

2003 – 2008

LABOUR AGREEMENT

Between



CARIBOO PULP & PAPER COMPANY

and

**COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION
LOCAL 1115**

**LABOUR AGREEMENT
2003 - 2008
I N D E X**

Article No.		Page No.
I	GENERAL	1
	SEC. 1 - Purpose	
	SEC. 2 - Mutual Responsibilities	
	SEC. 3 - No Interruption of Work	
	SEC. 4 - Human Rights	
	SEC. 5 - Successorship	
II	DEFINITIONS.....	2
III	BARGAINING AGENCY.....	2
	SEC. 1 - Recognition	
	SEC. 2 - Bulletin Boards	
IV	UNION SECURITY	3
	SEC. 1 - Cooperation	
	SEC. 2 - Union Shop	
	SEC. 3 - Discharge of Non-Members	
	SEC. 4 - Application for Membership	
	SEC. 5 – Union Dues Deduction	
V	STANDING COMMITTEE	4
VI	HOURS OF WORK.....	4
	SEC. 1 - Basic Work Week	
	SEC. 2 - Overtime	
	SEC. 3 - Days Off and Schedule of Shifts	
	SEC. 4 - Starting and Stopping Work	
	SEC. 5 - Meals	
VII	WAGES	10
	SEC. 1 - Wage Scale	
	SEC. 2 - Night Shift Differential	
VIII	JOB EVALUATION PLAN.....	12
IX	ALLOWANCE FOR FAILURE TO PROVIDE WORK	12
	SEC. 1 - No Work	
	SEC. 2 - Where Shift Commenced	

Article No.		Page No.
X	CALL TIME	12
	SEC. 1 - Qualifying Conditions	
	SEC. 2 - Payment	
XI	FOURDRINIER WIRE ALLOWANCE	14
XII	JURY DUTY	14
	SEC. 1 – Wage Compensation	
	SEC. 2 – Holidays and Overtime	
XIII	BEREAVEMENT LEAVE.....	15
	SEC. 1 - Compensation	
	SEC. 2 - Definition of Family	
	SEC. 3 - Effect on Vacation Entitlement	
XIV	LEAVE OF ABSENCE	15
	SEC. 1 - Union and Public Office	
	SEC. 2 - Steam Plant Leave	
	SEC. 3 - First Aid Certificates	
	SEC. 4 - Maternity Leave	
	SEC. 5 - Other Leave	
XV	VACATIONS	17
	SEC. 1 - Entitlement	
	SEC. 2 - Additional Pay	
	SEC. 3 - Payment on Termination	
	SEC. 4 - General Rules	
	SEC. 5 - Computation of Vacation Pay	
XVI	SUPPLEMENTARY VACATIONS	20
	SEC. 1 - Eligibility	
	SEC. 2 - General Provisions	
	SEC. 3 - Partial Entitlement	
XVII	STATUTORY HOLIDAYS.	22
	SEC. 1 - Recognized Days	
	SEC. 2 - Adjustment in Hours	
	SEC. 3 - Holiday Work	
	SEC. 4 - Pay for Holiday Work	
	SEC. 5 - Qualifying Conditions	

Article No.		Page No.
XXVIII	SPECIAL (PERSONAL) FLOATING HOLIDAYS.....	25
	SEC. 1 - Floating Holidays	
	SEC. 2 - Qualifying Conditions	
XIX	WELFARE PLAN	26
	SEC. 1 - Plan	
	SEC. 2 - Joint Welfare Board	
XX	PENSION PLAN	27
	SEC. 1 - The Plan	
	SEC. 2 - Contributions	
	SEC. 3 - Board of Trustees	
	SEC. 4 - Existing Plan	
	SEC. 5 – Bridge Benefit	
XXI	SENIORITY	28
	SEC. 1 - Principles	
	SEC. 2 - Probationary Period	
	SEC. 3 - Retention of Seniority	
	SEC. 4 - Training	
	SEC. 5 - Layoff and Vacation Entitlement	
	SEC. 6 - Welfare Coverage	
XXII	JOB SECURITY.....	31
	SEC. 1 - Objective	
	SEC. 2 - Definition	
	SEC. 3 - Joint Committee	
	SEC. 4 - Required Notice	
	SEC. 5 - Seniority Status	
	SEC. 6 - Severance Allowance	
	SEC. 7 - Training	
XXIII	PERMANENT MILL CLOSURE	34
	SEC. 1 - Notice	
	SEC. 2 - Severance Allowance	
XXIV	JOB ELIMINATION.....	34
	SEC. 1 - Definition	
	SEC. 2 - Exclusions	
	SEC. 3 - Notice	
	SEC. 4 - Elimination Options	
	SEC. 5 - Severance Allowance	

Article No.		Page No.
XXV	CONTRACTING.....	36
XXVI	APPRENTICESHIP TRAINING PROGRAM SEC. 1 - Training Program SEC. 2 - Apprenticeship Act	37
XXVII	COMPRESSED WORK WEEK.....	38
XXVIII	OCCUPATIONAL HEALTH AND SAFETY..... SEC. 1 - Principle SEC. 2 - Joint Safety Committee SEC. 3 - Safety Education SEC. 4 - Joint Labour/Management Safety Conference	38
XXIX	ENVIRONMENTAL PROTECTION	40
XXX	DISCIPLINARY ACTION.....	40
XXXI	ADJUSTMENT OF COMPLAINTS..... SEC. 1 - Grievance Procedure SEC. 2 - National Officer SEC. 3 - Time Limit SEC. 4 - Arbitration Procedure SEC. 5 - Expedited Arbitration	41
XXXII	FLEXIBLE WORK PRACTICES	44
XXXIII	DURATION AND AMENDING PROCEDURE .. SEC. 1 - Term of Agreement SEC. 2 – Labour Relations Code SEC. 3 - Notice of Re-opening SEC. 4 - Collective Bargaining SEC. 5 - Termination	44
	SIGNATURES OF PARTIES TO AGREEMENT	46

EXHIBITS

EXHIBIT "A" -	Job Categories & Wage Rates	47
	Conversion Table By Steps	51
EXHIBIT "B" -	Job Evaluation Plan	53

EXHIBITS

EXHIBIT "C" - Welfare Plan58

EXHIBIT "D" - Apprenticeship Training Program75

EXHIBIT "E" - Steam Plant Vocational Leave.....80

STATEMENTS OF POLICY

Article No.		Page No.
II	DEFINITIONS.....	86
V	STANDING COMMITTEE	86
VI	HOURS OF WORK.....	87
IX	ALLOWANCE FOR FAILURE TO PROVIDE WORK.....	90
X	CALL TIME	91
XVII	STATUTORY HOLIDAYS	92
XXVIII	SAFETY AND OCCUPATIONAL HEALTH.....	94
XXX	DISCIPLINARY ACTION.....	94
XXXI	ADJUSTMENT OF COMPLAINTS.....	94
EXHIBIT "A	.....	95
MISCELLANEOUS	.....	95
LETTER OF UNDERSTANDING RE: APPRENTICESHIP	.....	97
LETTER OF UNDERSTANDING RE: REHIRING.....	.....	98
LETTER OF INTENT RE: CONTRACTING OUT.....	.....	99
LETTER OF UNDERSTANDING RE: REHABILITATION AND REINTEGRATION .....	.....	100
LETTER OF UNDERSTANDING RE: FLEXIBLE WORK PRACTICES .....	.....	101

STATEMENTS OF POLICY

Article No.	Page No.
LETTER OF UNDERSTANDING RE: JOB SECURITY AND JOB ELIMINATION.....	105
LETTER OF UNDERSTANDING RE: INTENT OF PROPOSAL FOR AMENDING THE 1994-97 LABOUR AGREEMENT.....	106
CODE OF ETHICS LETTER.....	107
COMMITMENT TO EMPLOYMENT LETTER.....	110
LETTER OF UNDERSTANDING RE: TRADES QUALIFICATIONS.....	112

AGREEMENT

ARTICLE I - GENERAL

Section 1: Purpose

The general purpose of this Agreement is, in the mutual interest of the employer and employee, to provide for the operation of the Plant hereinafter mentioned under methods which will further, to the fullest extent possible, the safety and physical welfare of the employees, economy of operation, quality and quantity of output, cleanliness of Plant and protection of property. It is recognized by this Agreement to be the duty of the Company and the Union to cooperate fully for the advancement of said conditions.

Section 2: Mutual Responsibilities

It is recognized by this Agreement to be the duty of the Company to explain fully the terms of this Agreement to all its officers, supervisors, and others engaged in a supervisory capacity and it is recognized to be the duty of the Union to explain fully to its members, its and their responsibilities and obligations under this Agreement.

Section 3: No Interruption of Work

It is agreed by the Union that there shall be no strikes, walkouts or other interruption of work during the period of this Agreement. It is agreed by the Company that there shall be no lockouts during the period of this Agreement.

Section 4: Human Rights

The Company and Union subscribe to and support the principles of the Human Rights Legislation of British Columbia.

The Company and Union recognize their respective obligations and responsibilities to provide a work environment free from sexual and personal harassment.

Section 5: Successorship

In the event of a change in employer status, members of CEP Local 1115 will retain all of their rights under the Labour Agreement.

ARTICLE II - DEFINITIONS

Wherever used in this Agreement, including Exhibits:

(a) The word EMPLOYEES means all employees in the pulp mill at Quesnel, B.C. except office and sales staff, and supervisory personnel.

A complete list of the job categories and rates of the EMPLOYEES under this Agreement is attached hereto as Exhibit "A".

(b) The words TOUR WORKERS mean employees when engaged in operations scheduled in advance for at least twenty-four (24) hours continuous running; it being understood, however, that if a Tour Worker is temporarily assigned to work not connected with the continuous operation on which usually employed, status as to tour or day work during such temporary assignment is determined by the nature of such assignment. All other employees are considered Day Workers.

(c) The word DAY means a period of twenty-four (24) hours beginning at 8:00 a.m. or at the regular hour of changing shifts nearest to 8:00 a.m.

(d) The word WEEK means a period of seven (7) calendar days beginning at 8:00 a.m., or at the regular hour of changing shifts nearest to 8:00 a.m., on the day on which the actual work week begins.

(e) GRIEVANCE, DISPUTE or COMPLAINT means any difference between the persons bound by this Agreement concerning its interpretation, application, operation, or any alleged violation thereof, and PARTY means either one of the parties to this Agreement.

ARTICLE III - BARGAINING AGENCY

Section 1: Recognition

The Company recognizes the Communications, Energy, and Paperworkers Union and the Union as the only agencies representing all employees as defined in this Agreement for the purpose of collective bargaining.

Any new employee shall be introduced to the Shop Steward by the employee's supervisor within three (3) days of starting work.

Section 2: Bulletin Boards

The Company shall supply adequately enclosed official bulletin boards for the use of the Union in posting of officially signed bulletins.

ARTICLE IV - UNION SECURITY

Section 1: Cooperation

The Company will cooperate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors the policy herein expressed.

Any new employee shall be introduced to the Shop Steward by the supervisor within three (3) days of starting work.

Section 2: Union Shop

All employees in the employment of the Company shall, as a condition of continued employment, maintain membership in good standing in the Union. New employees shall, as a condition of continued employment, become members of the Union thirty (30) days after becoming employed by the Company.

Section 3: Discharge of Non-Members

Any employee who fails to maintain membership in good standing in the Union shall be discharged after seven (7) days written notice to the Company by the Union of the employee's failure to maintain membership in good standing.

Section 4: Application for Membership

No employee shall be subject to any penalties against an application for membership or reinstatement, except as may be provided for in the Constitution and By-Laws of the National Union and the Union. A copy of such Constitution

and By-Laws, and any changes thereto, shall be transmitted to the Company.

Section 5: Union Dues Deduction

The Company will deduct union dues from new employees who have worked a minimum of forty (40) hours.

ARTICLE V - STANDING COMMITTEE

A Standing Committee shall be maintained in the following manner:

- (1) The Mill Manager shall appoint a Company Standing Committee of three (3) individuals which shall represent the Company.
- (2) The Union shall select from its membership a Union Standing Committee of three (3) individuals which shall represent the Union for the purposes stated in this Agreement.

ARTICLE VI - HOURS OF WORK

Section 1: Basic Work Week

Both parties to this Agreement are committed to maintain the principle of a basic work week of forty (40) hours, but agree that additional time may be worked to permit operation or protection of the Mill when paid for as shown in Section 2 herein.

Section 2: Overtime

Overtime at the rate of time and one-half will be paid on the following bases:

- (1) **Day Workers**
 - (a) For all work performed on Sunday (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
 - (b) For all work in excess of eight (8) hours in any one day, or in excess of eight (8) consecutive straight time hours.

(c) For work performed on an employee's designated day off as provided for in Section 3 herein.

d) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.

e) The Company agrees that employees may carry over Sunday Letter and Statutory Holiday time earned when sufficient straight time hours are unavailable that week. The hours may be carried over after the week in which they are earned provided a regular work schedule is being followed.

(2) Tour Workers

(a) For all work performed on Sunday (6:00 a.m. Sunday to 6:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.

(b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive hours except:

(i) when such work in excess of eight (8) hours is caused by the change of shifts,

(ii) overtime work by special arrangement between a Tour Worker and the Tour Worker's mate to exchange shifts with the approval of the Supervisor, and when this can be accomplished without additional cost or penalty to the Company.

(c) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.

(d) For work performed on an employee's designated day off as provided for in Section 3 herein.

(e) The Company agrees that employees may carry over Sunday Letter and Statutory Holiday time earned when sufficient straight time hours are unavailable that week. The hours may be carried over after the week in which they are earned provided a regular work schedule is being followed.

In the payment of overtime on the bases provided above, the one basis which results in the payment of the largest amount of overtime shall be used.

(3) Banking of Overtime

(i) Tour Workers who work in excess of eight (8) consecutive hours shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of eight (8) consecutive hours and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Tour Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.

(ii) Day Workers who work in excess of ten (10) hours in a day shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of ten (10) hours in a day and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.

(iii) When the banked time off is requested in writing seven (7) days in advance, employees shall receive written notice of the disposition of their request a minimum of seventy-two (72) hours prior to the requested time off. The payment of overtime shall not be a factor in cancelling approved time off.

Section 3: Days Off and Schedule of Shifts

1. (a) The Company will designate regular periodic days off for each regular employee and will not change such designation without notice except in the case of breakdown.

In the event the day or days off are changed to follow the original designated day or days off, then forty-eight (48) hours notice will be given in advance of the original day or days off. In the event the day or days off are changed to precede the original designated day or days off, then forty (40) hours notice must be given in advance of the new day or days off.

When sufficient notice is not given prior to the initial day or days off, then overtime will be paid for work performed on the original day or days off.

The employees may change their day or days off by mutual arrangement with the Supervisor and the Shop Steward of the department concerned without penalty to the employer.

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- (b) Where a system of days off is now in effect, same shall remain in effect as long as mutually satisfactory to the Union and the Company, it being understood that this has reference to a mill system of days off and not to the individual employee's days off.

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- (c) When the Company changes an employee's shift schedule after the start of the week without notification being given during the first eight (8) hours of their last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.

If the change in shifts during the week is temporary, the penalty payment is not payable for the second change in shifts when the employee returns to their previously established shift schedule.

When an employee's established shift schedule is changed, the Company will, whenever practicable, notify the employee personally of the change.

(d) Where an employee is temporarily off work because of a shutdown of the employee's job, department or plant of more than ten (10) days duration, the employee's regular schedule of hours per day and days per week, including starting time and designated days off, shall, commencing with the eleventh (11th) day of such shutdown, be considered as having been suspended and shall not be in effect for the balance of said shutdown.

Call Time shall not be payable for assignments to extra work during such latter period or for assignments in connection with the resumption of operation of the job.

(e) The Company will cooperate with any day worker called in after twelve midnight to ensure that this work does not preclude the day worker from working the regular eight (8) hour shift the following day. This may be accomplished by altering the hours of work to the mutual satisfaction of the employee and respective supervisor. No penalty shall apply to the Company as a result of such an arrangement.

The ten (10) day period referred to above shall be exclusive of any recognized paid Statutory Holidays which may fall therein.

2. Relief employees, employed to provide relief of employees who follow regular schedules, will be scheduled when required for coverage. The Company will designate regular, periodic days off for all other employees and will not change such designation without notice except in the case of breakdown. The Company shall use its best efforts.

(a) to schedule days off for relief employees on a consecutive basis; and

(b) to provide established schedules for relief employees

Section 4: Starting and Stopping Work

(a) Tour Workers

When a tour begins, each Tour Worker is required to be in their place. At the end of a shift no Tour Worker shall leave their place to wash up and dress until their mate has changed clothes and reported to take on responsibility of the position.

If a Tour Worker does not report for their regular shift, their mate shall notify the Supervisor. The mate shall remain at their post until a substitute is secured, and, if necessary, shall work an extra four (4) hours. If work in excess of twelve (12) hours is required by refusal of a mate to report in, or when no other qualified relief is available, then the employee shall complete the extra shift. It is the duty of a Tour Worker to report for their regular shift, unless a leave of absence has already been arranged for with the Supervisor. If unavoidably prevented from reporting, the Tour Worker must give notice to the Supervisor, or at the office, if reasonably possible, at least four (4) hours before scheduled tour goes on duty.

