There's No Better Bargain

Than A Used Safety Rule

AGREEMENT

BETWEEN

LATROBE STEEL COMPANY

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UNITED STEELWORKERS OF AMERICA

1960

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and the Union realize that this goal depends on more than words in a labor agreement, that it depends primarily on attitudes between people in their respective organizations and at all levels of responsibility. They believe that proper attitudes must be based on full understanding of and regard for the respective rights and responsibilities of both the Company and the Union. They believe also that proper attitudes are of major importance in the plant where day-to-day operations and administration of this Agreement demand fairness and understanding. They believe that these attitudes can be encouraged best when it is made clear that Company and Union officials whose duties involved negotiation of this Agreement, are not antiunion or anticompany but are sincerely concerned with the best interests and well being of the business and all employees.

SECTION II—RECOGNITION

A. The Company recognizes the Union as the exclusive collective bargaining agency for all hourly production and hourly maintenance employees of the Company employed in and about the Company's plant. 3

The Company recognizes and will not interfere with the right of its employees to become members of the 4

Union. The Union agrees that neither it nor any of its officers or members will engage in any Union activity on Company time or will engage other employees in any Union activity while such employees are on Company time; and, the Company may discipline any employee who shall be proved guilty of violating this provision. Any dispute as to the facts or as to the nature of the discipline imposed by the Company shall be adjusted in accordance with the provisions of Section VIII, Adjustment of Grievances, including arbitration, if necessary, or the Company may elect to leave to the determination of the arbitration machinery the question of the nature of the discipline to be imposed.

B. Each employee who on the effective date of this Agreement is a member of the Union in good standing and each employee who becomes a member after that date shall, as a condition of employment, maintain his membership in the Union. 5

Each employee hired on or after July 1, 1956 shall, as a condition of employment, beginning on the 30th day following the beginning of such employment or the effective date of this Agreement, whichever is the later, acquire and maintain membership in the Union. 6

For the purpose of this Section, an Employee shall not be deemed to have lost his membership in the Union in good standing until the International Secretary-Treasurer of the Union shall have determined that the membership of such Employee in the Union is not in good standing and shall have given the Company a notice in writing of that fact. 7

C. Checkoff

1. The Company will check off monthly dues, assessments and initiation fees each as designated by the International Secretary-Treasurer of the Union, as membership dues in the Union, on the basis of individually signed voluntary checkoff authorization cards in forms agreed to by the Company and the Union. 8

2. At the time of his employment the Company will suggest that each new employee voluntarily execute an authorization for the checkoff of union dues in the form agreed upon. A copy of such authorization card for the checkoff of Union dues shall be forwarded to the Financial Secretary of the Local Union along with the membership application of such employee. 9

Upon receipt by the Management of a voluntary written assignment (in a form agreed to in writing by the Company and the Union) by an Employee, 10

the Company will deduct from the second pay of such Employee each month and thereafter during the existence of such assignment, his periodic Union dues for the preceding month; and, the Company shall also deduct any assessments against him which shall be general and uniform among Employees who shall at the time be members of the Union, and, if owing by him, an initiation fee, all as payable to the Union in accordance with its constitution and by-laws. The Company shall promptly remit any and all amounts so deducted to the International Secretary Treasurer of the Union, who shall notify the Company in writing of the respective amounts of the dues, initiation fees and assessments which shall be so deducted.

The pay referred to for deductions of dues, initiation fees or assessments shall be the second pay closed and calculated in a montth. 11

In cases of earnings insufficient to cover deduction of dues, the dues shall be deducted from the next pay in which there are sufficient earnings, or a double deduction may be made from the second pay of the following month, provided; however, that the accumulation of dues shall be limited to two months. The International Secretary-Treasurer of the Union shall be provided with a list of those employees for 12

whom double deduction has been made.

13 The provisions of this Subsection C shall be effective in accordance and consistent with applicable provisions of federal law.

D. Indemnity Clause

14 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Section, or in reliance on any list, notice or assignment furnished under any of such provisions.

SECTION III—WAGES

15 **A. Standard Hourly Wage Scale**— The standard hourly wage scale of rates for the respective job classes and the effective dates thereof shall be those set forth in Exhibit A of this Agreement. Jobs shall be placed in the standard hourly wage scale in accordance with the Wage Inequity Agreement dated August 13, 1959.

16 **B. Application of the Standard Hourly Wage Scale**—The standard hourly wage scale rate for each job class shall be the standard hourly wage rate for all jobs classified within such job class. In addition:

17 1. A schedule of trade or craft rates, containing:

(1) a standard rate equal to the standard hourly wage scale rate for the respective job class of the job;

(2) an intermediate rate at a level two job classes below the standard rate; and

(3) a starting rate at a level four job classes below the standard rate, is established for each of the following repair and maintenance trade or craft jobs:

Blacksmith	Painter
Boilermaker	Pipefitter
Bricklayer	Roll Turner
Carpenter	Sheet Metal Worker
Electrician	Toolmaker
Instrument Repairman	Welder
Machinist	

18 2. A schedule of learner rates for the respective learning periods of 520 hours of actual learning experience with the Company on jobs for which training opportunity is not provided by the promotional sequence of related jobs is established at the level of standard hourly wage scale rates for the respective job classes determined on the basis of the required employment training and experience time specified in factor 2 of the job classification record of the

respective job for which the learner period is preparatory as follows:

a. Seven to twelve months: One learner period classification at a level two job classes below the job class of the job.

b. Thirteen to eighteen months: A first learner period classification at a level four job classes below the job class of the job, and a second learner period classification at a level two job classes below the job class of the job.

c. Nineteen months and above: A first learner period classification at a level six job classes below the job class of the job; a second learner period classification at a level four job classes below the job class of the job; and a third learner period classification at a level two job classes below the job class of the job.

19 3. The Company, at its discretion, may apply a learner rate to a learner on any job during any period of time where another employee, other than the learner, is on the job, provided the learner rate applied is:

(1) the standard hourly wage scale rate for job class 1 in the case of an employee hired for the learner job; or

(2) the lower figure of;

(a) the standard hourly wage scale rate of the job from which transferred; or

(b) the standard hourly wage scale rate of the job being learned in the case of an employee transferred from another job in the plant.

C. Existing Incentive Plans

20 1. Effective as of the date of each general wage increase contained in Exhibit A, the total earnings (not including overtime, shift and Sunday premiums, and cost-of-living adjustments) received by an employee for hours worked (for which he shall receive incentive earnings) on a job covered by an existing incentive plan, shall be increased by the percentage by which the minimum hourly wage rate after such increase for such job exceeds the minimum hourly wage rate in effect on the day before such annual wage increase for such job.

21 2. It is understood that the fundamental principal of the work and wage relationship is that the employee is entitled to a fair day's pay, i.e., the Standard Hourly Wage scale, in return for which the Company is entitled to a fair day's work. The fundamental principal of the performance and incentive wage relationship is that when regularly required on an incentive job to perform work over and above the

requirements of a fair day's work, an employee is entitled to receive equitable extra compensation over and above a fair day's pay at the rate of 1% increase in pay for each 1% increase in work in excess of the established standard. The Standard Hourly Wage Rate or the intermediate rates provided for in paragraph 5, Section II, of the Wage Inequity Agreement will be the established minimum guaranteed hourly rate for all jobs on incentives. For hours worked on incentive jobs the employees shall receive the highest of the following.

a. The total earnings of the applicable incentive plan,

b. The total amount arrived at by multiplying the hours worked by the applicable Standard Hourly Wage Rate, or intermediate rate mentioned in Paragraph 5, Section II, of the Wage Inequity Agreement.

c. The total amount arrived at by multiplying the hours worked by the existing guaranteed hourly rate.

22 D. **Rate Establishment and Adjustment**—It is recognized that changing conditions and circumstances may from time to time require the installation of new wage rates, adjustment of existing wage rates or modifications of wage rate plans because of the creation of new jobs, development of new manu-

facturing processes, changes in equipment, changes in the content of jobs, or improvements brought about by the Company in the interest of improved methods and product. Under such circumstances the following procedure shall apply:

23 1. **Wage Rates for New or Changed Jobs**—When a bonafide new job or position is to be established or when there is a substantial change in job duties to the extent of one full job class or more, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:

a. Management will develop a description and classification of the job in accordance with the provisions of the manual.

