

# LABOUR AGREEMENT

**2008 – 2012**

BETWEEN

**CANFOR PULP AND PAPER**

*A division of Canfor Pulp Limited Partnership*

(hereinafter referred to as the **Company**)

- AND -

**COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION  
OF CANADA, LOCAL #1133**

(hereinafter referred to as the **Union**)

# LABOUR AGREEMENT

**2008 – 2012**

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# **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, foremen 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 Code of British Columbia. The Company and Union recognize their respective obligations and responsibilities to provide a work environment free from sexual or personal harassment.

### **Section 5: Successorship**

In the event of a change in employer status, members of Local 1133 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 those employees covered by the Union's certification as paper machine room, finishing room and stock preparation employees, and paper testers, excepting: those engaged in maintenance, oiling, administration, supervision, sales, engineering and office work.

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 he is usually employed, his 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 7:00 a.m.
- (d) The word WEEK means a period of seven (7) calendar days beginning at 7:00 a.m. on Sunday.
- (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 Union Local 1133 as the only agencies representing all employees as defined in this Agreement for the purpose of collective bargaining.

### **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 and foremen the policy herein expressed. New employees shall be introduced to their 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 his 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 his membership in good standing.

## **Section 4: Application for Membership**

No employee shall be subject to any penalties against his 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**

Standing Committees shall be maintained in the following manner:

- (1) The General Manager, Specialty Paper 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) 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 (7:00 a.m. Sunday to 7:00 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 (7:00 a.m. Sunday to 7:00 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 his mate to exchange shifts with the approval of his 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 canceling approved time off.

### **Section 3: Days Off and Schedule of Shifts**

- (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.

Relief employees, employed to provide relief of employees who follow regular schedules, will be scheduled when required for coverage. The Company shall use its best efforts:

- (i) to schedule days off for relief employees on a consecutive basis; and
- (ii) to provide established schedules for relief employees.

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 Foreman and the Shop Steward of the department concerned without penalty to the employer.

- (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.
- (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 his 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 his 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 his 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 his 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.

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

- (e) The Company will cooperate with any Day Worker called in after twelve midnight to ensure that this work does not preclude him working his 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 his supervisor. No penalty shall apply to the Company as a result of such an arrangement.

## **Section 4: Starting and Stopping Work**

### **(a) Tour Workers**

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

If a Tour Worker does not report for his regular shift, his mate shall notify the Foreman. He shall remain at his post until a substitute is secured, and, if necessary, he 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 his regular shift, unless he has already arranged with his Foreman for a leave of absence. If unavoidably prevented from reporting, he must give notice to his Foreman, or at the office, if reasonably possible, at least four (4) hours before his 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 the Material Handler's pay time is from 7:00 a.m. to 11:00 a.m., and

from 12:00 noon to 4:00 p.m., he shall be at his post ready to work at 7:00 a.m. and 12:00 noon and shall not quit work until 11:00 a.m. and 4:00 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 he 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 his 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 he 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 his own time.

### **(c) All Workers**

Any employee called in for an emergency before his shift commences, without time to arrange for his 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 Agreement. Any new job rate will become part of Exhibit "A".

### **Section 2: Shift Differential**

#### **(a) Tour Workers**

- i) 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:

	(% of base rate)
7:00 am to 7:00 pm	2.50%
7:00 pm to 7:00 am	4.25%

- ii) Where tour work is scheduled 7-3, 3-11 and 11-7, the following shift differential will be paid in addition to the hourly rate on all work performed:

	(% of base rate)
7:00 am to 3:00 pm	2.00%
3:00 pm to 11:00 pm	3.55%
11:00 pm to 7:00 am	4.50%

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

	(% of base rate)
3:00 pm to 11:00 pm	2.25%
11:00 pm to 7:00 am	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:

	(% of base rate)
4:00 pm to 12:00 am	2.25%
12:00 am to 8:00 am	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: Pulp Price Trigger Bonus**

Provide a \$500 bonus payment for each active employee per calendar quarter for each calendar quarter that the RISI reported NBSK price delivered to Eastern US averages over US\$700/mt for the quarter. Such payments will be used for the purpose of providing a bridge benefit from age 60 to 61 initially, and then for other purposes as determined by the Local Union that directly benefit active or retired employees.

## **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 his regular scheduled shift having been ordered to report for such work and then no work is provided, he shall nevertheless receive two (2) hours pay for so reporting.

### **Section 2: Where Shift Commenced**

In any case where an employee has commenced his regular scheduled shift, he 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 his 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, he shall receive one (1) additional Call Time payment if the initial call-in was to perform emergency work and he 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**

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 Union, unless subpoenaed by the Crown, on a day when he would normally have worked, will be reimbursed by the Company for the difference between the pay received for such duty and his regular straight time hourly rate of pay for his 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 his straight time rate of pay for his 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.

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 as 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 he shall be compensated at his regular straight time hourly rate for hours lost from his 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, 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 his 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: 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 4: 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:	
An employee who is on the payroll on May 1st, who has been continuously employed during the qualifying period, and who has:		% of the total wages earned by the employee during the preceding vacation period	<b>or</b> hours pay at the hourly rate of the employee's 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 <b>or</b> 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; Statutory Holidays; Special (Personal) & Supplementary Special (Personal) Floating Holidays; Jury or Witness Duty; Bereavement Leave; Contractual Steam Plant and Apprenticeship 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 his 2nd vacation under this Agreement;	3 weeks	6-1/2%	or 120 hours
(D) qualified for his 7th vacation under this Agreement;	4 weeks	8-1/2%	or 160 hours
(E) qualified for his 14th vacation under this Agreement;	5 weeks	10-1/2%	or 200 hours
(F) qualified for his 23rd vacation under this Agreement;	6 weeks	12-1/2%	or 240 hours
(G) qualified for his 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 his vacation.

## **Section 3: Payment on Termination**

In the event an employee's employment terminates either before he becomes entitled to a vacation with pay, or, being entitled to it, before he takes it, he 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 he belongs in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of his wages earned during the period of employment ending with his termination in respect of which no vacation or vacation pay to which he remains entitled has been paid or taken.

## **Section 4: General Rules**

- (a) The vacation period is May 1 to April 30.
- (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) Vacations with pay are not cumulative and must be taken during the vacation period except as provided below:
  - 1) Vacations earned under Section 4 (d).
  - 2)
    - (i) At the start of the vacation year, employees may elect to receive all, part or none of their vacation pay in advance in full weekly increments.
    - (ii) Employees shall have the option at any time during the vacation year to bank paid vacation entitlement in excess of the statutory minimums to a maximum of 2 weeks per year for which the vacation pay advance has not been paid. Employees may accumulate a maximum of 6 weeks vacation in the bank.

- (iii) Banked vacations must be taken prior to retirement and will be paid at the employee's current rate of vacation pay at the time when taking the banked vacation time off.
- (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 vacation 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 that 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 between the Company and the 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 his "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 he is entitled, become eligible to receive a Supplementary Vacation with pay each five (5) years as set forth below:

<b>Years of Completed Continuous Service</b>	<b>Weeks of Supplementary Vacation</b>
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 his 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 his 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 his 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, he must advise the Company, in writing, of his 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 his 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, 3:00 p.m. December 31 to 7:00 a.m. January 2,
Easter Monday	24 hours, 7:00 a.m. Monday to 7:00 a.m. Tuesday,
Canada Day	24 hours, 7:00 a.m. July 1 to 7:00 a.m. July 2,
Labour Day	24 hours, 7:00 a.m. Monday to 7:00 a.m. Tuesday,
Christmas Eve	24 hours, 7:00 a.m. December 24 to 7:00 a.m. December 25,
Christmas Day	24 hours, 7:00 a.m. December 25 to 7:00 a.m. December 26,

Boxing Day                      24 hours, 7:00 a.m. December 26 to 7:00 a.m.  
December 27,

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

## **Section 2: 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 scheduled to work who wishes to be excused from working on a particular Statutory Holiday will be accommodated provided a request for leave is made seven (7) days in advance of the Statutory Holiday and provided that a trained volunteer can be found to replace him 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 working during that period identified in Clause (b).

## **Section 3: 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 his straight time hourly rate. Such time off shall be treated in the same manner as a Special (Personal) Floating Holiday.

## **Section 4: 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 his scheduled work day before, and his scheduled work day after, such holiday, unless failure to work his scheduled work day before or after the holiday was due to any of the following events:
  - (i) When the employee is on his 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 his 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 he 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 his sickness or injury.
- (f) It is understood and agreed, however, that an employee shall not receive the above provided holiday pay if he 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 his working on such holiday.

# **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.

Employees on the compressed work week schedule shall be granted five (5), twelve (12) hour Special (Personal) Floating Holidays per contract year.

## **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 subject to the following:

- (a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for his first Special (Personal) Floating Holiday and on the payroll for one hundred and eighty (180) days to qualify for his 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 his 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.