(b) Day Workers

Day Workers shall be at their respective posts ready to begin work at the time their pay starts and shall not quit work in advance of the time their pay stops. For example, if a Mechanic's pay time is from 8:00 a.m. to 12:00 noon, and from 1:00 p.m. to 5:00 p.m., they shall be at their post ready to work at 8:00 a.m. and 1:00 p.m. and shall not quit work until 12:00 noon and 5:00 p.m.

Section 5: Meals

(a) Tour Workers

A hot meal, if not declined, shall be furnished at the usual meal time by and at the expense of the Company to any Tour Worker required to work more than nine (9) consecutive hours. If the Tour Worker continues to work, a meal which shall be hot if practicable, shall be provided every four (4) hours thereafter. When an employee has to work one extra shift, arrangements shall be made, by the Company, to provide one meal at the start of the shift and another meal or lunch four (4) hours later. The meal shall be eaten on Company time.

(b) Day Workers

Any Day Worker required to work more than one (1) hour beyond the end of the regular scheduled eight (8) hour shift, shall be furnished a hot meal at the usual meal time by and at the expense of the Company. If the Day Worker continues to work, a meal which shall be hot if practicable, shall be provided every four (4) hours thereafter.

The meal may be eaten on Company time, or alternatively, the Company may allocate one-half hour and the employee eats on their own time.

(c) All Workers

Any employee called in for an emergency before their shift commences, without time to arrange for their normal lunch or meal, will be given meals, hot if practicable, at the usual meal hours, or as close to that time as can conveniently be arranged.

ARTICLE VII - WAGES

Section 1: Wage Scale

The wage scale for the term of this Agreement is attached as Exhibit "A" and forms part of this Collective Agreement. Any new job rate will become part of Exhibit "A".

Provide a general wage increase of 2.5% in each of the first two (2) years of the agreement and 2% for each of the three (3) subsequent years effective May 1, in each year of the agreement.

Section 2: Night Shift Differential

a) Tour Workers

Tour workers following compressed work week schedules shall be paid the following shift differential in addition to the hourly rate for all work performed as follows:

	<u>May 1, 2000</u> <u>(% of base rate)</u>
8:00 a.m. to 8:00 p.m.	2.50%
8:00 p.m. to 8:00 a.m.	4.25%

- (i) Where tour work is schedule 8-4, 4-12 and 12-8, the following shift differentials will be paid in addition to the hourly rate on all work performed:

	<u>May 1, 2000</u> <u>(% of base rate)</u>
8:00 a.m. to 4:00 p.m.	2.00%
4:00 p.m. to 12:00 a.m.	3.55%
12:00 a.m. to 8:00 a.m.	4.50%

Tour Workers not employed on a 20 or 21 shifts per week schedule:

	<u>May 1, 2000</u> <u>(% of base rate)</u>
4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

(b) Day Workers

Day Workers scheduled in advance to work on other than their normal day shift will receive shift differential in addition to the hourly rate for all work performed as follows:

	<u>May 1, 2000</u> <u>(% of base rate)</u>
4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

Note: Day Workers normally scheduled in excess of 8 hours in a day will receive the appropriate shift differential for all hours in excess of eight (8) hours as outlined above.

(c) All Employees

The Company shall not include the shift differential in any employee's wage rate for the calculation of overtime.

Section 3: Price Trigger Bonus

The Company agrees to provide payment to the local union of a five hundred (\$500) dollar bonus for each active employee per calendar quarter for each calendar quarter that the RISI Eastern US Benchmark NBSK price averages over US \$700/MT for the quarter.

Initially, the NBSK Pulp price trigger bonus will be used to establish a fund for the sole purpose of funding pension bridge benefits from age sixty (60) to age sixty-one (61).

The bridge benefit will be paid from age sixty (60) to age sixty-one (61) from this fund consistent with the existing requirements at twenty (\$20) per month per year of service.

Upon the trust fund being fully funded for the provision of the pension bridge benefit, payments will continue to be made to the Local union and shall be used for the benefit of active or retired employees only.

ARTICLE VIII - JOB EVALUATION PLAN

It is agreed that there shall be a Job Evaluation Plan the provisions of which are set forth in Exhibit "B" which is attached hereto and forms part of this Agreement.

It is understood that the Job Evaluation Plan shall not be subject to the grievance procedure as set forth in Article XXXI, Adjustment of Complaints. Any dispute which may arise thereunder shall be dealt with as provided in the Job Evaluation Plan.

ARTICLE IX - ALLOWANCE FOR FAILURE TO PROVIDE WORK

Section 1: No Work

In case any employee reports for a regular scheduled shift having been ordered to report for such work and then no work is provided, the employee shall nevertheless receive two (2) hours pay for so reporting.

Section 2: Where Shift Commenced

In any case where an employee has commenced their regular scheduled shift, the employee shall receive a minimum of four (4) hours pay except in cases of accident, breakdown, interruption of power, acts of God, or to cases of Call Time as provided in Article X hereof. In cases of accident, breakdown, interruption of power or acts of God, the employee shall receive a minimum of two (2) hours pay.

ARTICLE X - CALL TIME

Section 1: Qualifying Conditions

An employee shall receive two (2) hours Call Time at the straight time rate in addition to pay for time actually worked under the following conditions:

(a) **Call to work following a shift**

When required to report for work after completing their designated shift.

(b) **Call to work on a designated day off**

When required to report for work on a designated day off.

(c) **Statutory Holiday Work**

For any work performed on a holiday as specified in Article XVII.

(d) **Assignment of work not connected with the initial call-in**

When a day worker is required to report for work in accordance with (a), (b) or (c) above, they shall receive one (1) additional Call Time payment if the initial call-in was to perform emergency work and is then required to perform work other than that which necessitated the call-in.

Section 2: Payment

(a) The employee shall receive a minimum payment of four (4) straight time hours pay including payment for Call Time and time worked, but not the payment provided in Section 1(d).

(b) Not more than one (1) basis shall be used to cover the same period of work except as provided in Section 1(d).

(c) The Call Time payment will not be added to or paid in lieu of allowances payable under Articles VI, IX and XI.

ARTICLE XI - FOURDRINIER WIRE ALLOWANCE

Tour Workers called to put on Fourdrinier Wires at a time other than their regular tour and are dismissed before their tour is scheduled to begin shall be paid for the time worked plus three (3) hours but not less than a total of six (6) hours on any one wire.

If tour workers are called to put on a Fourdrinier Wire before their shift is scheduled to begin and work through into their regular shift they shall be paid for the time worked plus three (3) hours. If tour workers are asked to remain after their shift is scheduled to end, to put on a Fourdrinier Wire, they shall be paid for the time worked plus three (3) hours.

The above shall also apply to tour workers when working on machines other than their own.

In cases where more than one machine is involved, the above allowance shall be paid for each machine.

Tour workers asked to assist to put a Fourdrinier Wire on a machine other than their own during their regular shift, shall receive three (3) hours extra time, but in no case shall more than three (3) hours extra time be allowed.

ARTICLE XII - JURY DUTY

Section 1: Wage Compensation

Any regular full time employee who is required to report for Jury Selection, Jury Duty, Coroner's Inquest or who is subpoenaed to serve as a witness in a court action, save and except actions involving the Company or Trade Unions, unless subpoenaed by the Crown, on a day when the employee would normally have worked, will be reimbursed by the Company for the difference between the pay received in such duty and the regular straight time hourly rate of pay for their regularly scheduled hours of work necessarily lost. It is understood that employees will be reimbursed by the Company for the difference between the pay received for such duty and their straight time rate of pay for regularly scheduled hours of work in that week. The employee will be required to furnish proof of performing such service and such duty pay received.

Section 2: Holidays and Overtime

Hours paid for such duty will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted for hours worked for the purpose of computing overtime.

ARTICLE XIII - BEREAVEMENT LEAVE

Section 1: Compensation

When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted an appropriate leave of absence and shall be compensated at their regular straight time hourly rate for hours lost from their regular schedule for a maximum of three (3) days.

Section 2: Definition of Family

Members of the employee's immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, stepchildren, mother-in-law, father-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, stepparents, grandparents and grandchildren.

Section 3: Effect on Vacation Entitlement

Compensable hours under the terms of this Article will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted as hours worked for the purpose of computing overtime.

ARTICLE XIV - LEAVE OF ABSENCE

Section 1: Union and Public Office

The Company agrees that it is proper to grant leave to employees who have been elected or appointed to office in the Union, or who have been nominated, elected or appointed to Federal, Provincial, Municipal or Aboriginal office. However, it is not the intention of the Company to grant lifetime leaves of absence.

An employee appointed or elected to full-time office in the Union, or to Federal, Provincial, Municipal, or Aboriginal office, shall be granted as much leave as is necessary during the term of such office.

Seniority shall accumulate during the period of an employee's leave of absence.

Section 2: Steam Plant Leave

Steam plant personnel shall be granted leave in accordance with the provisions of Exhibit "E" (Steam Plant Vocational Leave) for the purpose of attending vocational school.

Section 3: First Aid Certificates

A First Aid Attendant authorized by the Company to attend classes or write examinations for obtaining, renewing or upgrading a first aid ticket will be compensated for lost earnings. The duration of the course shall include graveyard shifts on the day immediately preceding the day the course/exam begins and the day the course/exam finishes. The Company shall compensate the first aid attendant for travel each way for training at the straight time hourly rate.

The maximum travel time shall be four hours for travelling to the course and four hours when returning from the course.

Section 4: Maternity Leave

The Company will grant extended maternity leave without pay to female employees to a maximum of six (6) weeks in excess of that provided in the Employment Standards Act where there is a valid and documented medical reason applicable to the health or well-being of the mother and/or child.

Section 5: Other Leave

Granting of leave is a matter between the employees and the mill management. The Company will consider length of service and will endeavour to arrange leave of absence to suit the employee's wishes. Employees with ten or more years service will be given special consideration.

ARTICLE XV - VACATIONS

Section 1: Entitlement

Subject to the requirements of this Article, every employee is entitled to a vacation and vacation pay as follows:

	Length of Vacation	Vacation Pay, being the greater of: - % of the total wages earned by the employee during the preceding vacation period or - hours pay at the hourly rate of the employees regular job.
(A) been employed for less than one year and does not qualify under (B) below;	1/4 day for each full week of actual work performed during the preceding vacation period provided no vacation of less than one day will be granted.	4-1/2% or NIL hours
B) been employed for less than one year but has worked not less than 1500 hours during the preceding vacation period or been employed for not less than one year and who has worked not less than 1200 hours during the preceding vacation period. The following hours will count as hours worked for the purpose of qualifying for a vacation. Vacations; Supplementary Vacations; Statutory Holidays; Special (Personal) Floating Holidays; Jury or		

	Length of Vacation	Vacation Pay, being the greater of:
Witness Duty; Bereavement Leave; Contractual Steam Plant, Apprenticeship and First Aid Leaves; Banked Days Off and Days Off in lieu of work performed on a Statutory Holiday;	2 weeks	4-1/2% or 80 hours
(C) qualified for 2nd vacation under this Agreement;	3 weeks	6-1/2% or 120 hours
(D) qualified for 7th vacation under this Agreement;	4 weeks	8-1/2% or 160 hours
(E) qualified for 14th vacation under this Agreement;	5 weeks	10-1/2% or 200 hours
(F) qualified for 23rd vacation under this Agreement;	6 weeks	12-1/2% or 240 hours
(G) qualified for 29th vacation under this Agreement.	7 weeks	14-1/2% or 280 hours

Section 2: Additional Pay

In addition to the vacation pay to which an employee is entitled under Section 1 above, each employee shall, on qualifying for vacation under categories (B), (C), (D), (E), (F) or (G) above, be entitled to an additional amount of vacation pay equivalent to ten (10) hours pay at the hourly rate of the employee's regular job in respect of the first week of vacation.

Section 3: Payment on Termination

In the event an employee's employment terminates either before they become entitled to a vacation with pay, or, being entitled to it, before taking it, the employee shall be paid on termination 4-1/2%, 6-1/2%, 8-1/2%, 10-1/2%, 12-1/2% or 14-1/2% (depending on whether the employee belongs in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of wages earned during the period of employment ending with their

termination in respect of which no vacation or vacation pay to which the employee remains entitled has been paid or taken.

Section 4: General Rules

(a) The vacation period will be calculated to the nearest payroll cut-off date prior to May 1 of each year. The Company will post the annual vacation cut off period prior to January 1st of each calendar year for the next vacation period.

The period of May 1 - April 30 will continue to be used to calculate hours worked for the purposes of qualifying for vacations only.

(b) Vacations with pay provided in accordance with Section 1 above for employees in category (A) may not be counted when determining whether an employee has qualified for the vacations provided under Section 1 for employees in categories (C), (D), (E), (F) or (G).

(c) Except as provided in Section 4(d) below, vacations with pay are not cumulative and must be taken during the vacation period.

(d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.

(e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.

(f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavour by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.

(g) Time lost as the result of an accident recognized as compensable by the Workers' Compensation Board, suffered during the course of employment with the Company shall be considered as time worked for the purpose of calculating entitlement upon return to work.

(h) Time not exceeding one year, lost as the result of a non-occupational accident, illness or approved maternity

leave, shall be considered as time worked for the purpose of qualifying for vacation provided at the time of the accident or illness or commencement of maternity leave, the employee has been on the payroll for not less than one (1) year and returns to employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner. Time exceeding one (1) year shall be recognized as uninterrupted service for the purpose of establishing vacation time off, upon return to work.

(i) Time lost as the result of layoff shall not be considered as time worked for the purpose of qualifying for a vacation.

(j) When operating conditions permit, the Company agrees in principle to granting two (2) days leave of absence to allow shift workers on a seven (7) day schedule a full seven (7) day tour off, for one (1) week's vacation - five (5) days with pay and two (2) without pay.

Due to mill start-ups, training and various operating schedules and practices involved, details should be resolved by the Company and Union.

Section 5: Computation of Vacation Pay

Where an employee's vacation pay for the current year is to be computed as a percentage of "total wages earned" in the previous year, such "total wages earned" shall include the amount of vacation pay the employee received in the previous year.

ARTICLE XVI - SUPPLEMENTARY VACATIONS

Section 1: Eligibility

(a) After completing five (5) or more years of continuous service with the Company, an employee shall, in addition to the regular vacation to which they are entitled, become eligible to receive a Supplementary Vacation with pay each five (5) years as set forth below:

Years of Completed Continuous Service	Weeks of Supplementary Vacation
After Five (5)	One (1)
After Ten (10)	Two (2)
After Fifteen (15)	Two (2)
After Twenty (20)	Three (3)
After Twenty-five (25)	Three (3)
After Thirty (30)	Four (4)
After Thirty-Five (35)	Four (4)
After Forty (40)	Five (5)

(b) For the purpose of determining eligibility for Supplementary Vacation, an employee's service shall be calculated from the date of joining the Company.

Section 2: General Provisions

(a) The Supplementary Vacation may be taken in conjunction with the regular vacation to which the employee is entitled provided such regular vacation is not scheduled to be taken during the months of July or August, in which event the Supplementary Vacation shall be taken at a time to be agreed upon by the Company and the employee.

(b) The Supplementary Vacation must be taken prior to the employee becoming eligible for the next earned period of Supplementary Vacation as provided for in Section 1(a) above.

(c) One (1) weeks Supplementary Vacation pay shall be equal to forty (40) hours at the straight time hourly rate of the employee's regular job.

(d) An employee may elect to take Supplementary Vacation one day at a time according to the following schedule:

After 5 years service	- one (1) day per year
After 10 years service	- two (2) days per year
After 15 years service	- two (2) days per year
After 20 years service	- three (3) days per year
After 25 years service	- three (3) days per year
After 30 years service	- four (4) days per year
After 35 years service	- four (4) days per year
After 40 years service	- five (5) days per year

If the employee wishes to elect this option, the employee must advise the Company, in writing, of their election in advance for that five (5) year period. However, employees may revoke this option at any time during the five (5) year period and take any remaining Supplementary Vacation days as weeks. Any remaining Supplementary Vacation days that cannot be taken in multiples of five (5) will be taken in one block.

Section 3: Partial Entitlement

At retirement or termination from the Company an employee who has completed five (5) or more years of service shall be entitled to that portion of Supplementary Vacation Pay proportionate to the number of years of service completed subsequent to their last five (5) year entitlement period.

ARTICLE XVII - STATUTORY HOLIDAYS

Section 1: Recognized Days

The following shall be the recognized Statutory Holidays:

New Year's Day	40 hours, 4:00 p.m. December 31 to 8:00 a.m. January 2
Easter Monday	24 hours, 8:00 a.m. Monday to 8:00 a.m. Tuesday
Canada Day	24 hours, 8:00 a.m. July 1 to 8:00 a.m. July 2
Labour Day	24 hours, 8:00 a.m. Monday to 8:00 a.m. Tuesday
Christmas Eve	24 hours, 8:00 a.m. December 24 to 8:00 a.m. December 25
Christmas Day	24 hours, 8:00 a.m. December 25 to 8:00 a.m. December 26
Boxing Day	24 hours, 8:00 a.m. December 26 to 8:00 a.m. December 27

Section 2: Adjustment in Hours

The hours of commencing and ending, specified above, may be varied by mutual agreement of the Company and the Union Standing Committee and the specified hour of commencing or ending will be adjusted to coincide with the regular hours for changing shifts.

In the event that Canada Day falls on Sunday, the following Monday will be observed and the specified hours correspondingly changed.

Section 3: Holiday Work

(a) The Company will provide the Union with not less than thirty (30) days notice of the general scope of operating and/or maintenance plans on statutory holidays. Unanticipated weather conditions or maintenance requirements may alter those plans.