24 b. The proposed description and classification will be submitted to the job evaluation committee for approval, and the standard hourly wage scale rate for the job class to which the job is thus assigned shall apply.

25 c. If Management and the job evaluation committee are unable to agree upon the description and classification, Management shall install the proposed classification, and the standard hourly wage scale rate for the job class to which the job is thus assigned shall apply. The employee

or employees affected may at any time within 30 days file a grievance alleging that the job is improperly classified under the job description and classification procedure of the Manual. Such grievance shall be processed under the grievance and arbitration procedures of this Agreement and settled in accordance with the job description and classification provisions of the manual. If the grievance is submitted to the arbitration procedure, the decision shall be effective as of the date when the new job was established or the change or changes installed, but in no event earlier than 30 days prior to the date on which the grievance was filed.

d. In the event Management does not develop a new job description and classification, the employee or employees affected may, if filed promptly process a grievance under the grievance and arbitration procedure of this Agreement requesting that a job description and classification be developed and installed in accordance with applicable provisions of the manual. 26

e. No basis shall exist for an employee to allege a wage rate inequity and no grievance alleging a wage rate inequity shall be filed during the term of this Agreement. 27

E. Adjustment of Personal Out of Line Differentials

1. The reduction of an out-of-line rate where a job has been reclassified downwards, shall not be effective to reduce earnings of an employee regularly assigned to the given job as of the date of reclassification. However, the normal turnover of employees shall be utilized in the elimination of any such out of line wage rates. 28

2. As of the effective date of any increases made in job class increments in the standard hourly wage scale under this Agreement the personal out of line differentials of all incumbents of incentive and non-incentive jobs shall be adjusted or eliminated by applying that part of the increase in the standard hourly wage scale rate for the job which is attributable to the increase in the increments between job classes to reduce or eliminate such personal out of line differentials. 29

F. Shift Differentials

1. For hours worked on the afternoon shift there shall be paid a premium rate of 8¢ per hour. For hours worked on the night shift there shall be paid a premium rate of 12¢ per hour. 30

2. Shifts shall be identified in accordance with the following: 31

a. Day Shift includes all turns regu-

larly scheduled to commence between 6:00 a.m. and 8:00 a.m. inclusive.

b. Afternoon Shift includes all turns regularly scheduled to commence between 2:00 p.m. and 4:00 p.m. inclusive.

c. Night Shift includes all turns regularly scheduled to commence between 10:00 p.m and 12:00 midnight inclusive.

3. Shift differential shall be included in the calculation of overtime compensation. Shift differential shall not be added to the base hourly rate for the purpose of calculating incentive earnings but shall be computed by multiplying the hours worked by the applicable differential and the amount so determined added to earnings. **32**

4. Any hours worked by an employee on a regularly scheduled shift which commences at a time not specified in Paragraph 2, above, shall be paid as follows: **33**

a. For hours worked which would fall in the prevailing day turn of the department, no shift differential shall be paid.

b. For hours worked which would fall in the prevailing afternoon turn of the department, the afternoon shift differential shall be paid.

c. For hours worked which would fall in the prevailing night turn of the department, the night shift differential shall be paid.

5. Shift differential shall be paid for allowed time or reporting time when the hours for which payment is made would have called for a shift differential if worked. **34**

G. Sunday Premium

1. All hours worked by an employee on Sunday, which are not paid for on an overtime basis, shall be paid for on the basis of employee's rate of pay as defined in Paragraph 4 below at one and one-fourth times the employee's regular rate of pay. **35**

2. For the purpose of this provision, Sunday shall be deemed the 24 hours beginning with the turn-changing hour nearest to 12:01 a.m., Sunday. **36**

3. Sunday premium based on the minimum hourly wage rate shall be paid for reporting allowance hours. **37**

4. The regular rate of pay, as the term is used in Paragraph 1, above, shall mean the hourly rate which the employee would have received for the work had it been performed during non-overtime hours; for employees on an incentive, tonnage or piecework basis, such regular rate of pay shall be the **38**

average straight-time hourly earnings as computed in accordance with existing practices.

H. **Cost of Living Adjustment**

1. The existing seventeen (17) cents per hour cost-of-living adjustment shall be continued in effect for the life of this Agreement subject to the following: 39

If, during the life of this Agreement, the United States Steel Corporation shall change its cost-of-living adjustment in accordance with the Agreement dated January 4, 1960 between the Union and the United States Steel Corporation, the Company shall change the cost-of-living adjustment for the Employees covered by this Agreement in the same amount and in the same manner and for the same periods. 40

SECTION IV—HOURS OF WORK

A. This Section defines the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week. This Section shall not be considered as any basis for the calculation of overtime. 41

B. The normal workday shall be 8 hours of work in a 24-hour period. The hours of work shall be consecutive except when an unpaid lunch period is provided in accordance with prevailing practices. 42

C. The normal workweek shall be five (5) consecutive work days, followed by a rest period of forty-eight (48) consecutive hours within a period of seven (7) consecutive days; provided, however, that on shift changes the sixteen (16) hour rest period within the work day need not be provided in addition to, but may be considered as a part of the forty-eight (48) consecutive hour rest period and in the case of six-day schedules as a part of the twenty-four (24) consecutive hour rest period. For payroll purposes a normal workweek begins 8:00 a.m., Monday and ends 7:59 a.m. the following Monday with the exception that a third turn may start on Sunday night. 43

D. Should it be necessary, in the interest of efficient operations, to establish schedules departing from normal, the Executive Board of the Union, the Committeeman of the Department involved, and the Management of the plant may, at the request of either party, confer to determine whether, based upon the facts of the situation, mutually satisfactory modified schedules can be arranged, but the final right to arrange working schedules rests with Management in order to avoid adversely affecting operation in the plant. 44

E. Schedules

1. All employees shall be scheduled on the basis of the normal work pattern except where: (a) such schedules regularly would require the payment of overtime; (b) deviations from the normal work pattern are necessary because of breakdowns or other matters beyond the control of Management; or (c) schedules deviating from the normal work pattern are established by agreement between the Executive Board of the Union and the Committeeman of the Department involved and the Plant Management. 45

2. Schedules showing employee's workdays shall be posted or otherwise made known to employees in accordance with prevailing practices but not later than Thursday of the week preceding the calendar week in which the schedules become effective unless otherwise provided by local agreement. 46

3. Schedules may be changed by Management at any time except where by local agreement schedules are not to be changed in the absence of mutual agreement; provided however, that any changes made after Thursday of the week preceding the calendar week in which the changes are to be effective shall be explained at the earliest practicable time to the grievance or assistant grievance committeeman of 47

the employee affected; and provided further, that with respect to any such schedules, no changes shall be made after Thursday except for breakdown or other matters beyond the control of Management.

4. Should changes be made in schedules contrary to the provisions of Paragraph 3 above so that an employee is laid off on any day within the 5 scheduled days and is required to work on what would otherwise have been the sixth or seventh workday in the schedule on which he was scheduled to commence work, the employee shall be paid for such sixth or seventh day worked at overtime rates in accordance with Section V—Overtime. 48

F. Reporting Allowance

1. An employee who is scheduled or notified to report and who does report for work shall be provided with and assigned to a minimum of four hours of work on the job for which he was scheduled or notified to report or, in the event such work is not available, shall be assigned or reassigned to another job paying at least an equal hourly rate, provided he is qualified to do the work. In the event when he reports to work, no work is available, he shall be released from duty and credited with a reporting allowance of 4 times the hourly rate of the job for 49

which he was scheduled or notified to report. When an employee who starts to work is released from duty before he works a minimum of 4 hours, he shall be paid for the hours worked at the rate for the reporting allowance equal to the hourly wage rate of the job for which he was scheduled or notified to report multiplied by the unutilized portion of the 4-hour minimum.

