

# LABOUR AGREEMENT 2012-2017



BETWEEN

Catalyst



Powell River Division

AND



COMMUNICATION, ENERGY  
and PAPERWORKERS UNION  
LOCAL 1

**AGREEMENT**  
**OF THE PULP AND PAPER INDUSTRY IN**  
**THE PROVINCE OF BRITISH COLUMBIA**  
**2012-2017**

This AGREEMENT made this 10th day of March, 2012

BETWEEN

CATALYST PAPER  
- POWELL RIVER DIVISION

(hereinafter referred to as the Company)

PARTY OF THE FIRST PART

- AND -

LOCAL 1 of the COMMUNICATIONS, ENERGY &  
PAPERWORKERS UNION OF CANADA

(hereinafter referred to as the Union)

PARTY OF THE SECOND PART  
WITNESSETH:

**POWELL RIVER DIVISION  
LABOUR AGREEMENT  
2012 - 2017**

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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.

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

### **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, Section 8 of which reads as follows:

“(1) Every person has the right of equality of opportunity based upon bona fide qualifications in respect of his occupation or employment, or in respect of an intended occupation, employment, advancement, or promotion; and, without limiting the generality of the foregoing;

- (a) no employer shall refuse to employ, or to continue to employ, or to advance or promote that person, or discriminate against that person in respect of employment or a condition of employment; and
  - (b) no employment agency shall refuse to refer him for employment, unless reasonable cause exists for such refusal or discrimination.
- (2) For the purposes of sub-section (1),
- a) the race, religion, colour, age, marital status, ancestry, place of origin, or political belief of any person or class of persons shall not constitute reasonable cause;
  - b) a provision respecting Canadian citizenship in any Act constitutes reasonable cause; (1974, Bill 178, s.6)
  - c) the sex of any person shall not constitute reasonable cause unless it relates to the maintenance of public decency;
  - d) a conviction for a criminal or summary conviction charge shall not constitute reasonable cause unless such charge relates to the occupation or employment, or to the intended occupation, employment, advancement, or promotion, of a person.
- (3) No provision of this section relating to age shall prohibit the operation of any term of a bona fide retirement, superannuation, or pension plan, or the terms or conditions of any bona fide group or employee insurance plan, or of any bona fide scheme based upon seniority."

### **Section 5: Successorship**

In the event of a change in employer status, members of Local 1 will retain all of their rights under the Collective Agreement

## **ARTICLE II - DEFINITIONS**

Wherever used in this Agreement, including Exhibits:

- (a) The word EMPLOYEES means all persons on the payroll of the Company at Powell River, excepting: those engaged in administration, in actual supervision, in sales, engineering, technical and research, accounting, clerical, stenographic and other office work, or watchmen's functions excluding those employed on jobs listed in Exhibit "A".

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 8:00 a.m. or at the regular hour of changing shifts nearest to 8:00 a.m., at Powell River.
- (d) The word WEEK means a period of seven (7) calendar days beginning at 8:00 a.m., or at the regular hour of changing shifts nearest to 8:00 a.m., on the day on which the actual work week begins in Powell River.
- (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 Communication, Energy and Paperworkers Union of Canada and the Union as the only agency 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.

Any new employee shall be introduced to the Shop Steward by his 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 Mill Manager shall appoint a Company Standing Committee of three (3) individuals which shall represent the Company
- (2) The Union shall select from its membership a Union Standing Committee of three (3) 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 basis:

#### **(1) Day Workers**

- (a) For all work performed on Sunday (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
- (b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive straight time hours.
- (c) For work performed on an employee's designated day off as provided for in Section 3 herein.
- (d) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.
- (e) The Company agrees that employees may carry over 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 (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
- (b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive 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.

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

- (e) The Company agrees that employees may carry over 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.

### **(3) Banking of Overtime**

- (i) Tour Workers who work in excess of eight (8) consecutive hours shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of eight (8) consecutive hours and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Tour Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.
- (ii) Day Workers who work in excess of ten (10) hours in a day shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of ten (10) hours in a day and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.

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

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

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

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

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

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

- (ii) Relief employees, employed to provide relief of employees who follow regular schedules, will be scheduled when required for coverage. The Company will designate regular, periodic days off for all other employees and will not change such designation without notice except in the case of breakdown. The Company shall use its best efforts:
  - (a) To schedule days off for relief employees on a consecutive basis; and
  - (b) To provide established schedules for relief employees.
- (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/her 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 a Mechanic's pay time is from 8:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m., he shall be at his post ready to work at 8:00 a.m. and 1:00 p.m. and shall not quit work until 12:00 noon and 5:00 p.m.