### **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 will contribute to the Pulp and Paper Industry Pension Fund established pursuant to the Pulp and Paper Industry Pension Plan and the Pulp and Paper Industry Trust Agreement made effective July 1, 1975 and as amended from time to time.

### **Section 2: Contributions**

The Company agrees to the following with respect to the Pension Plan:

- (i) The Company contribution level will remain at 10% for the term of the agreement.
- (ii) Employee contributions will be in accordance with the schedule below:

Effective January 1, 2002	3.0%
Effective January 1, 2004	4.5%
Effective January 1, 2005	6.0%
Effective January 1, 2006	7.0%
Effective January 1, 2007	8.0%

### **Section 3: Board of Trustees**

The Board of Trustees will consist of three (3) trustees elected or appointed by the CEP, three (3) trustees elected or appointed by the PPWC, and three (3) trustees appointed by the member employers.

### **Section 4: Pension Bridge Benefit**

The Company shall provide employees with a pension bridge annuity of twenty dollars (\$20.00) per month per year of service at age sixty (60) or older who retire prior to attaining age sixty-five (65). The pension bridge benefit will not be payable beyond age sixty-five (65). The calculation of the pension bridge benefit shall be credited on the same basis as under the terms and conditions of the Pulp & Paper Industry Pension Plan.

An employee who chooses to retire at age fifty-five (55) or later shall have access to the bridging benefit paid by the Company when they reach age sixty (60).

The Pulp Price Trigger Bonus outlined in Article VII – Wages will, initially, be used for the purpose of funding pension bridge benefits from age sixty (60) to age sixty-one (61). The first three payments of the Pulp Price Trigger Bonus will be used for this purpose. The bridge benefit will be paid from age sixty (60) to age sixty-one (61) consistent with existing requirements at twenty dollars (\$20) per month per year of service as indicated above. Proceeds beyond the initial three Pulp Price Trigger Bonus payments will be used as directed by the Local Union for the direct benefit of active or retired employees.

## **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 he 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 re-testing of the employee for him 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 **forty (40)** calendar days, or until **he / she** has accumulated thirty (30) working days in a ninety (90) calendar day period, **he / she** 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 his own, shall retain seniority and shall be recalled on the following bases:
  - (i) An employee with less than one (1) years' continuous service shall retain these rights for six (6) months from the date of layoff.
  - (ii) An employee with one (1) or more **years' of** continuous service shall retain these rights for **eighteen (18)** months from the date of layoff, plus two (2) 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 his last address reported to and received by the mill shall result in his termination of employment with the Company. Bona fide reasons for failure to report shall not deprive an employee of his recall rights.

## **Section 4: Training**

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

- (a) Up to **two (2)** day where the layoff is estimated to be in excess of **ten (10)** days;



- (b) Up to **five (5)** days where the layoff is estimated to be in excess of **twenty-one (21)** days;
- (c) Up to **eight (8)** days where the layoff is estimated to be in excess of thirty-five (35) days;
- (d) **Up to ten (10) days where the layoff is estimated to be in excess of sixty (60) days;**
- (e) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the **Local** Union training provisions of up to fifteen (15) days.
- (f) Where **a** layoff results from a permanent partial plant closure or **a** temporary closure in excess of **ninety (90)** days, the Company will participate in a program of training or retraining for another job within the operations to facilitate the exercising of mill seniority, recognizing there will be **some** limitations where special qualifications are required. Phasing in arrangements to implement the program **shall be concluded prior to the closure.**

## **Section 5: Layoff and Vacation Entitlement**

Time on layoff 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 his 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 his welfare coverage continued for three (3) months while on layoff.
- (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 his welfare coverage extended by one month for each month in which he 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 his employment.
- (f) An employee will qualify for a new period of welfare coverage as provided in paragraphs (a) and (b) above if he 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 and to make such recommendations as are agreed upon, to the General Manager, Specialty Paper, 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 his 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 he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the set-back and the rate of his new regular job. At the end of this twelve (12) month period, the rate of his new regular job will apply. However, such employee will have the option of terminating his employment and accepting severance pay as outlined in Section 6(a) below, provided he exercises this option 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 his employment and accepting severance pay as outlined in Section 6(a) below if the job should be proved to be unsuitable, provided he exercises his option 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 (1) 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 based on his last period of continuous service, it being the choice of the affected employee as to which of such methods of calculation is used:

YEARS OF EMPLOYMENT	SEVERANCE ALLOWANCE	
	WEEKS PER YEAR OF SERVICE	% OF EARNINGS
1 <sup>st</sup> Twenty (20) Years	2	4%
Subsequent Years	1	2%
Maximum Severance Allowance	52 Weeks *	2080 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.

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

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

Employees will have their welfare coverage continued for the current month plus two (2) additional months from their date of termination.

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.

- (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 of two (2) weeks per year of service to a maximum of sixty (60) weeks based on the employee's years of

employment during the employee's last period of continuous service computed on the basis of forty (40) straight time hours per week 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.

Employees will have their welfare coverage continued for the current month plus two (2) additional months from their date of termination.

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 his option within thirty (30) days of notification that his 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 calculations is used.

YEARS OF EMPLOYMENT	SEVERANCE ALLOWANCE	
	WEEKS PER YEAR OF SERVICE	% OF EARNINGS
1 <sup>st</sup> Twenty (20) Years	2	4%
Subsequent Years	1	2%
Maximum Severance Allowance	52 Weeks *	2080 Hours

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

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

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.

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.

Employees will have their welfare coverage continued for the current month plus two (2) additional months from their date of termination.

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

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

## **ARTICLE XXV - CONTRACTING**

- (a) The Company will notify the Union of its 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 his job category.
- (c) It is not the intent of the Company to replace its regular work force through the use of contract firms.

For greater clarity, it is agreed that:

- (i) 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.
- (ii) Working under the flexible work practice provisions does not mean that an employee has been displaced and is working outside his 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 - SAFETY AND OCCUPATIONAL HEALTH**

### **Section 1: Principle**

Employees and the Company are to comply with established safety rules as amended by the Joint 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 Safety Committee**

- (a) The Union and the Company shall cooperate in a Safety Committee, which will meet at least once a month to consider all safety and occupational health problems.
- (b) The Joint Safety Committee shall consist of equal representation from Company and Union. This Committee shall meet at least once a month to consider all safety and occupational health problems.

### **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 Labour/Management Safety Conference of two (2) days will be held annually.
- (2) It shall be the basic principle of this Conference to assist the delegates in the development of an effective safety program through the promotion and implementation of best practices for an effective safety program in each mill.
- (3) To accomplish the implementation of an effective safety program in the mill, each Local Union shall have two (2) delegates in attendance at the safety conference. The two (2) delegates shall be compensated by their respective employer for any loss of wages. Travel and hotel expenses of the delegates shall not be paid by their respective employers.
- (4) A senior management representative shall attend the conference. Senior company officials and representatives of WorkSafe BC will be encouraged to attend. Additional delegates of either labour or management will be permitted to attend on an observer basis.
- (5) The agenda shall address issues that will promote occupational health and safety in their respective workplaces. Agenda items shall be submitted to the respective representative no later than November 30<sup>th</sup> prior to the conference.
- (6) The Planning Committee shall initially meet no later than one hundred and eighty (180) days prior to the established date of the conference and then schedule follow up meetings in accordance as required by the Planning Committee.
- (7) The Planning Committee shall be comprised of the following members:
  - a) One (1) CEP Local Union member
  - b) One (1) PPWC Local Union member
  - c) One (1) CEP representative from the Regional Office
  - d) One (1) PPWC representative from the National Office
  - e) One (1) Employee representative from the employer group
  - f) One (1) Industry representative
  - g) One (1) Conference Facilitator

### **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 including changes related to climate change.

## 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, warnings or decision making leaves, shall not be used against him/her 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

**Preamble:** It is mutually desired and intended by the parties that any dispute or complaint arising out of the interpretation of this agreement will be communicated by the employee to his supervisor in order to provide an opportunity for discussion and timely resolution, prior to the issue becoming a grievance.

If an employee is not satisfied with the resolution offered by his immediate supervisor he may then initiate a grievance.

### Section 1: Grievance Procedure

**Step One:** In the event that a written grievance is submitted arising out of the operation of this Agreement, except in the cases of discharge or suspension, the employee shall continue to work as per the conditions existing prior to the time that the grievance arose, and any formal meeting to discuss the grievance shall be held in the presence of the shop steward.

**Step Two:** If there is no satisfactory resolution at first step, then the union may, within seven (7) days, advise the department supervisor that the employee intends to proceed with the grievance. The department supervisor and chief shop steward will then have fourteen (14) days from the date of notification to deal with, and answer the grievance. Grievances other than those of individual employees may be initiated at Step Two by either party.