2. The provisions of the above Paragraph 1 shall not apply in the event that: 50

a. Strikes, work stoppages in connection with labor disputes, failure of utilities beyond the control of Management or acts of God interfere with work being provided; or

b. An employee is not put to work or is laid off after having been put to work, either at his own request or due to his own fault; or

c. An employee refuses to accept an assignment or reassignment within the first 4 hours as provided in Paragraph 1 above;

d. Management gives reasonable notice of change in scheduled reporting time or that an employee need not report. Local management and grievance committee shall promptly determine what constitutes reasonable notice.

G. Absenteeism

Whenever an employee has just cause for reporting late or absenting himself from work, he shall, whenever practicable, give notice as far in advance as possible to his Supervisor or other person designated to receive such notice. 51

Should an employee not have just cause for failing to give notice, he shall be subject to discipline regardless of whether or not the employee is otherwise subject to discipline for reporting late for, or absenting himself from work without just cause. 52

H. Allowance for Jury Service

An employee who is called for jury service shall be excused from work for the days on which he serves and he shall receive, for each such day of jury service on which he otherwise would have worked, the difference between 8 times his average straight-time hourly earnings (as computed for holiday allowance) and the payment he receives for jury service. The employee will present proof of service and of the amount of pay received therefor. 53

SECTION V—OVERTIME

A. Purpose

This Section provides the basis for the calculation of, and payment for, 54

overtime and shall not be construed as a guarantee of hours of work per day or per week, or a guarantee of days of work per week.

B. Definitions of Terms

1. The payroll week shall consist of any 7 consecutive days used by the Company for computing the pay of employees (which may or may not coincide with a week beginning at 12:01 a.m., Sunday or at the turn-changing hour nearest to that time.) 55

2. The workday for the purposes of this Section is the 24-hour period beginning with the time the employee begins work. 56

3. Overtime rates shall be time and one-half the applicable hourly rate for the job on which the overtime hours are worked; except for employees on an incentive, tonnage or piecework basis, the applicable hourly rate shall be the average straight-time hourly earnings as computed in accordance with existing practices. 57

C. Conditions under which Overtime Rates shall be paid:

1. Overtime rate shall be paid for: 58
   a. hours worked in excess of 8 hours in a workday;
   b. hours worked in excess of 40 hours in a payroll week;

   c. hours worked on the sixth or seventh workday in a payroll week during which work was performed on 5 other workdays;
   d. hours worked on the sixth or seventh workday of a seven (7) consecutive day period during which the first five (5) days were worked, whether or not all of such days fall within the same payroll week, except when worked pursuant to schedules mutually agreed to as provided for in Subsection D of Section IV, Hours of Work; provided, however, that no overtime will be due under such circumstances unless the employee shall notify his foreman of a claim for overtime within a period of one (1) week after such sixth or seventh day is worked; and provided further that on shift changes the 7-consecutive-day period of 168 consecutive hours may become 152 consecutive hours depending upon the change in the shift.

2. Payment of overtime rates shall not be duplicated for the same hours worked. To the extent that hours are compensated for at overtime rates under one provision, they shall not be counted as hours worked in determining overtime under the same or any other provision, and reporting allow- 59

ances under Subsection F, Reporting Allowance, of Section IV shall not be used for determining hours of work or earnings for the calculation of, or payment of overtime; provided however, that a holiday in Section XII whether worked or not and whether scheduled as a day of work or not, shall be counted as a day worked in determining overtime under the provisions of Subsection C-1-c above.

SECTION VI—VACATIONS

A. Eligibility

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1. To be eligible for a vacation in any calendar year during the term of this Agreement, the employee must;

a. Have one year or more of continuous service; and

b. Not have been absent from work for six consecutive months or more in the preceding calendar year; except that in case of an employee who completed one year of continuous service in such calendar year, he shall not have been absent from work for six consecutive months or more during the 12 months following the date of his original employment; provided, that an employee with more than one year of continuous service who in any year shall be ineligible for a vacation by reason of the provisions of this paragraph as a result of an absence on account of layoff

or illness shall receive one week's vacation with pay in such year if he shall not have been absent from work for six consecutive months or more in the 12 consecutive calendar months next preceding such vacation.

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2. An employee, even though otherwise eligible under this Subsection A, forfeits the right to receive vacation benefits under this Section if he quits or is discharged prior to January 1 of the vacation year.

B. Length of Vacation and Extra Vacation Pay

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1. An eligible employee who has attained the years of continuous service indicated in the following table in any calendar year during the term of this Agreement shall receive a vacation corresponding to such years of continuous service and extra vacation pay as shown in the following table:

Years Of Service	Vacation Time Off	Amount Of Vacation Pay
1 but less than 3	1 week	1 week's pay
3 but less than 5	1 week	1½ weeks' pay
5 but less than 10	2 weeks	2 weeks' pay
10 but less than 15	2 weeks	2½ weeks' pay
15 but less than 25	3 weeks	3 weeks' pay
25 or more	3 weeks	3½ weeks' pay

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2. A one week's vacation shall consist of seven consecutive days, a two weeks' vacation of 14 consecutive days

and a three weeks' vacation of 21 consecutive days; provided, however, that in the event the orderly operations of the plant require, the two weeks' vacation may be scheduled in two periods of seven consecutive days each and the three weeks' vacation may be scheduled in two periods of seven and 14 consecutive days or, with the consent of the employee, in three periods of seven consecutive days each.

C. Vacation Pay

Each employee granted a vacation will be paid at his average rate of earnings per hour for the first two of the last four closed and calculated pay periods worked by the employee preceding the first week of the actual vacation period. Hours of vacation pay for each vacation week shall be the average hours per week worked by the employee in the first two of the last four closed and calculated pay periods worked by the employee preceding the first week of the actual vacation period but not less than forty (40) hours per week. For the purposes of this Section, "pay period" shall mean a two (2) week period or a semi-monthly period. 64

D. Continuous service shall be determined by the employee's first employment in the plant of the Company, and in accordance with the provisions for determination of continuous service as set forth under Section VII hereof. 65

E. Vacations shall, so far as possible, be granted at times most desired by employees upon a seniority basis, but the final right to allotment of vacation period is exclusively reserved to the Company in order to insure the orderly operation of the plant. 66

F. It is understood and agreed that a temporary shut-down in any department, for any reason, between June 1 and October 1, may be designated as comprising the vacation period for any employees of the department who are qualified to receive vacation privileges. 67

G. In the case of an employee who dies and has complied with the requirements as to eligibility for vacation, vacation payments shall be paid to his wife or his estate. 68

SECTION VII—SENIORITY

A. Seniority Status of Employees

The parties recognize that promotional opportunity and job security in event of promotions, decrease of forces and rehirings after layoffs should increase in proportion to length of continuous service, and that in the administration of this Section the intent will be that wherever practicable full consideration shall be given continuous service in such cases. 69

In recognition, however, of the responsibility of Management for the efficient operation of the works, it is understood and agreed that in all cases of: **70**

1. promotion (except promotions to positions excluded under the definitions of "employees" in Section II, Recognition) the following factors as listed below shall be considered: **71**

   a. continuous service and ability to perform the work,

   b. physical fitness

2. decrease in forces or rehirings after layoffs, the following factors as listed below shall be considered: **72**

   a. continuous service and ability to perform the work,

   b. physical fitness

3. Any employee of any department in the plant being laid off for lack of work and because he does not have sufficient department seniority to remain in the department of which he is employed shall have the right to demote to the Labor Pool where he shall retain employment so long as any employee of the Labor Pool has less seniority in the plant than the employee involved. **73**

4. There shall be no deduction of any time lost which does not constitute a break in continuity of service. **74**

Continuous service shall be broken by:

a. Voluntarily quitting the service. **75**

b. Absence due to discharge, termination or suspension, any of which continues for more than six (6) months; and, unrenewed leave of absence for 30 days. Any extension of 30 days' leave of absence must be approved by Management and Grievance Committee. **76**

c. Permanent shutdown of a plant, department or subdivision thereof, provided that if the employee is rehired within two years, or, if greater, a period equal to his length of continuous service prior to the break, up to five years, the break in continuous service, shall be removed. **77**

d. If an employee shall be absent because of layoff or physical disability, he shall continue to accumulate continuous service during such absence up to a maximum of two years, and he shall retain his accumulated continuous service for an additional period equal to (1) three years, or (2) the excess, if any, of his length of continuous service at commencement of such absence over two years, whichever is less; provided, however, that in order to avoid a break in service after an absence of two years, the employee must give the Company annual written notice that he intends to return to employ- **78**

ment when called, if the Company at least 30 days prior thereto has mailed him a notice at the most recent address furnished by him to the Company that he must file such notice.