(b) On Christmas Eve, Christmas Day and Boxing Day, operational and maintenance manning required will be identified on a scheduled crew basis. Any employee who wishes to be excused from working on a particular statutory holiday will be accommodated provided a request for leave is requested 7 days in advance of the statutory holiday and provided that a trained volunteer can be found to replace the employee for the shift. If no trained volunteer is found, the employee will be required to work the shift.

(c) Employees who work at Christmas shall be paid double time for work during that period identified in clause (b).

Section 4: Pay for Holiday Work

(a) Overtime shall be paid for all work performed during holidays at the rates hereinafter specified.

(b) An employee who works on such a holiday shall receive equal time off with pay at their straight time hourly rate. Such time off shall be treated in the same manner as a Special (Personal) Floating Holiday.

(c) The time off and pay provided in (b) above replaces any time off and pay provisions in respect of the same statutory holiday work under current local arrangements.

Section 5: Qualifying Conditions

In addition to any other compensation earned, any employee who is on the payroll of the Company on any of the foregoing recognized statutory holidays will be granted eight (8) hours pay at the straight time rate of the employee's regular job, subject to compliance with all of the conditions (a) to (f) set forth below:

(a) The employee must have been on the payroll for not less than the sixty (60) days just preceding the holiday and must have previously qualified for a statutory holiday as provided in (d) below, and

(b) The employee must have worked at least one (1) day during the sixty (60) day qualifying period just preceding the holiday, and

(c) The employee must have worked their scheduled work day before, and scheduled work day after, such holiday, unless failure to work their scheduled work day before or after the holiday was due to any of the following events:

(i) When the employee is on regular authorized paid vacation;

(ii) When the employee is unable to work by reason of an industrial accident as recognized by the Workers' Compensation Board or non-occupational sickness or injury;

(iii) When the operation in which the employee is engaged is curtailed or discontinued by the decision of the Company and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before, or scheduled work day after, such holiday;

(iv) When a trade in shifts agreed upon between employees and approved in advance by the Company results in a temporary change of the scheduled work day before, or the scheduled work day after, the holiday, provided the employee works the shift agreed upon;

(v) When the employee is on a leave of absence authorized by the Company.

(d) The employee who has been on the payroll for at least sixty (60) days but who has not previously qualified for a Statutory Holiday will qualify for the holiday if the employee has worked a minimum of one hundred and eighty (180) hours during the sixty (60) day qualifying period just preceding the holiday and meets the requirements of (b) and (c) above.

(e) Time lost as the result of an accident as recognized by the Workers' Compensation Board, suffered during the course of employment, or time lost as a result of non-occupational sickness or injury shall be considered as time worked for the purpose of qualifying for a recognized paid holiday, it being understood that the employee will only be entitled to this credit for time while on Workers' Compensation or non-occupational sickness or injury for a period of up to but not exceeding one (1) year from the date of their sickness or injury.

(f) It is understood and agreed, however, that an employee shall not receive the above provided holiday pay if the employee has agreed to work on such holiday and fails or refuses to work, except in the case where bona fide sickness, or other bona fide reason approved by the Company, prevents working on such holiday.

(g) An employee shall have the option of taking equivalent time off if a statutory holiday falls on a regular day off.

ARTICLE XVIII - SPECIAL (PERSONAL) FLOATING HOLIDAYS

Section 1: Floating Holidays

There shall be granted annually five (5) Special (Personal) Floating Holidays with pay to regular full-time employees, such special holidays to be arranged at a time suitable to the employee and the Company, during the contract year, so that there will be no loss of production.

Effective May 1, 1998 there shall be granted five (5) Twelve Hour Special Personal Floating Holidays to those employees who are defined as Tour Workers.

Section 2: Qualifying Conditions

For each Special (Personal) Floating Holiday taken an employee will be granted eight (8) hours pay on the straight time rate of the employee's regular job (effective May 1, 1998: twelve (12) hours for tour workers) subject to the following:

(a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for their first Special (Personal) Floating Holiday and on the payroll for one hundred and eighty (180) days to qualify for their second, third, fourth and fifth Special (Personal) Floating Holidays.

(b) Employees will not qualify for Special (Personal) Floating Holidays if on leave of absence of more than nine (9) months in the contract year except in the case of sickness or injury.

(c) If an employee is required to work on any of these Special (Personal) Floating Holidays, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate of time and one-half. The employee will then be entitled to take the said holiday or holidays with pay at a later date to be mutually agreed upon.

(d) When the holiday is requested in writing seven (7) days in advance, the payment of overtime shall not be a factor in the granting of Personal Floating Holidays. The employee shall receive written notice of the disposition of their request a minimum of seventy-two (72) hours prior to the requested Personal Floating Holiday.

ARTICLE XIX - WELFARE PLAN

Section 1: The Plan

There shall be a Welfare Plan pursuant to the terms and conditions of Exhibit "C", which is attached hereto and forms part of this Agreement. Membership in the Plan for all eligible employees shall be a condition of employment on and after July 1, 1973.

Section 2: Joint Welfare Board

A Joint Welfare Board shall be established comprised

of three (3) members appointed by the National Union and three (3) members appointed by the Pulp and Paper Employee Relations Forum.

The function of the Board will be to review the operations of the Plan. It will formulate and review uniform statistical reports to be supplied by the Company for the purpose of ensuring compliance with Exhibit "C". The Company agrees to furnish to the Board such statistical reports as the Board may require.

ARTICLE XX - PENSION PLAN

Section 1: The Plan

The Company agrees to contribute to a Pension Plan which will be established pursuant to the general principles set forth in the Pension Plan Summary dated December 6, 1975.

Section 2: Contributions

The contribution levels will be as follows:

January 1, 2004	Employer 10%	Employee 4.5%
January 1, 2005	Employer 10%	Employee 6.0%
January 1, 2006	Employer 10%	Employee 7.0%
January 1, 2007	Employer 10%	Employee 8.0%

Section 3: Board of Trustees

A Board of Trustees will be established pursuant to the Pension Plan Summary dated December 6, 1975, to administer the said Plan.

The Company agrees to the revised governance of the plan as proposed below;

- 3 trustees appointed by the member employers
- 3 trustees elected or appointed by the CEP
- 3 trustees elected or appointed by the PPWC

The Union agrees to provide the Company with audited financial statements and actuarial valuations as per the plan.

Section 4: Existing Plan

It is recognized that some employees may exercise the option to remain in the existing Pension Plan which was provided for in the 1973-74 B.C. Standard Labour Agreement as Article XX, and Exhibit "E". This Plan will continue in respect of such employees and the Joint Union/Management Pension Committee provided for therein will continue to function as necessary.

Section 5: Bridge Benefit

(a) The Company shall provide a pension bridge annuity benefit of \$20 per month per year of service to employees aged 61 or older who retire prior to attaining age 65. The pension bridging benefit shall not be payable beyond age 65. The calculation of the pension bridge benefit shall be credited on the same basis as under the terms and conditions of the Pulp and Paper Industry Pension Plan.

(b) An employee who chooses to retire at age 60 shall have access to the bridging benefit paid by the company when they reach age 61. Upon the establishment of the fund as provided under Article VII – Wages – a pension bridge benefit from age 60 to 61 will be paid by the fund. The calculation for this benefit shall be in the same manner as provided in the preceding paragraph.

ARTICLE XXI - SENIORITY

Section 1: Principles

(a) The Company recognizes the principles of seniority in their application to the promotion, demotion, transfer, layoff, recall and permanent movement from day to shift positions of an employee, providing the employee has the qualifications and ability to perform the work.

In cases of permanent job transfers, it is not the Company's intent to give a junior employee preference over a senior employee on the basis that the employee has acquired experience by providing relief.

If an employee is moved out of a line of progression for any reason, the employer will not require retesting of the employee to return to that specific line of progression. No

employee will be removed from the mill as the result of unilateral testing by the employer.

(b) The Company and the Union recognize that it is desirable to reduce the effect of layoffs on employees and at the same time continue to recognize mill seniority, job qualifications and the role of lines of progression, job seniority and departmental seniority.

(c) Arrangements to implement the above principles will be discussed by the Company and the Union.

Section 2: Probationary Period

Until an employee has been on the payroll of the Company for thirty (30) calendar days, or until the employee has accumulated thirty (30) working days in a ninety (90) calendar day period, the employee shall be considered a probationary employee and shall have no rights under Article XXI with respect to seniority.

Section 3: Retention of Seniority

(a) Any employee, other than a probationary employee, whose employment ceases through no fault of their own, shall retain seniority and shall be recalled on the following bases:

(i) An employee with less than one (1) year continuous service shall retain these rights for six (6) months from the date of lay-off.

(ii) An employee with one (1) or more years continuous service shall retain these rights for twelve (12) months from the date of lay-off, plus two additional months for each year of service up to an additional twenty-four (24) months.

(b) Failure of the employee to report for work within one (1) week of notice by registered mail at the last address reported to and received by the mill shall result in termination of employment with the Company. Bona fide reasons for failure to report shall not deprive an employee of recall rights.

Section 4: Training

To facilitate laid off employees exercising their mill seniority the following training will be provided:

- (a) Up to one (1) day where the layoff is estimated to be in excess of 10 days.
- (b) Up to two (2) days where the layoff is estimated to be in excess of 21 days.
- (c) Up to five (5) days where the layoff is estimated to be in excess of thirty-five (35) days;
- (d) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the Union training provisions of up to fifteen (15) days;
- (e) Where a layoff results from a permanent partial plant closure or a temporary closure in excess of one hundred and eighty (180) days, the Company will participate in a program of training or retraining for another job within the operation to facilitate the exercising of mill seniority, recognizing there will be limitations where special qualifications are required. Phasing in arrangements to implement the program will be discussed by the Company and the local Union and shall not exceed three (3) months from the date of closure.

Section 5: Lay-off and Vacation Entitlement

Time on lay-off shall not be considered as time worked for the purpose of qualifying for vacation pay or holiday pay.

Section 6: Welfare Coverage

- (a) An employee with one (1) or more years seniority may have welfare coverage continued for six (6) months while on layoff.
- (b) An employee with more than four (4) months but less than one (1) years seniority may have welfare coverage continued for three (3) months while on lay-off.
- (c) An employee who elects to maintain coverage while laid off will be required to pay the employee portion of the premium in advance on a monthly basis.

(d) An employee who has welfare coverage as provided for in paragraphs (a) and (b) above, will on return to work have their welfare coverage extended by one month for each month in which the employee works.

(e) An employee whose welfare coverage under paragraphs (a) and (b) above has expired, will on return to work be eligible for coverage for the period of employment.

(f) An employee will qualify for a new period of welfare coverage as provided in paragraphs (a) and (b) above if the employee returns to work for at least ten (10) days within a floating period of thirty (30) consecutive days.

ARTICLE XXII - JOB SECURITY

Section 1: Objective

The Company and Union recognize that technological change, while necessary to the industry, may have an impact on employees. It is the purpose of the following provisions to assist employees in adjusting to the effects of such change.

Section 2: Definition

Technological change, which term shall include automation, mechanization, and process change, means the introduction of equipment or material of a different nature or kind than that previously utilized, or a change in the operation that is directly related to the introduction of that equipment or material.

Section 3: Joint Committee

A joint committee on automation will be established which shall consist of three (3) persons representing the Company and three (3) persons representing the Union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the mill at which it is appointed and to make such recommendations as are agreed upon, to the local mill manager, to ensure that the interests of the Company and of the employees are fairly and effectively protected.

Section 4: Required Notice

The Company will advise the appropriate committee or committees as soon as possible, and in any case not less than one hundred and eighty (180) days before the introduction thereof, of mechanization, technological changes and/or automation which the Company has decided to introduce and which will result in terminations or other significant changes in the employment status of employees.

The Company will advise the appropriate committee or committees as soon as possible, and in any case not less than thirty (30) days before the expected date of the change of the anticipated time sequence of final installation and production start-up and the anticipated effect on the job status of individual employees.

Section 5: Seniority Status

(a) In the event that it is necessary, crews will be reduced in accordance with Article XXI - Seniority, of the Agreement.

(b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of their regular job at the time of the set-back for a period of six (6) months, and for a further period of six (6) months will be paid an adjusted rate which will be midway between the rate of the regular job at the time of the set-back and the rate of the new regular job. At the end of this twelve (12) month period, the rate of the new regular job will apply. However, such employee will have the option of terminating their employment and accepting severance pay as outlined in Section 6(a) below, provided this option exercised within the initial six (6) month period referred to above.

(c) An employee assigned to an equal or higher rated job because of mechanization, technological change or automation will have the option of terminating employment and accepting severance pay as outlined in Section 6(a) below if the job should be proved to be unsuitable, provided the option is exercised within six (6) months of starting on the job.

In case of a dispute concerning suitability of the job, the employee may process a grievance.

Section 6: Severance Allowance

(a) An employee with one or more years of continuous service for whom no job is available because of mechanization, technological change or automation will, upon termination, receive a severance allowance calculated by one of the two following methods, it being the choice of the affected employee as to which of such methods of calculation is used:

<u>Years of Employment</u>	<u>Severance Allowance</u>	
	<u>Weeks/yr*</u>	<u>% of Earnings</u>
1st ten years	2	4%
Subsequent years	1	2%
MAXIMUM SEVERANCE ALLOWANCE	45 weeks	1800 hours

* Computed on the basis of forty (40) straight time hours at the employee's regular rate.

At the time of separation, the employee shall have the option of receiving the severance allowance on termination, or may elect to have the severance allowance held in abeyance for up to one (1) year from the date of termination. The employee may apply in writing at any time during the year, at which time the full severance allowance will be paid forthwith.

Where the right of recall and seniority retention under Article XXI is elected, the employee's severance allowance will be held in abeyance for the duration of their recall rights at which time the employee will be terminated and their severance allowance paid forthwith.

Where the employee renounces the right of recall during this period, the employee will be terminated and their severance allowance paid forthwith with all seniority and recall rights forfeited.

No payment will be made under this section in cases where the employee has already qualified under Article XXIV, Section 5, Job Elimination, or under Article XXIII, Section 2. Permanent Mill Closure.

For employees with a minimum of one (1) year's employment during their last period of continuous service,

severance allowance shall not be less than four (4) weeks' pay.

(b) Such employees for whom no employment is available will be given at least thirty (30) days notice of separation.

Section 7: Training

The Company agrees to participate in a program of training or retraining for another job within the operation for those employees who are displaced under the circumstances set forth herein.

ARTICLE XXIII - PERMANENT MILL CLOSURE

Section 1: Notice

An employee terminated as a result of a permanent planned closure of the mill shall be given a minimum of sixty (60) days notice of closure.

Section 2: Severance Allowance

Such employees shall be entitled to a severance allowance based on their years of employment during their last period of continuous service computed on the basis of forty (40) straight time hours at the employee's regular rate on the following basis:

Two (2) weeks pay per year of service to a maximum of fifty-two (52) weeks.

For employees with a minimum of one (1) years' employment during their last period of continuous service, severance allowance shall not be less than four (4) weeks pay.

No payment will be made under this section in cases where the employee has already qualified under Article XXII, Section 6, Job Security, or under Article XXIV, Section 5, Job Elimination.

ARTICLE XXIV - JOB ELIMINATION

Section 1: Definition

Job elimination means permanent loss of employment as the result of Company decisions to eliminate positions, excluding those in Section 2 below.

Section 2: Exclusions

No payment will be made under Section 5 in cases:

- (a) of curtailments of a temporary or indefinite duration.

- (b) of employees hired for work of known or temporary duration.

- (c) Where the employee has already qualified under technological change or permanent mill closure provisions.

Section 3: Notice

The Company will advise the Standing Committee at least forty-five (45) days prior to such job elimination. Crew reduction will be in accordance with Article XXI - Seniority.

Section 4: Elimination Options

An employee who qualifies under Section 1 above may elect one of the following options:

- (1) Recall and seniority retention as per Article XXI - Seniority, or

- (2) Severance allowance as per Section 5 below.

Such employee must elect an option within thirty (30) days of notification that loss of employment is permanent. If Option (2) is selected, the employee will be deemed to have terminated effective the last day worked. Where a temporary curtailment becomes permanent, severance eligibility will be determined by the status of the employee at the time of the temporary curtailment.

Section 5: Severance Allowance

Severance allowance will be calculated by one of the two following methods based on the last period of

continuous service, it being the choice of the affected employee as to which of such methods of calculation is used.

<u>Years of Employment</u>	<u>Severance Allowance</u>	
	<u>Weeks/yr* or % of Earnings</u>	
1st ten years	2	4%
Subsequent years	1	2%
 MAXIMUM SEVERANCE ALLOWANCE	 45 weeks	 1800 hours

* Computed on the basis of forty (40) straight time hours at the employee's regular rate.

For employees with a minimum of one (1) years' employment during their last period of continuous service, severance allowance shall not be less than four (4) weeks' pay.

The severance allowance will not be more than the employee would normally receive if the employee remained at work at forty (40) hours per week to their normal retirement date.

At the time of separation the employee shall have the option of receiving a severance allowance on termination, or may elect to have their severance allowance held in abeyance for up to one (1) year from the date of termination. The employee may apply in writing at any time during the year, at which time the full severance allowance will be paid forthwith.

ARTICLE XXV – CONTRACTING

(a) The Company will notify the Union of their intention to have work performed by contractors in the mill and will, emergencies excepted, afford the Union the opportunity to review it with the Company prior to a final decision being made. For this purpose, a Joint Contracting Committee will be established and it will be used as a forum to discuss the Company's contracting decisions.