**Step Three:** If there is no satisfactory resolution at second step then either party may, within seven (7) days, refer the question to Standing Committee by advising the chairman of the Standing Committee of the intention to proceed with the grievance. The Standing Committee will then have thirty (30) days to deal with, and answer the grievance.

**Step Four:** If there is no satisfactory resolution at third step then the question may, within seven (7) days upon written request of either Standing Committee, be referred to the President of the Local and the General Manager, Pulp and Paper Manufacturing, who will then have thirty (30) days to deal with, and answer the grievance. Either party may elect to involve outside help at this step such as a regional union representative and/or a management representative from outside of Prince George.

**Step Five:** If there is no satisfactory resolution at fourth step then the matter may, within thirty (30) days, be referred to an Arbitrator.

The time periods may be extended by mutual agreement by the Company and the Union.

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 he shall meet and hear evidence of both sides and render a decision within fifteen (15) days after he has concluded his hearings, 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.
- (d) 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 him 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 he 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 himself 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 his decision and his 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 Labour Agreement.

## **ARTICLE XXXIII - DURATION AND AMENDING PROCEDURE**

### **Section 1: Term of Agreement**

This Agreement shall be in effect from midnight April 30, 2008 to midnight April 30, 2012, 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 is hereby excluded.

### **Section 3: Notice of Re-opening**

This Agreement may be opened for collective bargaining as to changes as follows:

- o either party desiring any change shall mail to other party notice in writing, by registered mail, on or after January 1, 2012 but in any event no later than midnight April 30, 2012, that any 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.
- o 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 his 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 the 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 \_\_\_\_\_, 2008 in Prince George, B.C.

**CANADIAN FOREST PRODUCTS LTD.  
SPECIALTY PAPER**

**COMMUNICATIONS, ENERGY  
AND PAPERWORKERS UNION  
OF CANADA, LOCAL 1133**

\_\_\_\_\_

\_\_\_\_\_


## 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.

	MAY 1/08	May 1/09	May 1/10	May1/11
Labour Rate	25.445	26.080	26.730	27.530
<b>PAPER MACHINE</b>				
(60) Machine Tender	40.205	41.210	42.240	43.505
(48) Back Tender	37.130	38.060	39.010	40.180
(30) Winderman	32.885	33.705	34.550	35.585
(20) Stock Preparation	30.295	31.050	31.825	32.780
(17) 4th Hand	29.575	30.315	31.075	32.005
(9) Wrapper Operator	27.680	28.370	29.080	29.950
(6) Capper	26.995	27.670	28.360	29.210
(3) Broke Hustler	26.060	26.710	27.380	28.200
(1) Utility Relief	25.645	26.285	26.940	27.750
(0) Utility Floater	25.445	26.080	26.730	27.530
(4) Materials Handler	26.280	26.935	27.610	28.440
<b>TECHNICAL SERVICES</b>				
(12) Day Paper Tester	28.165	28.870	29.590	30.480

**JOB EVALUATION PLAN  
CONVERSION TABLE BY STEPS**

<b>STEP</b>	<b>MAY 01/08</b>	<b>MAY 01/09</b>	<b>MAY 01/10</b>	<b>MAY 01/11</b>
Base	25.445	26.080	26.730	27.530
1/2	25.520	26.160	26.815	27.620
1	25.645	26.285	26.940	27.750
2	25.855	26.500	27.165	27.980
3	26.060	26.710	27.380	28.200
4	26.280	26.935	27.610	28.440
5	26.510	27.175	27.855	28.690
6	26.755	27.425	28.110	28.955
7	26.995	27.670	28.360	29.210
8	27.215	27.895	28.590	29.450
9	27.450	28.135	28.840	29.705
10	27.680	28.370	29.080	29.950
11	27.935	28.635	29.350	30.230
12	28.165	28.870	29.590	30.480
13	28.390	29.100	29.830	30.725
14	28.640	29.355	30.090	30.995
15	28.875	29.595	30.335	31.245
16	29.115	29.845	30.590	31.510
17	39.335	30.070	30.820	31.745
18	29.575	30.315	31.075	32.005
19	29.805	30.550	31.315	32.255
20	30.045	30.795	31.565	32.510
21	30.295	31.050	31.825	32.780
22	30.520	31.285	32.065	33.025
23	30.745	31.515	32.305	33.275



24	30.995	31.770	32.565	33.540
25	31.240	32.020	32.820	33.805
26	31.475	32.260	33.065	34.055
27	31.690	32.480	33.290	34.290
28	31.925	32.725	33.545	34.550
29	32.170	32.975	33.800	34.815
30	32.425	33.235	34.065	35.085

**JOB EVALUATION PLAN  
CONVERSION TABLE BY STEPS**

<b>STEP</b>	<b>MAY 01/08</b>	<b>MAY 01/09</b>	<b>MAY 01/10</b>	<b>MAY 01/11</b>
31	32.655	33.470	34.305	35.335
32	32.885	33.705	34.550	35.585
33	33.120	33.950	34.800	35.845
34	33.360	34.195	35.050	36.100
35	33.590	34.430	35.290	36.350
36	33.845	34.690	35.555	36.620
37	34.060	34.910	35.785	36.860
38	34.290	35.145	36.025	37.105
39	34.540	35.405	36.290	37.380
40	34.780	35.650	36.540	37.635
41	35.010	35.885	36.780	37.885
42	35.250	36.130	37.035	38.145
43	35.480	36.365	37.275	38.395
44	35.715	36.610	37.525	38.650
45	35.955	36.855	37.775	38.910
46	36.200	37.105	38.035	39.175
47	36.420	37.330	38.265	39.415
48	36.660	37.575	38.515	39.670
49	36.895	37.815	38.760	39.925
50	37.130	38.060	39.010	40.180
51	37.375	38.310	39.270	40.450
52	37.595	38.535	39.500	40.685
53	37.835	38.780	39.750	40.945
54	38.085	39.035	40.010	41.210
55	38.305	39.265	40.245	41.450
56	38.545	39.510	40.500	41.715
57	38.780	39.750	40.745	41.965
58	39.015	39.990	40.990	42.220

59	39.250	40.230	41.235	42.470
60	39.500	40.485	41.495	42.740
61	39.740	40.735	41.755	43.010
62	39.970	40.970	41.995	43.255
63	40.205	41.210	42.240	43.505
64	40.435	41.445	42.480	43.755
65	40.655	41.670	42.710	43.990

## **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).
- (ii) Longshoring.
- (iii) Saw Filers and Saw Fitters.
- (iv) Jobs on Newsprint Machines.

(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 Communication, Energy and Paperworkers Union of Canada 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, 3 designated representatives from the local unions and 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 Forum.
- f) to recommend improvements in the Job Evaluation Plan to an Administrative Committee for consideration. Only 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 General Manager, Specialty Paper 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 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 Communication, Energy and Paperworkers Union of Canada 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 Communication, Energy and Paperworkers Union of Canada 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  
Millwrights  
Carpenters  
Electricians  
Pipefitters  
Welders  
Painters  
Blacksmiths

Tinsmiths and Sheet Metal Workers  
Automotive Mechanics  
Masons  
Roll Grinders  
Instrument Mechanics  
Pattern Makers  
Heat & Frost Insulators  
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.

to provide that the coverage limit will be adjusted in each year of the agreement by the same percentage increase as the wage rates. The existing table in 2(g) of Exhibit "C" will be amended to reflect the calculated values and is attached.

##### (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.

<b>MAXIMUM INSURANCE BENEFITS PAYABLE</b>		
<b>EFFECTIVE DATE</b>	<b>GROUP TERM LIFE</b>	<b>AD&amp;D</b>
Date of Ratification	\$91,000	\$91,000
May 1, 2009	\$93,300	\$93,300

May 1, 2010	\$95,600	\$95,600
May 1, 2011	\$98,500	\$98,500

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. Benefits will be payable for a maximum of fifty-two (52) weeks during any one period of disability.

The Welfare Plan will include Non-Occupational Accident and Sickness Insurance that will provide a benefit of sixty percent (60%) of the employee's regular job rate to the maximums in the following table:

Maximum Weekly Indemnity Benefits Payable	
Effective Date	Benefit Maximum
Date of ratification	\$750.00 per week
May 1, 2009	\$800.00 per week
May 1, 2010	\$820.00 per week
May 1, 2011	\$845.00 per week

**Note:** The increases effective May 1, 2010 and May 1, 2011 reflect the May 1, 2009 benefit being increased in accordance with the general wage increases effective on those dates.

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 results 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. 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 fifteen (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 gross wages lost. 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

**(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, including Vision Care coverage for employees and eligible dependents will also form part of this Agreement.

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

Amend the renewed labour agreement to provide for an increase under the Extended Health Benefits Plant Lifetime Maximum to \$200,000.00.