## **Section 5: Meals**

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

A hot meal, if not declined, shall be furnished at the usual meal time by and at the expense of the Company to any Tour Worker required to work more than nine (9) consecutive hours. If 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.

### **(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 Collective Agreement. Any new job rate will become part of Exhibit "A".

### WAGE INCREASES

Effective May 1, 2012 reduction of May 1, 2011 wage rates by 10%

Effective May 1, 2013	0%
Effective May 1, 2014	0%
Effective May 1, 2015	2%
Effective May 1, 2016	2%

## Section 2: Shift Differential

The base rate for the purpose of calculating shift differential shall be as follows:

<u>Date</u>	<u>Base Rate</u>
May 1st, 2012	\$24.78
May 1st, 2013	\$24.78
May 1st, 2014	\$24.78
May 1st, 2015	\$25.28
May 1st, 2016	\$25.79

### 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 pay
8:00 am to 8:00 pm	2.50%
8:00 pm to 8:00 am	4.25%

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

	% of base pay
8:00 am to 4:00 pm	2.00%
4:00 pm to 12:00 am	3.55%
12:00 am to 8:00 am	4.50%

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

	% of base pay
4:00 pm to 12:00 am	2.25%
12:00 am to 8:00 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 pay
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 eight (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.

## **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, if with less than 48 hours' notice:

- (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) Maintenance/Day Worker Start Times  
The company may alter the start time of an employee from the regular start/stop time by up to two (2) hours (no earlier than 6 A.M.).

## **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.
- (b) Not more than one (1) basis shall be used to cover the same period of work.
- (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 on a Fourdrinier Wire on a machine other than their own during their regular shift, shall receive three (3) hours extra time, but in no case shall more than three (3) hours extra time be allowed.

## **ARTICLE XII- JURY DUTY**

### **Section 1: Wage Compensation**

Any regular full time employee who is required to report for Jury Selection, Jury Duty, Coroner's Inquest or who is subpoenaed to serve as a witness in a court action, save and except actions involving the Company or Trade Unions, unless subpoenaed by the Crown, on a day when he/she would normally have worked, will be reimbursed by the Company for the difference between the pay received in 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.

### **Section 2: Holidays and Overtime**

Hours paid for such duty will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted 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: First Aid Certificates**

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

The maximum travel time shall be four (4) hours for traveling to the course and four hours when returning from the course."

### **Section 4: Maternity Leave**

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

### **Section 5: Other Leave**

Granting of leave is a matter between the employees and the mill management. The Company will consider length of service and will endeavour to arrange leave of absence to suit the employee's wishes. Employees with ten (10) 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.	
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; Supplementary Vacations; Statutory Holidays; Special (Personal) Floating Holidays; Jury or Witness Duty; Bereavement Leave; Contractual Steam Plant, Apprenticeship and First Aid Leaves; Banked Days Off and Days Off in lieu of work performed on a Statutory Holiday;	2 weeks	3% or 80 hours
C) qualified for his/her 2nd vacation under this Agreement;	3 weeks	5% or 120 hours
D) qualified for his/her 7th vacation under this Agreement;	4 weeks	7% or 160 hours
E) qualified for his/her 14th vacation under this Agreement;	5 weeks	9% or 200 hours
F) qualified for his/her 23rd vacation under this Agreement;	6 weeks	11% or 240 hours
G) qualified for his/her 29th vacation under this Agreement;	7 weeks	13% or 280 hours

## Section 2: Payment on Termination

In the event an employee's employment terminates either before or after he becomes entitled to a vacation with pay, or being entitled to it, before he takes it, he shall be paid on termination 3%, 5%, 7%, 9%, 11% or 13% (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 3: 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) Except as provided in Section 3(d) below, vacations with pay are not cumulative and must be taken during the vacation period.
- (d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.
- (e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- (f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavour by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.
- (g) Time lost as a result of an accident recognized as compensable by 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 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 at mill level.

- k) Employees who qualify for vacations in categories (c),(d), (e), (f) or (g) may elect to forfeit up to two (2) weeks vacation time [subject to the Employment Standards minimum] and be paid the vacation pay that they would have received in lieu of those weeks.