79 The continuous service of any person whose service was broken after August 29, 1958, due to absence on account of layoff or disability will be restored in accordance with the foregoing provision if he shall make written application therefor on or before July 4, 1960. The Company will, within 60 days after the date of this Agreement, give notice to each person whose continuous service was broken after August 29, 1958, due to layoff or physical disability whether presently employed by the Company or not, of his right to apply for restoration of his continuous service pursuant to this provision. Such notice shall be mailed to the last known address of each such person, as shown on Company records. Any obligation of the Company with respect to notice under this Section shall not result in any liability to the Company. A list of the names and last known addresses of persons to whom such notice was sent will be furnished to the local union. Any person whose service is restored pursuant to this provision shall not be

recalled or promoted except to job vacancies which occur after the date of application.

80 e. Absence due to a compensable disability incurred during course of employment shall not break continuous service, provided such individual is returned to work within 30 days after final payment of statutory compensation for such disability or after the end of the period used in calculating a lump sum payment.

81 f. If his employment shall be terminated by the Company, because he shall have been absent from work for 10 days or more without reasonable cause or because he shall have failed without such cause promptly to return to work after a leave of absence or when recalled to work after a layoff.

82 New employees and those hired after a break in continuity of service will be regarded as probationary employees for the first thirty (30) days of actual work and will receive no continuous service credit during such period. Probationary employees may be laid off or discharged as exclusively determined by Management; provided, that this provision will not be used for purposes of discrimination because of membership in the Union. Probationary employees continued in the service of

the Company subsequent to the first thirty (30) days of actual work shall receive continuous service credit from date of original hiring.

B. Waiver of Promotions

83 An employee may waive promotion by signifying such intention to his supervisor or shall be considered as waiving it if he fails to step up to fill a vacancy. Such waivers shall be noted in the personnel records and confirmed by the Company in writing to the Employees and the Union. Employees may withdraw their waiver or announce their intention to fill future vacancies (which the Company shall also note in personnel records and confirm in writing), following which they shall again become eligible for promotion, but an employee who has so waived promotion and later withdraws it as herewith provided shall not be permitted to challenge the future high sequential standing of those who have stepped ahead of him as the result of such waiver, until he has reached the same job level (by filling a permanent opening) as those who have stepped ahead of him, at which time his waiver shall be considered as having no further force and effect. Employees may not enter and withdraw waivers indiscriminately and without good and valid reasons.

C. Seniority With Relation To Non-Bargaining Unit Occupations

84 When an employee is transferred to fill a permanent vacancy, he shall, during the first sixty (60) calendar days following such transfer, have the right to return to the job he left with accumulated department and plant seniority. Following the expiration of this 60 day period he shall forfeit all accumulated seniority in the bargaining unit.

85 During the sixty (60) day trial period, the job he left will be temporarily filled in accordance with Paragraph A of this Section.

86 D. A supervisory employee shall not perform any manual work other than for instruction, emergency, or other good cause.

E. Posting of Job Openings

87 When a vacancy develops, or is expected to develop (other than a temporary job of less than 30 days' duration) in the promotional line in any seniority unit, Management shall, to the greatest degree practicable, post notice of such vacancy or expected vacancy, or job assignment for a period of five (5) working days and in such manner as may be appropriate at the plant, such posted jobs shall be outlined on the posted notice as to content and rate of the job posted.

88 Employees in the seniority unit who wish to apply for the vacancy or expected vacancy may do so in writing in accordance with rules developed by Management at the plant.

89 Management shall, if in its judgment there are applicants qualified for the vacancy or expected vacancy, fill same from among such applicants in accordance with the provisions of Subsection A of this Section.

F. Transfers At Request of Employee

90 When an employee is transferred at his own request from one department to another, such transfer shall be probationary for a period of fourteen (14) calendar days or a minimum of ten (10) working days. At any time within the period specified the employee may return of his own volition to his original department, or may be returned by the Company to his original department. In such case, the employee shall retain his original departmental seniority. If the employee elects to remain in the new department, after the expiration of the fourteen (14) calendar day (or a minimum of ten (10) working days) period, he becomes a new employee in the new department and loses his seniority in his old department.

91 No employee shall be permitted to make such a transfer of department more often than once in twelve (12) consecutive months, with the exception of an employee who is laid off to the labor pool within this twelve (12) month period may make a new application for a transfer of department.

92 If an employee who makes application to transfer from one department to another or to a new job in the same department, and once accepts assignment to the job, later withdraws his application, he shall not be eligible to make further application for any job for a period of six (6) months.

93 If an employee makes a transfer of job within a department to a job of equal or lower rate of pay, he must work at that job for a minimum period of twelve (12) months before becoming eligible for another transfer within the department except that he may transfer to a job at a higher rate of pay or to a preferential shift.

G. Transfer Due to Disability and Age

94 Cases of this type shall be handled by joint agreement between the Management and Executive Committee of the Union and committeeman of the Departments involved. Such transfers may be used for the purpose of rehabilitation.

H. Seniority Status of Grievance Committeemen and Local Union Officers

When management decides that the work force of any seniority unit in the plant is to be reduced, the member of the plant grievance committee, if any, in that unit shall, if the reduction in force continues to the point at which he would otherwise be laid off, be retained at work for such hours per week as may be scheduled in the department in which he is employed, provided he can perform the work of the job to which he must be demoted. The intent of this provision is to retain in active employment the plant grievance committeemen for the purpose of continuity of the administration of the labor contract in the interest of employees so long as a work force is at work, provided that no grievance committeemen shall be retained in employment unless work which he can perform is available to him in the plant area which he represents on the grievance committee. 95

This provision shall apply also to employees who hold any of the following offices in the local union or unions in which the employees of the plant are members: President; Vice President; Recording Secretary; Financial Secretary and Treasurer. 96

I. Leaves of Absence for Employees who accept Positions with the International or Local Unions.

Leaves of Absence for the purpose of accepting position with the International or Local Unions shall be available to a reasonable number of employees. Adequate notice of intent to apply for leave shall be afforded local plant management to enable proper provision to be made to fill the job to be vacated. 97

Leaves of Absence shall be for a period not in excess of one year and may be renewed for a further period of one year. 98

Continuous service shall not be broken by the leave of absence but will continue to accrue. 99

J. Seniority Study

Within sixty days following the date of this Agreement, the Company and the Union shall each designate three members to a joint committee. The committee shall study seniority practices in effect in the Company and recommend practices best calculated to assure to the Company qualified employees in each job in the interest of safe and efficient operations and to the employees the greatest degree of opportunity for advancement increasing with length of service as are consistent with the objectives of the parties which are safe and efficient operations, protection of the employees and cooperative employer-employee relationships. 100

The Union Committee and the Company will make a study to attempt to reach an agreement on a list of jobs in a general classification in which the employees involved may be laid off in a plant seniority sequence to provide employment for older employees who are subject to an extended layoff from the labor pool. 101

K. Seniority Lists

The Company shall make available to the local union lists showing the relative continuous service of each employee in each seniority unit. Such lists shall be revised by the Company from time to time, as necessary but at least every six (6) months, to keep them reasonably up-to-date. The seniority rights of individual employees shall in no way be prejudiced by errors, inaccuracies, or omissions in such lists. 102

SECTION VIII—ADJUSTMENT OF GRIEVANCES

The procedural steps for the settlement of grievances, hereinafter set forth, represent a general standard which may be modified at the plant by agreement between the Management and Union if the modifications agreed upon are in keeping with a procedure best suited for the orderly and expeditious settlement of grievances at the plant in question. The Grievance Committee for the plant shall consist of not less than three (3) employees of the plant and not more than eight (8) employees, designated by the Union who will be afforded such time off without pay as may be required, except when meeting is called by Management, to: 103

1. attend regularly scheduled committee meetings, 104

2. attend meetings pertaining to discharge or other matters which cannot reasonably be delayed until the time of the next scheduled meeting, and 105

3. visit departments other than their own at all reasonable times, only for the purpose of handling grievances, after notice to the head of the department to be visited and permission from their own departmental superintendent. 106

The parties agree that in the interest of proper disposition of grievances there may be appointed representative stewards who shall aid the grievance committee for the prompt handling of grievances. The stewards shall be permitted to represent employees up to and including STEP 1, only, in the procedure for the adjustment of grievances, set forth in this Section, and will be afforded such time off without pay, as may be required. 107

Should differences arise between the Company and the Union as to the 108

meaning and application of the provisions of this Agreement or should any local trouble of any kind arise in the plant, there shall be no suspension of work on account of such differences, but an earnest effort shall be made to settle such differences promptly in the manner hereinafter outlined. Any grievance in the process of adjustment on the date of the execution of this Agreement shall be handled in accordance wtih the procedure herein outlined.