In keeping with a joint commitment of the Company and the Union to provide as much maintenance and repair work as possible to the regular maintenance workforce, the

Committee will also meet quarterly to make recommendations regarding the utilization of the mill maintenance workforce to minimize the use of contractors, both inside and out of the mill.

- (b) The Company will not bring a contractor into the mill:
 - (i) which directly results in the layoff of employees, or
 - (ii) to do the job of employees on layoff, or
 - (iii) to do the job of a displaced employee working outside their job category.
- (c) It is not the intent of the Company to replace its regular work force through the use of contract firms.

For clarity it is agreed that:

- (a) The changes which provide that it is not the intent of the Company to replace its regular work force through the use of contract firms will not set aside existing external work arrangements and practices.
- (b) Working under the flexible work practice provisions does not mean that an employee has been displaced and is working outside their job category.

ARTICLE XXVI - APPRENTICESHIP TRAINING PROGRAM

Section 1: Training Program

It is agreed that there shall be an Apprenticeship Training Program, the provisions of which are set forth in Exhibit "D", which is attached hereto and forms part of this Agreement.

Section 2: Apprenticeship Act

It is understood, however, that the grievance procedure as set forth in Article XXXI - Adjustment of Complaints, shall not be applicable to those matters covered by the Apprenticeship and Tradesmen's Qualification Act which, by said Act, are deemed to be outside the jurisdiction of the Union.

ARTICLE XXVII - COMPRESSED WORK WEEK

The Company and Union recognize the concept of the compressed work week. It is further understood that the compressed work week conditions will apply only to those departments that are on the compressed work week.

ARTICLE XXVIII - OCCUPATIONAL HEALTH AND SAFETY

Section 1: Principle

Employees and the Company are to comply with established safety rules as amended by the Joint Occupational Health and Safety Committee from time to time. Employees will not be expected to operate with unsafe equipment or under unsafe working conditions. Employees are expected to report immediately any unsafe equipment. An employee who has reasonable cause to believe that an unsafe condition exists may refuse to work under such conditions without being subject to discipline.

Section 2: Joint Occupational Health and Safety Committee

(a) The Union and the Company shall cooperate in selecting a Joint Occupational Health and Safety Committee, which will meet at least once a month to consider all safety and occupational health problems.

(b) The Occupational Health and Safety Committee shall consist of equal representation from Company and the Union.

Section 3: Safety Education

The Union undertakes to promote safety and occupational health education among its members in an effort to overcome accidents and occupational health problems.

The Company undertakes to promote safety and occupational health education among all its employees in an

effort to overcome accidents and occupational health problems.

Section 4: Joint Labour/Management Safety Conference

(1) A Joint Communications, Energy and Paperworkers Union, Industry Safety Conference of two (2) days duration will be held annually in October or November.

(2) It shall be the basic aim of this Conference to develop a sincere desire by both Union and Management, at all levels, to promote a real Joint Occupational Health & Safety program in all of the respective mills.

(3) Not more than two (2) accredited delegates from each Local Union may attend the said safety conference and they shall be compensated by their respective companies for any loss of wages incurred as a result of their attending the said conference. It is understood that travelling and living expenses of those delegates will not be paid by their companies.

(4) Mill managers, senior company officials, and representatives of the Workers' Compensation Board will be encouraged to attend. The attendance of senior company officials and mill managers is desirable for discussions with union mill delegates, even if the amount of representation is increased in some instances. Additional delegates of either labour or management will be permitted to attend on an observer basis.

(5) The agenda to be confined to those matters of vital interest to the pulp and paper industry with a view to establishing recommendations as a guide to member mills and local unions. Agenda items must be submitted, either singly or jointly, to the office of the National Union and to the Pulp and Paper Employee Relations Forum not later than April 1, each year.

(6) The Planning Committee shall meet no later than thirty (30) days prior to the established date of the conference to draft the agenda from items submitted.

(7) This Planning Committee shall be composed as follows:

(a) Three (3) Management members from Plant level.

(b) Two (2) members from the Forum level.

(c) Three (3) members from the Communications, Energy, and Paperworkers Union who are the respective delegates from their locals.

(d) Two (2) members from the Communications, Energy and Paperworkers Union National level.

(8) One-half (1/2) day of the Safety Conference shall be set aside for open discussion on safety problems; the rest shall be pre-planned by the Planning Committee with emphasis on industry-wide problems.

ARTICLE XXIX - ENVIRONMENTAL PROTECTION

If the Union requests, a Joint Environmental Protection Committee will be established at the mill.

The purpose of the Committee will be to receive information, review problem areas and make appropriate suggestions regarding compliance.

ARTICLE XXX - DISCIPLINARY ACTION

The Company has the right to discipline or discharge employees for just and reasonable cause.

The disciplinary record of an employee, including letters of reprimand or warnings, shall not be used against them at any time after twelve (12) months.

In cases involving suspension, the disciplinary notice will remain on the employee's file for twenty-four (24) months and not used after that period provided no other discipline has occurred during that time.

The presence of a Union Shop Steward is mandatory at any meeting during which the employee is disciplined.

ARTICLE XXXI - ADJUSTMENT OF COMPLAINTS

Section 1: Grievance Procedure

Step One - Should there be any dispute or complaint as to the interpretation of any of the clauses of this Agreement, or any grievance arising out of the operation of this Agreement, except in cases of discharge or suspension, the employee shall continue to work as per the conditions existing prior to the time the dispute, complaint or grievance arose, and such dispute, complaint or grievance shall first be taken up with the supervisor by the employee with the Shop Steward.

Step Two - If no satisfactory settlement is made, the employee may, within thirty (30) days, refer the question to the Union Standing Committee. Within three (3) days after written notification by either the Union or Company Standing Committee to the other of the existence and general outline of any dispute, complaint or grievance, the Company Standing Committee and the Union Standing Committee shall agree on a mutually satisfactory date for a meeting thereon, but in no case longer than five (5) days after such notice is given. Subjects not listed on the written notice shall nevertheless be dealt with. Grievances other than those involving individual employees may be initiated at Step Two by either party.

Step Three - If the two Standing Committees are unable to arrive at a satisfactory settlement within five (5) days, the question may, within thirty (30) days, be taken up directly with the Manager, Human Resources.

Step Four - If the Manager, Human Resources and Union are unable to come to a satisfactory settlement within five (5) days, the question may, within thirty (30) days, upon the written request of either the Manager or the Union (a copy of which request shall be delivered to the other party), be referred to the Regional Vice-President of the National Union or representative, and the Resident Manager or representative, neither of whom has previously judged the case in accordance with this section.

Step Five - If the Regional Vice-President of the National Union or representative and the Resident Manager or representative are unable to agree upon a satisfactory settlement the matter may, within thirty (30) days, be

referred to an Arbitrator.

Where a grievance arising from the discharge of an employee progresses to arbitration, either party may elect, in writing, to utilize the procedure outlined in Section (5) below as an alternative to the arbitration procedure set out in Section (4).

Section 2: National Officer

It is understood that in all discussions concerning grievances, any National Officer may accompany the Union Standing Committee in their meetings and the National Officer may call upon members of the Union Standing Committee or any other employee to accompany them in their meetings with Company officials.

Section 3: Time Limit

(a) In the event a grievance has not advanced to the next step within the time limit set forth in Section 1, then the grievance shall be deemed to be abandoned and all rights of recourse to the Adjustment of Complaints under this Agreement in respect of this grievance shall be at an end.

(b) The time limit between steps may be extended by mutual consent.

Section 4: Arbitration Procedure

(a) The Company and the Union will endeavour to agree upon the selection of the Arbitrator. In the event the Company and the Union are unable to agree upon the selection of the Arbitrator, they will apply, within the thirty (30) day period, to have the Arbitrator appointed under the provisions of Section 86 of the Labour Relations Code of British Columbia.

(b) After the Arbitrator has been chosen the Arbitrator shall meet and hear evidence of both sides and render a decision within fifteen (15) days after the hearings have concluded, said decision to be final and binding upon all parties to this Agreement.

(c) The parties shall bear in equal portions the fees and expenses of the Arbitrator and rental of any premises used for the hearing.

(d) The Arbitrator shall be restricted to interpreting and applying the provisions of this Agreement and shall have no authority to alter, modify, subtract from or supplement them in any way.

(e) In the case of discharge or suspension which the Arbitrator has determined to have been unjust the Arbitrator shall order the reinstatement of the employee and shall award back pay. In the case of back pay, should there be any doubt in the opinion of the Arbitrator, the Arbitrator may order all or part back pay as the Arbitrator deems fit.

Section 5: Expedited Arbitration

(a) A panel of six (6) arbitrators, each of whom shall be appointed for a two (2) year term, shall be selected by mutual agreement of the Pulp and Paper Employee Relations Forum on behalf of its member companies and the Communications, Energy and Paperworkers Union on behalf of its local unions. Grievances processed under this section shall be assigned to the Arbitrators on a rotational basis.

(b) An Arbitrator must meet and hear the evidence of both parties within fifteen (15) days after assignment. If an Arbitrator is unable to commit to do so, the grievance shall immediately be assigned to the next Arbitrator in order of rotation.

(c) The unavailability of counsel shall not be a reason to delay an arbitration under this section.

(d) The parties will endeavour to agree on a statement of material facts which may be submitted to the Arbitrator in advance of the hearing.

(e) The Arbitrator will give their decision and written reasons within one week after the hearing. The reasons need not accompany the decision. Neither the decision nor the reasons will form precedent.

(f) The provisions of Sections 4(b), (c), (d) and (e) as it applies to discharge, shall apply to this section.

ARTICLE XXXII – FLEXIBLE WORK PRACTICES

Flexible work practices will be implemented consistent with the Letter of Understanding attached to this Agreement.

ARTICLE XXXIII - DURATION AND AMENDING PROCEDURE

Section 1: Term of Agreement

This Agreement shall be in effect from midnight April 30, 2003 to midnight April 30, 2008, and thereafter from year to year subject to the conditions as set out in Sections 2 to 5 which follow hereunder.

Section 2: Labour Relations Code

The parties agree that the operation of Section 50(2) of the Labour Relations Code of British Columbia are hereby excluded.

Section 3: Notice of Re-opening

This Agreement may be opened for collective bargaining as to changes as follows: either party desiring any change shall mail to the other party notice in writing, by registered mail, on or after January 1, 2008, but in any event not later than midnight, April 30, 2008, that a change is desired, and, if no such notice is given by either party on or after the said January 1 and before the said April 30, the earliest time at which such notice may be given by either party is the corresponding period in the following year. All notices given under the provisions herein on behalf of the Union shall be given by the Union (or its representative) and similarly notices on behalf of the Company shall be given by the President of the Company (or a representative).

Section 4: Collective Bargaining

If notice of desire for changes has been given in accordance with Section 3 above, the parties shall, as soon as agreeable to the parties following such date of notice, meet for collective bargaining, the Company being represented in such negotiations by a Bargaining Committee appointed by the Company, and the Union being represented by a Bargaining Committee selected by said Union. Any

agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this Agreement. If such negotiations cannot be completed prior to the May 1 following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to the said May 1.

Section 5: Termination

In case negotiations conducted in accordance with Section 4 above break down, either party may terminate this Agreement upon the expiration of ten (10) days notice in writing mailed by registered mail to the other party.

IN WITNESS WHEREOF, we the undersigned have hereunto set our signatures this

_____ day of _____, 2003

**CARIBOO PULP & PAPER
COMPANY**

By:

**COMMUNICATIONS, ENERGY,
AND PAPERWORKERS OF
CANADA
Local No. 1115**

The **COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION OF CANADA** hereby sanctions and approves this Agreement and recognizes that the said Agreement is made between the Union and the company and hereby agrees to carry out all of the duties imposed upon the National by the Company and the Union.

**COMMUNICATIONS,
ENERGY, AND
PAPERWORKERS
UNION OF CANADA**

For:

Vice President

EXHIBIT " A "

JOB CATEGORIES AND WAGE RATES

It is agreed that the schedule of job rates listed below will be considered as part of this Agreement and that all employees hired, transferred or promoted to any job, excluding Mechanics' jobs, will receive the job rate for such jobs on the dates so specified.

	<u>May 1/03</u>	<u>May 1/04</u>	<u>May 1/05</u>
MECHANICS			
Journeyman	30.355	31.115	31.735
APPRENTICES			
5 th Year Apprentice	30.355	31.115	31.735
4 th Year Apprentice	28.135	28.840	29.415
3 rd Year Apprentice	25.855	26.500	27.030
2 nd Year Apprentice	24.775	25.395	25.905
1 st Year Apprentice	24.360	24.970	25.470
LABOUR RATE	22.930	23.505	23.975
MISCELLANEOUS			
Lubrication Mechanic- (after 3 years)	28.135	28.840	29.415
(10) Lubrication Inspector	25.280E	25.910E	26.430E
(10) Tool Crib Attendant:			
- over 18 months	25.280E	25.910E	26.430E
- 13 -18 months	24.850E	25.470E	25.980E
- 0 -12 months	24.655E	25.270E	25.775E
MATERIALS HANDLING			
(12) Sr. Equipment Operator	25.390T	26.025T	26.545T
(6) Track Man	24.110E	24.715E	25.210E
(4) Day Utility	23.690E	24.280E	24.765E
(4) Chip Tester	23.690E	24.280E	24.765E
(1) Wood Supply Utility	23.105E	23.685E	24.160E
PULPING GROUP			
(44) Head Operator	32.190E	32.995E	33.655E
(34) #1 Operator	30.070E	30.820E	31.435E
(20) #2 Operator	27.080E	27.755E	28.310E
(14) #3 Operator	25.815E	26.460E	26.990E
(9) #4 Operator	24.740E	25.360E	25.865E
(1) Utility	23.105E	23.685E	24.160E
(0) Production Labourer	22.930E	23.505E	23.975E

EXHIBIT " A "

JOB CATEGORIES AND WAGE RATES

It is agreed that the schedule of job rates listed below will be considered as part of this Agreement and that all employees hired, transferred or promoted to any job, excluding Mechanics' jobs, will receive the job rate for such jobs on the dates so specified.

	<u>May 1/06</u>	<u>May 1/07</u>
MECHANICS		
Journeyman	32.370	33.015
APPRENTICES		
5 th Year Apprentice	32.370	33.015
4 th Year Apprentice	30.005	30.605
3 rd Year Apprentice	27.570	28.120
2 nd Year Apprentice	26.425	26.955
1 st Year Apprentice	25.980	26.500
LABOUR RATE	24.455	24.945
MISCELLANEOUS		
Lubrication Mechanic- (after 3 years)	30.005	30.605
(10) Lubrication Inspector	26.960E	27.500E
Tool Crib Attendant:		
(10) -over 18 months	26.960E	27.500E
(8) - 13 -18 months	26.500E	27.030E
(7) - 0 -12 months	26.290E	26.815E
MATERIALS HANDLING		
(12) Sr. Equipment Operator	27.075T	27.615T
(6) Track Man	25.715E	26.230E
(4) Day Utility	25.260E	25.765E
(4) Chip Tester	25.260E	25.765E
(1) Wood Supply Utility	24.645E	25.140E
PULPING GROUP		
(44) Head Operator	34.330E	35.015E
(34) #1 Operator	32.065E	32.705E
(20) #2 Operator	28.875E	29.455E
(14) #3 Operator	27.530E	28.080E
(9) #4 Operator	26.380E	26.910E
(1) Utility	24.645E	25.140E
(0) Production Labourer	24.455E	24.945E

E = evaluated rate
T = temporary rate
H = high rate
N = non-evaluated rate

MACHINE ROOM	<u>May 1/03</u>	<u>May 1/04</u>	<u>May 1/05</u>
(38) Machine Tender	30.905E	31.680E	32.315E
(29) Back Tender	28.995E	29.720E	30.315E
(15) Baler	26.025E	26.675E	27.210E
(10) Grader	24.950E	25.575E	26.085E

STEAM & RECOVERY

(47) Control Room Engineer- Level 2	32.825T	33.645T	34.320T
(33) Recovery Boiler Engineer – Level 1	29.855T	30.600T	31.210T
(24) Field Engineer: - 4 th – Level 4	27.930T	28.630T	29.205T
(18) - 4 th – Level 3	26.660	27.325T	27.870T
(12) - 4 th – Level 2	25.390T	26.025T	26.545T
6) - 4 th – Level 1	24.110T	24.715T	25.210T
(22) Field Engineer: - no ticket– Level 4	27.505T	28.195T	28.760T
16) - no ticket– Level 3	26.240T	26.895T	27.435T
(10) - no ticket– Level 2	24.950T	25.575T	26.085T
(4) - no ticket– Level 1	23.690T	24.280T	24.765T
(1/2) Utility	23.005T	23.580T	24.050T

1. Employees holding a 4th class ticket, where no ticket is required, will receive ten (10) cents per hour over their job rate.
 2. Employees holding a 3rd class ticket, where a 4th class ticket is required, will receive twenty-five (25) cents per hour over their job rate.
 3. Employees holding a 2nd class ticket, where a 3rd class ticket is required, will receive thirty (30) cents per hour over their job rate.
 4. Employees holding a 1st class ticket, where a 2nd class ticket is required, will receive forty (40) cents per hour over their job rate.
- Note:* Only one of the bonuses is applicable – no stacking.

