

# **COLLECTIVE AGREEMENT**

**between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS**

**LOCAL UNION NO. 955**

**Effective: April 1, 2017 to March 31, 2022**

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COLLECTIVE AGREEMENT

The Collective Agreement made this \_\_\_\_\_ day of \_\_\_\_\_ 2017

between

PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES  
(hereinafter referred to as the Company or Employer)

and

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL UNION NO. 955

(hereinafter referred to as the Union)

**PREAMBLE**

The purpose of this Collective Agreement shall be to record the agreement of the parties arrived at through negotiation as to terms and conditions of employment relating to rates of pay, hours of work and other working conditions of employees; to provide a method of negotiating settlements of disputes and grievances; and to establish a harmonious relationship between the Company and the employees.

## **ARTICLE 1 - RECOGNITION**

### **1.01**

The Company recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours of work and working conditions for the employees of Prairie Mines & Royalty ULC Paintearth/Sheerness Mines working at or from the Paintearth mine and the Sheerness mine, except office staff, foremen, those above the rank of foreman, surveyor party chief and technical staff.

### **1.02**

a) The Company shall endeavor to place primary reliance on its own employees to perform operations and maintenance work normally performed by Paintearth/Sheerness Mines employees and therefore, use its best efforts to minimize the amount of production and maintenance work to be contracted out. The contracting out of work will be based on the following:

- the efficiency of the operation,
- the urgency of work to be performed,
- the availability of manpower, the skills and the facilities,
- that the work can be performed safely and in an economical manner,
- warranty work,
- force majeure.

The Employer undertakes that contracting out shall not result in the loss of employment to any Prairie Mines & Royalty ULC Paintearth/Sheerness Mines employees.

- b) With the exception of emergencies and warranty work; the Company agrees that prior to contracting out any scheduled work, other than per the exclusions in Clause 1.01, such contracting out will be communicated at the established Union/Management meeting.
- c) Contractors or Subcontractors are required to comply with the site's Safety Regulations and policies which apply to employees of Prairie Mines & Royalty ULC Paintearth/Sheerness Mines.

## **ARTICLE 2 - MANAGEMENT RIGHTS**

### **2.01**

The Company will be the sole judge of the appropriate location of its place or places of business, the number of employees to be employed, and the work to be performed at all such locations. Except where otherwise expressly limited by a specific provision of this Collective Agreement, the Company shall have the sole and exclusive right to determine all matters pertaining to the

management of the Company and its affairs. Without limiting the generality of the foregoing, such Company rights shall include the right to:

- a) maintain order, discipline and efficiency,
- b) select or alter the materials to be processed or manufactured and determine the schedules of production, the locations of production, and methods and sequence of manufacture,
- c) determine the qualifications of any employee to perform any work, taking into full consideration such factors as seniority, ability and performance,
- d) designate the work to be performed by the employee,
- e) designate the time, or times an employee is to work,
- f) hire, reassign, promote and require employees to observe Company rules and regulations not inconsistent with the terms of this Collective Agreement,
- g) demote, discipline or discharge for only just cause.

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

#### **3.01**

Every employee who is now or hereafter becomes a member of the Union shall maintain his membership in the Union as a condition of his employment and every new employee whose employment commences hereafter shall within fifteen (15) days after the commencement of his employment, apply for and maintain membership in the Union as a condition of his employment.

#### **3.02**

The Company shall provide one-half (½) hour of paid time for each individual or group of individuals in the first week of employment for the job stewards to provide a proper union orientation.

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

#### **4.01**

The Employer agrees that upon written request by the Union, accompanied by signed authorization cards, all Initiation Fees shall be deducted for and on behalf of all employees who are members of the Union, and such monies shall be made payable, for deposit only, to the Union's Bank Account and forwarded to the Secretary-Treasurer of the Union not later than the twentieth (20th) day of each month accompanied with a list of names of all employees for and on behalf of whom such deductions have been made. Monthly statements showing the names of all

additions and deletions of members together with reasons for the same shall also be forwarded to the Secretary-Treasurer of the Union.

#### **4.02**

All employees who are employed more than twenty (20) hours in a calendar month shall, as a condition of employment, consent to the deduction of Union dues and such dues shall be automatically deducted from the earnings of the employee and remitted by the Employer as stated in this Article.

### **ARTICLE 5 - GRIEVANCE PROCEDURE**

#### **5.01**

A grievance is a dispute raised by an employee or employees or the Company or the Union as to the meaning or application of a provision of the Collective Agreement. A grievance must specify the contract provisions involved and also specify the particular action requested on behalf of the grievant. In case of discharge, the Company will notify the Local Union prior to dismissal, where possible; but no later than the following day shift. When an employee grievance exists, an employee or group of employees affected may verbally discuss the grievance with their foreman either with or without a steward present, as the employee desires. If the grievance is not settled in the course of such discussion, it may be reduced to writing with one (1) copy for the Company, the Union, and the grievant, in which event the procedure will then be as follows:

#### **First Step**

The grievance shall be presented to the foreman, with the answer to be given in writing within five (5) working days (excluding Saturdays, Sundays and Named Holidays) of such presentation. Any grievance, including a grievance lodged by an employee claiming he was discharged without reasonable cause, not presented within ten (10) working days (excluding Saturdays, Sundays and Named Holidays) of the occurrence of the act causing the alleged grievance will be barred.

#### **Second Step**

If a satisfactory settlement is not reached in the first step, then it may be referred to the second step, provided it is so referred in writing to the Mine Manager (if applicable) or General Manager within five (5) working days (excluding Saturdays, Sundays and Named Holidays) after receipt of the Company's answer in the first step. At the second step, the grievant may be represented by a Union representative. The Union and Company representatives will meet and discuss the grievance and the Company's answer will be given within ten (10) working days (excluding Saturdays, Sundays and Named Holidays) after delivery of the Company's first step answer.

### **Third Step**

If no satisfactory settlement has been reached in the first two steps, then the grievance may be submitted to arbitration by written notice given within twenty (20) working days (excluding Saturdays, Sundays and Named Holidays) after delivery of the Company's second step answer.

If within twenty (20) working days (excluding Saturdays, Sundays and Named Holidays) after such written demand for arbitration, the parties have failed to agree upon an Arbitrator either party may, upon five (5) working days (excluding Saturdays, Sundays and Named Holidays) written notice to the other party, request the Minister of Labour for the Province to appoint an Arbitrator. The decision of the Arbitrator shall be binding on both the Company and the Union. The expense of the Arbitrator shall be shared equally by the Company and the Union. The Arbitrator shall have no authority to add to, modify or alter any of the terms or provisions of this Collective Agreement; the sole authority of the Arbitrator is to render a decision as to the meaning and interpretation of this written contract with respect to the dispute.

Where an employee has been suspended or dismissed the Arbitrator:

- a) may direct the Employer to reinstate the employee and pay to the employee a sum equal to his wage loss by reason of his suspension or dismissal or such lesser sum as, in the opinion of the Arbitrator, is fair and reasonable, or,
- b) may make such other directive varying the penalty as they consider fair and reasonable having regard to the terms of the Collective Agreement.

If any of the time limits set out in the foregoing paragraphs of this Clause are not met, the grievance will automatically advance to the next step of the grievance procedure.

Each arbitration proceeding shall be held at such place and at such time as shall be mutually agreed upon by the Company and the Union, and if they cannot agree, then the Arbitrator shall designate the place and time. The Arbitrator shall have no authority to impose liability upon the Company or the Union for matters arising before or after the life of this Collective Agreement.

In the event that either the Company or the Union wish to process a grievance, such grievance shall be submitted by the one party to the other, in writing, and shall be submitted within ten (10) working days (excluding Saturdays, Sundays and Named Holidays) of the act causing grievance. The party in receipt of the grievance must make known its decision regarding the grievance to the other party within ten (10) working days (excluding Saturdays, Sundays and Named Holidays) of receipt. In the event that the grievance is not resolved at this time, either party may submit the grievance to arbitration within seven (7) working days (excluding Saturdays, Sundays and Named Holidays) of the rendering of the decision.

### **5.02**

At the time the Company becomes aware of a situation which could result in disciplinary action the Union will be advised.

Any discipline resulting from an incident will be implemented within seven (7) working days (excluding Saturdays, Sundays and Named Holidays) of the incident becoming known to the Company (extensive investigations excepted).

Disciplinary action will be removed from a personnel file twelve (12) months following the date of issue.