109 Any employee who believes that he has a just request or complaint may discuss the request or alleged complaint with his foreman with or without the departmental representative being present as he may elect in an attempt to settle same. The foreman shall answer the request or complaint within forty-eight (48) hours. Any request or complaint not disposed of shall constitute a grievance within the meaning of this Section, Adjustment of Grievances.

110 **STEP I.** The employee, if dissatisfied with the disposition of the request or complaint as presented to his foreman may have his alleged grievance presented to his foreman and to the department superintendent by the departmental representative with or without the employee being present. The grievance presented in this Step shall be set forth in writing on appropriate forms and the foreman and the department superintendent shall be required to answer the complaint within seventy-two (72) hours, excluding Sundays and Holidays from the time of presentation in such written form. The grievance form shall be dated and signed by the employee and departmental representative or grievance committeeman and three copies given the foreman and the departmental superintendent, who will insert their dispositions, sign and date same, returning two copies to the departmental representatives or grievance committeeman.

111 **STEP 2.** In the event no satisfactory settlement of the grievance is arrived at in STEP I of this procedure, the grievance committee may present the grievance to the Industrial Relations Department at the next regular monthly meeting of the grievance committee, which shall be held at a mutually satisfactory time on the first (1st) Tuesday of every month. The Manager of Production, Technical Director, Chief Engineer or such other designated representatives may be present to participate in hearings pertaining to grievances in their respective divisions. Grievances to be discussed at such regular monthly meetings shall be listed on agenda forms by the grievance committee and

the management and copies of such form shall be exchanged not less than three (3) working days before such meeting. Grievances not listed in the agenda shall not be discussed at said grievance meeting except as mutually agreed upon. Grievances in the agenda or evidence not previously discussed in STEP 1 hereof may be referred back, for such discussion unless the grievances relate to matters general in character which cannot be settled by individual foremen or departmental superintendents.

112 Nothing in this STEP 2 shall preclude additional meetings, as there may be mutual recognition of such need in accordance with the intent of this Section. Grievances to be discussed at such meetings may be fully investigated by a member of the grievance committee who shall be afforded such time off without pay as may be necessary for purposes of such complete investigation, which time off shall occur between the date of filing of the Grievance in STEP 1 hereof and its discussion at the meeting herein referred to.

113 Grievances discussed in such meeting and not settled shall be answered in writing by plant management not later than five (5) days, exclusive of Sundays and holidays, after the date of such meeting unless by mutual agreement a

different date of disposition is agreed upon.

114 Grievances not appealed from the disposition in the meeting within ten (10) days thereof or not appealed within ten (10) days from the date of the written answers as above provided shall be considered settled on the basis of the decision last made and shall not be eligible for further appeal. Minutes of all STEP 2 meetings shall be prepared by the Labor Relations Manager, jointly signed by the Chairman or Secretary of the grievance committee and the Labor Relations Manager; and, two (2) copies of such minutes shall be handed the grievance committee not later than five (5) days following the date on which the meeting was held, or the date on which the written decision was made. Minutes shall be typed and shall conform essentially to the following outline:

A. Date and place of meeting

B. Names and positions of those present and those absent

C. Identifying number and description of each grievance discussed

D. Brief statement of Union position

E. Brief statement of Company position

F. Summary of the discussion

G. Decision reached

H. Statement of concurrence in or exceptions to decision

I. Statement as to whether decision accepted or rejected

115

STEP 3. Grievances not satisfactorily settled in STEP 2 may be appealed for discussion in an attempt to reach a mutually satisfactory settlement between the representative of the International Union certified to the Management in writing and the representative of the Company, similarly certified by the Company. Written notice of appeal shall be served by either representative designated above on the other prior to the expiration of ten (10) days following disposition in STEP 2 hereof. Such notice shall state subject matter of grievance, identifying number and objections taken by either party to previous dispositions. Either party may request a further statement of facts to be made available not later than three (3) days preceding the date set for the STEP 3 meeting and either party may produce witnesses, who, being familiar with the facts involved may aid in a solution of the problem. In the interest of expeditious and unprejudiced handling of grievances it is intended that attendance at STEP 3 meetings shall be limited to the representative of the Company and the International representative of the Union, unless otherwise mutually agreed upon in advance of the meeting. Witnesses desired by either party shall be available as needed, but shall be restricted as to attendance to the time required for their testimony. Further, no employee grievances shall be permitted to progress into STEP 4 without review by the District Union Representative.

116

STEP 4. Whenever either party concludes that further conferences in Step 3 cannot contribute to settlement of the grievance, such grievance may be appealed by either party to an impartial arbitrator to be appointed by mutual agreement of the parties hereto within ten (10) days following receipt by either party of a written request for such appointment. The decision of the arbitrator shall be final. The expense and salary incident to the services of the arbitrator shall be shared equally by the Company and the Union. Awards or settlements of grievances may or may not be retroactive but in no event shall any award be retroactive beyond the date on which the grievance was first presented in written from in STEP 1 of grievance procedure, as the equities of each case (discharge cases excepted) may demand. The Arbitrator shall only have jurisdiction and authority to interpret, apply or determine compliance with the provisions

relating to wages, hours of work and other conditions of employment set forth in this Agreement together with those which are, or may hereafter be in effect at the plant of the Company, insofar as shall be necessary to the determination of such grievances arising hereunder, but the arbitrator shall not have jurisdiction or authority to add to, detract from, or alter in any way the provisions of this Agreement.

117 Company Grievances—The Grievance procedure may be utilized by the Company in processing Company grievances. In processing such grievances, the Company shall observe the specified time limits in appealing and the Union shall observe the specified time limits in answering. It is agreed by the parties hereto that procedure provided in this Section, if followed in good faith by both parties, is adequate for fair and expeditious settlement of any grievances arising in the plant of the Company. It is understood and agreed that grievances to be considered must be filed promptly after the occurrence thereof.

118 It is further understood that an interruption or impeding of the work, stoppage or strike on the part of the Union or a lockout on the part of the Company, shall be a violation of this Agreement, and that under no circumstances shall the parties hereto discuss the

grievance in question or any other grievances while the work interruption, impeding or suspension of work is in effect. It is further agreed that, if this procedure is not followed and as a result of such failure and interruption or impeding of the work, stoppage or strike occurs, the offending person or persons refusing to resume normal work may be suspended and later discharged from the employ of the Company in accordance with Section X of this Agreement, provided, however, that prior to such discharge the Company will provide a list of names, check numbers and addresses of employees considered by it to be involved to the representatives of the Union in the District in which the plant is located.

SECTION IX—MANAGEMENT

119 The Management of the works and the direction of the working forces, including the right to hire, suspend or discharge for proper cause, and the right to relieve employees from duty because of lack of work or for other legitimate reasons, is vested exclusively in the Company, provided that this will not be used for purposes of discrimination against any member of the Union. The Company in the exercise of its rights shall observe the provisions of this Agreement.