TRAFFIC AND SALES

(8) Shift Fork Lift Operator	24.520E	25.135E	25.640E
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MILL STORES

(13) Receiver/Shipper	25.590E	26.230E	26.755E
(10) Outside Stores Attendant Counter Attendant:	24.950E	25.575E	26.085E
(8) - over 12 months	24.520E	25.135E	25.640E
(5) - 7-12 months	23.895E	24.490E	24.980E
(3) - 0 – 6 months	23.495E	24.080E	24.560E
(2) Recycling Utility	23.305E	23.890E	24.370E

HUMAN RESOURCES	<u>May 1/03</u>	<u>May 1/04</u>	<u>May 1/05</u>
(12) First Aid/Watchman – Level III Unrestricted	25.390E	26.025E	26.545E
(11) First Aid/Watchman – Level III Restricted	25.180E	25.810E	26.325E

**JOB EVALUATION PLAN
CONVERSION TABLE BY STEPS**

STEP	May 1 2003	May 1 2004	May 1 2005	May 1 2006	May 1 2007
Base	22.930	23.505	23.975	24.455	24.945
1/2	23.005	23.580	24.050	24.530	25.020
1	23.105	23.685	24.160	24.645	25.140
2	23.305	23.890	24.370	24.855	25.350
3	23.495	24.080	24.560	25.050	25.550
4	23.690	24.280	24.765	25.260	25.765
5	23.895	24.490	24.980	25.480	25.990
6	24.110	24.715	25.210	25.715	26.230
7	24.325	24.935	25.435	25.945	26.465
8	24.520	25.135	25.640	26.155	26.680
9	24.740	25.360	25.865	26.380	26.910
10	24.950	25.575	26.085	26.605	27.135
11	25.180	25.810	26.325	26.850	27.385
12	25.390	26.025	26.545	27.075	27.615
13	25.590	26.230	26.755	27.290	27.835
14	25.815	26.460	26.990	27.530	28.080
15	26.025	26.675	27.210	27.755	28.310
16	26.240	26.895	27.435	27.985	28.545
17	26.440	27.100	27.640	28.195	28.760
18	26.660	27.325	27.870	28.425	28.995
19	26.865	27.535	28.085	28.645	29.220
20	27.080	27.755	28.310	28.875	29.455
21	27.305	27.990	28.550	29.120	29.700
22	27.505	28.195	28.760	29.335	29.920
23	27.705	28.400	28.970	29.550	30.140
24	27.930	28.630	29.205	29.790	30.385
25	28.155	28.860	29.435	30.025	30.625
26	28.370	29.080	29.660	30.255	30.860
27	28.565	29.280	29.865	30.460	31.070
28	28.775	29.495	30.085	30.685	31.300
29	28.995	29.720	30.315	30.920	31.540
30	29.225	29.955	30.555	31.165	31.790
31	29.430	30.165	30.770	31.385	32.015
32	29.640	30.380	30.990	31.610	32.240
33	29.855	30.600	31.210	31.835	32.470
34	30.070	30.820	31.435	32.065	32.705
35	30.275	31.030	31.650	32.285	32.930
36	30.500	31.265	31.890	32.530	33.180
37	30.700	31.465	32.095	32.735	33.390
38	30.905	31.680	32.315	32.960	33.620
39	31.130	31.910	32.550	33.200	33.865
40	31.345	32.130	32.775	33.430	34.100
41	31.555	32.345	32.990	33.650	34.325
42	31.770	32.565	33.215	33.880	34.560
43	31.980	32.780	33.435	34.105	34.785
44	32.190	32.995	33.655	34.330	35.015
45	32.405	33.215	33.880	34.560	35.250
46	32.630	33.445	34.115	34.795	35.490
47	32.825	33.645	34.320	35.005	35.705
48	33.045	33.870	34.545	35.235	35.940

STEP	May 1 2003	May 1 2004	May 1 2005	May 1 2006	May 1 2007
49	33.255	34.085	34.765	35.460	36.170
50	33.465	34.300	34.985	35.685	36.400
51	33.685	34.525	35.215	35.920	36.640
52	33.885	34.730	35.425	36.135	36.860
53	34.100	34.955	35.655	36.370	37.095
54	34.325	35.185	35.890	36.610	37.340
55	34.525	35.390	36.100	36.820	37.555
56	34.750	35.620	36.330	37.055	37.795
57	34.955	35.830	36.545	37.275	38.020
58	35.165	36.045	36.765	37.500	38.250
59	35.375	36.260	36.985	37.725	38.480
60	35.600	36.490	37.220	37.965	38.725
61	35.815	36.710	37.445	38.195	38.960
62	36.020	36.920	37.660	38.415	39.185
63	36.230	37.135	37.880	38.640	39.415
64	36.450	37.360	38.105	38.865	39.640
65	36.650	37.565	38.315	39.080	39.860

EXHIBIT "B"

JOB EVALUATION PLAN

1. The Job Evaluation Plan

The Job Evaluation Plan is a plan developed for the purpose of uniformly evaluating and appraising jobs according to the skill, working conditions and responsibility factors required by and contained in each job, thereby resulting in the establishment of a uniform method of wage rate determination.

2. The Scope and Limitations of the Plan

(a) The Job Evaluation Plan shall not be applied to the following job fields covered by Exhibit "A" of the Labour Agreement:

(i) Mechanical Trades (See Exhibit "1" attached for definition).

(b) Except as provided in Section 2(a) above, all jobs covered by the Labour Agreement shall be considered eligible for evaluation when presented in the manner prescribed herein to the Joint Job Evaluation Board hereinafter provided for.

3. Administration and Procedure

(a) Job Evaluation Directors

(i) The Job Evaluation Directors shall be composed of one (1) representative of the Communications, Energy, and Paperworkers Union and one (1) representative of Pulp and Paper Employee Relations Forum.

(ii) It shall be the duty of the Job Evaluation Directors:

a) to direct and supervise the functioning of the Job Evaluation Plan in accordance with the policies and procedures adopted by the parties to the Labour Agreement through an administrative committee comprised of the job evaluation

directors, three (3) designated representatives from the local unions and three (3) designated representatives of the companies using the plan.

b) to receive reports from Plant Evaluation Committees and to recommend improvements where necessary in the procedure of the Committees.

c) to review cases of evaluation upon request of either Union or Company members of the Plant Evaluation Committees.

d) to review the general operation of the Joint Job Evaluation Board as to methods, factors, procedures, delays, and to order such reviews or surveys of job fields as necessary. It shall also be the duty of the Job Evaluation Directors to adjudicate any disagreement which might arise in the functioning of the Plan.

e) to direct the Joint Job Evaluation Board as to changes in methods which do not constitute basic changes. The Directors shall neither negotiate rates nor exercise any of the collective bargaining functions of the National Union or the Company.

f) to recommend improvements in the Job Evaluation Plan to an Administrative Committee for consideration. Only in the Administrative Committee is vested the power to amend, add to, or subtract from, the Plan.

g) when the Directors are unable to resolve, within sixty (60) days, matters referred to them under (c) or (d) above, the matter may be referred by either Director or the Union or Company members of the Plant Evaluation Committees to the Independent Review Officer as provided for under paragraph 3(d) below.

(b) Joint Job Evaluation Board

(i) The Joint Job Evaluation Board shall consist of one (1) representative of the National Union and one (1) representative of Pulp and Paper Employee Relations Forum.

(ii) It shall be the duty of the Joint Job Evaluation Board to evaluate and set the rate for any job presented for evaluation in accordance with this Plan. It shall also be the duty of the Board to develop, revise and maintain in an up-to-date manner the tables necessary to the functioning of the Job Evaluation Plan. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

(c) **Plant Evaluation Committee**

(i) The Mill Manager and the Union shall create a Plant Evaluation Committee which shall consist of not less than two (2) nor more than three (3) members representing the Union involved and not less than two (2) nor more than three (3) members representing the Company.

(ii) It shall be the duty of the Plant Evaluation Committee

a) to act upon all requests for job evaluation, within the scope and limitations of the Plan as stipulated in Section 2 above, which may arise if, in their opinion, such evaluation would result in a rate change. Any decision to submit a job to the Joint Job Evaluation Board for evaluation must be unanimously agreed upon by all members of the Plant Evaluation Committee representing both the Company and the Union.

b) to make investigations of jobs to be submitted for evaluation, prepare job descriptions, arrange schedule of interviews required, determine and arrange for the attendance of those job representatives who desire to be present at the explanation of the evaluation computations, as provided in Section 4(d) and to assist in pointing out factual and pertinent information relative to the job to the Joint Job Evaluation Board at the time of evaluation.

c) to make a written report to the Job Evaluation Directors of the jobs on which the Union and the Company members of the Committee have been

unable to agree as to whether an evaluation should be made, with a statement of the facts on which the disagreement was based.

(iii) Either the Union or the Company members of the Plant Evaluation Committee may request a review by the Job Evaluation Directors of any case of evaluation where, in their opinion, proper application of the job evaluation standards has not been accomplished.

(d) Independent Review Officer

(i) The Communications, Energy, and Paperworkers Union and the Pulp and Paper Employee Relations Forum shall appoint an Independent Review Officer for the term of the Collective Agreement.

(ii) The Independent Review Officer shall neither be an employee of the Union, Company, nor their agencies.

(iii) The Independent Review Officer shall have the authority to render decisions on matters that have been referred to him which are appropriate under the Plan.

(iv) The Pulp and Paper Employee Relations Forum and the Communications, Energy, and Paperworkers Union shall each pay one-half of the fees and expenses of the Independent Review Officer incurred in the adjudication of disputes.

4. General Policies

(a) The evaluated job rate arrived at through official evaluation by the Joint Job Evaluation Board will be final and binding upon both parties to the Labour Agreement unless review has been requested as provided in Section 3(a)(ii)(c) or 3(a)(ii)(g). In case of such review the decision of the Job Evaluation Directors or, where appropriate the Independent Review Officer shall be final and binding upon both parties. Where a number of appeals indicate a problem within a job field, the Directors shall refer such problems to the Administrative Committee for final determination.

(b) Where an official evaluation indicates an upward adjustment in the rate for a job the adjustment will be

retroactive to the date agreed upon by the Plant Evaluation Committee which is entered on, and a part of, the application for evaluation provided for in Section 3(c)(ii)(a) setting forth the duties of the Plant Evaluation Committee.

(c) Where a new job has been created, the Plant Evaluation Committee of the mill will make application to the Joint Job Evaluation Board for a temporary rate for the new job. An evaluated rate will be established by the Job Evaluation Board before a period of twelve (12) months has expired following the start of the new job except in those cases where a specific request is made by the Plant Evaluation Committee to the Job Evaluation Directors to retain the temporary rate beyond twelve (12) months, and the request is approved by the Directors. It will be the duty of the Plant Evaluation Committee to agree on a date on which the job became sufficiently stabilized to permit evaluation, and any increase resulting from the evaluated rate will be paid retroactively to the agreed-upon start-up date of the new equipment or the commencement of the job.

(d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant Evaluation Committee and to those job representatives present, before leaving the mill. In those cases where it is not possible to complete the evaluation at the mill, the Joint Job Evaluation Board will return to the mill and explain the evaluation computations before making the results official.

(e) The Joint Job Evaluation Board shall furnish to the Plant Evaluation Committee a copy of the job description and evaluation computation forms pertaining to jobs that have been evaluated. Copies of the forms furnished are to be retained in the files at a suitable place, and will be open to members of the Plant Evaluation Committee for study or review.

NOTE: It is understood that the Plant Evaluation Committee files referred to in this sub-section are to be available at all times to the members of that Committee for study and review. It will be left to the Plant Evaluation Committee at each mill to determine the most suitable place in which to locate these files.

(f) Members of the Plant Evaluation Committee or other employees in the mill who are relieved from their jobs during working hours to assist in carrying out the functions of the Job Evaluation Plan or to receive training therein will be paid by the Company at their regular job rates for the time lost during their regular shifts, thereby preventing any loss in regular income. Time put in on evaluation work outside the employee's regular shift will not be paid for by the Company.

(g) When a survey or Job Field Study is authorized by the Directors, a projected completion date will be established. The completion date will also be used as a guide in determining the date for implementation of changes that result from the study.

(h) A Local Union may opt out of the Job Evaluation Plan during the thirty (30) days following ratification of the Memorandum for renewal of the Agreement. The effective date of any opting out will be the last day of the expiring Agreement.

EXHIBIT "1"

DEFINITION OF MECHANICAL TRADES

Any employee whose work is primarily in any one or more than one of the trades listed hereunder shall be classed as a "MECHANIC".

Machinists	Tinsmiths and Sheet Metal Workers
Millwrights	Automotive Mechanics
Carpenters	Masons
Electricians	Roll Grinders
Pipefitters	Instrument Mechanics
Welders	Pattern Makers
Painters	Heat & Frost Insulators
Blacksmiths	Refrigeration Mechanics

EXHIBIT "C" WELFARE PLAN

This Exhibit "C" sets forth the respective coverages, benefits, rights and obligations of the Company and its employees under the Welfare Plan established pursuant to Article XIX of this Agreement.

1. Compliance

- (a) The Company will comply with the terms and conditions set forth in this Exhibit "C", and provide the coverages required therein.
- (b) The coverages shall be subject to the limitations in the contracts of the selected carrier or carriers.

2. Coverages and Benefits

(a) Group Term Life Insurance

The Welfare Plan will include Group Term Life Insurance in accordance with the following Table of Hourly Job Rate Brackets and corresponding coverages. Benefits will be payable as a result of death from any cause on a twenty-four (24) hour coverage basis.

(b) Accidental Death or Dismemberment Insurance

In addition to the above Group Term Life Insurance coverage the Welfare Plan will include Accidental Death Insurance as outlined in the Table on a twenty-four (24) hour coverage basis.

Dismemberment and paralysis insurance benefits of the Welfare Plan will be in accordance with the schedules offered by the particular carrier involved, such coverage to be on a twenty-four (24) hour basis.

(c) Non-occupational Accident and Sickness Insurance

The Welfare Plan will include Non-occupational Accident and Sickness Insurance in accordance with the Table. Weekly Indemnity benefits will be payable beginning with the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness, which result in the claimant being hospitalized as a bed patient, and in those cases where surgery is performed which necessitates loss of time from work, the said Weekly Indemnity benefits will be payable beginning with the first day of sickness. Only one (1) waiting period will be required for serious illnesses which require kidney dialysis, chemotherapy, radiation or other similar recurring treatments. This will provide

benefits, after the initial waiting period, for any subsequent lost time. Benefits will be payable for a maximum of fifty-two (52) weeks during any one period of disability.

Weekly indemnity benefits which begin prior to age 65 will continue until the employee has received at least (15) weeks of benefits, or until the employee is no longer disabled or retires, whichever comes first.

Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, they must reimburse the Plan once they receive 100% of their loss. One hundred percent (100%) of their loss includes gross wages lost.

The premium structure for coverage of an employee over the age of 64 will be as follows:

First three months	75% of Normal Premium
Second three months	50% of Normal Premium
Third three months	25% of Normal Premium
Last three months	No premium

The Weekly Indemnity Plan will provide benefits for loss of time as a result of attempted suicide under the Plan Provisions covering other mental illnesses. Coverage shall also include injury disability arising from attempted suicide.

(d) Medical-Surgical Coverage

The Welfare Plan will include Medical-Surgical coverage as required by the B.C. Medical Commission. An Extended Health Benefit Plan with coverage as per the M.S.A. Pulp and Paper Industry brochure dated July 1, 1981, including Vision Care coverage for employees and eligible dependents will also form part of this Agreement.

Effective July 1, 1984, the co-insurance rate for hospitalization will be incorporated into the Extended Health Benefit coverage to a maximum of \$8.50 per day.

(e) Dental Care Plan

The Welfare Plan will include a Dental Care Plan which will reimburse members for expenses incurred in respect of the coverages summarized in Appendix "1". The Plan will not duplicate benefits provided now or which may

be provided in the future by any government program.

(f) Long Term Disability Plan

The Welfare Plan will include a Long Term Disability Plan summarized in Appendix "2".

(g) Table of Hourly Job Rate Brackets and Corresponding Coverages

	Group Term Life	AD&D
Ratification Date	\$ 82,000	\$ 82,000
May 1, 2004	\$ 84,050	\$ 84,050
May 1, 2005	\$ 85,750	\$ 85,750
May 1, 2006	\$ 87,450	\$ 87,450
May 1, 2007	\$ 89,200	\$ 89,200

**Hourly Job Rate* Non-Occupational Weekly
Accident & Sickness Insurance**

22.75 but less than 23.00	565
23.00 " " " 23.25	570
23.25 " " " 23.50	575
23.50 " " " 23.75	580
23.75 " " " 24.00	585
24.00 " " " 24.25	590
24.25 " " " 24.50	595
24.50 " " " 24.75	600
24.75 " " " 25.00	605
25.00 " " " 25.25	610
25.25 " " " 25.50	615
25.50 " " " 25.75	620
25.75 " " " 26.00	625
26.00 " " " 26.25	630
26.25 " " " 26.50	635
26.50 or over	640

Effective May 1, 2004

\$26.75 but less than \$27.00	\$645
\$27.00 but less than \$27.25	\$650
\$27.25 or over	\$655

Effective May 1, 2005	\$660
\$27.50 but less than \$27.75	\$665
\$27.75 but less than \$28.00	\$670
\$28.00 or over	

Effective May 1, 2006	\$675
\$28.25 but less than \$28.50	\$680
\$28.50 but less than \$28.75	\$685
\$28.75 or over	
Effective May 1, 2007	\$690
\$29.00 but less than \$29.25	\$695
\$29.25 but less than \$29.50	\$700
\$29.50 or over	

* **Note:** Each of the hourly job rates in the above table is defined as the straight time rate of the employee's regular job, exclusive of all premiums and fringes.