Employees shall be allowed to review their files every three (3) months.

## **ARTICLE 6 - NO STRIKE OR LOCKOUT**

### **6.01**

The Company agrees that it will not cause or direct any lockouts of its employees during the life of this Collective Agreement. In like manner, the Union agrees that no employee shall cause or take part in any sit-down, slow-down, strike or stoppage of work during the life of this Collective Agreement. It is further agreed that the Company may discharge any employee causing or taking part in any sit-down, slow-down, or strike or stoppage of work during the life of this Collective Agreement.

## **ARTICLE 7 - SENIORITY**

### **7.01**

It is understood by both parties that the length of service of an employee may be different than the seniority number of an employee, as determined by the letter of understanding regarding seniority list integration, signed by the parties on September 29, 1998. As per the letter of understanding, former Manalta employees will receive credit for their past Manalta service for the purpose of calculating vacation entitlement and long service awards only. Furthermore past service for former Manalta employees will be recognized for the purposes of Clause 17.01 (d) pensionable service.

The seniority number of an employee hired after September 29, 1998 shall be determined at the mine at which he is employed from the last date he entered the employment of the Company subsequent to September 29, 1998, subject to the following:

- a) No employee shall acquire seniority until he has been in the employment of the Company for a probationary period of one hundred and twenty (120) calendar days, when his seniority shall be retroactive to the date of hiring. Probationary employees will not be denied access to the grievance procedure.
- b) An employee's seniority shall be lost by reason of:
  - i) dismissal for just cause;

- ii) voluntary resignation;
- iii) failure to report for work within seven (7) days after being notified to report following a layoff unless the employee can give a reason satisfactory to the Company for such failure to report within the time prescribed;
- iv) continuous layoff for a period of one (1) year or more.

#### **7.02**

Seniority with ability shall govern employment of all employees in the matter of employment and re-employment. Layoff or rehiring of employees shall take place within the mine at which the employee is employed on the basis of seniority, providing an employee has sufficient ability to perform the job required.

#### **7.03**

Except in cases of dismissal or suspension for just cause, affected employees shall be given two (2) weeks notice prior to a layoff. In all cases, the Employer will notify the local Union prior to any layoff notice to employees.

#### **7.04**

Notifications of rehiring shall be by personal contact by the Employer's representative or by mail to the last address which the employee shall have recorded with the Employer. In the case of notice by mail, a copy of such notice shall be sent to the Business Manager of the Union. Until such time as employees recalled to work actually return to work, the Employer shall be entitled to hire other employees to perform their work on a temporary basis.

#### **7.05**

The Employer agrees to prepare and post quarterly, for each mine, in a place easily accessible to all employees, a list of names of all employees showing their last bid job classification, current job classification (if different) and seniority standing, the latter being open to protest by employees for thirty (30) days from the date of such submission. Upon proof of error being established by a representative of the Union, correction shall be made immediately. The Employer will supply the Union with a copy of seniority lists and corrections thereto.

#### **7.06**

Employees who are promoted to a position exempt from coverage under this Collective Agreement shall continue to accrue seniority for six (6) months after the date of their promotion (and will lose such seniority thereafter). Employees so promoted will continue to pay their regular monthly Union dues during this six (6) month period.

## **7.07**

A person originally hired by the Company for a special assignment of work may be terminated when this special assignment ends notwithstanding anything in this Collective Agreement to the contrary. The Union shall be notified of such employees and their status upon hiring. Should they subsequently be retained as a permanent employee, their seniority shall be retroactive to the date last hired. These special assignments will be used to cover work loads over and above those normally covered by regular employees such as during construction periods, shutdown periods and/or during vacation periods and will not be used to reduce the regular workforce.

## **ARTICLE 8 - PROMOTIONS AND VACANCIES**

### **8.01**

When making promotions to a permanent classification, it is agreed that the factors to be considered shall be seniority, and the ability to perform the work required. In the event that two (2) or more applicants for a position of promotion are of equal ability and performance, the Company will give preference to the employee with greatest seniority. However, in the event that there are no applicants or that none of the applicants for the position has sufficient ability to properly perform the work in question, the Company reserves the right to fill the position from any source.

Position posting will include the job classification in which the opening occurs, the crew and the shift schedule at that point in time.

### **8.02**

Vacancies occurring in permanent classifications will be posted at the mine at which the vacancy occurs and those employees wishing to apply must do so in writing within five (5) days of the posting of the notice of vacancy. No applications from employees received later than the posted closing date will be considered. For the purpose of this Clause a "permanent" job is one expected to exceed six (6) months duration. Employees who are going on vacation may deposit an "intention to bid" notice in the bid box outlining the jobs they would wish to bid on in their absence.

In the case of employees absent due to an illness or injury for a period of one (1) year or more, their position will be posted as a permanent position. The one (1) year time period begins the day following the employee's last day worked. Should the employee return to work after one (1) year, he shall have the right to bump into a position within the mine at which he is employed, and for which he has the seniority and ability to perform the work required.

### **8.03**

All applications must be submitted in duplicate, one (1) to be deposited in the Company bid box and the other in the Union bid box. The Company shall supply duplicate bid application forms.

Results of the successful bid shall be decided and posted within three (3) days of the closing of the bid (weekends excluded).

#### **8.04**

A posted job will be taken up within fourteen (14) calendar days from the date of the posting of the name of the selected candidate.

#### **8.05**

The Company agrees, where practical, to provide on-the-job training to employees for those positions where future vacancies are contemplated. Candidates for training shall be selected in accordance with the provisions contained in Article 8. Time spent training shall be credited to the employee when he bids on appropriate posted vacancies. The trainee shall receive his regular rate of pay while training. The trainee's regular position, temporarily vacated during training, shall be filled at the Company's discretion. Current training procedures for the shovel, dragline and tipple operations shall continue unchanged.

#### **8.06**

- a) At the start of each shift, when an employee's permanent job is unavailable, the employee shall be able to exercise his seniority and ability to select any job. At the start of a shift, employees shall be able to exercise their seniority and ability to select any open job that is available. This shall be subject to other employees on the shift having the ability to replace the employee exercising their seniority. The application of this Clause shall be within the mine at which the employee is employed.
- b) If the employee's permanent job is re-established he shall resume that position; unless the employee has successfully bid on another position.
- c) During a shift when more than one (1) bid position is shut down (example: coal haul), the affected employees will be able to choose the available open work by seniority and qualifications.

#### **8.07**

Notwithstanding any other provision of this Collective Agreement, it is understood that after the initial posting of job opportunities at the Sheerness mine, separate seniority lists will be established for each mine. There shall be no use made of seniority rights at one mine to affect the employees or their seniority rights at the other mine. This includes, but is not limited to, job posting opportunities, bumping, layoff, recall (rehiring) and promotions.

#### **8.08**

There shall be a five (5) shift trial period for any employee accepting an awarded posting. During this time, if the employee has a bona fide reason, the employee shall have the right to

decide to revert to their previous bid position and shall be prevented from bidding on the same position for a period of six (6) months. Employees who exercise this option without a bona fide reason shall be prevented from bidding on any position for a period of one (1) year.

## **8.09**

In the event of a permanent reduction of those employees covered under this Collective Agreement, or the elimination of a bid job when there is no reduction of those employees covered under this Collective Agreement, the following procedure shall be followed:

- a) The least senior employee(s) in the bid job(s) affected will be advised of the reduction, and where a choice exists, will be given seventy-two (72) hours to select a bid job into which he may bump.
- b) Employees may bump into bid jobs provided they have the seniority, ability, and qualifications to perform the work in the new bid job.
- c) If a vacancy exists in a bid job an employee has selected, he must fill the vacant position, and failing a vacancy, he must displace the junior employee in the bid job, provided he has more seniority than the junior employee.
- d) Employees displaced during this process will, when a choice exists, be given seventy-two (72) hours in which to select a bid job to bump into.
- e) If two (2) or more affected employees select the same bid job simultaneously, the displacing employees, in descending order of seniority, may select which of the junior employees they will displace.
- f) For the purpose of this Clause, employees who are absent from work will be treated in the same fashion as non-absent employees, and as such, dependent upon their seniority may be displaced and/or laid off.
- g) The trial period referenced in Clause 8.08 will not apply to positions attained by employees during this process.
- h) A Joint Committee, consisting of two (2) Management and two (2) Shop Stewards from each site shall be formed to administer this Clause.
- i) If an employee is unable to be contacted about bumping and no choice is made within seventy-two (72) hours, and unless the employee has left written notice with the Joint Committee as to his selection preferences, the Joint Committee shall exercise his bumping rights for him. (The employee must possess the seniority, qualifications, and ability to perform the work).