SECTION X—DISCHARGE CASES

120

In the exercise of its rights as set forth in Section IX, Management agrees that a member of the Union shall not be pre-emptorily discharged from and after the date hereof, but that in all instances in which Management may conclude that an employee's conduct may justify suspension or discharge, he shall first be suspended. Such initial suspension shall be for not more than five (5) calendar days. During this period of initial suspension, the employee may, if he belives that he has been unjustly dealt with, request a hearing and a statement of the offense before his department head with the departmental representative or grievance committeeman present as he may choose, or the General Superintendent or the Manager of the Plant with or without the member or members of the grievance committee present, as he similarly may choose. At such hearing the facts concerning the case shall be made available to both parties. After such hearing; or, if no such hearing, Management may conclude whether the suspension shall be converted into discharge or, dependent upon the fact of the case, that such suspension may be extended or revoked. If the suspension is revoked, the employee shall be returned to employment and receive full compensation at his regular rate of

pay for the time lost; but, in the event a disposition shall result in either the affirmation or extension of the suspension or discharge of the employee, the employee may within five (5) days after such disposition allege a grievance which shall be handled in accordance with the procedure of Section VIII, Adjustment of Grievances. Final decision on all suspension or discharge cases shall be made by the Company within five (5) days from the date of filing the grievance, if any. Should it be determined by the Company or by an arbitrator in accordance with STEP 4 of the Grievance Procedure that the employee has been discharged or suspended unjustly, the Company shall reinstate the employee and pay full compensation at the employee's regular rate of pay for the time lost.

SECTION XI—MILITARY SERVICE

A. Re-employment

121

Except as shall be otherwise provided by law or by agreement in writing between the parties hereto, should any employee other than temporary employees at the plant, who has entered or shall enter the military, naval or merchant marine service of the United States, be honorably discharged from such service and shall within ninety (90) days after he is relieved

from such service or in the case of disabled veterans within ninety (90) days after the completion of hospitalization continuing after discharge, apply to the Company in writing for reemployment at such plant for the purposes of Section VII, Seniority, his record of continuous service at that plant shall be deemed not to have been broken by his absence on such military, naval, or merchant marine service, and on the basis of said seniority, (determined in accordance with the provisions of said Section VII) he shall be entitled to reemployment at such plant, if and when work which he is qualified to perform is available in such plant to a position, wage rate and status which he would have reached in normal job and wage progression had he not left the Company for such services, he shall be given preference over any other employee with less seniority as so determined by said Section VII. Should the employee be unable to perform the job to which he is thereby entitled he shall be granted a reasonable program of training so that he may have the opportunity to perform the work required. If an employee so applying for reemployment shall so request, he shall be granted a leave of absence without pay not to exceed sixty (60) days before he returns to work. The above provisions shall not apply where employee enlists or

reenlists during period other than during a national emergency.

122 Any employee entitled to reinstatement under this Section who applies for reemployment and who desires to pursue a course of study in accordance with the Federal law granting him such opportunity before or after returning to his employment with the Company, shall be granted a leave of absence for such purpose. Such leave of absence shall not constitute a break in the record of continuous service of such employee but shall be included therein provided the employee reports promptly for reemployment after the completion or termination of such course of study. Any such employee must notify the Company and the Union in writing at least once each year of his continued interest to resume active employment with the Company upon completing or terminating such course of study. Any employee entitled to reinstatement under this Section who entered the armed forces of the United States and who returns with service connected disability incurred during the course of his service shall be assigned to any vacancy which shall be suitable to such impaired condition during the continuance of such disability irrespective of seniority; provided, however, that such impairment is of such a nature as to render the veteran's returning to

his own job or department onerous or impossible; and provided further that the veteran meets the minimum physical requirements for the job available or for the jobs as Management may be able to adjust it to meet the veteran's impairment.

B. Vacations

123 If an employee who would otherwise have been entitled to a vacation with pay, or in lieu thereof to vacation allowance, under the provisions of Section VI, Vacations, during the calendar year in which he shall enter the military, naval, or merchant marine service of the United States before he shall have accepted vacation allowance in lieu of vacation, he shall be paid an amount equal to the vacation pay which he would have been entitled to receive for the period of such vacation.

124 An employee who, after being honorably discharged from military, naval, or merchant marine service of the United States, is reinstated pursuant to this Section XI, shall be entitled to a vacation with pay or in lieu thereof to vacation allowance in and for the calendar year in which he is reinstated in accordance with the provisions of Section VI.

C. Advisory Committee

125 A committee consisting of equal representatives of the Company and the

Union shall be established in the plant for the purpose of advising on problems relating to reemployment and readjustment of returning service personnel.

SECTION XII—HOLIDAYS

126 **A. The following days shall be considered holidays:**

New Year's Day	July 4th
Good Friday	Labor Day
Decoration Day	Thanksgiving Day
Christmas	

127 1. For all hours worked by an employee on any of the holidays specified above, overtime shall be paid at the overtime rate of two and one-fourth times his regular rate of pay.

128 The holiday shall be the 24-hour period beginning at the turn-changing hour nearest to 12:01 a.m. of the holiday. If any of these holidays shall fall on a Sunday, the following Monday (and not such Sundays) shall be observed.

129 B. Effective as of the date of this Agreement, an eligible employee who does not work on a holiday listed above shall be paid 8 times the applicable hourly rate of the job to which he is regularly assigned, exclusive of shift and overtime premiums (in the case of an employee who is paid on an in-

centive basis, the employee's average hourly earnings exclusive of shift and overtime premiums for pay period in which the holiday is observed shall be used); provided, however, that if an eligible employee is scheduled to work on any such holiday but fails to report and perform his scheduled or assigned work, he shall become ineligible to be paid for the unworked holiday, unless he has failed to perform such work because of sickness or because of death in the immediate family or because of similar good cause.

130 As used in this Section, an eligible employee is one who:

(1) has worked 30 working days since his last hire;

(2) performs work in the pay period in which the holiday is observed, or where there are weekly pay periods, the pay period in which the holiday is observed (or the next preceding pay period), except where he has not performed work in the pay period because of sickness or disability, but has worked in the pay period preceding and the pay period following the holiday pay period;

(3) works as scheduled or assigned both on his last scheduled workday prior to and his first scheduled workday following the day on which the holiday is observed, unless he has failed to work because of sickness or because of

death in the immediate family or because of similar good cause.

131 C. An eligible employee who would otherwise be entitled to pay for an unworked holiday and who shall be scheduled pursuant to the provisions of Section VI to take a vacation during a period when a holiday occurs, shall be paid for the unworked holiday in addition to his vacation pay.

132 D. In determining whether an employee has worked on more than five days in any week for the purposes of Section V-C-2, a holiday occurring in such week shall be considered as a day worked by him whether or not he shall have worked on such holiday and regardless of whether it was scheduled as a day of work, or a day of rest; provided, however, that if he shall have been scheduled to work on such holiday and shall have failed to perform the work to which he was assigned on such day, such holiday shall not be considered as a day worked by him.

SECTION XIII—SAFETY AND HEALTH

133 A. Objective and Obligation of the Parties

The Company and the Union will cooperate in the continuing objective to eliminate accidents and health hazards. The Company shall continue to make reasonable provisions for the

safety and health of its employees at the plant during the hours of their employment.

B. Protective Devices, Wearing Apparel and Equipment

134 Protective devices, wearing apparel and other equipment necessary to protect properly the employees from injury shall be provided by the Company in accordance with practices now prevailing in each separate department or as such practices may be improved from time to time by the Company. Goggles; gas masks; face shields; respirators; special purpose gloves; fire-proof, water-proof or acid-proof protective clothing, when necessary and required shall be provided by the Company without cost, except that the Company may assess a fair charge to cover loss or willful destruction thereof by the employee. Where any such equipment or clothing is now provided, the present practice concerning charge for loss or willful destruction by the employee shall continue. Proper heating and ventilating systems shall be installed where needed.