**(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**

MAXIMUM INSURANCE BENEFITS PAYABLE		
EFFECTIVE DATE	GROUP TERM LIFE	AD&D
Date of Ratification	\$91,000	\$91,000

May 1, 2009	\$93,300	\$93,300
May 1, 2010	\$95,600	\$95,600
May 1, 2011	\$98,500	\$98,500

Hourly Job Rate*	Weekly Indemnity Insurance Benefit Level
22.75 but less than 23.00	\$565
23.00 but less than 23.25	\$570
23.25 but less than 23.50	\$575
23.50 but less than 23.75	\$580
23.75 but less than 24.00	\$585
24.00 but less than 24.25	\$590
24.25 but less than 24.50	\$595
24.50 but less than 24.75	\$600
24.75 but less than 25.00	\$605
25.00 but less than 25.25	\$610
25.25 but less than 25.50	\$615
25.50 but less than 25.75	\$620
25.75 but less than 26.00	\$625
26.00 but less than 26.25	\$630
26.25 but less than 26.50	\$635
26.50 or over	\$640

(Add the following brackets)

Effective May 1, 2004	26.50 but less than 26.75	\$640
	26.75 " " " 27.00	645
	27.00 " " " 27.25	650
	27.25 or over	655
Effective May 1, 2005	27.25 but less than 27.50	\$655
	27.50 " " " 27.75	660
	27.75 " " " 28.00	665
	28.00 or over	670
Effective May 1, 2006	28.00 but less than 28.25	\$670
	28.25 " " " 28.50	675
	28.50 " " " 28.75	680
	28.75 or over	685
Effective May 1, 2007	28.75 but less than 29.00	\$685
	29.00 " " " 29.25	690
	29.25 " " " 29.50	695
	29.50 or over	700

**\*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**

A 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 less than two (2) and 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 three (3) members.

## 6. Changes in Classification

The regular wage rate of the employee in effect on July 1 and January 1 will determine his 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, his 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%

The Company will reimburse employees for the costs of medical forms and specialist reports when required by the Weekly Indemnity and Long Term Disability carriers. This is agreed on the basis that the Company will be reimbursed by the carrier.

## 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 Union.

## 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 May 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.

## **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 he 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 Union business.
- (b) 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.

# **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.

Employees who are under 60 years of age and have their future benefits recalculated by applying the contractual wage increases that were applied in each year, during the period of their disability, to their long term disability benefit.

An employee who reaches 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 his/her future disability benefit recalculated using the greater of his/her 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 80% of 40 hours multiplied by the regular wage rate in effect at the time of the recalculation.

#### **3. Elimination Period**

Benefits commence after the employee has been totally and continuously disabled for fifty-two (52) weeks or has exhausted his 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) 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 he runs out of L.T.D. benefit, he 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 his own occupation for the first eighteen (18) months of L.T.D. disability payments and thereafter his inability to perform the duties of any occupation for which he 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 **80%** of the employee's **regular wage rate** 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 his 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 his 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 he 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 Labour 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 Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreement. 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.

## **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, they shall have the option of taking all outstanding expired time off with pay, such as he or she 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 his 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 his 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 trades 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 his apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that he completes his full term of training. If the apprentice refuses to continue his training, he will be removed from the program with no standing as a journeyman in his trade.
4. Training syllabus for each trade to be designed to meet the requirements of the particular trade involved.
5. All provisions of the Labour Agreement 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 Labour 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 his 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 his position by the Joint Apprenticeship Committee and could result in his 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 he shall receive the first year apprentice rate.

- (b) During each year of apprenticeship, he 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 his term of apprenticeship and receipt of his 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 he 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, he 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 his 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 his 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 his employer, an allowance comprised of the difference between his 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.

### **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 he 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 he shall receive pay, not to exceed four (4) hours, for time lost from work, if he is required to take the test during his 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 his first week at the school the employee will be evaluated by the school authorities to determine his knowledge of the subject, and if the evaluation is favourable he will continue his 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 he 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, two (2) weeks with pay and one (1) without, 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 his first week at the school the employee will be evaluated by the school authorities to determine his knowledge of the subject, and if the evaluation is favourable he will continue his studies at the school during the following four 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 he 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, five (5) weeks with pay and one (1) without, 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 his 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 his knowledge of the subject, and if the evaluation is favourable he will continue his 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 he 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 his 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, his employer will pay him a living out allowance which, combined with any Government living out allowance to which he may be entitled, is equal to the living out allowance he would receive from the appropriate Government authorities as an Apprentice, pursuant to Section 15 of Exhibit "D".

# STATEMENTS OF POLICY

Taken from the Transcripts of  
Negotiations for Contract Years

**1945 - 1952 inclusive**

and from Memoranda issued during  
subsequent Wage Conferences

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**Canadian Forest Products Ltd.**

**Specialty Paper**

- and -

**Communications, Energy And Paperworkers Union of  
Canada, Local 1133**

## 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 his 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. He is given less than forty-eight (48) hours notice that it is to be changed to Friday. He 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 he is called back at 1 p.m. Saturday to work four (4) hours in the afternoon, is he 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, his 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 his mate who has given proper notice and the overtime worked by the Tour Worker extends into another day, he 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, 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 his shop he shall be on that job ready to begin work at the time his pay starts and shall not cease work in advance of the time his pay stops. If the worker's time clock is not located close to the route he must travel to his job, he may, at the discretion of the Company, report directly to the job without punching his time card and his foreman shall be responsible for having his 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 he is reporting for his regular duties and then no work is provided. If the employee's regular duties consist of ship loading and bull gang work, he may be transferred from one regular assignment to another without penalty providing he obtains work on either job.



However, while working on ships he will receive the ship rate and while working in the yard he 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 his election, he shall nevertheless receive the rate paid him on his 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)

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, he 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 he has completed his regular shift" shall be considered to mean at that point when his pay stops upon being relieved by a mate.

(ii) A Day Worker is called in on his designated day off reporting for work at 8:00 a.m. and working until 10:00 a.m. for which he received four (4) hours pay as the minimum allowance for an employee who starts work. If notification had not been given during his last shift preceding the work involved, he 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 his designated shift terminated at 12:00 noon and more than two (2) hours elapsed between his designated shift and his return to work.

## **Article 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, he 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 his vacation period when he 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 he 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 his 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 he has taken over the duties and responsibilities of that job, without the guidance of the employee who is breaking him in. He 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 his previous regular job."

## Miscellaneous

### **(a) 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.

### **(b) 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 his 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.

### **(c) 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.

### **(d) 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.

### **Letter Of Understanding – Re: Apprentice Living Out Allowances**

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 pay per day at the first year apprentice rate per day 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 vocational school attendance is received from the appropriate agency.

### **Letter of Understanding – Re: Rehiring**

The following practice will be observed during the 2008 – 2012 contract.

"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 he fails to accept an offered position. Those hired under this practice will be new employees."

### **Letter Of Intent – Re: Equipment Repair**

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

## **Letter of Understanding – Re: Rehabilitation and Re-integration Program**

The Company and the Union agree to the establishment of a Joint Union - Management Rehabilitation/Re-integration 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/Re-integration 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 - Re: Contractor Code Of Ethics**

This is to confirm the agreement between the Company and your Union 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.

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.

## **Letter Of Understanding – Re: Flexible Work Practices**

1. The introduction of flexible work practices is designed to improve productivity, improve product quality, reduce downtime 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 XXV of the Labour 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 and steam plant maintenance employees.
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 Labour Agreement as well as the Company's safety rules and the regulations issued by the Workers' 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 as defined by the business areas at each site.
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, \$0.45 per hour for Maintenance employees and \$0.20 per hour 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.
- \$0.25 per hour for Maintenance employees and \$0.20 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 journey persons, apprentices 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, 2008 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 Labour Agreement, the Company and the unions agree to establish and participate in a President's Council, 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.

The President's Council shall be comprised of the:

President of the local union  
General Manager, Specialty Paper  
Members of the local union as designated by the union  
Members of mill management as designated by the employer  
National representative CEP

The Company agrees to pay all reasonable expenses for the attendance of the Local Union President (or their designate) and another member to attend the President's Council meeting.

17. The parties agree that disputes relating to the implementation of this letter shall be reviewed by the President's Council which will make every effort to resolve these disputes in accordance with the spirit and terms of this letter.

#### Letter Regarding CEP Local 1133 and Prince George Pulp and Paper Mills

With respect to the implementation of flexible work practices at the mill site, the parties agree that they will consult with respect to the ways and means to avoid jurisdictional disputes between the Unions.

### **Letter of Understanding - Re: Commitment to Employment**

Protecting and enhancing employment in the pulp and paper industry is a joint commitment of the Company and the 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, representatives of the CEP National office and Canfor corporate representatives.
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 joint committee with relevant information to ensure an informed discussion of the 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.

### **Letter of Understanding – Re: Job Security and Job Elimination**

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.

### **Letter of Understanding – Re: Trades Qualifications**

CEP and Canfor both clearly recognize the critical nature of apprenticeship training and certified trades 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 the Company agree that closer cooperation will help protect them against any changes that could negatively impact the skills levels and portability of trades persons in B.C.