- j) Employees who are unable to secure a position, or who chose not to exercise their right to bump, will be laid off and be provided notice in accordance with Alberta Provincial Legislation.
- k) Elimination of a bid job shall be defined as six (6) months from the last day worked in the bid job, or an expected duration of six (6) months from the last day worked in the bid job.
- l) When there is an elimination of a bid job when there is no reduction of those employees covered under this Collective Agreement, Clause 8.09 (j) and the Letter of Understanding regarding Severance shall not apply.

### **8.10**

Bid positions which are of a temporary nature shall be posted for bid as temporary positions. When the temporary position ends, the employee(s) in the temporary position(s) shall revert back to their original position. Temporary shall be defined as more than forty-five (45) calendar days and less than six (6) months as defined in Clause 8.02, or for such longer time as may be agreed to by the Union and the Employer. This Clause is subject to exemption for emergencies such as Power Plant shutdowns, or, catastrophic weather events.

When a temporary bid is withdrawn before forty-five (45) days, the employee will resume his permanent bid at his permanent bid rate of pay.

## **ARTICLE 9 - BEREAVEMENT LEAVE**

### **9.01**

In the case of death in the immediate family of an employee (including his mother, father, step-parents, children, son-in-law, daughter-in-law, wards and legal guardians, grandchildren, spouse, brothers, sisters, mother-in-law, and father-in-law), on application to the Company the employee will be granted leave of absence of one (1) day (to be taken prior to the funeral/service). If he attends the funeral/service of the deceased, an additional three (3) consecutive days leave of absence will be granted inclusive of the day of the funeral/service. If he is regularly scheduled to work on any of these above days, he will be paid at his regular straight time hourly rate for each of the above mentioned days he would have worked.

### **9.02**

In the case of a death of the employee's brother-in-law, sister-in-law, grandparents, or grandparents-in-law, the employee will, if he attends the funeral/service, receive three (3) consecutive days leave of absence inclusive of the day of the funeral/service. If he is regularly scheduled to work on any of these days he will be paid at his regular straight time hourly rate for each of the days he would have worked provided he attends the funeral/service.

**9.03**

In the event of a death in the immediate family (as specified in Clause 9.01) which occurs while an employee is on vacation; upon application to the Company, that vacation period will be extended by three (3) days.

**9.04**

Employees acting as Pallbearers shall receive necessary unpaid excused days off upon request.

**ARTICLE 10 - ABSENCE FROM WORK**

**10.01**

An employee who may be absent from work due to illness, or late, shall notify his immediate supervisor or department head at least one-half (½) hour prior to the beginning of his shift. It is understood that in emergency circumstances, employees may be unable to provide the required notification.

**10.02**

When an employee absents himself from his work, unless through proven sickness or by first having arranged with his supervisor or department head and obtaining his consent, he may be disciplined. All employees, whose absence from work would cause any stoppage of work must, before absenting themselves, properly arrange with his immediate supervisor or department head for their absence, otherwise they may be disciplined. An employee who habitually absents himself from work, except in cases of sickness proven by doctor's certificate, may be discharged.

**10.03**

If operating conditions permit, leave of absence without pay but with continued accrual of seniority may be granted.

**10.04**

When a regular employee is called for jury service, or formally subpoenaed as a witness he shall be excused from work on the days he is required to appear in court. Employees called for court in this manner, upon proof of such service and of the amount of pay received therefore, will be paid whatever sum, if any, is necessary in addition to the fees received for such service to reimburse him for earnings lost because of such service.

**ARTICLE 11 - NAMED HOLIDAYS**

**11.01**

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

New Year's Day  
 3<sup>rd</sup> Monday in February  
 Good Friday  
 Victoria Day  
 Canada Day  
 1<sup>st</sup> Monday in August

Labour Day  
 Thanksgiving Day  
 Remembrance Day  
 Christmas Day  
 Boxing Day

**11.02**

When any of the above mentioned holidays fall during the period of an employee's regularly assigned day of rest, an alternate day of rest and pay shall be scheduled by mutual agreement between the Company and the employee, or banked for future use. This Clause is subject to the orderly operations of the mine. Employees may request that the lieu dollars be paid out. All unused lieu dollar balances will be paid out in the first pay period in December.

The current year's unused lieu days shall be forfeited, as of April 1<sup>st</sup> the following year, with the exception of December lieu days (Christmas Day & Boxing Day), which will be forfeited the following April 1<sup>st</sup> (example: December 25 & 26, 2017 forfeited April 1, 2019).

**11.03**

- a) All time worked on a holiday as specified in Clause 11.01 of this Article shall be paid at two times (2x) the employee's regular rate of pay in addition to pay for the full holiday at the employee's regular rate of pay.
- b) Work on a Named Holiday shall be offered in accordance with Clause 14.10.

**ARTICLE 12 - ANNUAL VACATIONS**

**12.01 Years of Service and Vacation Entitlement**

<b>Years of Service</b>	<b>Vacation Weeks</b>	<b>Vacation Pay</b>
1	2 weeks	4% of total earnings earned during the previous vacation year
more than 2 years	3 weeks	6% of total earnings earned during the previous vacation year
more than 10 years	4 weeks	8% of total earnings earned during the previous vacation year
more than 15 years	5 weeks	10% of total earnings earned during the previous vacation year

more than 30 years

6 weeks

12% of total earnings earned during  
the previous vacation year

## **12.02**

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

## **12.03**

All employees will be allowed a maximum of fifteen thousand dollars (\$15,000.00) in their vacation pay account. Those employees who exceed this amount must deplete their exceeding balances prior to the final pay in each calendar year or the exceeding balance will be paid out the final pay of the year.

Employees on STD or LTD at year end who exceed the fifteen thousand dollars (\$15,000.00) balance limit will not be required to reduce their account by the final pay of that year. However, those employees on STD or LTD at year end will be required to reduce the account in the year which they return.

Employees who have a balance of more than fifteen thousand dollars (\$15,000.00) as of April 1<sup>st</sup>, 2017 will be grandfathered in at their vacation dollar balance as of that date. Those grandfathered, will be required to reduce their vacation dollar balance to that amount on the final pay each year.

## **12.04**

Employees entitled to vacations in a calendar year will be allowed to take their vacations any time during that year. However, where increased monetary benefits are earned in a calendar year the employee will not receive these until on/or after his anniversary date.

## **12.05**

Eligible employees who so request will be allowed to take their vacations in increments of one (1) day or more subject to the orderly operation of the mine.

## **12.06**

All vacations will be used in the calendar year following the year it is earned, however a maximum of one (1) week may be carried over to be used at any time in the next calendar year. Any vacation time carry-over in excess of one (1) week will be forfeited (for time only) on December 31<sup>st</sup> of the current year. The Company will provide the employees a copy of their final vacation totals for the prior year after the completion of the final payroll. Employees will have until January 31<sup>st</sup> of the new calendar year to dispute any discrepancies.

**12.07**

Vacation and lieu day pay requests must be submitted no later than the day before the pay period cut off. Any requests received later than this date will be paid the next pay period.

**12.08**

The Company shall endeavour to provide vacation and lieu in accordance with the following guidelines:

<b>Number of Pit Employees per Shift</b>	<b>Vacation</b>	<b>Lieu</b>	<b>Total</b>
6 or less employees	2	1	3
7-10 employees	3	1	4
11-14 employees	4	1	5
15-18 employees	4	2	6
19-25 employees	5	2	7
26 or more employees	6	2	8

<b>Number of Maintenance Employees per Classification per Shift</b>	1	1	2
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If the minimum totals of the vacation or lieu have not been met, the Company shall approve any combination of vacation or lieu time to reach the number of employees as outlined in the "Total" column above.

Employees requesting their vacation or lieu day(s) with at least one (1) set of notice shall be approved, provided the number of employees outlined above has not been exceeded. Employees shall be able to apply for these days with less than one (1) set of notice; however the Company has the right to refuse the request if there is a shortage of manpower.

Any request exceeding the above guidelines would be approved at the discretion of the Company.