C. Joint Safety Committees

135 A safety committee consisting of three employees designated by the the Union and three Management members designated by the Company shall

be established in the plant. The safety committee shall hold monthly meetings at times determined by the committee, preferably outside of regular working hours. Time consumed on committee work by committee members designated by the Union shall not be considered hours worked to be compensated by the Company. The function of the safety committee shall be to advise with plant management concerning safety and health matters but not to handle grievances. In the discharge of its function, the safety committee shall: consider existing practices and rules relating to safety and health, formulate suggested changes in existing practices and rules and recommend adoption of new practices and rules. Advice of the safety committee, together with supporting suggestions, recommendations and reasons, shall be submitted to the Plant General Superintendent for his consideration and for such action as he may consider consistent with the Company's responsibility to provide for the safety and health of its employees during the hours of their employment and the mutual objective set forth in Subsection A.

SECTION XIV—SEVERANCE ALLOWANCE

A. Condition of Allowance

136 When in the sole judgment of the

Company, it decides to close permanently a plant or discontinue permanently a department of a plant or substantial portion thereof and terminate the employment of individuals, an employee whose employment is terminated either directly or indirectly as a result thereof because he was not entitled to other employment with the company under the provisions of Section VII, Seniority, of this Agreement and Paragraph B-2 below, shall be entitled to a severance allowance in accordance with and subject to the following provisions.

B. Eligibility

137 Such an employee to be eligible for a severance allowance shall have accumulated 3 or more years of continuous Company service as computed in accordance with Section VII, Seniority, of this Agreement.

138 1. In lieu of severance allowance, the Company may offer an eligible employee a job in the same job class for which he is qualified, in the same general locality. The employee shall have the option of either accepting such new employment or requesting his severance allowance. If an employee accepts such other employment, his continuous service record shall be deemed to have commenced as of the date of the transfer, except that for the purposes of severance pay under this

Section and for the purposes of Section VI, Vacations, his previous continuous service record shall be maintained and not be deemed to have been broken by the transfer.

139 2. As an exception to Paragraph 1 above, an employee otherwise eligible for severance pay who is entitled under Section VII, Seniority, to a job in the same job class in another part of the same plant shall not be entitled to severance pay whether he accepts or rejects the transfer. If such transfer results directly in the permanent displacement of some other employee, the latter shall be eligible for severance pay provided he otherwise qualifies under the terms of this Section.

C. Scale of Allowance

140 An eligible individual shall receive severance allowance based upon the following weeks for the corresponding continuous Company service:

Continuous Company Service	Weeks of Severance Allowance
3 years but less than 5 years	4
5 years but less than 7 years	6
7 years but less than 10 years	7
10 years or more	8

141 A week's severance allowance shall be determined in accordance with the

provisions for calculation of vacation allowance as set forth in Subsection C of Section VI, Vacations.

D. Payment of Allowance

142 Payment shall be made in a lump sum at the time of termination.

E. Non-Duplication of Allowance

143 Severance allowance shall not be duplicated for the same severance, whether the other obligations arise by reason of contract, law or otherwise. If an individual is or shall become entitled to any discharge, liquidation, severance or dismissal allowance or payment of similar kind by reason of any law of the United States of America or any of the states, districts or territories thereof subject to its jurisdiction, the total amount of such payments shall be deducted from the severance allowance to which the individual may be entitled under this Section, or any payment made by the Company under this Section may be offset against such payments. Statutory unemployment compensation payments shall be excluded from the non-duplication provisions of this paragraph.

SECTION XV—PRIOR AGREEMENTS

144 The terms and conditions established by this Agreement replace those established by the Agreement of August 29,

1956, as amended, effective as of the date hereof.

145 Any grievance which as of the date of this Agreement has been presented in writing and is in the process of adjustment under the grievance procedure of the August 29, 1956, Agreement may be continued to be processed under the grievance and arbitration procedures of this Agreement and settled in accordance with the applicable provisions of the applicable prior Agreement, for the period prior to the date of this Agreement and for any period thereafter in accordance with the applicable provisions of this Agreement.

146 Any grievance filed on or after the date of this Agreement which is based on the occurrence or nonoccurrence of an event which arose prior to the date of this Agreement must be a proper subject for a grievance under this Agreement and processed in accordance with the grievance and arbitration procedures of this Agreement. Such grievance shall be settled in accordance with the applicable provisions of the August 29, 1956 Agreement, as amended, for the period prior to the date of this Agreement, and for any period thereafter in accordance with the applicable provisions of this Agreement.

SECTION XVI—TERMINATION

A. The agreements of the parties contained in this Basic Agreement shall become effective as of the date of the signing of this Basic Agreement except as otherwise provided for herein, and shall continue in effect until July 30, 1962 (or later as provided in Paragraph C below). 147

B. Either party may on or before June 1, 1962 (or later as provided in Paragraph C below), give notice to the other party of the desire of the party giving such notice to negotiate with respect to the terms and conditions of a new Basic Agreement, including insurance and pensions (the provisions of the Insurance, Pension, and S. U. B. Agreements dated May 10, 1960, to the contrary notwithstanding); provided, however, that the terms and conditions of the said new agreements with respect to the insurance and pensions shall not be made effective before January 1, 1963. If such notice is given, the parties shall meet within thirty (30) days after June 1, 1962 (or later as provided in Paragraph C below) to negotiate with respect to such matters. If the parties shall not agree with respect to insurance, pensions, and S.U.B. by midnight of July 30, 1962, either party may thereafter resort to strike or lockout as the case may be in support of its position in respect to such matters as well as any other matter in dispute (the provisions of the Insurance, Pension, and S. U. B. Agreements dated May 10, 1960, to the contrary notwithstanding). 148

C. If the Union grants the United States Steel Corporation an extension in its termination date, or if work is continued for any reason after the termination date, the United States Steel Corporation Agreement by action of either or both parties, the Federal Government, or otherwise, then and in such case, it is agreed that the period or periods of such an extension or continuation of work shall automatically be added to the termination date contained in this Agreement. In other words, it is agreed that under all conditions, the termination date of this Agreement shall be thirty (30) days after the ultimate termination date of the United States Steel Corporation agreement or after any continuation of work thereafter, whichever is later. 149

D. Any notice to be given under this Agreement shall be given by registered mail; be completed by and at the time of mailing; and, if by the Company addressed to the United Steelworkers of America, Commonwealth Building, Pittsburgh, Pennsylvania, and if by the Union to the Company at 2626 Ligonier Street, Latrobe, Pennsylvania. Either party may, by like written notice, 150

change the address to which registered mail notice to it shall be given.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed in the respective names by their respective representatives thereunto duly authorized, as of the day and year first above written.

UNITED STEELWORKERS OF AMERICA

By: David J. McDonald, President

I. W. Abel, Secretary-Treasurer
Howard R. Hague, Vice President
Wm. J. Hart, District Director
Raymond Hearn, Representative
John J. Kish
Thomas M. Nagel
George Smetak
Lyle Lowman
Clyde L. Noel
William Angus

LATROBE STEEL COMPANY

By: M. W. Saxman, President

R. T. Eakin, Vice President Operations
W. C. Stonehouse, Jr., Director Of Industrial Relations
R. N. Kolb, Labor Relations Manager

EXHIBIT "A"

Grade	Present Min. Rate Per Hour	Adjusted Min. 12-1-60	Rate Per Hour 10-1-61
1	$1.960	$2.030	$2.10
2	1.960	2.030	2.10
3	2.027	2.099	2.17
4	2.094	2.168	2.24
5	2.161	2.237	2.31
6	2.228	2.306	2.38
7	2.295	2.375	2.45
8	2.362	2.444	2.52
9	2.429	2.513	2.59
10	2.496	2.582	2.66
11	2.563	2.651	2.73
12	2.630	2.720	2.80
13	2.697	2.789	2.87
14	2.764	2.858	2.94
15	2.831	2.927	3.01
16	2.898	2.996	3.08
17	2.965	3.065	3.15
18	3.032	3.134	3.22
19	3.099	3.203	3.29
20	3.166	3.272	3.36
21	3.233	3.341	3.43
22	3.300	3.410	3.50
23	3.367	3.479	3.57
24	3.434	3.548	3.64
25	3.501	3.617	3.71
26	3.568	3.686	3.78
27	3.635	3.755	3.85
28	3.702	3.824	3.92
29	3.769	3.893	3.99
30	3.836	3.962	4.06
31	3.903	4.031	4.13
32 and over	3.970	4.100	4.20

EXHIBIT "B"

WAGE INEQUITY AGREEMENT

August 13, 1959

This Agreement, dated as of August 13, 1959, is between the Latrobe Steel Company, Latrobe, Pennsylvania Plant, or its successors, (hereinafter referred to as the "Company") and the United Steelworkers of America, (hereinafter referred to as the "Union") on behalf of the employees included in the bargaining unit represented by the Union as specified in Article II of the August 29, 1956 Labor Agreement between the parties.