The parties agree to the establishment of a committee comprised of management representatives of Canfor and appropriate representatives of CEP to develop a strategy of maintaining the principles of certified trades training for British Columbia 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.

## LOCAL AGREEMENT

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## **I LEAVE OF ABSENCE**

### **(a) Union Business**

As a result of local negotiations with Communications, Energy and Paperworkers Union, Local 1133, the Company has agreed to continue the payment of wages to Union delegates granted leave of absence to attend Communications, Energy and Paperworkers Union conferences, the Joint Wage Conference, conferences sanctioned by the Communications, Energy and Paperworkers Union and meetings related to the Wage Conference, as if they had remained at work, with normal deductions continuing to be made. These wages will be accumulated and the Union will be charged a lump sum to recover the gross amount paid plus the normal payroll burden covering the employer's share of fringe benefits.

#### **PROCEDURE**

##### **The Union will:**

- (i) Advise the Human Resources Department, in writing, of the names of Union delegates who will be attending a function, as described above, stating the number of days or an approximation of the number of days involved for each employee. This information will be forwarded to the appropriate supervisor and the Pay Office.

##### **The Supervisor will:**

- (i) Put in the hours, including premium time, and the rate the employee would have received had he been at work on his regular schedule. This will include any set ups he would have made.
- (ii) Record the appropriate charge number on the time sheet.

##### **The Pay Office will:**

- (i) Process the hours and rate for these employees and ensure the normal deductions are made.
- (ii) Accumulate the hours, rates of pay and gross amount for each employee and forward to the Accounting Department.

##### **The Accounting Department will:**



- (i) Forward a complete statement incorporating gross wages and normal payroll burden, excluding W.C.B. assessment, to the Union for reimbursement. Payment will be due upon receipt of the Company invoice.

This agreement will remain in effect for a period of one (1) month, however, it can be extended by mutual agreement. This arrangement applies to Leaves of Absence as described above, and in the event of a labour dispute shall not apply.

## **(b) Long Service Employees**

1. Long service employees with fifteen (15) or more years of seniority will be granted a, once only, leave of absence for a period of up to 6 months. This request would be conditional on the following:
  - (i) 3 months notice. (The notice period may be reduced or waived in cases of emergencies or for compassionate reasons.)
  - (ii) one employee off at a time in each department.
  - (iii) the employee cannot be using the leave to work for another forest products company.
  - (iv) all other owed time must be used before unpaid leave is granted.
2. Long service employees with ten (10) or more years of seniority will be eligible to enter the program for “sabbatical leave” under the same conditions as noted above. However, when a “sabbatical leave” is granted, one employee can be off on LOA and one employee can be off on “sabbatical leave” at the same time. Such time would be considered unpaid leave for the purpose of benefits, pensions and any other paid entitlement. This provision would be subject to the parameters and legislative requirements of the Department of National Revenue and Income Tax Act.

## **II MANNING**

- (a) Broke Hustler - The Company agrees that the “Broke Hustler” will be a permanent position in the Paper Machine line-of-progression, but not a member of the “Paper Crew” in the classical sense.
- (b) Production Worker - The Company agrees that the Machine Tender, Back Tender, Third Hand, Stock Prep Operator, Fourth Hand and Wrapper Operator shall be considered as Production Workers on the Paper Machine; and that they will not be used for work not directly involved with production while the machine is running, except in cases of emergency. It is further understood that the Production Worker is responsible for the housekeeping in his area.

- (c) The Company agrees that requirements for additional manning will be supplied on an as needed basis and payment will be at the established rate for the position being filled. For example, additional manning utilized as a result of increased workload in processing small rolls at the finishing line would receive Fourth Hand's rate.
- (d) Student Employment - Students who are employed for vacation relief may request permanent employment and be subject to the following rules:
  - (i) The probationary period will start on the day the student signifies in writing to the Human Resources Department that he wishes full time employment and providing he meets the requirements of a permanent employee.
  - (ii) Seniority will accrue from the original date of hire for all benefits except those relating to seniority as it effects promotion, demotion, transfer, layoff and recall of the employee.

### **III MEALS**

#### **(a) Cafeteria**

- (i) The Cafeteria will be open from:

11:30 a.m. to 1:00 p.m.  
\*3:30 p.m. to 4:30 p.m.  
8:00 p.m. to 10:00 p.m.  
1:00 a.m. to 4:00 a.m.

\*Except during major shutdowns when this service will be available at a time determined by the Machine Room Supervisor and the Cafeteria Supervisor.

The hours may be extended where machine problems interfere with these times.

- (ii) Redeemable meal tickets may be cashed in the Cafeteria on day shift at noon only when purchasing food on the menu.

#### **(b) Meal Tickets**

- (i) Meal tickets may be cashed at any time during Pay Office hours.
- (ii) The value of a meal ticket is **\$14.00**.

#### **(c) Meal Entitlement**

- (i) An employee on 7-3 shift who is required to report one (1) hour or more in advance of his shift shall receive a breakfast as close to 7:00 a.m. as possible.

- (ii) The Company agrees to provide a meal to any employee who works on a wire or clothing change on his regular day off at a mutually agreed to time.
- (d) The Company agrees to enter into discussions with Local 1133 for possible ways to use meal tickets to purchase food at restaurants within the City of Prince George.

#### **IV PAY**

##### **(a) New Jobs**

It was agreed that any new job created during the term of the contract will be open for negotiation for the purpose of establishing the job rate.

##### **(b) Pay Cheques**

Cheques will be available at any time during Pay Office hours on pay day (Wednesday).

#### **V MISCELLANEOUS FACILITIES**

##### **(a) Lockers**

Lockers with suitable tools and clothing will be provided for each Material Handler.

##### **(b) Parking**

A parking area for motorcycles and bicycles will be provided immediately east of the Gatehouse.

##### **(c) Car Wash**

The car wash will be maintained and will operate as long as is reasonably practical. In addition, mill fallout will continue to receive top priority. The Company agrees to upgrade the existing car wash to its maximum capability by optimizing pump and nozzle capacity. In addition, a hand held, high pressure water wand will be provided.

##### **(d) Refrigerators and Stoves**

A refrigerator and stove will be available in the Machine Tender's booth, Back Tender's booth, dry end booth and paper lab.

##### **(e) Stools and Chairs**

Existing stools, chairs and hot plates (with ovens) will be replaced as required providing there is no abuse of these conveniences.

**(f) Pop Machines**

The Company agrees to provide a canned pop machine at the wet end and dry end of the machine room on the understanding that the only Company responsibility will be to provide power and water.

**(g) Microwave Ovens**

A microwave oven will be installed in the Machine Tender's booth, dry end booth, paper laboratory, Back Tender's booth and stock prep booth.

**(h) Smoke Eater**

A smoke eater will be installed in the dry end booth.

**(i) Tool Lockers for Stock Prep**

The Company agrees to provide individual tool lockers for stock prep personnel.

## **VI PROMOTION TO SUPERVISORY POSITIONS**

There are no restrictions on the Company in the selection of supervisors.

Where the Company selects a C.E.P. member for a permanent supervisory position, the following will apply:

In the event that the employee requests on his own or is requested by the Company, within a period not exceeding six (6) months, to return to the bargaining unit, he may do so without loss of seniority and would assume the position he would have held had he not left the bargaining unit.

It is understood that if such an employee were to return to the bargaining unit that the reasons for the move would be explained to all involved, however, neither the Company nor the Union would have the right to veto the decision to move.

## **VII SAFETY**

**(a) Boots**

A rebate of the cost of safety footwear will be paid to employees upon presentation of receipts on the following basis: 80% of the cost to a maximum of \$600 per year. Toe protection is a job requirement.

Employees would be eligible for this rebate once they have completed their probationary period.

**(b) Procedures**

The Company agrees that no changes will be made in departmental safety procedures, safety equipment or lockout procedures without consultation and serious consideration of the positions of the safety and/or lockout committees of C.E.P. Local 1133. However, it is recognized that certain situations may arise where there is insufficient time for prior consultation.

In these situations, temporary changes may be made with consultation of the following:

- |          |    |  |
|----------|----|--|
| ORDER    | 1. | Member of safety or lockout committee, by phone if not on shift. |
| OF       | 2. | A member of the union executive on shift.                        |
| PRIORITY | 3. | Senior operator and safety captain on shift.                     |
|          | 4. | Two senior operators on shift.                                   |

**VIII SHUTDOWNS - UNION**

The Company agrees to grant two, four hour, Union shutdowns per bargaining year ("bargaining year" is defined as the year in which the renewed collective agreement is ratified).

In lieu of Union shutdowns eliminated in the 1994-1997 Labour Agreement, employees on the 12 hour shift scheduled will receive eight (8) hours paid time off during the contract year. Such time off would be treated in the same manner as floating holidays.