**Section 4: 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:

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

- (b) For the purpose of determining eligibility for Supplementary Vacation, an employee's service shall be calculated from the date of 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  
365 Days Running**

**Section 1: Recognized Days**

The following shall be the recognized Statutory Holidays:

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

**Section 2: Adjustment in Hours**

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

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

**Section 3: Holiday Work**

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

- (b) On Christmas Eve, Christmas Day and Boxing Day, operational and maintenance manning required will be identified on a scheduled crew basis. Any employee scheduled to work who wishes to be excused from working on a particular statutory holiday will be accommodated provided a request for leave is requested seven (7) days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him/her for the shift. If no trained volunteer is found, the employee will be required to work the shift.
- (c) Employees who work at Christmas shall be paid double time for work during that period identified in Clause "b" as above.

**Section 4: Pay for Holiday Work**

- (a) Overtime shall be paid for all work performed during holidays at the rates hereinafter specified.
- (b) An employee who works on such a holiday shall receive equal time off with pay at his straight time hourly rate. Such time off shall be treated in the same manner as a Special (Personal) Floating Holiday.
- (c) The time off and pay provided in (b) above replaces any time off and pay provisions in respect of the same statutory holiday work under current local arrangements.

**Section 5: Qualifying Conditions**

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

- (a) The employee must have been on the payroll for not less than the sixty (60) days just preceding the holiday and must have previously qualified for a statutory holiday as provided in (d) below, and
- (b) The employee must have worked at least one (1) day during the sixty (60) day qualifying period just preceding the holiday, and
- (c) The employee must have worked 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.
- (g) An employee shall have the option of taking equivalent time off if a statutory holiday falls on a regular day off.

**NOTE:** When a statutory holiday falls on an employee's day off, they will have the option of taking equivalent time off with pay at a later date. The employee must provide seven (7) days notice to

the Supervisor / Pay Office before a statutory holiday that they intend to take this option. These days in lieu remaining at the end of the contract year in which it was earned may be carried over to the next contract year in order that it be taken. This time will be treated as a deferred stat.

## **ARTICLE XVIII - SPECIAL (PERSONAL) FLOATING HOLIDAYS**

### **Section 1: Floating Holidays**

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

Effective May 1<sup>st</sup>, 1998 there shall be five (5) twelve hour special personal floating holidays provided to those employees who are defined as tour workers.

Employees who normally work a combination of 8 and 12 hour shifts will be paid as per the schedule for the week in which he/she takes a Floating Holiday.

### **Section 2: Qualifying Conditions**

For each Special (Personal) Floating Holiday taken an employee will be granted eight (8) hours pay (12 hours for tour workers) 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 on and after July 1, 1973.

## **ARTICLE XX - PENSION PLAN**

### **Section 1: The Plan**

The Company agrees to contribute to the Pulp and Paper Industry Pension Trust 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 commits to the following with respect to the Pension Plan:

The Company contribution level will remain at 10% for the term of the agreement.

The Company agrees to allow employee contributions in excess of the current 3% level. Employee contributions will be in accordance with the schedule below:

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

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

### **Section 3: Bridge Benefit**

- (a) 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.
- (b) 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).

### **Section 4: Integration of Pension Bridge Benefits**

The parties agree to refer the matter of integrating the bridge provisions into the Pulp & Paper Industry Pension Plan to the Board of Trustees for their review and consideration.

On the above issue, it is agreed that prior to the implementation of any change to the Pulp & Paper Industry Pension Plan or proceeding with the review, there must be unanimous approval of the nine (9) trustees.

### **Section 5: Board of Trustees**

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

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

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

### **Section 6: Existing Plan**

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

# ARTICLE XXI- SENIORITY

## Section 1: Principles

- (a) The Company recognizes the principles of seniority in their application to the promotion, demotion, transfer, lay-off, 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 retesting 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 basis:
  - (i) An employee with less than one (1) years continuous service shall retain these rights for six (6) months from the date of lay-off.
  - (ii) An employee with one (1) or more years continuous service shall retain these rights for eighteen (18) months from the

date of layoff, plus two (2) additional months for each years 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) days where the layoff is estimated to be in excess of (10) days;
- (b) Up to five (5) days where the layoff is estimated to be in excess of (21) days;
- (c) Up to eight (8) days where the layoff is estimated to be in excess of thirtyfive (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 limitations where special qualifications are required. Phasing in arrangements to implement the program shall be concluded prior to the closure.