I. The purpose of this Agreement is to establish a Job Description and Classification Program in accordance with the procedure hereinafter set forth.

II. A. The Company and the Union agree to install as expeditiously as possible a Job Description and Classification Program in accordance with the following steps:

1. Describe simply and concisely the content of each job in the bargaining unit.
2. Place the jobs in their proper relationship by classification.

3. Reduce the job classifications to the smallest practical number by grouping those jobs having substantially equivalent content.
4. In accomplishing Steps 1, 2, and 3 above, the Job Description and Classification Manual, dated January 1, 1953, for classifying the jobs covered by this Agreement is set forth in the Appendix attached hereto and identified as the "C. W. S. Job Classification Manual." It is further agreed that the classifications developed pursuant to this Manual will be properly related within the framework of the job classifications of the Benchmark Jobs in the Plant which are to be subsequently developed by the parties and identified as "The Benchmark Jobs for the Latrobe Plant."
5. Establish appropriate rates of pay for each job classification within the following limitation:

   a. The total initial cost to the Company of making the adjustments provided for in this Article of this Agreement shall be an amount equivalent to an average of four and one-half (4½) cents per straight time hour "paid for" for all of its employees covered by this

Agreement. For the purpose of determining this limitation, the Company payroll for May 15, 1959, for jobs covered by this Agreement shall be compared with what the payroll for such date would have been had the adjustments to be put in effect in accordance with this Agreement then been in effect.

b. In order to make the initial cost of the program fall within the limitation spelled out in 5a, above, the following procedure will be used:

1. When all jobs have been classified the total cost in cents per hour of increasing the reclassified jobs to the established standard hourly wage scale will be determined.

2. The proportion which 4½¢ per hour bears to this total cost will be determined.

3. Where a job has been reclassified upwards, the increase which would occur were the standard hourly wage scale used, will be multiplied by the factor determined in 2, above, to determine the new job rate.

4. Resulting adjustments shall be effective on August 16, 1959, for all jobs which have been classified on April 15, 1960. For jobs which are classified subsequent to April 15, 1960, the effective date of the change in rate shall be eight (8) months prior to the date of classification or the date on which they are submitted for arbitration. For jobs which remain unclassified on April 16, 1960, the Union may submit a grievance which will be entered at STEP 3 of the Grievance Procedure.

5. Effective August 16, 1960, each job will be paid the standard hourly wage rate.

6. The reduction of an out-of-line rate where a job has been reclassified downwards, shall not be effective to reduce earnings of an employee regularly assigned to the given job as of the date of reclassification. However, the normal turnover of employees shall be utilized in the elimination of any such out-of-line wage rates.

B. No basis shall exist for an employee to allege a wage rate inequity and no grievance alleging a wage rate inequity shall be filed during the term of the Labor Agreement dated August 13, 1959.

C. It is understood that the fundamental principal of the work and wage relationship is that the employee is entitled to a fair day's pay, i. e., the Standard Hourly Wage Scale, in return for which the Company is entitled to a fair day's work. The fundamental principal of the performance and incentive wage relationship is that when regularly required on an incentive job to perform work over and above the requirements of a fair day's work, an employee is entitled to receive equitable extra compensation over and above a fair day's pay at the rate of 1% increase in pay for each 1% increase in work in excess of the established standard. The Standard Hourly Wage Rate or the intermediate rates provided for in paragraph 5, Section II, above will be the established minimum guaranteed hourly rate for all jobs on incentives. For hours worked on incentive jobs the employees shall receive the highest of the following:

1. The total earnings of the applicable incentive plan.

2. The total amount arrived at by multiplying the hours worked by the applicable Standard Hourly Wage Rate, or intermediate rate mentioned in Paragraph 5, Section II, above.

3. The total amount arrived at by multiplying the hours worked by the existing guaranteed hourly rate.

III. Effective February 15, 1960:

A. Section III, Wages, Subsection A of the current Labor Agreement shall be amended to read as follows:

"A Standard Hourly Wage Scale—

The standard hourly wage scale of rates for the respective job classes and the effective dates thereof shall be those set forth in Appendix A of this Agreement. Jobs shall be placed in the standard hourly wage scale in accordance with the Wage Inequity Agreement dated August 13, 1959."

B. Paragraph 1 and 2 of Subsection D of Section III, Wages of the Current Labor Agreement shall be amended to read as follows:

"1. Wage Rates for New or Changed Jobs—When a bonafide new job or position is to be established or when there is a substantial change in the job duties to the

extent of one full job class or more, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:

a. Management will develop a description and classification of the job in accordance with the provisions of the manual.

b. The proposed description and classification will be submitted to the job evaluation committee for approval, and the standard hourly wage scale rate for the job class to which the job is thus assigned shall apply.

c. If Management and the job evaluation committee are unable to agree upon the description and classification, Management shall install the proposed classification, and the standard hourly wage scale rate for the job class to which the job is thus assigned shall apply. The employee or employees affected may at any time within 30 days file a grievance alleging that the job is improperly classified under the job description and classification procedure of the manual. Such grievance shall be processed under the grievance and arbitration procedures of this Agreement and settled in accordance with the job description and classification provisions of the manual. If the grievance is submitted to the arbitration procedure, the decision shall be effective as of the date when the new job was established or the change or changes installed, but in no event earlier than 30 days prior to the date on which the grievance was filed.

d. In the event Management does not develop a new job description and classification, the employee or employees affected may, if filed promptly, process a grievance under the grievance and arbitration procedure of this Agreement requesting that a job description and classificaiton be developed and installed in accordance with applicable provisions of the manual."

C. A new subsection B shall be added to Section III, Wages of the current Labor Agreement as follows:

"B. Application of the Standard Hourly Wage Scale—The standard hourly wage scale rate for each job

class shall be the standard hourly wage rate for all jobs classified within such job class.

In addition:

1. *A schedule of trade or craft rates, containing:*

   (1) a standard rate equal to the the standard hourly wage scale rate for the respective job class of the job; (2) an intermediate rate at a level two job classes below the standard rate; and (3) a starting rate at a level four job classes below the standard rate, is established for each of the following repair and maintenance trade or craft jobs:

Blacksmith	*Painter*
Boilermaker	*Pipefitter*
Bricklayer	*Roll Turner*
Carpenter	*Sheet Metal Worker*
Electrician	*Toolmaker*
Instrument Repairman	*Welder*
Machinist	

2. *A schedule of learner rates for the respective learning periods of 520 hours of actual learning experience with the Company on jobs for which training opportunity is not provided by the promotional sequence of related jobs is established at the level of*

standard hourly wage scale rates for the respective job classes determined on the basis of the required employment training and experience time specified in factor 2 of the job classification record of the respective job for which the learner period is preparatory as follows:

a. *Seven to twelve months: One learner period classification at a level two job classes below the job class of the job.*

b. *Thirteen to eighteen months: A first learner period classification at a level four job classes below the job class of the job and a second learner period classification at a level two job classes below the job class of the job.*

c. *Nineteen months and above: A first learner period classification at a level six job classes below the job class of the job; a second learner period classification at a level four job classes below the job class of the job; and a third learner period classification at a level two job classes below the job class of the job.*

3. *The Company, at its discretion, may apply a learner rate to a learner on any job during any period of time where another employee, other than the learner, is on the job, provided the learner rate applied is: (1) the standard hourly wage scale rate for job class 1 in the case of an employee hired for the learner job; or (2) the lower figure of: (a) the standard hourly wage scale rate of the job from which transferred or (b) the standard hourly wage scale rate of the job being learned in the case of an employee transferred from another job in the plant."*

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