(h) The Welfare Plan will include an Out-of-Province Travel Plan, as follows:

"When in the opinion of the attending physician and attending specialist a medical procedure is required that is not available in B.C., and is one for which the Medical Services Plan of B.C. will accept financial responsibility, the cost of travel and accommodation to the limits specified below will be paid for by the Plan. Where the attending physician specifies that an attendant is required, the travel and accommodation expenses for such person will be paid to the limit specified. The maximum limit under any one claim will be the return economy airfare or equivalent for patient and attendant, plus accommodation expenses up to a maximum of \$1,500. Receipts will be required and forwarded on the claim form prescribed by the Carrier."

This benefit will not stack on top of or duplicate existing provisions under local Medical Travel Benefit or government plans.

3. Waiting Period

All full-time employees who are actively working and have completed thirty (30) days service shall be enrolled for the coverages and benefits set forth in this Exhibit as a condition of employment.

4. Joint Welfare Board

A Joint Welfare Board shall be established comprised of three (3) members appointed by the National Union and three (3) members appointed by the Pulp and Paper

Employee Relations Forum. The function of the Board will be to review the operations of the Plan. It will formulate and review uniform statistical reports to be supplied by the Company for the purpose of ensuring compliance with Exhibit "C". The Company agrees to furnish to the Board such statistical reports as the Board may require.

5. Union Welfare Committee - Management Welfare Committee

The Union Welfare Committee shall be appointed and shall meet with a Management Welfare Committee with respect to questions which may arise concerning the operations of the Welfare Plan. The Union Welfare Committee shall consist of not more than three (3) members, it being agreed such committee members shall be selected by the Union from participating employees who are working in the mill at the time of appointment to and while serving on such Committee. The Company shall appoint a Management Welfare Committee consisting of not less than two (2) members and not more than the aggregate number of members of the Union Welfare Committee.

6. Changes in Classification

The regular wage rate of the employee in effect on July 1 and January 1 will determine their entitlement to Group Life and Accidental Death and Dismemberment and Weekly Indemnity coverages as outlined in the schedule contained in Exhibit "C". Where an employee's regular duties consist of more than one job, their regular rate shall be deemed to be the average of the rates applicable to such jobs.

7. Costs

Net costs of the coverages and benefits made available to participating employees under the Welfare Plan will be shared between the Company and the said employees in accordance with the following:

Group Term Life Insurance, Accidental Death or Dismemberment Insurance, Medical-Surgical Coverage, Extended Health Benefit and Dental Plan

Company	100%
Employee	Nil

**Non-occupational Accident and Sickness
Insurance, Long Term Disability Plan**

Company	70%
Employee	30%

8. Reporting Period

The report shall cover the twelve (12) month period ending November 30. Such reports will be submitted to the Joint Welfare Board not later than March 1 of each year. The Board shall distribute copies of the reports to the Local Union concerned.

9. Changes in Premiums and Employee Contribution

It is understood that any change in respect of either the premium rate charged by the carrier or the basis of the employer-employee sharing thereof may only be made effective as of July 1 in any year.

10. Distribution of Surplus

It is understood that surplus accumulations, if any, will be used only for the purpose of reducing premium costs.

Surplus accumulations must be disposed of within reasonable time limits. Questions in this respect will be referred to the Joint Welfare Board for decision.

11. Optional Payments under Life Insurance

In any case where the existing Company plan provides optional methods of payment to the beneficiary under the Life Insurance program, such policy provisions will remain in effect.

12. Disputes

No dispute arising out of the operation, administration or interpretation of any coverage contract between the Company and the carrier shall be subject to the Adjustment of Complaints procedure of the Labour Agreement. Any such dispute shall be adjudicated under the terms of such coverage contract.

The parties agree to examine comparable methods of

dispute resolution under the plan. If the parties cannot resolve this matter within 90 days of ratification, then Vince Ready will be given the authority to arbitrate the provision.

13. Disputed Workers' Compensation Board Weekly Indemnity Claims

If an employee covered by the Welfare Plan suffers a disability, payment for which is in dispute with the Workers' Compensation Board, Weekly Indemnity payments under the Welfare Plan will be paid retroactively as set forth in this Exhibit if requested by the employee and provided the employee has been off work for at least two (2) weeks due to the disability without the Workers' Compensation Board having accepted the claim.

If the Workers' Compensation Board claim is subsequently established the employee will then repay the weekly disability payment received to the appropriate fund or insurance company.

14. Change in Benefits

In the case of an employee who is on active claim arising from a disability which occurred before a negotiated change in benefits and which continues thereafter, the said employee shall, as from the effective date of the negotiated change, be paid the changed Weekly Indemnity benefit, be covered for the changed Group Term Life Insurance and Accidental Death and Dismemberment Insurance, and make the changed contributions.

15. Coverage During Leave of Absence

The following coverage will be provided up to a total of three (3) months in any one calendar year:

- (a) The Welfare Plan for employees on authorized leave of absence on Local Union business.

- (c) Group Term Life Insurance, Accidental Death and Dismemberment Insurance, and Medical-Surgical coverage for employees on authorized leave of absence for extended vacation purposes.

16. Surviving Spouse and Dependent Coverage

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reason of their own employment, the Company will extend the coverage under Medical-Surgical Plan, the Extended Health Benefit Plan and the Dental Plan for a period of twelve (12) months, commencing on the first of the month following the month in which the death occurs.

17. Forms

The Company agrees to reimburse employees for the costs of medical forms and specialist reports when required by the WI and LTD carriers. This is agreed on the basis that the Company will be reimbursed by the carrier.

APPENDIX "1"

DENTAL CARE PLAN

A. Benefits

(i) Diagnostic Services

All necessary procedures to assist the dentist in evaluating the existing conditions to determine the required dental treatment, including:

Oral examinations

Consultations

X-rays (complete mouth X-rays will be covered only once in a three (3) year period)

(ii) Preventive Services

All necessary procedures to prevent the occurrence of oral disease, including:

Cleaning and scaling

Topical application of fluoride

Space maintainers

(iii) Surgical Services

All necessary procedures for extractions and other surgical procedures normally performed by a dentist.

(iv) **Restorative Services**

All necessary procedures for filling teeth with amalgam, synthetic porcelain, and stainless steel crowns. Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restorations.

(v) **Prosthetic Repairs**

All necessary procedures required to repair or reline fixed or removable appliances.

(vi) **Endodontics**

All necessary procedures required for pulpal therapy and root canal filling.

(vii) **Periodontics**

All necessary procedures for the treatment of tissues supporting the teeth.

(viii) **Prosthetic Appliances and Crown and Bridge Procedures**

- (a) Crowns and bridges.
- (b) Partial and/or complete dentures, but not more than once in five (5) years.

(ix) **Orthodontics**

The services of a certified Orthodontist registered as such by the College of Dental Surgeons of British Columbia only after the patient has been covered continuously for twelve (12) months. Appliances lost, broken or stolen will not be replaced.

The maximum lifetime benefit is \$3,500 per person for all services provided by an Orthodontist.

B. Co-Insurance

In respect of Benefits (i) to (vii), the Plan will provide reimbursement of 90% of eligible expenses.

Benefits (viii) and (ix) will be subject to 50% co-insurance.

APPENDIX "2"

PULP AND PAPER INDUSTRY LONG TERM DISABILITY PLAN SUMMARY

1. Eligibility

- (a) All hourly employees who are working full time for full pay will be eligible for coverage. Minimum hours worked must be no less than thirty (30) per week.
- (b) Coverage will commence after thirty (30) days of service.
- (c) Employees must be actively at work, full-time and for full pay on the date coverage commences.

2. Level of Benefits

50% of regular weekly earnings calculated at forty (40) times the disabled employee's hourly straight time job rate at the date of onset of disability plus any negotiated increases to that hourly straight time job rate which would take place during the elimination period.

3. Elimination Period

Benefits commence after the employee has been totally and continuously disabled for fifty-two (52) weeks or has exhausted weekly indemnity benefits whichever occurs last.

4. L.T.D. Benefit Payments

- (a) There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.
- (b) Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) months service with the member pulp and paper company up to the date of onset of disability.

(c) For those who are either on W.I. or L.T.D. effective July 1, 1988, and continue to be disabled, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him further under (b) above. At the point that the employee runs out of L.T.D. benefit, the employee can elect to either retire early or go on disability pension benefit until age sixty-five (65), at which time the employee will retire.

(d) For new claims that commence after July 1, 1988, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him further under (b) above. At the point when the employee runs out of L.T.D. benefit, the employee will retire.

Benefit payment will not be paid beyond age sixty-five (65) and in all cases, will cease on recovery.

5. Definition of Total Disability

(a) The disabled employee's inability to perform the duties of their own occupation for the first eighteen (18) months of L.T.D. disability payments and thereafter inability to perform the duties of any occupation for which the employee is qualified by education, training or experience.

(b) During a period of disability the disabled employee must be under the regular care and attention of a medical doctor, or in cases of disability arising from a mental or nervous condition, a psychiatrist.

6. Integration with Other Disability Income

(a) The benefit from this plan combined with all other disability income to which the disabled employee is entitled will not exceed 70% of the employee's basic wage at date of disability.

All other disability income will include: C.P.P./Q.P.P. primary disability pension benefits, Workers' Compensation, disability income from a group or association plan, disability income arising out of any law or legislation, and wage continuation or pension plan of any employer including the Pulp and Paper Industry Pension Plan. Private or individual

disability plan benefits of the disabled employee will not reduce the benefit from this plan.

In the event that all other disability income reduces the payment from this plan below \$25.00 per month, this plan will nevertheless pay a minimum of \$25.00 per month from the date disability income commences.

(b) Increases in C.P.P./Q.P.P. disability pensions or Workers' Compensation disability pensions that result from increases in the Canadian Consumer Price Index and which occur after the date disability payments from this plan commence will not further reduce the benefits from this plan.

7. Rehabilitative Employment

(a) During a period of total disability under this plan, a disabled employee may engage in rehabilitative employment in which case the benefit from this plan will be reduced by 50% of the employee's rehabilitative employment income that exceeds \$50 per month. The benefit from this plan will be further reduced by the amount that remuneration from rehabilitative employment plus the benefit from the L.T.D. plan exceeds 75% of the employee's basic wage at date of disability.

(b) Rehabilitative employment shall mean any occupation or employment for wage or profit or any course or training that entitles the disabled employee to an allowance, provided such rehabilitative employment has the approval of the employee, and their doctor in consultation with the underwriter of the L.T.D. plan.

(c) Rehabilitative employment will be deemed to continue until such time as the employee's earnings from rehabilitative employment exceed 75% of their straight time earnings at date of disability but in no event for more than twenty-four (24) months from the date rehabilitative employment commences.

8. Exclusions

Disabilities resulting from the following are not covered:

(a) War, insurrection, rebellion or service in the armed

forces of any country.

- (b) Participation in a riot or civil commotion.
- (c) Intentionally self-inflicted injuries.
- (d) Pregnancy, childbirth, miscarriage or abortion. Severe complications following termination of pregnancy will however be covered.

9. Pre-Existing Conditions

A disability that results from an accident, illness, mental or nervous disorder for which the employee received treatment or medical supplies within the ninety (90) day period prior to joining the plan will not be covered unless the employee has completed twelve (12) consecutive months of employment during which the employee was not absent from work from the aforementioned accident, sickness or mental disorder.

10. Successive Disabilities

A subsequent disability that is related to a previous disability and occurs within six (6) months of an employee's return to work will be considered a continuation of the previous L.T.D. disability and the employee will not be eligible for weekly indemnity benefits. The employee under these circumstances will be eligible to receive benefits without the necessity of completing another elimination period.

11. Terminations

Coverage will cease:

- (a) On termination of employment.
- (b) On a date fifty-two (52) weeks prior to an employee's 65th birthdate.
- (c) On the date leave of absence commences except as provided for in the Collective Agreement.

(d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with section 6 of Article XXI of the Labour Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreements. In the event an employee becomes totally disabled while covered by this plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

Employees who have sufficient seniority and who request continuation of coverage under this plan during a period of lay off will be required to pay their portion of the plan premium.

12. Contribution Waiver

Contributions are to be waived when an employee is in receipt of L.T.D. payments.

13. Letter Of Understanding – Long Term Disability

Effective May 1, 1997, employees who are under 60 years of age and have previously reached their 5 year anniversary on long term disability, will have their future disability benefit recalculated using the greater of their existing long term disability benefit or a recalculation using the base rate effective on May 1, 1997.

Employees who reach a subsequent 5 year anniversary (i.e. 10 years, 15 years, 20 years, etc.) on long term disability and is under 60 years of age will have their future disability benefit recalculated using the greater of their existing long term disability benefit or a recalculation using the base rate that is in place on that date.

The recalculated weekly benefit when combined with all other disability income to which the disabled employee is receiving will not exceed 70% of 40 hours multiplied by the base rate in effect at the time of the recalculation.

CONDITIONS FOR IMPLEMENTING THE PLAN

(1) The Long Term Disability Plan is payment in kind of the employee's share of the reduction in the Unemployment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Unemployment Insurance Regulations. The full U.I.C. premium reduction including the employee 5/12th's share will be retained by the employer.

(2) When an employee becomes totally disabled under this plan the employee will be paid any outstanding entitlement with respect to vacations, supplementary vacations, statutory holidays, special (personal) floating holidays, and any half-time portion of banked overtime.

(3) Upon commencement of L.T.D. benefits all terms and conditions of the Labour Agreement will become inoperative except where provided for in Article 4 (b), (c) and (d) below.

(4) (a) Negotiated wage increases will apply as per Article 2 of the Plan Summary but subsequent increases in plan benefits will not affect employees on L.T.D. benefits.

(b) Employees in receipt of L.T.D. benefits from this plan will continue to accrue credit under the Pulp and Paper Industry Pension Plan provided such employees are not in receipt of a disability pension under the Pulp and Paper Industry Pension Plan.

(c) Employees in receipt of disability payments from this plan will continue to be covered under the employer's medical, extended health and dental plans. Coverage under the employer's group life and A.D. & D. plans will also continue in accordance with the conditions of those plans.

(d) An employee returning to work from an L.T.D. claim will return to a job their seniority, qualifications and ability to perform the work properly entitle him to.

(e) Active claims as referred to in Section 14 of Exhibit "C" of the Labour Agreement will be defined as that period of time during which an employee is in receipt of weekly indemnity payments only.

EXHIBIT "D"
APPRENTICESHIP TRAINING PROGRAM

1. The purpose of the Program is to provide tradesmen of the highest calibre.
2. The Apprenticeship Training Program will cover the trade where applicable, as set forth below:

Electrician	Mason
Machinist	Automotive Mechanic
Pipefitter	Instrument Mechanic
Carpenter	Sheet Metal Worker
Welder	Millwright
Painter	Moulder
Pattern Maker	Refrigeration Mechanic
Bricklayer	Heavy Duty Mechanic
	Heat and Frost Insulator

General Principles

3. The period of Apprenticeship Training will be as defined by the Apprenticeship Branch for each trade. The Apprentice will receive the Journeyman rate on successful completion of Apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that the employee completes the full term of training. If the Apprentice refuses to continue training, the apprentice will be removed from the Program with no standing as a Journeyman in the trade.
4. Training syllabus for each trade to be designed to meet the requirements of the particular trade involved.
5. All provisions of the appropriate Labour Agreements in effect at the Mill concerned shall be applicable to Apprentices in the Program.
6. Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Apprenticeship Branch.

7. Under the Program, Apprentices will receive rates as per Exhibit "A" of the Collective Agreement.

Progression through the schedule of rates is subject to successful completion of prescribed theoretical training, practical training and tests. The schedule of rates applies on date of qualification or as otherwise provided for in Item 12.

Joint Union-Management Apprenticeship Committee

8. This Committee will be comprised of an equal number of Union and Management representatives not to exceed, in total, three (3) from each group.

The purpose of the Committee will be to develop and supervise the procedures required to carry out the intent of the Program as agreed to. The Committee will also carry out the following duties.

(a) The Company to establish in-plant training programs to support the training syllabus as developed by the Apprenticeship Branch of the Department of Labour for each trade involved. Supervision of the established Program shall be the responsibility of the Joint Committee.

(b) Set standards for entry into the Apprenticeship Program that are not inconsistent with the standards recommended by the Apprenticeship Branch.

(c) Carry out periodic reviews of the training programs at intervals of not more than three (3) months.

(d) See that the required practical tests are carried out in cooperation with the Apprenticeship Branch.

(e) Determine the tool requirements by years of training.

(f) Joint Committee to review any case of lost time from the Program because of sickness, accident, etc. and to determine the amount of additional time necessary before an employee meets the requirements of time served.

Central Advisory Committee

9. There shall be established a Central Advisory Committee of representatives of Labour and Management, for the purpose of considering policy questions and possible necessary amendments from time to time. This Committee to be composed of equal representation from Labour and Management not to exceed, in total, three (3) from each group.

Entry to Program - New Apprentices

10. Selection for entry into the Program of persons who have no previous training in the trade will be made by the Company provided that the standards for acceptance established by the Joint Union/Management Apprenticeship Committee and the Apprenticeship Branch are applied and that first consideration is given to mill employees.