The request and approval process will be as follows:

- a) Employees may submit vacation and lieu requests by April 1<sup>st</sup> of each year. The Company shall post the approved vacation and lieu schedule by May 1<sup>st</sup> of that year. Approval for this period shall be based on seniority within the scheduled shift.
- b) Requests received after May 1<sup>st</sup> shall be approved on a first come-first served basis.
- c) Employees may submit vacation and lieu requests no later than November 1<sup>st</sup> of each year for the first four (4) months of the following year. The Company shall post the approved

vacation and lieu schedules no later than November 15<sup>th</sup> of that year. Approval for this period shall be based on seniority within the scheduled shift.

- d) Requests received after November 1<sup>st</sup> for the first four (4) months of the following year shall be approved on a first come-first served basis.
- e) Short notice requests will be at the discretion of the Company.
- f) Employees will not have the ability to cancel their vacation or lieu request(s) once they have been posted and approved, with the exception of the following:
  - WI, WCB, Bereavement as per Clause 9.03
  - On a case by case basis upon mutual agreement between the Union and the Company

## **ARTICLE 13 - GROUP INSURANCE**

### **13.01 Short Term Disability Insurance**

It is agreed that the Company will pay the full cost of a Group Insurance and Weekly Indemnity Insurance Plan for the benefit of its employees, on the following basis:

- a) Effective April 1, 2009, employees shall be provided indemnity for accident off the job or sickness at the rate of sixty percent (60%) of the employee's base rate times two thousand one hundred and eighty-four (2,184) hours per year. Effective April 1, 2011, employees shall be provided indemnity for accident off the job or sickness at the rate of sixty-six and two thirds percent (66 2/3%) of the employee's base rate times two thousand one hundred and eighty-four (2,184) hours per year.

This benefit will commence on the third (3rd) day of disability due to illness and on the first (1st) day of disability due to accident or hospitalization if admitted for an overnight stay and will be payable for a maximum of fifty-two (52) weeks during any one (1) period of disability. In accordance with the *Employment Insurance Act Regulations* concerning loss replacement plans, it is agreed that the level of benefits of the Weekly Indemnity Insurance Plan will be adjusted annually, not later than January 15<sup>th</sup> of each year to ensure that the Plan provides a level of benefits at least equal to sixty percent (60%) of an employee's insurable earnings, as defined under said Act or Regulations.

- b) The Weekly Indemnity Insurance Plan will not pay benefits for illness or accidents covered by Workers' Compensation.
- c) For an employee who qualifies under this Plan for the disability benefit due to sickness, the Company will pay one-half (1/2) his normal daily pay for the first two (2) days of disability for days the employee was scheduled to work (i.e., during the two (2) day period before the commencement of the insurance disability benefit).

### **13.02 Long Term Disability Insurance**

It is agreed that the Company will pay the full cost of a Long Term Disability Insurance Plan for the benefit of its employees, on the following basis:

Long Term Disability Insurance will be provided commencing after fifty-two (52) weeks of disability and continuing to a maximum of age sixty-five (65) for eligible employees. The amount of such disability benefit shall be, effective April 1, 2009, fifty-five percent (55%) of the employee's base rate times two thousand one hundred eighty-four (2,184) hours per year. Effective April 1, 2011, sixty percent (60%) of the employee's base rate times two thousand one hundred eighty-four (2,184) hours per year, paid per calendar month reduced by the amount of compensation an employee receives from the Workers' Compensation Board (WCB). The cost of the premiums of the Plan will be borne by the Company. Life Insurance and Accidental Death and Dismemberment coverage will continue for as long as the employee receives disability benefits. Pension Plan contributions will continue for a maximum period equal to the employee's service with the Company prior to their disability. Major Medical, Dental and Vision Care coverage and the provisions of Clause 13.10 will continue for two (2) years or a maximum period of time equal to the employee's seniority at the time they became eligible for benefits, whichever is longer, as long as the employee continues to receive disability benefits.

### **13.03 Life Insurance**

It is agreed that the Company will pay the full cost of a Life Insurance and Accidental Death Insurance program for the benefit of its employees, on the following basis:

- a) One times (1x) annual earnings (calculated as the employee's base rate times two thousand one hundred eighty-four (2,184) hours) life insurance on the life of each employee who accrue seniority increasing to two times (2x) annual earnings (calculated as the employee's base rate times two thousand one hundred eighty-four (2,184) hours) life insurance in the event of accidental death.
- b) It is agreed that within ninety-six (96) hours of being notified of the death of an employee, the Company will provide to the designated beneficiary an advance of twelve thousand dollars (\$12,000.00) (payable by cheque) of the life insurance benefit payable under Clause 13.03. Upon receipt of this advance, the beneficiary shall sign an assignment of benefit agreement instructing the life insurance carrier to reimburse the Company the twelve thousand dollars (\$12,000.00).

### **13.04 Alberta Health Care and Major Medical**

It is agreed that the Company will pay the full cost of a Major Medical program for the benefit of its employees, on the following basis:

- a) It is agreed that the Company will pay the full cost of the Alberta Health Care premiums.

- b) It is agreed that the Company shall pay the premium cost of a Major Medical program for the employee, their spouse and their dependent children, subject to the terms of the insuring company's policies, procedures and regulations which shall not change without the agreement of the Union. Subject to the preceding, the level of coverage for eligible Least Cost Alternative prescription drugs shall be one hundred percent (100%). Where medically prescribed, coverage for eligible brand name prescription drugs shall also be covered at one hundred percent (100%).
- c) It is agreed that the Company shall arrange with the insurer to provide a drug card for payment by the insurer at participating pharmacists. There shall be a dispensing fee payable by the employee of two dollars (\$2.00) per prescription dispensed.
- d) Effective January 1, 2014, the Company, through its insurer, shall implement a Health Spending Account for each active employee. The level of benefits, subject to the terms of the insuring company's policies, procedures and regulations, shall be two hundred dollars (\$200.00) per year per active employee.
- e) Effective September 1, 2017, the level of coverage for eligible services shall be ninety percent (90%) for claims eligible under the Major Medical program, for employees hired or re-hired on or after September 1, 2017.

**13.05 Dental**

It is agreed that the Company will pay the full cost of a Dental program for the benefit of its employees, on the following basis:

- a) Basic Dental Benefits (Plan A) - one hundred percent (100%) coverage
- Dental Option 1 (Plan B) - eighty percent (80%) coverage  
Effective January 1, 2014, the level of benefits for Dental Option 1 Plan B shall increase to one hundred percent (100%) coverage for new claims only.
- Orthodontia (Plan C) - fifty percent (50%) coverage to a lifetime maximum of three thousand dollars (\$3000.00) per individual (braces for dependent children only).  
Effective January 1, 2014, the level of benefits shall increase to a lifetime maximum of four thousand dollars (\$4,000.00) per individual (braces for dependent children only) or new claims only.
- b) The following annual deductibles shall apply to Plan A and B:
  - twenty-five dollars (\$25.00) annual deductible for a single employee with no dependents,
  - fifty dollars (\$50.00) annual deductible for an employee with one or more dependents.

- c) Effective January 1, 2000, Plan A and Plan B will be subject to a combined maximum of two thousand five hundred dollars (\$2,500.00) per calendar year per insured family member.

Effective January 1, 2014, Plan A and Plan B will be subject to a combined maximum of three thousand dollars (\$3,000.00) per calendar year per insured family member.

- d) Effective September 1, 2017, the level of coverage for eligible services shall be ninety percent (90%) for claims eligible under the Basic Dental Benefit Plan (Plan A), and Dental Option 1 (Plan B), for employees hired or re-hired on or after September 1, 2017.

### **13.06 Vision Care Plan**

It is agreed that the Company will pay the full cost of a Vision Care Plan for the benefit of its employees, on the following basis:

The Company vision care program for frames and lenses will provide a maximum of two hundred and fifty dollars (\$250.00) every twenty-four (24) months per insured family member. Effective April 1, 2011, the Company vision care program for frames and lenses will increase to a maximum of three hundred dollars (\$300.00) every twenty-four (24) months per insured family member. Effective January 1, 2014, the Company vision care program for frames and lenses will increase to a maximum of four hundred dollars (\$400.00) every twenty-four (24) months per insured family member.

Effective April 1, 2013, the Company vision care plan will also cover up to ninety dollars (\$90.00) for the cost of eye examinations every twenty-four (24) months per insured family member. In the case of dependent children eighteen (18) years of age or under, the amount of reimbursement for eye exams shall be up to ninety dollars (\$90.00) every twelve (12) months.