## Section 5: Lay-off and Vacation Entitlement

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

## Section 6: Welfare Coverage

- (a) An employee with one (1) or more years seniority may have 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 lay-off.

- (c) An employee who elects to maintain coverage while laid off will be required to pay the employee portion of the premium in advance on a monthly basis.
- (d) An employee who has welfare coverage as provided for in paragraphs (a) and (b) above, will on return to work have his welfare coverage extended by one (1) 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 at which it is appointed and to make such recommendations as are agreed upon, to the local mill manager, to ensure that the interests of the Company and of the employees are fairly and effectively protected.

### **Section 4: Required Notice**

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

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

### **Section 5: Seniority Status**

- (a) In the event that it is necessary, crews will be reduced in accordance with Article XXI - Seniority, of the Agreement.
- (b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of 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/yr*	% of Earnings
1st twenty (20) years	2	4%
Subsequent years	1	2%
Maximum Severance Allowance	52 Weeks* or 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/she may elect to have his/her severance allowance held in abeyance for up to one (1) year from the date of termination. He/she may apply in writing at any time during the year, at which time his/her 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/her recall rights at which time the employee will be terminated and his/her severance allowance paid forthwith.

Where the employee renounces the right of recall during this period, the employee will be terminated and his/her 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 pay 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 and is 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 calculation is used:

Maximum Severance Allowance    52\* weeks                      2080 hours

Years of Employment	Severance Allowance	
	Weeks/yr*	OR% of Earnings
1st twenty (20) years	2	4%
Subsequent years	1	2%

*\*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.

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 his 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/she 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/her recall rights at which time the employee will be terminated and his/her severance allowance paid forthwith.

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

**ARTICLE XXV - CONTRACTING**

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

In keeping with a joint commitment of the Company and the Union to provide as much maintenance and repair work as possible to the regular maintenance workforce, the Committee will also meet quarterly to make recommendations regarding the utilization of the mill maintenance workforce to minimize the use of contractors, both inside and out of the mill.

- (b) The Company will not bring a contractor into the mill:
  - (i) Which directly results in the layoff of employees, or
  - (ii) To do the job of employees on layoff, or
  - (iii) To do the job of a displaced employee working outside 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:

- (a) The changes which provide that it is not the intent of the Company to replace its regular work force through the use of contract firms will not set aside existing external work arrangements and practices.
- (b) Working under the flexible work practice provisions does not mean that an employee has been displaced and is working outside 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 Committees 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 selecting one or more Safety Committees, which will meet at least once a month to consider all safety and occupational health problems.
- (b) The local 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) Employer representative from the employer group
  - (f) One (1) Industry representative
  - (g) One (1) Conference Facilitator
- (8) The Occupational Health and Safety Conference shall be funded on the basis of an industry contribution of three cents (\$.03) per employee per hour worked into a Jointly Trusteed Occupational Health and Safety Conference Fund. The funding shall provide that when the monies in the Joint Trusteed Occupational Health and Safety Conference Fund reach Two Hundred Thousand Dollars (\$200,000.00), the funding will be discontinued until the fund has been reduced to Fifty Thousand Dollars (\$50,000.00).

The Jointly Trusteed Fund will be used for the payment of wage loss for Local Union planning committee attendees and conference expenses.

## **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 challenges 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 or warnings, 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 Shop Steward is mandatory at any meeting during which the employee is disciplined.

## **ARTICLE XXXI- ADJUSTMENT OF COMPLAINTS**

### **Section 1: Grievance Procedure**

**Step One** Should there be any dispute or complaint as to the interpretation of any clauses of this Agreement, or any grievance 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 the dispute, complaint or grievance arose, and such dispute, complaint or grievance shall first be taken up with the Foreman by the employee with the Shop Steward.

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

**Step Three** If there is no satisfactory resolution at second 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 Senior Mill Manager. They 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 Powell River.

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

The time periods may be extended by mutual agreement by Management and the Local 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.
- (e) In the case of discharge or suspension which the Arbitrator has determined to have been unjust the Arbitrator shall order the reinstatement of the employee and shall award 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 Communication, Energy & 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 - DURATION AND AMENDING PROCEDURE**

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

This Agreement shall be in effect from midnight April 30, 2012 to



midnight April 30, 2017, 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:

Either party desiring any change shall mail to the other party notice in writing, by registered mail, on or after January 1, 2017, but in any event not later than midnight, April 30, 2017, that a change is desired, and, if no such notice is given by either party on or after the said January 1 and before the said April 30, the earliest time at which such notice may be given by either party is the corresponding period in the following year.