Schedule of Training for Apprentices

11. Upon completion of each period of training in an approved Vocational School an Apprentice will be required to pass examinations set by the Apprenticeship Branch. Practical examinations shall be confined to the area of training received. In the event of failure to pass examinations, the Apprentice shall be required to undergo a period of re-training on subject material specified by the Apprenticeship Branch authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in a review of their position by the Joint Apprenticeship Committee and could result in their removal from the Program. Employees who are removed from the Program will be offered an entry job in keeping with their plant seniority.

12. (a) Successful applicants will be assigned to a specific trade as a probationer for a two (2) month period. During the probationary period the apprentice shall receive the first year apprentice rate.

(b) During each year of Apprenticeship, the apprentice shall work at the trade and attend Vocational School as required by the regulations pursuant to the

Apprenticeship Act.

(c) Upon the successful completion of their term of Apprenticeship and receipt of their certificate of Apprenticeship, issued by the Provincial Apprenticeship Committee, the Apprentice shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.

(d) If any of the aforementioned work periods are exceeded due to the unavailability of Vocational School facilities, such extra time will be credited to the Apprentice in succeeding training requirements. Also, the Apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing the apprentice successfully passes the examinations. Retroactivity will not apply where re-testing is necessary.

(e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the Vocational School, and having spent twelve (12) months as a fourth year apprentice, the apprentice shall be reclassified and paid the fifth year Apprentice rate which is equivalent to the "A" Mechanic rate for the following twelve (12) months. On completion of the final period at the Vocational School the fifth year apprentice shall write their final examination set by the Apprenticeship Branch and, upon becoming certified, shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.

13. Wherever reference is made to a year (or twelve (12) months) as an apprentice, it shall mean a period of not less than 1600 hours worked, the said period to include time spent at the Vocational School.

Cost of Books

14. The Company will pay 100% of the cost of textbooks specified by the Apprenticeship Branch. The apprentice will keep these books as their personal property.

Allowances and Wage Make-up

15. While attending an approved Vocational School the Apprentice will receive from the Government, allowances and school expenses in accordance with the Government's schedule of grants pertaining to Apprenticeship Training. In addition, the employee shall receive from their employer, an allowance comprised of the difference between their regular straight time rate, based on a forty (40) hour week, and the weekly living allowance granted by the appropriate government authorities. Allowances provided by the employer shall not apply to any periods of retraining as specified in Item 11. (Refer to Letter Of Understanding – Page 97).

General

16. (a) The Company agrees to develop and provide a program of on-the-job training for each trade, which shall include doing jobs of gradually increasing skills consistent with the apprentice's training and ability.

(b) Apprentices will be required to acquire and build a kit of tools progressively throughout the Program, as specified by the Apprenticeship Branch and the Joint Union/Management Apprenticeship Committee.

(c) A category known as "Trade Utility" may be established in the Mechanical Department and complement for such category will be determined at plant level.

Employees in this category will be employed to assist tradesmen and apprentices with labour and similar work but will not be used in a manner that will interfere with the application of the training program (see item 7(iv) of Memorandum of Agreement dated April 20, 1964). Trade Utility rates will be paid in accordance with Exhibit "A".

Certification of Present "A" and "A+" Tradesmen

17. Testing of existing "A" and "A+" Mechanics for a certificate of competency shall be at the employee's option. Failure to have obtained a Trade Qualification Certificate shall not prejudice the status of a Journeyman within the

Pulp and Paper Industry. Should a Mechanic desire to enter the Program, it will be for the purpose of additional training only, without reduction in rate of pay.

The first time an existing "A" or "A+" Mechanic elects to take the test for a Tradesmen's Qualification Certificate the Mechanic shall receive pay, not to exceed four (4) hours, for time lost from work, if required to take the test during regular work schedule. The Company will pay the fee cost of this first Tradesmen's Qualification Certification examination.

EXHIBIT "E"

STEAM PLANT VOCATIONAL LEAVE

1. Fourth Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a FOURTH CLASS STATIONARY STEAM ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted three (3) weeks leave of absence with pay to attend an approved Vocational School to complete the course and write the examination for the Fourth Class Stationary Steam Engineering Certificate.

During their first week at the School the employee will be evaluated by the school authorities to determine knowledge of the subject, and if the evaluation is favourable will continue studies at the school during the two weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted three (3) weeks leave of absence with pay to return to the Vocational School to complete the course and write the prescribed Fourth Class Certificate examination.

2. Third Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a THIRD CLASS STATIONARY STEAM ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted six (6) weeks leave of absence with pay to attend an approved Vocational School to complete the course and write the examination for the Third Class Stationary Steam Engineering Certificate.

During their first week at the school the employee will be evaluated by the school authorities to determine their knowledge of the subject, and if the evaluation is favourable the employee will continue studies at the school during the following five weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted six (6) weeks leave of absence with pay, to return to the Vocational School to complete the course and write the prescribed Third Class Certificate examination.

3. Second Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a SECOND CLASS STATIONARY STEAM ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted ten (10) weeks leave of absence with pay, on the basis set forth hereunder, to attend an approved Vocational School to complete the two-part course and write the examination for the Second Class Stationary Steam Engineering Certificate:

(i) Five (5) weeks leave of absence with pay to complete Part "A" (Mathematics & Physics).

(ii) Five (5) weeks leave of absence with pay to complete Part "B" (Basic Engineering).

During their first week at the school in each of the above mentioned cases (i) and (ii) the employee will be evaluated by the school authorities to determine their knowledge of the subject, and if the evaluation is favourable will continue studies at the school during the following four (4) weeks and write the examination prescribed for Part "A" or "B", whichever is applicable. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted five (5) weeks leave of absence, four (4) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the examination prescribed for Part "A" or "B", whichever is applicable.

4. Basis of Pay

One (1) week's pay shall be equal to forty (40) hours at the straight time hourly rate of the employee's regular job.

5. Additional Leave

Leaves of absence with pay will be granted to Steam Plant personnel on the basis as set forth in 1, 2 and 3 above. Any further Vocational Training required to pass each respective certificate shall be at the employee's expense and such additional leave of absence will be granted.

6. Books

The Company will pay 100% of the cost of textbooks specified by the Vocational Training School as required for those writing for Stationary Engineering Certificates. The employee will keep these books as personal property.

7. Examination and Tuition Fees

The Company will bear the cost of the prescribed Examination and Tuition Fees, if any, required of candidates writing for Stationary Engineering Certificates.

8. Transportation Allowance

The Company will grant transportation allowance to Steam Plant personnel attending Vocational School on the same basis that transportation allowance is being granted at the time by the Apprenticeship Branch to apprentices attending an approved Vocational School.

9. Timing of Leave

Leaves of Absence will be granted at a time suitable to the Company, bearing in mind the Vocational School curriculum.

10. Number on Leave

Normally it will not be possible to grant leave of absence to more than one Steam Plant employee at a time. However, if relief is available this limit may, at the discretion of the Company, be exceeded.

11. Government Allowances

If at any time provision is made whereby transportation and/or other allowances are granted by the government to Steam Plant personnel attending an approved Vocational School to write for Stationary Engineering certificates, the provisions set forth above will then be amended to take into account such Government allowances.

12. Living Out Allowance

While an employee is attending Vocational School on the basis set forth in 1, 2 and 3 above, the employer will pay him a living out allowance which, combined with any Government living out allowance to which the employee may be entitled, is equal to the living out allowance the employee would receive from the appropriate Government authorities as an Apprentice, pursuant to Section 15 of Exhibit "D". Refer to Letter Of Understanding on Page 97.

STATEMENTS OF POLICY

1945 - 2003

LABOUR AGREEMENT

Taken from the Transcripts of
Negotiations for Contract Years

1945 - 1952 inclusive

and from Memoranda issued during
subsequent Wage Conferences

COMMUNICATIONS, ENERGY AND

PAPERWORKERS UNION OF CANADA

LOCAL 1115

Cariboo Pulp & Paper Company
Quesnel

FOREWORD

During the 1946 Labour Conference it was jointly agreed that the Companies and the Union would each appoint a Committee of two (2) to select from the verbatim transcripts of the 1945-46 and the 1946-47 Joint Conferences "Statements of Policy" which were then to be approved by the International Officers of the Union and by representatives of the Companies and thereafter printed in a booklet to be entitled "Statements of Policy". (See 1946 Transcript, page 80 and page 159). This policy has been re-adopted at subsequent Labour Conferences.

The Statements of Policy contained in this booklet have been reworded for the sake of brevity and clarity, and have been agreed to by both Union and Company representatives. They are intended as a supplemental guide in the interpretation of the contract on the points which they cover.

STATEMENTS OF POLICY

Article II - Definitions

(a) **Definition of "Supervision"**. (Memorandum of Agreement dated January 30, 1958)

Employees and employers recognize that supervisors are excluded from the provisions of the B.C. Standard Labour Agreement and accordingly it is improper for supervisors normally to do the kind of work which is done by those defined as employees in the Agreement.

It is also recognized that for the practical and efficient operation of the mills there are occasions when a supervisor must help. Such occasions must be temporary in nature and must not result in the displacement or exclusion of employees under the Agreement.

(b) **Definition of "Him"**. (Page 98, 1946 Transcript)

Wherever the word "him" appears in the contract it will be taken as referring to a male or female employee as the case may be.

(c) **Definition of "Engineering"**. (Page 35, 1947 Transcript)

The word "engineering" as used in this section does not refer to steam operating engineers.

Article V - Standing Committee

Payment of Representatives on Union Standing Committee. (Pages 109 - 110, 1950 Transcript)

(i) The general principle to be followed is that no employee's normal earnings shall be reduced by virtue of their attendance at a Standing Committee meeting.

(ii) Employees attending meetings called while they are on duty will be paid for the time in attendance providing a meeting does not extend past the end of a shift.

If it does extend past the end of the shift, no allowance is made for such additional time.

(iii) Employees attending meetings during their time off will not be paid.

(iv) Where it is necessary to relieve an employee attending a meeting, the relief man will be paid at straight time except for any time in excess of eight (8) hours in the day which will be paid for at time and one-half.

(v) The time of the meeting shall be determined by mutual agreement.

Article VI - Hours of Work

(a) Section 2: Overtime

It is hereby agreed by the Companies party to the B.C. Standard Labour Agreement that:

(i) The hours worked on Sundays and on the recognized paid Statutory Holidays provided for in the above referred to B.C. Standard Labour Agreement will be used in the computation of the forty (40) hour work week.

(ii) The foregoing arrangement applies only to Sunday and recognized paid Statutory Holiday hours and no other hours on which time and one-half has been paid, nor hours paid for Call Time, may be used for the purpose of calculating the forty (40) hour week.

(iii) For the purpose of calculating overtime, the basic forty (40) hour work week shall be reduced by eight (8) hours in any week in which a recognized paid Statutory Holiday occurs. Should more than one (1) recognized paid Statutory Holiday occur in any week, the basic forty (40) hour work week shall that week be reduced by eight (8) hours for each such recognized paid Statutory Holiday. For example, in a week in which one recognized paid Statutory Holiday occurs, overtime

will be paid for hours worked in excess of thirty-two (32). Should it happen that two (2) recognized paid Statutory Holidays occur in one (1) week, then overtime will be paid for hours worked in excess of twenty-four (24) that particular week.

The work week shall start at 8:00 a.m. (or at the regular hour of changing shifts nearest to 8:00 a.m.) Sunday.

Those pulp mills which are presently working on a forty-two (42) hour week schedule and which have not yet adopted the so-called "1946 Sunday Letter" shall only adopt the terms set out herein after the implementation of a forty (40) hour per week schedule. There shall be a three (3) months training period in which to prepare personnel necessary to effect the change from a forty-two (42) hour to a forty (40) hour per week schedule.

The foregoing is to be considered as supplementary to Article VI, Section 2 - Overtime, of the B.C. Standard Labour Agreement and supersedes all existing local agreements in respect of the computation of overtime for Sunday and Holiday work.

(b) Section 2: Overtime, (1) Day Workers

Clarification of Overtime to Day Workers. (Page 90, 1949 Transcript)

The employee's designated day off is Tuesday. The employee is given less than forty-eight (48) hours notice that it is to be changed to Friday. The employee is then paid as follows:

Sunday	-	8 hours plus 4
Monday	-	8 hours
Tuesday	-	8 hours plus 4
Wednesday	-	8 hours
Thursday	-	8 hours
Friday	-	off
Saturday	-	4 hours

If called back at 1 p.m. Saturday to work four (4) hours in the afternoon, is the employee entitled to time and one-half? The answer is "no" for the reason that the contract

stipulates that overtime will only be paid on the one basis. In other words, we cannot pay overtime twice on the same time. However, in the letter of October 18, 1946, Powell River Company Limited and Pacific Mills Limited did agree to include Sunday time and designated holidays time in the forty-four (44) hour week (amended to forty (40) hours 1952-53), even though time and one-half had been paid on it. They did not agree to include any other time on which time and one-half had been paid and there is no intention of broadening it at this time. On this principle, therefore, in the case above, the hours the employee worked on Tuesday, their designated day off, are eliminated from inclusion in the forty-four (44) hour week (amended to 40 hours 1952-53).

(c) Section 2: Overtime, (2) Tour Workers

Clarification of Payment of Overtime to Tour Workers. (Page 270, 1948 Transcript)

Where a Tour Worker works an extra shift due to the absence of their mate who has given proper notice and the overtime worked by the Tour Worker extends into another day, the Tour Worker will still be paid at the rate of time and one-half.

Definition of What Constitutes a Mate at Powell River. (Page 312, 1950 Transcript)

In the case of the Block Loader, there are two men on one side and one on the other. These will be numbered 1, 2 and 3. No. 1 man relieves No. 1; No. 2 relieves No. 2; and No. 3 relieves No. 3.

Relief of Mates. (Page 328, 1950 Transcript)

The Company will do everything in its power to relieve men within twelve (12) hours when these men are working due to the absence of a mate.

Section 3: Days Off and Schedule of Shifts

(a) Scheduling of Days Off. (Memorandum, 1953 Wage Conference)

The Manufacturers agree that the scheduling of days off shall be on a consecutive basis wherever practicable.

(b) Sunday Running

At a meeting held in Vancouver, B.C., on June 15th, 1953, between the representatives of the Powell River Company Limited and those of Local 142 of the United Papermakers and Paperworkers, continuous operation of the paper machines was agreed upon in accordance with an understanding as set out in the Minutes of the said meeting.

Section 4: Starting and Stopping Work (b) Day Workers Clarification of "Starting". (Page 260, 1948 Transcript)

When a Day Worker is established on a job that is some distance from the shop the Day Worker shall be on that job ready to begin work at the time pay starts and shall not cease work in advance of the time pay stops. If the worker's time clock is not located close to the route traveled to the job, the worker may, at the discretion of the Company, report directly to the job without punching the time card and the foreman shall be responsible for having their time recorded.

Article IX - Allowance for Failure to Provide Work

(a) Clarification of the Word "Accident". (Page 60, 1945 Transcript)

The word "accident" as used in this section means a mishap occurring to an individual resulting in a shutdown. In other words, the occasion involves the human element as distinguished from the mechanical.

(b) Clarification of "Employee's Regular Job". (Page 61 et seq., 1945 Transcript)

In the application of this section it is considered that the allowance is due to an employee only in the case where reporting for regular duties and then no work is provided. If

the employee's regular duties consist of ship loading and bull gang work, the employee may be transferred from one regular assignment to another without penalty providing the employee obtains work on either job. However, while working on ships the employee will receive the ship rate and while working in the yard will receive the bull gang rate. In the case of an employee, whose regular duties consist of one specified job, and who reports for work and finds no work available, if such employee then transfers to a job carrying a lower rate, at the employee's election, the employee shall nevertheless receive the rate paid him on their regular job.

(c) **Clarification of "Breakdown".** (Page 258, 1948 Transcript)

A breakdown in one department which compels the closing down of one or more additional departments is a breakdown within the meaning of this section, providing the Company uses its discretion in handling the case and where there is no loss of time unjustly caused to an employee.

Article X - Call Time

(a) **Applicability of Section in Specific Instances.** (Page 157, 1946 Transcript)

(i) When a Day Worker whose shift is from 8:00 a.m. to 5:00 p.m. is told to go home at 12:00 noon and return at 4:00 p.m. for work, the Day Worker will receive two (2) hours Call Time because the shift was designated at 12:00 noon.

(b) **Definition of "Regular Scheduled Shift".** (Page 65, 1949 Transcript)

A regular scheduled shift is the work defined for an employee by the Company.

(c) **Applicability of Section in Specific Instances.** (Questions and answers - report of Call Time Committee, 1949 Transcript)

(i) In Section 2(a) relating to the payment of Call Time

to Tour Workers, the phrase "after the Tour Worker has completed the regular shift" shall be considered to mean at that point when pay stops upon being relieved by a mate.

(ii) A Day Worker is called in on a designated day off reporting for work at 8:00 a.m. and working until 10:00 a.m. for which the Day Worker received four (4) hours pay as the minimum allowance for an employee who starts work. If notification had not been given during the Day Worker's last shift preceding the work involved, the Day Worker would qualify for Call Time and would also qualify under the provisions of Section 3(a) wherein a minimum of four (4) hours pay will be paid for each call when work has actually commenced both to Tour Workers and Day Workers.

In the above case the worker worked two (2) hours at the overtime rate plus a two (2) hour call which would entitle him to five (5) hours pay, thereby meeting the requirements of Section 3. It should be made clear that an employee under these circumstances will not receive four (4) hours minimum pay plus Call Time, if any, but that the four (4) hours minimum pay includes the Call Time payment.