In non-bargaining years of the contract, the company agrees to grant one, four hour, Union shutdown with the Union having the option of taking a second shutdown. Should the Union elect to take a second shutdown in these non-bargaining years of the contract, the employees will forfeit the eight (8) hours paid time off.

It is recognized by the Union that to offset production loss these shutdowns will be scheduled to tie in with planned maintenance shutdowns wherever possible.

It was also recognized by the Company that the Union, under emergent conditions, may require a meeting on short notice. However, the Union, under these circumstances, agrees to give the Company at least forty-eight (48) hours notice if possible.

It was mutually agreed that the spirit of this article is to avoid undue loss of production.

## **IX NEGOTIATIONS**

### **(a) Labour Agreement Booklet**

Following the signing of each Agreement, the Company will have all ongoing items printed in booklet form.

### **(b) Labour Agreement Completion Dates**

The Company will supply anticipated completion dates within 30 days of signing the Agreement.

## **X MEDICAL TRAVEL AND ACCOMODATION PLAN**

The Company will initiate a "Medical Travel and Accommodation Plan". The provisions of the plan shall be subject to the limitations in the contract of the selected carrier.

Cost sharing of the premium for this benefit will be 20% employee and 80% employer. The plan will be compulsory for all eligible employees and will not duplicate benefits provided now or which may be provided in future by any government program.

### **Terms and Conditions**

- (a) Where, in the opinion of the attending physician, treating a member employee and/or his registered dependents, adequate treatment is not available locally, transportation by public conveyance from Prince George only will be provided to and from the nearest major center within British Columbia equipped to provide the required and recommended medical treatment, provided such treatment is performed by a member of the College of Physicians and Surgeons of British Columbia and occurs within six months of the attending physician's referral.

Where specialized oral surgery is medically required and treatment is not available in Prince George, upon referral of the attending physician return public transportation will be provided to the nearest appropriate treatment centre so that appropriate treatment can be obtained. This treatment must be performed by a member of the College of Dental Surgeons of B.C. and occur within 6 months of the attending physician's referral.

"Registered Dependents" are defined as:

- (1) the spouse of the employee, and

- (2) any child, step-child, legally adopted child, or legal ward of the employee (including a child in respect of whom an adult stands in place of a parent), who is supported by the employee and who (a) is not married, and (b) is under the age of 21 years or is in full time attendance at a school or university and who is ordinarily resident in British Columbia.
- (b) Where necessary, and at the request of the attending physician, transportation will be provided to an attendant in connection with the aforementioned transportation of any employee or his registered dependents.
- (c) Also, where transportation has been provided to the nearest major medical centre where adequate facilities are available, provision for assistance regarding accommodation is limited to commercial facilities for the patient and attendant before and after medical treatment and shall be limited to a total of seven (7) days at >>>\$95 per day.

Sympathetic consideration shall be given on an individual basis to extend the seven (7) day maximum where the required treatment extends beyond this length of time.

## **XI 12 HOUR SHIFTS**

For the purposes of a compressed work week schedule, the parties hereby agree to the following terms and conditions:

- 1 a) A 12 hour shift committee will be maintained consisting of three members of Local 1133 and three members from the Company. The purpose of the committee will be to meet and resolve problems that may arise from time to time regarding the twelve hour shift schedule.
- b) The 12 hour compressed work week schedule may be cancelled by either party with sixty (60) days written notice. Upon cancellation, the schedule will revert back to eight (8) hour shifts.
2. The implementation of the compressed work week will be on the conditions that there will be no extra costs to the Company and that efficiency of any department or departments will not decrease.
3. For the purposes of covering for short term or short notice absences, the crew will be moved up on shift if all positions required to be filled can be filled.

It is clearly understood by both parties that replacements must be available for relief purposes when required and that these replacements must come from employees on their scheduled days off.

To ensure that such replacements will be available, employees prior to going on their scheduled days off, will indicate to their supervisor when they are available for work.

Employees will not be expected to work in excess of 16 consecutive hours.

4. Any employee entering the 12 hour shift schedule will be paid the overtime premium for hours worked in excess of eight (8) hours on the first 12 hour shift, unless notification of entry was given during the first eight (8) hours of his last shift preceding the new 12 hour shift.

Overtime at the rate of time and one-half will be paid for all hours worked in excess of twelve (12) hours in one day, except when such work in excess of twelve (12) hours is caused by the change of shift.

5. Tour workers who work in excess of 12 consecutive hours on a regularly scheduled shift, or in excess of eight (8) consecutive hours on a scheduled day off shall have the option of receiving the overtime premium on the basis of Article VI of the Labour Agreement or of receiving straight time hours in excess of 12 or 8 consecutive hours respectively, and taking equivalent time off in units of not less than 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 was banked, may be carried over to the next year for the purpose 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 was 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.
6. For the purposes of the twelve (12) hour shift schedule, the payment of shift differential will be based on tour work being scheduled 7-3, 3-11, 11-7 in accordance with Article VII, Section 2, Paragraph (a) of the Labour Agreement.
7. Vacation (regular and supplementary) time will be converted to hours for purposes of 12 hour shifts and will be banked and withdrawn as employees take scheduled days as vacation.

An employee who has been employed for less than one year and does not qualify under Article XV (b) of the Labour Agreement, will receive a vacation of two hours for each full week of actual work performed during the preceding vacation period. No vacation of less than 8 hours will be granted.

8. When taking Banked Overtime, Banked Shift Differential and Deferred Statutory Holidays, the following rules apply:
  - (a) For the purposes of the twelve (12) hour shift schedule, entitlement to Deferred Statutory Holidays will be calculated on the basis of number of days for which the employee has qualified multiplied by eight (8) hours.



- (b) Deferred Statutory Holidays can only be taken off in twelve (12) hour units.
  - (c) Employees will be permitted to group Banked Overtime, Banked Shift Differential and Deferred Statutory Holidays to facilitate taking time off in twelve (12) hour units.
  - (d) Employees may take four (4) hours from grouped hours if so desired to supplement Statutory Holiday pay, if they would normally have worked a twelve (12) hour shift on that day.
  - (e) When a Statutory Holiday falls on an employee's regular day off, he may if he elects to, take an alternate day off within the contract year. Any hours remaining at the end of the contract year will be paid to the employee.
  - (f) With the above exceptions, and those found elsewhere in this subject, all other conditions of the main body of the Labour Agreement will be applied in relation to 12 Hour Shift Workers.
9. 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 he shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule, to a maximum of twenty-four (24) hours pay, according to the provisions of Article XIII of the Labour Agreement.
10. Any regular full time employee who is required to report for jury duty, coroner's inquest, or who is required to appear as a crown witness, on a day on which he would normally have worked, will be reimbursed by the Company for the difference between the pay received for coroner's inquest, jury or witness duty and his regular straight time hourly rate of pay for his regularly scheduled hours of work necessarily lost. It is understood that such a reimbursement shall not be for hours in excess of twelve (12) hours per day or forty-eight (48) or thirty-six (36) hours per week depending on the number of days scheduled that week less pay received for such duty. The employee shall be required to furnish proof of performing such service and such duty pay received in accordance with Article XII of the Labour Agreement.
11. Employees will give as much notice as they possibly can on requests for leave, so that they can be replaced at straight time. Otherwise the necessity to work employees on their days off will effectively negate the benefits gained from the additional days free from work in the compressed work week.
12. When the Company changes an employee's shift schedule after the start of the week without notification being given during the first twelve (12) hours of his 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 his previously established shift schedule.

13. For the purpose of the twelve (12) hour schedule, Sunday Letter entitlement will be based on the forty-eight (48) or thirty-six (36) hour work week, depending on the number of days scheduled in that week.
14. The averaging period for the twelve (12) hour shift schedule will be six (6) weeks and a floating day off will be arranged on the basis of working forty (40) hours per week over the averaging period.
15. The twelve (12) hour shift times of 7:00 a.m. to 7:00 p.m. and from 7:00 p.m. to 7:00 a.m. will define a DAY as a period of twenty-four (24) hours, beginning at 7:00 a.m. and a WEEK as a period of seven (7) calendar days beginning at 7:00 a.m. Sunday.
16. Tour workers whose schedule includes a Down Statutory Holiday and who are not required to work, will have their work week reduced by twelve (12) hours for that Statutory Holiday for the purpose of calculating overtime.

## **XII BANKING OF SHIFT DIFFERENTIAL**

- (a) The banking of Shift Differential will be administered as follows:

Employees may elect, with fourteen (14) days notice in writing to the Company, to accumulate Shift Differential earned and receive payment in the following manner:

1. An employee may, with appropriate notice, request time off 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. This time off may be taken when the money accumulated is at least the equivalent of the wages he would have earned at this regular straight time rate for the time off he has requested.
2. An employee may elect only once each contract year to accumulate Shift Differential.
3. An employee may at any time request, in writing, payment of money accumulated to his credit, and will receive it in the pay period following the request.
4. If an employee elects to bank his Shift Differential, the leave must be taken prior to December 1, following the expiry of the contract year in which the differential was banked.
5. It is understood that this accumulated time off may not be taken in the prime vacation period except to complete a tour in conjunction with annual vacation.

