID TRAINING

The current policy with respect to compensating employees who undergo first aid training on their days off is as follows:

1. If the training is determined to be mandatory, or at the request or direction of the Company, the employee shall be paid at overtime rates for the hours spent in training.
2. If the training is for two (2) days or less and not mandatory, but is extended to the employee, practice is to pay the employee at straight time for the hours spent in training.
3. If the training is for three (3) days or more and the training is not mandatory, but is extended to the employee at his request, payment or partial payment for days attended is at the discretion of the department head.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #36

To the Union:

RE: BUMPING

If a Mine Department employee is unable to retain a position in the Flin Flon Area Mines as a result of the layoff procedures, and he has more seniority than the junior employee retained in the mine in a position certified to the United Steelworkers (excluding those employees classified as Development Miners), he will be allowed to displace (bump up) the junior employee providing he has had previously held such job and he has skill and ability to still do so. It is understood that employees electing to exercise such bumping rights must successfully complete a thirty (30) day probationary period.

It is further understood that with regard to other departments, if an employee is unable to retain a position in his home department as a result of following the layoff procedures detailed in Article 8 of the Agreement, he will be allowed to displace (bump up) the junior employee provided he has previously held such job and he has the skill and ability to still do so.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #37

To the Union:

**RE: GEOGRAPHIC REQUIREMENT FOR BENEFIT
COVERAGE PURSUANT TO ARTICLE 13.04**

This Letter of Understanding shall apply only to:

1. Former employees who both retired with an unreduced pension prior to and had ceased to reside within the area of the principal operations of the Company as at January 2, 2002; and
2. Members of special participating groups who had both qualified for special participating member status and who had ceased to reside within the area of the principal operations of the Company as at January 2, 2002.

The Company will continue its present practice of reinstating benefit coverage for individuals who fall within the foregoing categories if and when they subsequently move back to Flin Flon or Snow Lake and establish their permanent residence as being within the area of the principal operations of the Company. In accordance with past practice, benefit coverage for such individuals, once reinstated, will cease four (4) months after the date on which they cease to permanently reside within the area of the principal operations of the Company.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #38

To the Union:

RE: LHD OPERATOR REMOTE

This will conform the Agreement at 2005 bargaining that the position of LHD Operator Remote will be added to Schedules "A" and "B" it being understood employees will not be permanently placed into this classification. Those assigned from the LHD Operator classification will be placed without bulletin on a temporary basis and their card rate will be changed from job class 12 to job class 13 as per Article 8.08 (a) after being so assigned in excess of 30 (thirty) calendar days. It is understood that employees so assigned will have their card rate changed back to job class 12 if they do not operate remotely for a period in excess of one (1) calendar day.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #39

To the Union:

**RE: SERVICE FEE FOR
PRESCRIPTION SAFETY GLASSES**

The Company agrees to pay for any and all associated cost for prescription safety glasses.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #40

To the Union:

**RE: TRANSITION OF LONG HOLE DRILLERS
FROM 777/REED MINE TO LALOR**

In 2008/09 negotiations, the parties discussed issues related to longhole drilling operations currently performed by contractors at the **Lalor** Mine and employees at the **777/Reed** Mine.

In the event of the closure of the **777/Reed** Mine, the Company has agreed to transition longhole drillers from the **777/Reed** Mine to the **Lalor** Mine, subject to the **777/Reed** Mine employees having the necessary ability, skill and physical fitness to perform the work at **Lalor** Mine at required production levels. The transition will be managed by the Company in a manner that ensures that longhole production is maintained as reasonably as possible during the transition period.

Prior to the transition the Company and the Union will develop ways and means, wherever reasonably possible, to maintain or improve upon productivity and costs during and after the transition. The parties will then regularly meet during the transition to review and monitor the transition and its impact on production levels and costs.

It is anticipated the transition will take from six (6) months to twelve (12) months to accomplish.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #41

To the Union:

RE: ONBOARDING PROGRAM FOR NEW EMPLOYEES

The Company is planning to develop and implement an onboarding program for new employees. The Program will start no later than 2013.

The Company will provide the USW up to 2 hours for Union orientation during the onboarding process.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #42

To the Union:

RE: COMPANY PAID EMPLOYEE

The Company will establish a position for the life of the collective agreement to be filled by the USW. The candidate will be acceptable to both parties.