### **13.07**

For the purposes of Major Medical, Dental and Vision care, dependent children shall be deemed to include:

- a) dependent children under the age of nineteen (19) years,
- b) Effective April 1, 1997 this definition will be extended to include dependent children under the age of twenty-five (25) in the case of a single, full-time student solely dependent on the employee for support.

### **13.08**

The Company shall provide benefit booklets upon request.

### **13.09**

The Company will reimburse employees for costs of the completion of forms and letters for medical information to a maximum of one hundred dollars (\$100.00) per form or letter required and requested by the insurance carrier or Company.

### **13.10**

Coverage provided in Article 13 shall be subject to the terms and conditions as set out in general terms in the Collective Agreement and, where applicable, as per the specifics of coverage as set out in each insurance agreement. The coverage as set out in each document may not be amended without the mutual agreement of the Parties. Should the Company opt to self-insure, coverage will remain as per the last insurance document. Notwithstanding the foregoing, the Company reserves the right to retain alternate insurance providers.

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

## **ARTICLE 14 - HOURS OF WORK AND OVERTIME**

### **14.01**

A normal work week will be five (5) consecutive eight (8) hour days or shifts, Monday through Friday, with the exception of shift work.

### **14.02**

Shift schedules and starting and stopping times shall be established by the Employer.

### **14.03**

Shift schedules shall be posted in a conspicuous place, well in advance of their effect; an employee as far as possible shall have at least twenty-four (24) hours notice of a change of shift schedule.

When the Employer moves an employee to a different crew and/or shift schedule the Employer and the employee will try to come to a mutual agreement on making the schedule change. If not mutually agreeable, Clause 2.01 will apply.

### **14.04**

Employee's work time shall commence from the time they are given their orders at the mustering room and end at the finish of the shift when they return to the mustering room.

#### **14.05**

The definition of the eight (8) hour day and forty (40) hour work week herein does not serve as a guarantee of hours of work per day or per week but is stipulated only for the purpose of computing overtime pay.

#### **14.06**

Subject to Clause 14.09 every employee who is required to work in excess of eight (8) hours in any one (1) day or in excess of forty (40) hours in any one (1) week shall be paid at the rate of two times (2x) his regular rate for all hours of overtime.

#### **14.07**

A callout shall provide a minimum of four (4) hours work or four (4) hours pay at the overtime rates.

#### **14.08**

All employees who work a shift schedule that involves a seven (7) day week operation shall, when working such schedule, receive a shift schedule premium of seventy-two cents (\$0.72) per hour for all straight time hours worked. Effective April 1, 2010, this premium shall increase at the same percentage rate as the annual general wage increase each year.

Effective upon ratification, the shift schedule premium will be rolled into Clause 16.01 wages prior to the year 1 general wage increase.

#### **14.09**

Depending on the shift schedule, the forty (40) hour work week may be exceeded with no overtime payment required provided that the average number of hours in a four (4) week period or whatever rotating schedule as established by the Company does not exceed an average of forty (40) hours per week.

#### **14.10**

A system of equitable distribution of overtime beyond an employee's normal work schedule shall be established where each employee shall have the opportunity of overtime. Records of overtime worked shall be kept up to date, (within two (2) shifts), and readily available to all employees.

Available overtime shall be posted, and employees interested in working overtime shall put their names on the list. Overtime shall be awarded in order of priority as follows;

- 1) To the employee in the bid job who has the oldest stale date of overtime.
- 2) To any other qualified employee who has the oldest stale date of overtime.

When two (2) or more employees have the same oldest stale date of overtime, overtime shall be awarded to the most senior.

When overtime becomes available on a shift with no prior notification, the bid employee with the oldest stale date of overtime shall be called for the overtime, and if they are unavailable or decline the overtime, then it shall be offered to any qualified employee with the oldest stale date of overtime.

Overtime that is contiguous with a shift shall not count as a stale date.

When maintenance employees are assigned to work on a special project where continuity of worker is critical such as an engine rebuild then they shall be able to work more than one (1) overtime day in a row, and this overtime shall be counted as one (1) stale date, on the last day of overtime worked.

Overtime shall be posted for the position needed; employees on the shift shall not be moved into the position needed and then have their position posted.

#### **14.11**

An employee who reports to work for scheduled overtime and was not provided a minimum of twelve (12) hours of notice that the scheduled work is not available, the following will apply:

- a) The employee can accept any available work or go home and receive four (4) hours pay at the applicable overtime rate. The Company will determine the availability of work.
- b) If no work is available the Company will send the employee home with four (4) hours of pay at the applicable overtime rate.

#### **14.12**

When an employee works authorized overtime and is unable to take an eight (8) hour break before his next shift is due to start, he shall be paid from his regular start time but, will not be required to report for work until he has taken his eight (8) hour break.

If an employee is authorized to report to work prior to a full eight (8) hour break, he shall be paid the applicable overtime rate for the entire shift.

### **ARTICLE 15 - SHIFT DIFFERENTIALS**

#### **15.01**

Employees shall be paid, in addition to other wages payable to them, the following shift differentials for any or all hours worked during the following periods:

7:30 pm to 7:35 am two dollars (\$2.00) per hour

Effective April 1, 2014, this differential shall increase at the same percentage rate as the annual general wage increase each year.

**ARTICLE 16 - BID JOBS AND WAGE RATES**

**16.01**

		Effective April 1/17	Effective April 1/18	Effective April 1/19	Effective April 1/20	Effective April 1/21
	<b>BID JOB</b>					
<b>JOB GROUP</b>	<b>TRADESMEN</b>					
6	Journeyman Electrician	\$47.40	\$48.35	\$49.32	\$49.81	\$49.81
	Journeyman Welder					
	Journeyman Heavy Equipment Technician					
	Journeyman Millwright					
	Journeyman Machinist					
	<b>PRODUCTION</b>					
5	Dragline Operator	\$44.36	\$45.25	\$46.16	\$46.62	\$46.62
	Shovel Operator					
	Front End Loader Operator					
	Tipple/Humalite Operator					
4	Dragline Oiler/Relief Operator	\$40.34	\$41.15	\$41.97	\$42.39	\$42.39
3	Shovel Oiler	\$39.93	\$40.73	\$41.54	\$41.96	\$41.96
	Dragline Oiler					
	Dozer Operator					
	Scraper Operator					
	Grader Operator					
	Haul Truck Operator					
	Pumpman					
	Track Hoe Operator					
	Serviceman					
1	Labourer	\$33.54	\$34.21	\$34.89	\$35.24	\$35.24
	<b>APPRENTICES</b>					
	First Year 82% of Journeyman Rate	\$38.87	\$39.65	\$40.44	\$40.84	\$40.84
	Second Year 86.5% of Journeyman Rate	\$41.00	\$41.82	\$42.66	\$43.09	\$43.09
	Third Year 91% of Journeyman Rate	\$43.13	\$44.00	\$44.88	\$45.33	\$45.33
	Fourth Year 95.5% of Journeyman Rate	\$45.27	\$46.17	\$47.10	\$47.57	\$47.57

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First Year	85% of Job Group 3	\$33.94	\$34.62	\$35.31	\$ 35.67	\$35.67
Second Year	90% of Job Group 3	\$35.94	\$36.66	\$37.39	\$37.76	\$37.76
Third Year	95% of Job Group 3	\$37.93	\$38.69	\$39.46	\$39.86	\$39.86
Fourth Year	100% of Job Group 3	\$39.93	\$40.73	\$41.54	\$41.96	\$41.96

Operators who self-load shall be paid at the Loader Operator rate for the entire shift in which the operator self-loads.

**16.02**

Three year apprentice trade eliminates second year classification.

**16.03**

Employees transferred temporarily to a job with a lower wage rate shall continue to receive their normal classification rate; for these purposes "temporarily" means not more than sixty (60) calendar days.

**16.04**

Rates of pay for classifications not listed shall be negotiated consistent with the classifications outlined in this Article.

**16.05**

Any employee who has obtained one (1) or more of the following listed Proficiency Certificates and who may utilize such proficiency in the course of his employment shall receive an additional thirty cents (\$0.30) per hour above his regular rate.

Eligible Proficiency Certificates:

- Mine Foreman
- Provincial Blaster
- Journeyman Welder
- Journeyman Electrician
- Journeyman Mechanic
- Journeyman Machinist
- Journeyman Millwright
- Crane Operator (65 Ton)
- Mine Rescue Personnel

**16.06**

Employees attending school in and for their apprenticeship training shall receive forty (40) hours

straight time pay per week. No practicing licensed tradesperson would be eligible for an apprenticeship in another trade unless, a non-practicing licensed tradesperson is willing to bid into the shop to fill the vacancy he would create, and provided the employee can meet the apprenticeship entrance requirements. If mutually agreed upon a person working in another practicing trade may be considered.