- (b) Employees will be allowed to combine their banked Shift Differential and banked overtime earnings to facilitate taking time off in units of complete shifts.
- (c) Banked Shift Differential may be taken off in one (1) hour segments.

### XIII VACATIONS

#### (a) Paper Machine

- (i) The jobs on the paper machine will be divided into three (3) groups for the purpose of selecting vacation times during the vacation year. For the 1998-1999 vacation year, the jobs within the groups are ordered as follows:

<u>Group "A"</u>	<u>Group "B"</u>	<u>Group "C"</u>
Machine Tender	4 <sup>th</sup> Hand	Broke Hustler
Stock Prep. Op.	Utility Relief	Backtender
Utility Floater	Wrapper Op.	3 <sup>rd</sup> Hand
	Capper	

Each year the jobs within the groups are rotated to allow for a different selection order. Employees who are classified in jobs at the top of each group will have the first choice during that vacation year.

- (ii) Employees within each group must submit their vacation choices to the supervisors by the dates shown below. If an employee does not make his vacation choice by the dates indicated, then he will go to the bottom of the list within his group for that choice.

<u>Choice</u>	<u>Date Required</u>
1 <sup>st</sup>	1 <sup>st</sup> Saturday of April
2 <sup>nd</sup>	2 <sup>nd</sup> Saturday of April
3 <sup>rd</sup>	3 <sup>rd</sup> Saturday of April
4 <sup>th</sup>	4 <sup>th</sup> Saturday of April

- (iii) After May 1<sup>st</sup>, vacations will be granted on a first come, first served basis.
- (iv) Prime time vacation period is defined as May 1<sup>st</sup> to November 15<sup>th</sup> and December 10<sup>th</sup> to January 10<sup>th</sup>.
- (v) Vacations may be selected in two (2) consecutive blocks on a reserved basis. A block is seven (7) twelve hour shifts. Only one period of up to

two (2) consecutive blocks of vacations can be selected during prime time on a first round basis.

- (vi) Vacations start after the last day worked and end on the first day back to work.
- (vii) Only two (2) operators (three (3) operators during prime time) per crew can be granted time off at the same time.

**(b) Technical Department**

Two (2) regular, full-time employees in the Technical Department will be allowed to be away on vacations at the same time during the prime time vacation period.

## **XIV STATUTORY HOLIDAYS**

- (a) A Statutory Holiday falling on an employee's regular day off will be covered as outlined below:

When a Statutory Holiday falls on an employee's regular day off, he may if he elects to, take an alternate day off within the contract year (by October 31<sup>st</sup> if Easter Monday is deferred) - in accordance with the following provisions:

1. The employee must apply to his immediate supervisor in writing prior to the Statutory Holiday.
2. The alternate day off will be scheduled in relation to the shift schedule to minimize relief requirements, or must conform to minimum departmental requirements.
3. The Statutory Holiday pay shall be deferred until the day off. The pay shall be eight (8) hours at straight time rate for each Statutory Holiday that is deferred.
4. This agreement does not void the conditions upon which the Statutory Holiday pay is earned as set out in the Labour Agreement.
5. When an employee elects to defer his Statutory Holiday pay, the work week in which the Stat. occurs will not be shortened according to the terms of the "Sunday Letter".

(b) Leave of Absence

When a Statutory Holiday occurs while an employee is on leave of absence, another day off will not be granted, however, this shall not affect the employee's Statutory Holiday pay provided other conditions of the Labour Agreement are complied with.

## **XV SHORT TERM RELIEF POLICY**

1. A short term vacancy will be filled by moving up on shift if all positions required to be filled can be covered.
2. When unable to fill the vacancy by 1 above, the vacancy will be filled in the following order:
  - (a) Call in the employee who was scheduled for the vacant position on the preceding or following tour.
  - (b) Call in the employee who was scheduled for the position immediately junior to the vacant position on the preceding or following tour.
  - \* (c) Call in the employee who was scheduled for the position immediately senior to the vacant position on the preceding or following tour.
  - (d) Call in the employee who was scheduled for the vacant position on the other shift of the preceding or following tour.
  - \* (e) Call in any employee who is qualified for the closest position to the vacant position and realign the crew according to seniority starting with people from the preceding or following tour.
  - (f) If unable to arrange coverage by the above methods keep the man on shift over for 4 hours and continue to endeavour to secure a relief.
  - \* The circumstances should be explained to the employee being called and his cooperation requested in filling the vacant position thereby eliminating excessive realignment of the crew.
3. For periods of vacation relief, and in cases of sickness when timing is unknown, coverage should be provided by following the above procedures.
4. In cases other than vacation where it is known that a vacancy will definitely extend beyond two (2) weeks, coverage should be provided by a seniority move.

NOTE: If the vacancy is to be for a period in excess of one day, efforts should be made to equalize the coverage:

- i.e. (a) If a Back Tender is to be off on Wednesday and Thursday then the scheduled Back Tender from Tuesday would cover the first day and the scheduled Back Tender from Friday would cover the second day.

- (b) If the coverage was required for Friday, Saturday and Sunday then the employee scheduled to the position on Thursday would cover Friday and Saturday and the employee scheduled for Monday would cover the Sunday.

## **XVI SENIORITY**

### **(a) Recall from Layoff**

Recall from layoff will be by department seniority in compliance with Article XXI of the Labour Agreement.

### **(b) Freezing**

Employees who are frozen in a job category will be allowed to move to the senior position in that category, however frozen employees will not be allowed on the senior crew.

## **XVII 42 HOUR SPECIAL LEAVE**

This plan provides that all members of the Communications, Energy and Paperworkers Union, Local 1133 (tour workers) will be covered by a 42 Hour Special Leave Agreement as outlined below. This plan provides for an average forty hour week and is subject to review pending changes in the "Hours of Work" section outlined in the Labour Agreement.

1. All CEP 1133 tour workers will be covered by the 42 Hour Special Leave Agreement.
2. Employees will have the option of (a) being paid premium time for hours worked in excess of 44 every second week of their regular schedule, or (b) will earn leave by submitting a separate time sheet to their supervisor for 4 straight time hours. When this option is taken, all time worked and paid time off in that work week shall be used for the purpose of earning the 42 Hour Special Leave straight time off.
3. Those employees who elect to have their time sheets held to earn leave will either:
  - (a) take time off as full shifts or tours; or,
  - (b) take time off in multiples of 4 hours where there is sufficient manning to move up on shift (application to be approved only after shift has commenced) or,
  - (c) make application for 4 hours off at the start of a normally scheduled shift on the preceding calendar day.

e.g.: A valid request results if an employee applies on Friday for 4 hours off on Saturday. A request on Friday for 4 hours off on Sunday or on future days is not valid.

4. (a) In general, overtime will be a determining factor in the granting of Special Leave time off. Vacation, Supplementary Vacation, Floaters, and Banked Time, will all take precedence over Special Leave.
- (b) However, Special Leave may be granted, without overtime consideration within the guidelines established for the number of crew members allowed off during prime time and non-prime time vacation periods.

If Special Leave time off is granted under these conditions, additional Special Leave, Vacation or other time off requests may be denied on the basis that overtime would be created.

5. There will be a cap of 84 hours on accumulated Special Leave.
6. The Company or Union may opt out of the 42 Hour Special Leave Agreement by giving the other party 60 days notice in writing. Should this happen it is understood the 40 hour day off on a six week averaging period would be reinstated.

## **XVIII APPLICATION FOR PAPER MACHINE VACANCIES FROM THE TECHNICAL DEPARTMENT**

- (a) When a permanent vacancy occurs on the Paper Machine, employees, who are CEP members of the Technical Department, will be eligible to apply.
- (b) Permanent Paper Machine vacancies will be posted in the Paper Lab for seven (7) calendar days. If another vacancy occurs within 60 days of the original posting, only those employees who had applied for the original posting will be considered.
- (c) If a CEP member from the Technical Department is chosen to fill the vacancy, the selection will be based on the senior qualified applicant in the bargaining unit. A probationary period of 30 days will be served. The successful applicant will retain seniority in his former department and job within the probationary period if he elects to do so, or if he is found unsuitable for the new job.

## **XIX APPLICATION FOR P.P.W.C. JOB POSTINGS**

- (a) C.E.P. members, providing they meet the minimum qualifications of the job, will be chosen on the basis of seniority on P.P.W.C. Local 9 job postings, before a new employee is hired from outside.

- (b) Once chosen, the successful applicant will serve a 30 calendar day probationary period. During this time he will retain his seniority and job in his former department if either he elects to return to his former job or if he is found to be unsuitable for the new job.