All notices given under the provisions herein on behalf of the Union shall be given by the Union (or its representative) and similarly notices on behalf of the Company shall be given by the Vice-President, Human Resources 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 bargaining, the Company being represented in such negotiations by a Bargaining Committee appointed by the Company, and the Union being represented by a Bargaining Committee selected by said Union. Any agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this Agreement. If such negotiations cannot be completed prior to the May 1 following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to the said May 1.

### **Section 5: Termination**

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

## **SIGNATURES OF PARTIES TO AGREEMENT**

**DATED THIS 10<sup>TH</sup> DAY OF March, 2012 IN Vancouver, B.C.  
FOR COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION**

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Dave Schaub, CEP National Representative

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Don Boucher, CEP National Representative

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Bob Hughf, CEP National Representative

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Eldon Haggerty, President, CEP Local 1

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Len MacLean, Wage Delegate CEP Local 1

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Gary Jackson, Wage Delegate CEP Local 1

***FOR CATALYST PAPER CORPORATION***

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Steve Boniferro, Senior Vice President, Human Resources

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Robert Stepusin, SeniorVice- President, Business Improvement

## EXHIBITS

### 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 men hired, transferred or promoted to any job, excluding Mechanics' jobs, will receive the job rate for such jobs on the date so specified.

#### TRAINING WAGE RATE - TIME FROM DATE OF HIRE

The following training wage grid applies to employees hired after May 1, 2012, except for Stationary Engineers and Mechanical Trades as defined in Exhibit 1-Definition of Mechanica Trades who shall receive the rates identified for their classifications.

- 0-6 MONTHS - 70% of the rate of job position being performed..
- 7-12 MONTHS - 80% of the rate of job position being performed.
- 13-18 MONTHS - 90% of the rate of job position being performed.
- 19-24 MONTHS - 95% of the rate of job position being performed.

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
<b>LABOUR RATE</b>	24.780	24.780	24.780	25.280	25.790
<b>STOCK PREPARATION</b>					
(30) Stock Preparation Operator	31.575 E	31.575 E	31.575 E	32.205 E	32.850 E
(15) Stock Preparation Assistant	28.120 E	28.120 E	28.120 E	28.680 E	29.255 E
(5) Repulper Operator	25.820 H	25.820 H	25.820 H	26.335 H	26.860 H

#### PAPER MACHINE

##### No. 9 Paper Machine (News) (Rates - Bracket 65)(Width of Machine 266")

Machine Tender	38.825	38.825	38.825	39.600	40.390
Back Tender	35.910	35.910	35.910	36.630	37.365
Winderman	32.780	32.780	32.780	33.435	34.105
4th Hand	28.765	28.765	28.765	29.340	29.925
5th Hand	27.605	27.605	27.605	28.155	28.720
Broke Hustler	26.350	26.350	26.350	26.875	27.415

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
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##### No. 10 Paper Machine (News) (Rates - Bracket 79)(Width of Machine 328")

Machine Tender	40.205	40.205	40.205	41.010	41.830
Back Tender	36.995	36.995	36.995	37.735	38.490
Winderman	33.885	33.885	33.885	34.565	35.255
4th Hand	29.470	29.470	29.470	30.060	30.660
5th Hand	28.205	28.205	28.205	28.770	29.345
Broke Hustler	26.620	26.620	26.620	27.150	27.695

##### No. 11 Paper Machine (News) (Rates - Bracket 91)(Width of Machine 335")

Machine Tender	41.130	41.130	41.130	41.955	42.795
Back Tender	37.925	37.925	37.925	38.685	39.460
Winderman	34.805	34.805	34.805	35.500	36.210
4th Hand	30.080	30.080	30.080	30.680	31.295
5th Hand	28.835	28.835	28.835	29.410	30.000
Broke Hustler	26.955	26.955	26.955	27.495	28.045