#### **16.07 Dual Classifications**

An employee leaving his regular classification to work at one carrying a higher wage rate shall be paid at the wage rate applicable to the work performed.

#### **16.08 Relief Foremen**

- a) Each Relief Foreman assignment shall be credited as a minimum of one (1) shift and shall not exceed the accumulative total of sixty (60) working shifts per contract year. Under special circumstances individuals who have cumulated the maximum time limits may, with the mutual agreement between the Company and the Union be permitted to continue in the position of Relief Foreman for a designated period.
- b) Employees so designated shall be paid for time worked as a Relief Foreman; the greater of either one dollar (\$1.00) per hour more than the highest rate listed in Article 16 in the group he is leading or one dollar (\$1.00) per hour more than a Lead Hand under his direction.
- c) Relief Foremen will continue to accrue seniority and pay regular monthly Union dues for the term of their appointment. These employees can only take overtime after they have returned and worked in a position other than Relief Foreman.
- d) Relief Foremen will perform the duties of regular Foremen except they will not be responsible for disciplinary action. Relief Foremen may be used to replace Foremen absent from work or as an addition to the normal complement of Foremen when additional supervision for a special project is required.

#### **16.09 Lead Hands**

The Company may designate employees as Lead Hands, (with the acceptance of the employee); during which time they shall receive the greater of one dollar (\$1.00) per hour more than their base rate of pay or one dollar (\$1.00) per hour more than the highest rate in the group he is leading (excluding Relief Foremen).

A Lead Hand is responsible for directing, overseeing and participating in the work of an assigned crew of employees working on similar or related work. He assigns work to the workers as directed by the supervisor or planner and works along with and coordinates work among them.

## **16.10 Retroactivity**

All employees in the service of the Company on the date of signing of the Collective Agreement shall receive all increases to wages provided for in the Collective Agreement retroactive to April 1<sup>st</sup>, 2017. Increases to wages shall include increases to hourly rates, premium, differentials, overtime pay, pay for work on Named Holidays and benefits. Application of new hours of work letters effective date of ratification.

## **ARTICLE 17 - HOURLY RETIREMENT FUND**

### **17.01**

- a) Effective June 1, 2009, active employees shall elect to join one of the Defined Contribution Pension Plan A or B options below. Employees may elect once per year to change their option, and must communicate this in writing to the Company prior to December 1<sup>st</sup> for the upcoming year. The Employer and employee contribution will be made on a per pay period basis.

#### Option A

The Employer shall make a contribution on behalf of the employee equal to six percent (6%) of the employee's base rate for base hours. The employee shall contribute one percent (1%) of the employee's base rate for base hours.

#### Option B

The Employer shall make a contribution on behalf of the employee equal to seven percent (7%) of the employee's base rate for base hours. The employee shall contribute two percent (2%) of the employee's base rate for base hours.

Effective April 1, 2011, the employee shall also contribute two percent (2%) of the employee's base rate for base hours into the Group RRSP plan.

Eligible employees who go on disability (WI/LTD/WCB) for greater than thirty (30) days will revert to Option A, unless directed, in writing, by the employee. The employee will not be required to contribute their portion of the pension during the disability period, while on Option A after the thirty (30) day waiting period. Following their return to work, the employee may elect to participate in Option B again.

#### Option C – Effective April 1, 2015.

Effective April 1, 2015, current employees who elect to join Pension plan Option C, will remain in this Plan.

Effective April 1, 2015, all new employees must join Pension plan Option C.

The Employer shall make a contribution on behalf of the employee equal to eight percent (8%) of the employee's base rate for base hours. The employee shall contribute three percent (3%) of the employee's base rate for base hours.

For employees hired or re-hired on or after September 1, 2017, the Employer shall make a contribution on behalf of the employee equal to four percent (4%) of the employee's base rate for base hours. The employee shall contribute two percent (2%) of the employee's base rate for base hours.

The employee shall also contribute three percent (3%) of the employee's base rate for base hours into the Group RRSP plan.

Eligible employees who go on disability (WI/LTD/WCB) for greater than thirty (30) days will revert to Option A, unless directed, in writing, by the employee. The employee will not be required to contribute their portion of the pension during the disability period, while on Option A after the thirty (30) day waiting period. Following their return to work, the employee shall participate in Option C again.

Effective April 1, 2013, Base hours, for Pension calculations, shall be defined as two thousand one hundred and eighty-four (2,184) hours with one hundred and four (104) hours calculated at double time (2x) divided by twenty-six (26).

Effective September 1, 2017, Base hours, for Pension calculations, shall be defined as two thousand and eighty (2,080) hours for new hires only on the ten (10) and eight (8) hour shift schedules.

- b) The hours worked for the determination of continuous service shall include absence while receiving WCB benefits and maintaining employee status; or while receiving benefits under the Company sponsored Weekly Indemnity Plan, paid leave of absence and paid Named Holidays. Overtime hours will be included in the calculations.
- c) **Pensionable Service**

Effective April 1, 1990, Pensionable Service for future new claimants shall include time while receiving WCB benefits and retaining employee status (for a maximum period of time equal to the employee's seniority at the time he became eligible for benefits), and while receiving long term disability insurance (for a maximum period of time equal to the employee's seniority at the time he became eligible for benefits). In no case will Pensionable Service continue to accrue after an employee's normal retirement date or while he is gainfully employed by an employer other than Prairie Mines & Royalty ULC Paintearth/Sheerness Mine while receiving WCB or LTD benefits, unless the employment is part of an approved return to work program.

**d) Administration**

Effective April 1, 1997, the method of managing the Defined Contribution Pension Plan Funds was changed to allow individual employees the opportunity to select their own investment options from the suite of products offered by and through the trustee. Employees will receive annual statements of their account. The Trustee for the fund will be selected by the Company. Investment Management fees will be charged to the fund by the Trustee. Administrative fees will be paid by the Company.

**e) Death Benefit**

Should an employee die while a member of the Retirement Fund, all amounts credited to him will be paid to his beneficiary. This will include a contribution for the year in which the death occurs providing the employee has worked in the year in which the death occurs.

**f) Termination**

Upon termination of employment, the value of the employees units in the Retirement Fund will be transferred to an RRSP as permitted by regulatory authorities to provide for retirement.

**17.02 Employee Voluntary RRSP Contributions**

The Company shall continue to advise their employees as to their option to direct the Company to make additional deductions to their pay to apply to their Group RRSP.

**ARTICLE 18 - CLOTHING AND MISCELLANEOUS**

**18.01**

The Employer agrees to provide free of charge to employees, articles of clothing which may be necessary for the safety and health of employees. This shall include welder's masks; goggles and gloves; leather aprons and arms; and hip boots.

**18.02**

Employees are required to take good care of any articles of clothing provided to them by the Employer and such articles shall be returned to the Employer on termination of employment.

**18.03**

The Company agrees to provide, on a reimbursement basis, a boot and work clothing allowance of thirteen dollars (\$13.00) per month.

Effective April 1, 2013, this allowance will be discontinued and employees will receive a boot and work clothing allowance of three hundred dollars (\$300.00) per year in the form of a pre-paid

debit card. This allowance must be used to purchase work clothing in compliance with the Company safety policy. New hires will be reimbursed for their first pair of boots and first pair of coveralls or work clothing and will receive a three hundred dollar (\$300.00) pre-paid debit card on April 1, the following contract year. All reimbursable items must be in compliance with the Company safety policy regarding personal protective equipment.

Reasonable requests for early replacement of coveralls or boots, worn out, damaged or destroyed in the course of performing job duties, will be considered solely at the discretion of the Department Manager. Replacement items must be of similar value as those damaged.

#### **18.04**

The Employer shall provide a clothing change room in the main shop. This facility will be separated from the main shop in order that employees may hang a change of clothes in a relatively dust free area.

#### **18.05**

The Employer will insure employee's clothing in the washhouse (or other designated storage area) against loss by fire to a maximum of five hundred dollars (\$500.00) per individual. Tools which are lost or broken in the course of employment will be replaced by the Company provided the tool has been included in an approved tool inventory list which each employee must submit to the Company and keep updated.

#### **18.06**

The Employer agrees to pay for the medical costs associated with the mandatory annual medical examination for holders of Class 1 driver's licenses when such licenses are required by legislation or the Company.