## **XX RELIEF SHIFT SUPERVISORS**

- (a) The Company may select hourly Machine Crew employees to act as Relief Shift Supervisors as the need arises. This period of temporary promotion will normally be limited to a three (3) month period. If an extension to this period is required, the matter will be jointly reviewed by the Company and Local 1133 Standing Committee.
- (b) Relief Shift Supervisors will be provided with formal training (both in-house and external training programs).
- (c) It was mutually agreed the "Relief Shift Supervisors" shall be paid at a rate 10% above the Machine Tender's rate.
- (d) An employee will be trained and available for relief supervision on his or her own crew.

## **XXI NEW HIRES - HOURLY MACHINE CREW**

The Company agrees to the Union proposal of a "one in five" formula in the matter of promotions vs. new hiring, and this includes promotions and new hires in the event of a new paper machine installation. However, it is recognized that certain situations may arise which may force the company to deviate from this formula. In such cases, it is mutually agreed that these situations would be discussed with the Union Standing Committee. The Union agrees to extend reasonable cooperation in dealing with this problem.

New hires within Local 1133 will not have the privilege of bidding until twelve (12) months have elapsed from the date of hire or written permission is given by the Department Superintendent.

## **XXII MEDICAL FORMS**

The Company will reimburse the cost of light duty medical forms that the company has requested for employees who work under the terms of the light duty program.

## **XXIII HEALTH CLUB FEE**

The Company will provide an annual reimbursement of \$75.00 to each employee who purchases an annual membership at a recognized fitness facility (this does not include recreation facilities, tanning, etc.). Reimbursement will be made upon presentation of a receipt.



## **XXIV COVERALLS**

Coveralls, in various sizes, will be available through the supervisor in the machine room for dirty jobs.

## **XXV MATERIALS HANDLER**

The Materials Handler job will be posted in the paper mill and paper lab on May 1<sup>st</sup> of each year and be available to all members of Local 1133 on the basis of the following provisions:

- a) Employees who are interested in bidding on the Materials Handler job should notify the Papermill Superintendent, in writing, before May 8<sup>th</sup>.
- b) On May 8<sup>th</sup>, the most senior qualified Local 1133 member who has applied will be selected to fill the job for a one-year term. If no one has applied, the most junior Local 1133 member will be assigned to be the Materials Handler.
- c) The employee selected to fill the Materials Handler job will continue to accumulate job seniority in the job he/she temporarily vacated to become a Materials Handler.
- d) The Materials Handler pay rate and overtime call in procedures apply to the employee who is classified as a Materials Handler.
- e) The employee selected to fill the Materials Handler job will be eligible for only one term unless there are special circumstances and both the Company and Union agree to allow the employee to bid on another one-year term.

Note: The above terms apply only after the present incumbent, Brad Bell, has vacated the Materials Handler job.

## **XXVI RETIREE BENEFITS**

B.C. medical and basic extended health benefits (excluding vision care) will be provided to employees who retire after the ratification of the 1998 – 2003 Labour Agreement, in exchange for the Union agreeing to forego the second union shutdown in 1998 and the 1999 union shutdown.

In exchange for the Union agreeing to forego the 2009 Union shutdown, the Company will increase the lifetime maximum for Retiree Benefits to \$30,000.

## **XXVII SHORT NOTICE CLOTHING CHANGES**

Employees requested to work beyond their scheduled shift with less than thirty (30) minutes notice prior to the end of their shift and for the purpose of replacing machine clothing will receive two (2) hours straight time pay at card rate plus hours worked.

**CANADIAN FOREST PRODUCTS LTD.  
SPECIALTY PAPER**

**COMMUNICATIONS, ENERGY AND  
PAPERWORKERS OF CANADA,  
LOCAL 1133**

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April 25, 1995

Mr. Gordon Brown  
President,  
Communications, Energy and Paperworkers Union  
Local 1133  
1012 Cuddie Crescent  
Prince George, B.C.  
V2L 4C2

Dear Mr. Brown:

I have been advised that in your negotiating meeting on March 9th, 1995, you requested a commitment from the company, separate and apart from the main agreement, to address your concerns in the event of a permanent closure of the paper machine.

As our management group stated, the company has no plans to stop producing paper at our operation in Prince George. In their presentation to you on March 8th, they spent a great deal of time telling you about our long-term marketing strategy and reviewing the significant capital investments we have made on the machine during the past three years as well as some of the

plans we have for the future. They had hoped and fully expected that this information would have clearly demonstrated our commitment and strategy to remain in the paper business.

While they hoped that this information would have gone a long way to alleviate your concerns, they recognize your need to have the company outline our commitment to address your concerns.

Should a decision be made to permanently shut the paper machine down, without being replaced by another paper machine on site, the company will commit to entering into negotiations with Local 1133 to address the needs of your members.

The terms of such an agreement will include the following:

- enhanced early retirement provisions;
- preferential hiring within Canfor;
- re-employment counselling;
- relocation assistance;
- financial counselling.

In addition, we would commit to providing you with six months' notice should the company plan to permanently shut the paper machine down.

Yours sincerely,

A.S. Nielssen

## **LETTER OF UNDERSTANDING - RE: TECHNOLOGICAL CHANGE PROTECTION**

For the term of this agreement, current members of C.E.P., Local 1133, **as listed on the attachment**, will be protected in the event of technological change on the basis of the following terms:

- a) Severance allowance as outlined in Article XXII - Job Security of the collective agreement will be offered first to the incumbents of the job affected and then on a seniority basis to other C.E.P. members up to the maximum number of employees affected by the technological change.
- b) The listed C.E.P. members will not be subject to lay off as a result of technological change. However, if a job in the P.P.W.C. is posted and no P.P.W.C. or C.E.P. members have applied, the most junior C.E.P. member will be assigned to the job. Once assigned, he will serve a 30 calendar day probationary period. During this time, if it is demonstrated that he does not have

the ability to perform the functions of the job he will receive the severance allowance as outlined in Article XXII - Job Security and his employment will be terminated.

These terms do not apply to C.E.P. members who are hired after the date indicated on the attached seniority list.

**C.E.P. SENIORITY LIST  
OCTOBER, 2003  
PRINCE GEORGE PULP AND PAPER MILLS**

NAME	OCCUPATION	SENIORITY D/M/Y
Chadwick, I.	Machine Tender	21-09-71
Matiece, L.K.	Machine Tender	06-09-74
Brown, G.S.	Machine Tender	27-10-75
Richardson, C.	Backtender	28-01-76
Ratkaj, N.	Machine Tender	19-03-76
Morgan, W.	Backtender	17-05-76
Labonte, D.	Backtender	24-09-76
Hanison-Nagel, S.	Backtender	18-10-76
Knight, D.S.	Winderman	14-02-77
Mobley, J.A.	Capper	24-11-77
Warn, K.D.	Winderman	17-02-78
Rahn, W.K.	Winderman	14-04-78
Giesinger, E.	Winderman	02-04-79
Reichart, B.	Stock Preparation Operator	18-11-80
Hampe, D.R.	Stock Preparation Operator	10-02-87
James, D.M.	Paper Tester	16-04-87
Peterson, D.G.P.	Stock Preparation Operator	05-01-88
Lightfoot, T.R.	Stock Preparation Operator	17-03-88
Graham, D.W.	4 <sup>th</sup> Hand	11-05-88
Elliott, M.K.	4 <sup>th</sup> Hand	16-01-89
Downie, A.C.	4 <sup>th</sup> Hand	18-10-89
Dobrowolski, J.	4 <sup>th</sup> Hand	28-03-90
Cailleaux, R.A.	Wrapper Operator	23-09-91
Fillion, G.F.	Wrapper Operator	11-10-91
Law, D.S.	Wrapper Operator	06-01-92
Naef, C.D.	Wrapper Operator	02-11-92
Hutton, R.	Capper	14-08-95
Robson, P.	Capper	04-10-95
Vasko, I.	Capper	05-02-96
Norn, R.	Broke Hustler	24-09-99
Peter, R.	Broke Hustler	07-09-01
Malgunas, K.	Broke Hustler	14-09-01
Harris, C.	Broke Hustler	02-12-02
Moscrip, S.	Utility Relief	10-01-03
Stauffer, K.	Utility Relief	14-01-03
Brienen, K.	Utility Relief	23-06-03
Bennett, J.	Material Handler	09-08-04
Miller, D.	Utility Relief	31-01-06
Rein, B.	Utility Floater #1	07-11-06
Beer, G.	Utility Floater #1	13-12-06
Wells, N.	Utility Floater #1	27-12-06
Thibeau, M.	Utility Floater #2	01-11-07
Lavoie, N.	Utility Floater #2	06-11-07
Shiels, D.	Utility Floater #1	13-06-07
Sims, J.	Utility Floater #2	07-04-08
Pomeroy, S.	Utility Floater #2	07-07-08