#### CLOTHING UTILITY

(47) Head Clothing Man	35.475 E	35.475 E	35.475 E	36.185 E	36.910 E
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**BC NEWSPRINT SCHEDULE  
May 1, 2012**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
51	36.250	33.940	30.825	27.545	26.500	25.585
52	36.355	34.050	31.020	27.655	26.565	25.590
53	36.565	34.160	31.090	27.720	26.600	25.610
54	36.685	34.270	31.205	27.760	26.630	25.610
55	36.820	34.360	31.305	27.795	26.685	25.645
56	36.955	34.430	31.370	27.850	26.765	25.645
57	37.085	34.525	31.510	27.870	26.785	25.670
58	37.195	34.600	31.570	27.910	26.820	25.670
59	37.320	34.710	31.675	27.970	26.845	25.715
60	38.200	35.465	32.360	28.550	27.415	26.210
61	38.335	35.565	32.460	28.620	27.435	26.290
62	38.485	35.660	32.555	28.640	27.490	26.300
63	38.595	35.735	32.630	28.680	27.510	26.305
64	38.735	35.815	32.710	28.720	27.545	26.310
65	38.825	35.910	32.780	28.765	27.605	26.350
66	38.970	35.975	32.870	28.825	27.640	26.350
67	39.100	36.085	32.935	28.840	27.655	26.385
68	39.230	36.160	33.010	28.885	27.695	26.385
69	39.350	36.220	33.100	28.910	27.705	26.395
70	39.485	36.300	33.175	29.000	27.765	26.395
71	39.555	36.395	33.255	29.035	27.830	26.435
72	39.665	36.470	33.360	29.095	27.870	26.450
73	39.735	36.550	33.440	29.170	27.925	26.490
74	39.800	36.615	33.505	29.230	27.960	26.505
75	39.885	36.710	33.590	29.250	28.050	26.535
76	39.980	36.795	33.680	29.295	28.085	26.575
77	40.040	36.850	33.735	29.365	28.125	26.580
78	40.125	36.955	33.830	29.405	28.175	26.595
79	40.205	36.995	33.885	29.470	28.205	26.620
80	40.285	37.090	33.995	29.520	28.275	26.665

**BC NEWSPRINT SCHEDULE  
May 1, 2012**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710
82	40.430	37.235	34.125	29.615	28.375	26.735
83	40.525	37.305	34.205	29.655	28.410	26.750
84	40.580	37.400	34.290	29.720	28.475	26.800
85	40.650	37.460	34.360	29.760	28.530	26.815
86	40.755	37.550	34.440	29.830	28.570	26.830
87	40.815	37.635	34.525	29.865	28.630	26.855
88	40.885	37.700	34.580	29.920	28.680	26.875
89	40.985	37.770	34.680	29.950	28.740	26.925
90	41.040	37.850	34.745	30.045	28.790	26.945
91	41.130	37.925	34.805	30.080	28.835	26.955
92	41.205	38.000	34.915	30.115	28.890	26.995
93	41.275	38.070	34.975	30.170	28.925	27.015
94	41.355	38.165	35.050	30.220	29.000	27.065
95	41.435	38.225	35.140	30.275	29.030	27.070
96	41.490	38.320	35.215	30.330	29.085	27.095
97	41.575	38.380	35.280	30.385	29.140	27.125
98	41.665	38.465	35.365	30.435	29.195	27.150
99	41.735	38.540	35.440	30.485	29.245	27.200
100	41.830	38.605	35.530	30.535	29.270	27.210
101	41.895	38.690	35.620	30.580	29.305	27.235
102	41.995	38.755	35.685	30.645	29.375	27.250
103	42.060	38.825	35.755	30.715	29.415	27.295
104	42.135	38.920	35.845	30.755	29.475	27.310
105	42.215	38.985	35.925	30.790	29.520	27.345
106	42.295	39.060	36.000	30.835	29.550	27.375
107	42.370	39.130	36.085	30.905	29.615	27.390
108	42.455	39.215	36.160	30.955	29.650	27.420
109	42.520	39.285	36.235	31.005	29.690	27.445
110	42.615	39.370	36.315	31.050	29.760	27.480