The employee will work Monday to Friday, 40 hours per week. The employee will receive his normal rate of pay including all bonuses.

The candidate is expected to work full time on USW 7106/Hudbay business, must make regular contact with the Manager, Human Resources (or designate) and must get any absence and/or overtime approved in advance.

The purpose of this position is to attend to business on behalf of those Hudbay employees covered by this Collective Agreement and to serve as a Union representative on initiatives that support the:

- Company's health and safety efforts
- Maintenance of good employee relations between the Company and its employees
- Prompt and equitable disposition of grievances
- Continuous improvement and cost containment initiatives
- Training and development of employees

The candidate will be permitted reasonable access to areas within the operations for the purpose of attending meetings related to

the administration of this agreement upon prior request to and satisfactory arrangements agreed with the Superintendent of the Department.

The Parties recognize that efficient operations and a good working relationship between the Company and the Union will help both remain strong and viable in the future.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - # 43

To the Union:

RE: Expedited Arbitration

Notwithstanding the terms of Article 24, if one of the parties wishes to proceed to an expedited form of arbitration with respect to an employee terminated they will within fourteen (14) days after the matter has been advanced to arbitration by the Union, advise the other that they wish to involve the expedited procedure.

The expedited procedure will require that the parties immediately advise each other of potential hearing dates when they and their counsel can be available over the next ninety (90) days. The parties will also advise as to the number of days they anticipate the hearing will take. This information will then be provided to the next arbitrator in rotation and he will then immediately determine if he can hear the matter within that time period.

If he cannot, the matter will be referred to the next arbitrator in rotation.

After rotating through the entire list of arbitrators, if a date has not been set within the ninety (90) day period outlined above, the parties will within fourteen (14) calendar days, apply for an arbitrator to be appointed by the Canada Labour Board.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #44

To the Union:

RE: REDUCTION AND RESTORATION OF FORCES

During 2017 Negotiations the Company and Unions recognize that significant discussions are required to ensure a clear understanding for all parties regarding transition and movement of the workforce post 777 closure.

The Company and all Unions agree to form a committee to develop this language and transition process. It is agreed this process will be completed 1 year prior to the expiration of this current Collective Agreement.

The committee will undertake the following tasks, though not limited to:

- Develop simple, point form bumping process language to ensure clear interpretation**
- Agree on the definition of entry level positions post 2021 to allow for movement and opportunities for displaced or bumped employees.**
- Define training needs to enable a smooth transition.**

This plan will take into consideration Article 7, 8 and any other pertinent articles.

(signed) J. Rodnisky
Director, Human Resources

(signed) T. Davie
President
United Steelworkers

January 1, 2018

LETTER OF UNDERSTANDING - #45

To the Union:

RE: MINER CLASSIFICATION

The Company and Union mutually agree to develop a miner classification structure.

To accomplish this, the Company will ensure the following;

- A joint team will be assembled consisting of Union and Management.**
- Classifications, qualifications, training requirements and timeframes will be reviewed.**
- Classification framework will be developed.**

The goal is to have the miner classification structure in place no later than the end of 2018.

**(signed) J. Rodnisky
Director, Human Resources**

**(signed) T. Davie
President
United Steelworkers**

EXECUTED at Flin Flon, Manitoba this _____ day of _____, **2018.**

HUDBAY

Per: 
J. Rodnisky, Director, Human Resources

Per: 
R. Trudeau, Director, Health Safety and Aboriginal and External Affairs

Per: 
R. Leydon, Industrial Relations Superintendent

Per: 
J. Medina, Manager – Stall Mill

Per: 
C. Faktor, Chief Engineer - Powerhouse


Per: 
C. Simon, Labour Relations Admin. Assistant

UNITED STEELWORKERS, LOCAL UNION No. 7106

Per: 
T. Davie - President

Per: 
T. Hornyak - Vice President

Per: 
R. Breedon

Per: 
L. Guitard

Per: 
T. McCombie

UNITED STEELWORKERS

Per: 
M. Winterton –Staff Representative

VISIT
UNION HEADQUARTERS

UNITED STEELWORKERS
LOCAL 7106
86 Main Street
Flin Flon, Manitoba
Phone 687-4448

WELCOME TO
THE HOUSE OF LABOUR