(iii) A Day Worker normally working the 8-5 or 8-4 shift is ordered to go home at 12:00 noon and report back for work at 4:00 p.m. or 12:00 p.m. The employee in question is entitled to Call Time since their designated shift terminated at 12:00 noon and more than two (2) hours elapsed between their designated shift and their return to work.

XVII - Statutory Holidays

(a) Work to be Performed. (Page 238, 1948 Transcript)

Employees who are required to work on designated holidays are expected to perform regular maintenance and routine duties normally assigned to them.

(b) Clarification of What Repair Work May Be Done.
(Page 240, 1948 Transcript)

In a case of an emergency involving the closing of the mill for a day or more and a loss of employment to a substantial number of men, employees are expected to perform repair work on holidays.

(c) Clarification of Section 4. (Page 265, 1948 Transcript)

(i) In the calculation of the forty-two (42) hour work week (amended to forty (40) hours 1952-53) the payment of holiday pay will not be used unless the employee actually worked.

(ii) It is understood that an employee's vacation shall be exclusive of a paid holiday as recognized by the B.C. Standard Labour Agreement. Therefore, if one or more such holidays fall within the employee's vacation period, the employee will be required to take the comparable number of additional days off. The employee shall only receive the pay for such recognized paid holidays falling within the vacation period when the employee takes the required additional time off.

(iii) Where an employee, after having agreed to do so, fails or refuses to work on a holiday, on account of sickness, or other bona-fide reason, the Company reserves the right to investigate the absence of the employee to decide whether or not the employee is entitled to holiday pay.

(iv) The sixty (60) day qualifying period referred to in Clause (a) refers to "calendar" days.

(d) Clarification of Section 4(c). (Page 105, 1950 Transcript)

Employees absent on the "scheduled work day before and/or the scheduled work day after a recognized holiday" are excused from their regular scheduled shifts in instances of sickness, or of sickness in the family, and are, therefore,

entitled to holiday pay. The question of the validity of the excuse of sickness can be determined by the Company in each mill in each case.

Article XXVIII - Safety and Occupational Health

Unsafe Working Conditions. (Page 136, 1947 Transcript)

It is not the policy of the Company to require an employee to work under unsafe conditions. It is admitted by the Union and the Company that it is impossible to draw a hard and fast line as to what is safe and unsafe. Being a factual question, each case must be decided on its merits, but in general an employee who justifiably refuses to work under unsafe conditions would not be subject to discipline.

Article XXX - Disciplinary Action

(a) Notification of Union Standing Committee by Employer. (Page 70 et seq., and Page 126, 1945 Transcript)

Wherever practical, the Company will notify the Union Standing Committee of its intention to discharge an employee. Under certain well-recognized circumstances where no premeditation is involved, it is permissible for the Company to discharge an employee immediately without recourse to the Standing Committee. The employee still has the right to present their case to the Standing Committee for consideration and if deemed proper the Standing Committee may follow the usual grievance procedure.

Article XXXI - Adjustment of Complaints

Standing Committee Can Call in Members for Discussions of Grievances with the Company. (Page 261, 1946 Transcript)

It is agreed that the Union Standing Committee may call in any other employee to accompany them in their meetings with Company officials.

Exhibit "A"

Clarification. (Memorandum No. 6, 1952 Wage Conference)

"An employee shall be considered as having been promoted to a higher rate job when the employee has taken over the duties and responsibilities of that job, without the guidance of the employee who is breaking him in. The employee shall then receive the higher rate. During the period the employee is being broken in and another employee is on the job and carrying the responsibility for it, the employee being broken in shall receive the hourly rate of their previous regular job."

Miscellaneous

(a) **Painting and Welding Being Done by Other than Regular Painters and Welders.** (Page 137, 1947 Transcript)

Painting - No operator or helper will be required to paint while carrying on their regular operating or helping job.

Welding will be done by the regular welding crew except in the case of an emergency where only a qualified senior mechanic may perform this work.

(b) **Rents and Services.** (Page 122, 1947 Transcript)

Services in mill towns include such items as the general store, hospital, living quarters, rent, power, light, water, garbage, etc. In respect to the future, when all controls are eliminated, the Companies' policy will be to provide at all times the best possible services to the people working in these communities at the best possible cost. Profit on service has never been a factor in the Companies' determination of the price of the services.

(c) **Status of Employees Refusing to Work in Excess of 8 Hours Per Day or Scheduled Hours Per Week.** (Page 91, 1949 Transcript)

If an employee is requested to work in excess of eight

(8) hours in any one day or in excess of their scheduled work week hours in any one week, the employee has the right to come in or not to come in and no penalty can be imposed by the employer for the failure of the employee to come in. It is understood, however, that the Companies are entitled to look for reasonable co-operation from their employees.

(d) Conflict Between B.C. Standard Labour Agreement and Transcript. (Pages 46-7, 1951 Transcript)

Whenever there is a conflict between the B.C. Standard Labour Agreement and the Transcript, the Agreement will prevail.

(e) Native Indian Employment

In response to a Union proposal relative to encouragement of Native Indians to seek employment, the Industry will participate with the National Union in a joint committee to function during the term of the 1970 Labour Agreements. The committee will be known as the Native Indian Employment Committee, and will consist of eight (8) members, four (4) representatives of the Unions and four (4) representatives of the Industry.

The purpose of the committee will be to examine problems relative to employment of Native Indians and make appropriate recommendations to the Company and Union to further this objective.

August 26, 2003

LETTER OF UNDERSTANDING

On successful completion of the required period of vocational school training, the Company will reimburse out-of-town expenses to a maximum of two (2) hours per day at the first year apprenticeship rate on a seven (7) day basis while in attendance at school. This reimbursement will also apply to steam plant personnel.

It will be paid after the employee's return to work and when verification of school attendance is received from the appropriate agency.

R.A.D. Norman
Manager, Human Resources

August 26, 2003

Re: Letter of Understanding - Rehiring

The following practice will be observed during the 2003 – 2008 labour agreement.

"When hiring new employees, preference will be given to laid off former employees of the hiring mill in order of their previous mill seniority, providing:

- a) their recall rights under Section 3 of Article XXI -
Seniority have expired;
- b) they have a current application on file;
- c) they have the qualifications and ability to perform the
work properly.

Application must be made within thirty (30) days of the expiry of recall rights and will remain in effect for three (3) months unless renewed. An application or renewal may be extended for a period of three (3) months at any time during the third month of its currency. Normal job qualifications must be met.

A former employee will no longer have preference if that former employee fails to accept an offered position. Those hired under this practice will be new employees."

Yours very truly,

R.A.D. Norman
Manager, Human Resources

May 1, 1995

LETTER OF INTENT

For the term of the renewed Collective Agreement, the Company will not send equipment out of the mill for repair which directly results in the layoff of tradesmen or apprentices.

Yours very truly,

R.A.D. Norman
Manager, Human Resources

March 31, 1995

LETTER OF UNDERSTANDING

RE: REHABILITATION AND REINTEGRATION

The company and union agree to the establishment of a joint union-management Rehabilitation/Reintegration Committee.

The Committee shall be comprised of up to three (3) representatives each from the company and the union.

The purpose of the Committee will be to investigate and make recommendations on the implementation of an effective rehabilitation/reintegration program during the term of this agreement.

The goal of the program will be to assist workers injured either on or off the job to return to the mainstream of employment at the mill.



LETTER OF UNDERSTANDING – FLEXIBLE WORK PRACTICES

1. The introduction of flexible work practices is designed to improve productivity, improve product quality, reduce down time and lower costs while ensuring that the work is completed in a safe manner. The efficiencies that result from flexible work practices are also intended to assist in fulfilling the intention of Article 25 of the CEP Agreement.
2. The parties agree that this letter on flexible work practices recognizes that the primary responsibility for the operation of the mill will remain with operators and the primary responsibility for maintaining the mill will remain with trades persons.
3. It is understood that the intent of this letter will supersede local practices, and verbal and written agreements which would impair the implementation of flexible work practices.
4. All work will be performed in a manner consistent with safety articles of the collective agreement as well as the company's safety rules and the regulations issued by the Worker's Compensation Board of B.C. It is recognized that some tasks can only be performed by employees who possess certain government certifications and in that instance, the work will only be performed by employees who possess the required government certificate.
5. The intent of this agreement is to provide that all employees will safely utilize all of their existing skills and maximize their productivity and learn and use new skills to enhance their effectiveness.
6. The Company and the union will meet to discuss a module based training program that will enhance the

existing skills of employees. They will also discuss the option of using trainers from the bargaining unit to assist in the design and delivery of the training modules. The Company will design and introduce new training programs to facilitate the implementation of and evolution of flexible work practices.

7. All employees will be required to complete training programs as prescribed by the Company and utilize new skills acquired as a result of training. Training will be consistent for all employees in each job classification.
8. The parties recognize that the acquisition of new skills that facilitate the implementation of flexible work practices is an ongoing process and will continue over time to support the changing needs of the business.
9. The following payments will be made for flexible work practices:

Maintenance employees \$.95 per hour
Operations employees \$.40 per hour

To be implemented as follows:

- Upon ratification of the collective agreement, \$.45 per hour for Maintenance employees and \$.20 for Operating employees.
- Immediate utilization of existing skills that may not have been previously used due to restrictive work practices.
- Employees assisting each other regardless of department or occupation.
- \$.25 per hour for Maintenance employees and \$.20 per hour for Operators upon successful completion of each modular training program and utilization of skills acquired as a result of this training. There will be two training modules for Maintenance employees and one training module for Operations employees.

Apprentices will be paid the maintenance premiums in the usual proportion.

The same delineation which defines who is an operator and who is a maintenance employee shall apply to the payment of premiums. Maintenance employees will include all journeypersons as identified under Exhibit 1 – Definition of Mechanical trades of the Collective Agreement and lubrication mechanics.

The parties agree that there will be no pyramiding of credits under the job evaluation plan for duties that are being compensated for under the flexible work practices agreement, unless the changes constitute new regular job duties added to their classification as defined by the job evaluation plan. These new regular job duties must result from either new or changed procedures/equipment or from the permanent reassignment of duties from another job classification.

Note: Effective April 30, 2003 all flexible work practice payments will be rolled into the wage rates.

10. Training programs implemented under point (6) are not intended to force qualification in another trade.
11. The Company agrees that no employee will lose their employment with the Company as a direct result of the implementation of flexibility initiatives under this letter. This provision applies to only those employees employed at the date of ratification of this agreement.
12. No trades person or apprentice will be involuntarily displaced from their respective trade on a permanent basis as a result of the implementation of flexible work practices.
13. It is not intended that flexible work practices shall result in a trades person being assigned to a non trades classification when someone outside of his trade is performing his trade core duties.
14. The Company agrees that no employee's regular job rate will be reduced when he is assigned to perform work

under this work place flexibility agreement. This does not apply to an employee who is laid off or whose job is temporarily curtailed and is recalled or works in a different job category on the basis of mill seniority.

15. The Company commits to maintain apprenticeship agreements.
16. For the term of the renewed Collective Agreement, the Company and the Union agree to establish and participate in a Joint Committee which will meet quarterly to discuss issues related to productivity, morale, profitability, work opportunities, market conditions, any alleged discrimination, the ongoing effectiveness of flexible work practices and any other problems related to flexible work practices.
17. The Committee shall consist of:
 - the President of the Local Union
 - the Mill Manager
 - Members of the Local Union as designated by the union
 - Members of Mill management as designated by the employer
 - the National Representative
18. The parties agree that disputes relating to the implementation of this letter shall be reviewed by the Joint Committee which will make every effort to resolve these disputes in accordance with the spirit and terms of this letter.

JOB SECURITY AND JOB ELIMINATION

LETTER OF UNDERSTANDING

SEPTEMBER 10, 1998

In the event that downsizing occurs under the Job Security and Job Elimination articles of the Labour Agreement, the Company undertakes to discuss the application of the severance pay provisions with the Union.

Cariboo Pulp & Paper Company

August 22, 1998

Letter of Understanding

This letter reflects the intent of the union proposal 32 of the agenda for amending the 1994- 97 labour agreement.

For the term of this agreement, in the event of a separation of businesses the labour agreement shall be applied as a master agreement to each business except in respect to permanent vacancies and layoffs.

Further, in the event of a change in common employer status, employees directly impacted by a permanent layoff will be allowed to exercise their seniority rights to transfer between the different legal entities.

Yours truly

R. A. D. Norman
Manager of Human Resources and Organization
Development

March 7, 1995

Mr. R. Stuart
President, Communications, Energy and Paperworkers
Union of Canada
Local 1115
P.O. Box 4622
Quesnel, B.C.
V2J 3J8

Dear Sir:

This is to confirm the agreement between the Company and your Communications, Energy and Paperworkers Union of Canada, Local 1115 respecting the conditions that would apply to contractors coming onto the mill site to perform construction work or perform maintenance and repair work of a nature normally performed by employees in the bargaining unit. This agreement will prevail for the duration of the Collective Agreement. In entering into this agreement, the Union acknowledges that, subject to Contracting Article XXV, the Company retains the right to select contractors as it deems appropriate.

No aspect of this policy applies to contractors which are certified to a Union recognized by the Local Union, it being clearly understood that a union's affiliation to the Canadian Labour Congress, the B.C. Federation of Labour or the Confederation of Canadian Unions warrants such recognition.

Any other contractor who comes onto the mill site to perform construction work or perform maintenance and repair work which is of a nature normally performed by employees in the bargaining unit shall abide by the following Code of Ethics. This Code defines the terms and conditions

under which these contractors and their employees will be governed during the term of their contract.

1. Minimum Wages

The contractor's straight time hourly rate of pay for a journeyman will not be less than the straight time hourly rate for the equivalent mill journeyman. The contractor's straight time hourly rate of pay for all other employees shall not be less than the straight time hourly base rate for the mill.

2. Contributions to the Pulp and Paper Industry Pension Plan

Subject to the approval of the plan trustees and the appropriate regulatory authorities, the Company shall remit annually to the Pulp and Paper Industry Pension Plan the following:

(a) For contractors performing maintenance and repair work of a nature normally performed by employees in the bargaining unit—the equivalent contributions.

(b) For contractors performing construction work— one-half the equivalent contributions.

3. Remittance to the Local Union

One percent (1%) of all wages earned calculated on the basis of straight time hours worked shall be remitted to the Local Union on a monthly basis.

4. Adherence to Safety Regulations

Contractors performing construction work are responsible for ensuring that their employees comply with the health and safety regulations and policies applicable to the work being performed. When the contractors' employees are performing maintenance and repair work which is of a nature normally performed by employees in the bargaining unit, the contractors and their employees shall adhere to the

established health and safety regulations and policies in force at the mill site. Management commits to deal promptly with any violations brought to its attention by the Joint Health and Safety Committee.

5. Honouring of Picket Lines

Contractors' employees shall honour all legal picket lines at the mill site. Failure to do so shall result in disqualification from future access to the mill site for the term of the contract. A contractor will not be allowed on the mill site if it has a current demonstrated practice of crossing legal picket lines.

For the purpose of this letter "employees" are defined as traditional "Blue Collar" occupations. This would not include supervisors, draftsmen, clerks, engineers etc.

The company will honour the commitments made in this letter for the duration of the Collective Agreement and will ensure that a copy of this letter is provided to any contractor participating in the contract bidding process.

Yours truly,

CARIBOO PULP & PAPER COMPANY

R. A. D. Norman,
Manager, Human Resources

Cc: J. Hodgson

August 15, 2003

David Coles
Vice President
Communications, Energy and Paperworkers Union

Dear David:

Commitment To Employment

Protecting and enhancing employment in the pulp and paper industry is a joint commitment of the Company and Union. The Company and Union agree that stable employment must be based upon economically viable operations, a high level of labour productivity and quality production.

To this end, the parties will continue to discuss means to preserve and enhance employment during the term of the agreement.

1. The Company and the Union will establish a joint committee on employment opportunities. The joint committee will be made up of local union representatives, mill management representatives and representatives of the CEP national office.
2. The joint committee will examine ways to enhance employment opportunities through new work arrangements, including reduced overtime and working time alternatives. The Company agrees to provide the committee with relevant information to ensure an informed discussion of issues.
3. The joint committee will make recommendations to the parties on enhanced employment opportunities and make recommendations no later than March 31, 2004.

4. Both parties undertake to give active consideration to all recommendations and vigorously work towards implementation of recommendations where agreement is reached.

Yours truly,

R. A. D. Norman,
Human Resources and OD Manager
CARIBOO PULP & PAPER COMPANY

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August 15, 2003

Letter of Understanding – Trades Qualifications

CEP and Cariboo Pulp and Paper Company both clearly recognize the critical nature of apprenticeship training and certified trade's qualifications mechanisms. It is no secret that British Columbia is facing skills shortage and the pulp and paper industry is not exempt from this impending crisis.

The parties agree to work cooperatively on the issues of workplace and trades training. The Union and Company agree that closer cooperation will help protect them against any changes that could negatively impact the skills levels and portability of trade's persons in B.C.

The parties agree to the establishment of a committee comprised of Cariboo Pulp and Paper management and appropriate representatives of the CEP to develop a strategy of maintaining the principles of certified trades training for B.C. and the opportunity for workers to participate in inter-provincial qualifications examinations.

The parties agree to approach other like minded employers to extend an invitation to join in the efforts of the committee as outlined above. The parties also agree that all recommendations from this committee will be communicated collectively to the provincial government.

The committee will be established within one month from the date of this letter.

For the CEP Region

RAD Norman

HR and OD Manager