#### **18.07**

Whenever an employee is required by the Company to have periodic physical examinations (with the exception of pre-employment medicals), the employee shall be paid at his regular wage rate for work time lost, to a maximum of four (4) hours while undergoing the medical exam. If the periodic exam is scheduled on an employee's regularly scheduled day off he shall receive four (4) hours pay at his regular wage rate.

The Company shall pay the costs of the pre-employment or other Company required medicals not covered by Alberta Health Care.

#### **18.08 Ventilation Systems**

The Company recognizes that existing heating and air conditioning equipment should be kept in working order. New major mobile equipment shall have factory installed heating and air

conditioning equipment. The Company will repair existing heating and air conditioning equipment within a reasonable time frame should it fail.

### **18.09 Interpretations**

In this Collective Agreement (unless otherwise indicated by the context) all words of masculine gender shall include the feminine and vice versa.

## **ARTICLE 19 - PYRAMIDING OF PREMIUMS**

### **19.01**

It is understood by the parties that there shall be no pyramiding of premiums under this Collective Agreement.

## **ARTICLE 20 - SAFETY**

### **20.01**

The Employer and the Union agree that it is in the interests of all concerned to maintain high standards of safety and health in the mine in order to prevent industrial injury and illness.

### **20.02**

It is understood and agreed that the parties to this Collective Agreement shall at all times comply with the accident prevention regulations of the *Occupational Health and Safety Act, Regulation and Code* as well as all safety regulations imposed by the Employer.

### **20.03**

The Company and the Union shall jointly maintain a Health and Safety Committee in accordance with the *Occupational Health and Safety Act, Regulation and Code*.

### **20.04**

The Union and the Employer will each appoint one (1) person to act as co-chairman for the committee. The Employer and the Union will ensure that the Company representatives and employee members appointed to the committee have such qualifications as to enable them to complete inspection tours and report as required by any relevant legislation or governmental directives.

The inspections shall be conducted in each area by any two (2) of the three (3) representatives of each party.

The meetings of the committee, again consisting of any two (2) representatives from each party, shall be held at least once per month.

Prior to the meeting the inspection tour of the operations will be conducted.

The inspection tour report will be discussed at the monthly meeting.

The committee shall also discuss:

- a) Any accidents that occurred in the previous month, the causes and preventative measures.
- b) Any safety and health complaints.
- c) Any proposed changes in the safety and health procedures or rules.
- d) Results of any tests or surveys pertaining to the health and safety of employees.

#### **20.05**

The Occupational Health and Safety Committee shall have the right to investigate all major accidents in the operation.

#### **20.06**

No employee will be required to perform work that constitutes imminent danger to himself or others nor will he be disciplined for such refusal. An employee who is unsure of the safety of any action should, prior to committing such action, discuss his concerns with his foreman and, if necessary, his Steward and/or a member of the Safety Committee. Any disagreement thereafter as to the safety of any act should be referred to the Mine Manager (if applicable) or General Manager.

#### **20.07**

Minutes of all meetings shall be recorded by the Committee, copies shall be given to all members of the Committee and a copy sent to the Local Union.

#### **20.08**

Each shift will endeavor to hold a safety discussion once every month.

### **ARTICLE 21 - PAY DAY**

#### **21.01**

Payday shall be bi-weekly on Friday, except if delayed by reasons beyond the Employer's control. The Employer shall be allowed a five (5) day holdback in order to prepare payrolls. If a Named Holiday falls on the regular payday, employees shall be paid the day before. A work week shall be defined as Sunday through Saturday.

## **ARTICLE 22 - TERM OF COLLECTIVE AGREEMENT**

### **22.01**

Except as otherwise specified, this Collective Agreement shall be effective as of April 1, 2017, and shall remain for a period ending March 31, 2022, and from year to year thereafter, providing that either party may, not less than sixty (60) days nor more than one hundred and twenty (120) days prior to the termination date hereof, give notice in writing to the other party of its intentions to terminate this Collective Agreement or to negotiate a revision thereof.

**LETTER OF UNDERSTANDING**

**REGARDING**

**DRAGLINE OILER AND DRAGLINE OILER/RELIEF OPERATOR**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 955**

We the undersigned agree that:

- a) The entry level position for the dragline is that of Dragline Oiler.
- b) The Company can promote a Dragline Oiler to the position of Dragline Oiler/Relief Operator once he becomes qualified to operate the dragline and can competently operate in the absence of the regular operator.

**LETTER OF UNDERSTANDING**

**REGARDING**

**12 HOUR SHIFTS**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

**Named Holidays:**

For twelve (12) hour shift employees a holiday allowance for a holiday not worked shall be computed by multiplying by twelve (12) the minimum hourly wage rate as in Article 16 of the employee's regular classification.

Holidays shall be effective regardless of the day of the week on which they fall except if a holiday falls on a Saturday or Sunday and the Federal and/or Provincial Government proclaims a substitute day, then that day shall be recognized as the holiday for the purpose of this section unless mutually agreed otherwise.

Clause 11.02 shall apply.

**Definition of Vacation Week:**

For twelve (12) hour shift employees vacation entitlement shall be as follows:

2 weeks eligibility = 7 working days plus days off  
3 weeks eligibility = 11 working days plus days off  
4 weeks eligibility = 14 working days plus days off  
5 weeks eligibility = 18 working days plus days off  
6 weeks eligibility = 21 working days plus days off

Vacations may be taken subject to Clause 12.05.

**Premium Pay:**

The shift schedule premium to be paid to employees working the twelve (12) hour schedule will be as follows:

- a) Hours of work will be averaged over a four (4) week period as per Exhibit "A" and it is agreed that those employees working the twelve (12) hour shift cycle will work an average of forty-two (42) hours per week. Overtime at two (2) times an employees' regular wage rate will be paid for the last two (2) hours worked per week. Absence from work will result in an equivalent reduction in overtime hours and pay. The definition of the (12) twelve hour day and (42) forty-two hour work week does not serve as a guarantee of hours of work per day or per week but is stipulated only for the purpose of computing overtime pay.
- b) It is further agreed that Clause 14.08 will apply.

**Overtime:**

Clause 14.06 will not apply to employees working the twelve (12) hour shift schedule. Rather, time worked in excess of twelve (12) hours in a day will be at two times (2x) the employee's regular scheduled rate and time worked on the employee's regular scheduled day of rest will be paid at two times (2x) the employee's regular hourly rate.

**Shift Differentials:**

Shift differentials for twelve (12) hour shift employees shall be:

according to Clause 15.01.

The parties agree to jointly contact the Employment Standards Branch to apply for a certificate for the current twelve (12) hour shift schedule upon ratification. The permit shall be in effect for the life of this Collective Agreement.

**Hours of Work:**

Employees on the twelve (12) hour shift shall be prepared to go to work at the start of the shift (eg. 7:30 a.m.) and shall not leave the mine-site before the end of the shift (eg. 7:45 p.m.). It is understood that a maximum of ten (10) minutes shall be granted for filling out reports and wash-ups. Employees shall receive twelve (12) hours pay for this twelve (12) hour and fifteen (15) minute time period, which shall include two (2), fifteen (15) minute coffee breaks and a thirty (30) minute lunch break.

**EXHIBIT "A"**

F S S M T W T F S S M T W T F S S  
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17  
D D D / / N N / / / D D / / N N N

M T W T F S S M T W T F S S  
18 19 20 21 22 23 24 25 26 27 28 29 30 31  
/ / D D / / / N N / / D D D

- 3 Days - 2 Off
- 2 Nights - 3 Off
- 2 Days - 2 Off
- 3 Nights - 2 Off
- 2 Days - 3 Off
- 2 Nights - 2 Off

**LETTER OF UNDERSTANDING**

**REGARDING**

**8 HOUR SHIFTS**

**Between**

**PRAIRIE MINE & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

Under Clause 14.02 in the Collective Agreement between Paintearth/Sheerness and International Union of Operating Engineers Local Union No. 955, the Company agreed that the following start and stop times be adhered to:

Employees on the eight (8) hour shift shall be prepared to go to work at the start of the shift (eg. 7:30 a.m.) and shall not leave the mine-site before the end of the shift (eg. 3:45 p.m.). It is understood that a maximum of ten (10) minutes shall be granted for filling out reports and wash-ups. Employees shall receive eight (8) hours pay for this eight (8) hour and fifteen (15) minute time period, which shall include two (2), ten (10) minute coffee breaks and a thirty (30) minute lunch break.

**LETTER OF UNDERSTANDING**  
**REGARDING**  
**WORK AND SHIFT CHANGE OVERTIME**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

An employee who is unable to return to the mustering room before shift end will be eligible for overtime. It is understood that employees will make every effort to return to the mustering room at ten (10) minutes before shift end. Overtime that is due will be paid in the following manner:

1 – 5 minutes	=	5 minutes overtime pay
6 – 10 minutes	=	10 minutes overtime pay
11 – 15 minutes	=	15 minutes overtime pay
16 – 20 minutes	=	20 minutes overtime pay
21 – 25 minutes	=	25 minutes overtime pay
26 – 30 minutes	=	30 minutes overtime pay

Examples:

If a twelve (12) hour employee is not able to return to the mustering room until 7:38, they will be paid five (5) minutes overtime pay, and may leave at any time after 7:45.

If a twelve (12) hour employee is not able to return to the mustering room until 7:43, they will be paid ten (10) minutes overtime pay, and may leave at any time after 7:45.

If a twelve (12) hour employee is not able to return to the mustering room until 7:54, they will be paid twenty (20) minutes overtime pay, and may leave at any time after getting in.

If a twelve (12) hour employee is not able to return to the mustering room until 8:03, they will be paid thirty (30) minutes overtime pay, and may leave at any time after getting in.

**LETTER OF UNDERSTANDING**

**REGARDING**

**REVERSION RIGHTS**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

The parties agree that all current employees shall not have reversion rights to previous bid positions as of April 30, 2000, as identified in Clause 8.06, or any other correspondence or Letters of Understanding. Employees who may be displaced in the future shall have rights under Article 7 and Clause 8.06, in respect of that future displacement.

**LETTER OF UNDERSTANDING**

**REGARDING**

**BUMPING CLAUSE 8.06**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

This Letter of Understanding pertains to employees wishing to bump into or out of the Maintenance Department. Any other bumping is covered under Clause 8.06 of the Collective Agreement.

In the event that an employee whose job has been "temporarily discontinued" wishes to bump from Mine Operations into Maintenance, or from Maintenance into Mine Operations, the term "temporarily discontinued" as contained in Clause 8.06 shall mean a minimum of two (2) calendar weeks.

After the two (2) week period the employee shall have the right to bump according to Clause 8.06 of the Collective Agreement.

**LETTER OF UNDERSTANDING  
REGARDING  
CONTINUOUS IMPROVEMENT**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

“The Parties agree to discuss ways to continue to improve the overall effectiveness, efficiency and viability of the Paintearth/Sheerness mining operations.

Local Union No. 955 and Paintearth/Sheerness employees recognize that the longevity of their employment is vested in the profitability of the Company and the Company recognizes that the success of the Company is vested in the well-being of the employees. The Company, the Union, and the employees are committed to continuous improvement through maintaining and fostering a safe, harmonious and productive workplace.”

**LETTER OF UNDERSTANDING**

**REGARDING**

**STUDENTS**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

Re: Students

The Company and the Union agree that students hired as summer vacation relief will not be allowed to exercise rights or receive benefits under this Collective Agreement with the exception of the following:

- The Company shall pay the premium cost on behalf of each student to provide twenty-five thousand dollars (\$25,000.00) AD&D insurance subject to the terms of the insuring company's policies and procedures and regulations.
- Students will not receive benefits under Article 13 with the exception of AD&D insurance noted above.
- Subject to Clause 18.03 – the Company shall provide students with their first pair of boots and coveralls as per new hires. They will not be eligible for the pre-paid debit card.
- Students are not eligible to work unscheduled overtime until all eligible regular employees have been offered the opportunity to work such unscheduled overtime as may be required. In addition, students must be competent and have completed the required training in order to be eligible to work overtime.
- Applicable union dues will be deducted and remitted to the Union.
- Wages as per Clause 16.01 Student Wage Schedule.

This letter does not restrict students' rights to Union representation if the student has concerns or issues.

**LETTER OF UNDERSTANDING**

**REGARDING**

**RECALL PROCEDURES**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

The Company and the Union agree that this letter shall constitute the detailed procedures for recalls after layoff.

- If at the time of layoff, no return date is given then the employees laid off are eligible for severance pay at the time of layoff.
- The Company and the Union shall maintain a list of employees laid off.
- Recalls of a temporary nature must be stated as such at the time of recall and may be refused.
- A refusal to accept a temporary vacancy of any kind will not prevent the individual from staying on the recall list.
- For the purpose of recall only, temporary vacancies will be defined as less than forty-five (45) calendar days and more than eighty (80) hours of work.
- For the purpose of recall only, permanent vacancies shall be defined as more than forty-five (45) calendar days.
- A refusal to accept a permanent vacancy will remove the individual from the recall list and make them ineligible for severance.
- At the time of layoff, employees will indicate in writing their interest in being recalled for temporary work.

**LETTER OF UNDERSTANDING**

**REGARDING**

**SEVERANCE**

**Between**

**PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES**

**and**

**INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 955**

RE: Severance

Effective upon ratification the Company and the Union agree that the following process will be utilized when a permanent layoff occurs:

- Voluntary severance packages will be offered to hourly employees and the selection will be based on seniority and/or operational requirements.
- The Company agrees to offer one thousand seven hundred and fifty dollars (\$1,750.00) per year of service or employment standards (whichever is greater) to a maximum of twenty-four (24) years of service.
- Employee's years of service will be rounded to the closest quarter (.25).

Option 1:

Employees who receive notice of layoff may accept a severance package as outlined above. This severance includes the legislative amounts for notice of termination.

Option 2:

Employees who receive notice of layoff will be provided termination pay and/or notice as per legislative requirements.

- a) If the employee elects to stay on recall and is offered a permanent full-time position and chooses not to accept, he or she will not be eligible for any severance, and will be removed from the recall list and their employment terminated.
- b) If the employee elects to stay on the recall list and is not offered a permanent full-time position, within one (1) year of continuous layoff, he or she will be eligible for any severance owing, less the notice of termination pay as per the legislation.

COLLECTIVE AGREEMENT

Between

PRAIRIE MINES & ROYALTY ULC PAINTEARTH/SHEERNESS MINES

and

INTERNATIONAL UNION OF OPERATING ENGINEERS  
LOCAL UNION NO. 955

Agreed this 12<sup>th</sup> day of September 2017

For the Union:

For the Company:



C. Flett  
*Business Manager,*  
*Local Union No. 955*

K. Hobbs  
*General Manager*



M. Bourgeois  
*President,*  
*Local Union No. 955*

R. Sveahun  
*Mine Manager*



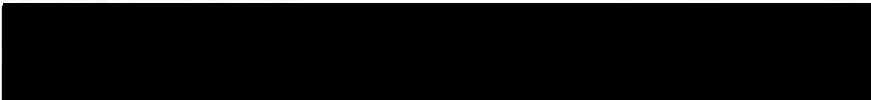
F. Araneda  
*Business Agent,*  
*Local Union No. 955*

D. Sauve  
*Regional HR Director*



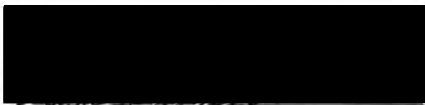
K. Thomas  
*Business Agent,*  
*Local Union No. 955*

A. Maetche  
*Human Resources Manager*



J. Boxma  
*Job Steward,*  
*Paintearth Mine*

R. Frizzell  
*Maintenance Manager*



M. Fitzpatrick  
*Job Steward,*  
*Paintearth Mine*



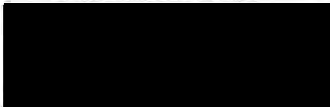
M. Koenraad  
*Job Steward,*  
*Paintearth Mine*



D. Veno  
*Job Steward,*  
*Sheerness Mine*



K. Gladdish  
*Job Steward,*  
*Sheerness Mine*



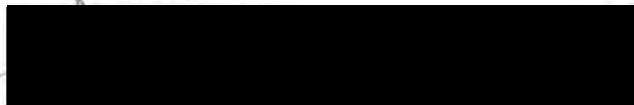
R. Wasdal  
*Job Steward,*  
*Sheerness Mine*



J. Sinclair  
*Job Steward,*  
*Sheerness Mine*



D. Oberg  
*Job Steward,*  
*Paintearth Mine*



J. Williams  
*Job Steward,*  
*Paintearth Mine*