**BC NEWSPRINT SCHEDULE  
May 1, 2013**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
51	36.250	33.940	30.825	27.545	26.500	25.585
52	36.355	34.050	31.020	27.655	26.565	25.590
53	36.565	34.160	31.090	27.720	26.600	25.610
54	36.685	34.270	31.205	27.760	26.630	25.610
55	36.820	34.360	31.305	27.795	26.685	25.645
56	36.955	34.430	31.370	27.850	26.765	25.645
57	37.085	34.525	31.510	27.870	26.785	25.670
58	37.195	34.600	31.570	27.910	26.820	25.670
59	37.320	34.710	31.675	27.970	26.845	25.715
60	38.200	35.465	32.360	28.550	27.415	26.210
61	38.335	35.565	32.460	28.620	27.435	26.290
62	38.485	35.660	32.555	28.640	27.490	26.300
63	38.595	35.735	32.630	28.680	27.510	26.305
64	38.735	35.815	32.710	28.720	27.545	26.310
65	38.825	35.910	32.780	28.765	27.605	26.350
66	38.970	35.975	32.870	28.825	27.640	26.350
67	39.100	36.085	32.935	28.840	27.655	26.385
68	39.230	36.160	33.010	28.885	27.695	26.385
69	39.350	36.220	33.100	28.910	27.705	26.395
70	39.485	36.300	33.175	29.000	27.765	26.395
71	39.555	36.395	33.255	29.035	27.830	26.435
72	39.665	36.470	33.360	29.095	27.870	26.450
73	39.735	36.550	33.440	29.170	27.925	26.490
74	39.800	36.615	33.505	29.230	27.960	26.505
75	39.885	36.710	33.590	29.250	28.050	26.535
76	39.980	36.795	33.680	29.295	28.085	26.575
77	40.040	36.850	33.735	29.365	28.125	26.580
78	40.125	36.955	33.830	29.405	28.175	26.595
79	40.205	36.995	33.885	29.470	28.205	26.620
80	40.285	37.090	33.995	29.520	28.275	26.665

**BC NEWSPRINT SCHEDULE  
May 1, 2013**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710
82	40.430	37.235	34.125	29.615	28.375	26.735
83	40.525	37.305	34.205	29.655	28.410	26.750
84	40.580	37.400	34.290	29.720	28.475	26.800
85	40.650	37.460	34.360	29.760	28.530	26.815
86	40.755	37.550	34.440	29.830	28.570	26.830
87	40.815	37.635	34.525	29.865	28.630	26.855
88	40.885	37.700	34.580	29.920	28.680	26.875
89	40.985	37.770	34.680	29.950	28.740	26.925
90	41.040	37.850	34.745	30.045	28.790	26.945
91	41.130	37.925	34.805	30.080	28.835	26.955
92	41.205	38.000	34.915	30.115	28.890	26.995
93	41.275	38.070	34.975	30.170	28.925	27.015
94	41.355	38.165	35.050	30.220	29.000	27.065
95	41.435	38.225	35.140	30.275	29.030	27.070
96	41.490	38.320	35.215	30.330	29.085	27.095
97	41.575	38.380	35.280	30.385	29.140	27.125
98	41.665	38.465	35.365	30.435	29.195	27.150
99	41.735	38.540	35.440	30.485	29.245	27.200
100	41.830	38.605	35.530	30.535	29.270	27.210
101	41.895	38.690	35.620	30.580	29.305	27.235
102	41.995	38.755	35.685	30.645	29.375	27.250
103	42.060	38.825	35.755	30.715	29.415	27.295
104	42.135	38.920	35.845	30.755	29.475	27.310
105	42.215	38.985	35.925	30.790	29.520	27.345
106	42.295	39.060	36.000	30.835	29.550	27.375
107	42.370	39.130	36.085	30.905	29.615	27.390
108	42.455	39.215	36.160	30.955	29.650	27.420
109	42.520	39.285	36.235	31.005	29.690	27.445
110	42.615	39.370	36.315	31.050	29.760	27.480

**BC NEWSPRINT SCHEDULE  
May 1, 2014**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
51	36.250	33.940	30.825	27.545	26.500	25.585
52	36.355	34.050	31.020	27.655	26.565	25.590
53	36.565	34.160	31.090	27.720	26.600	25.610
54	36.685	34.270	31.205	27.760	26.630	25.610
55	36.820	34.360	31.305	27.795	26.685	25.645
56	36.955	34.430	31.370	27.850	26.765	25.645
57	37.085	34.525	31.510	27.870	26.785	25.670
58	37.195	34.600	31.570	27.910	26.820	25.670
59	37.320	34.710	31.675	27.970	26.845	25.715
60	38.200	35.465	32.360	28.550	27.415	26.210
61	38.335	35.565	32.460	28.620	27.435	26.290
62	38.485	35.660	32.555	28.640	27.490	26.300
63	38.595	35.735	32.630	28.680	27.510	26.305
64	38.735	35.815	32.710	28.720	27.545	26.310
65	38.825	35.910	32.780	28.765	27.605	26.350
66	38.970	35.975	32.870	28.825	27.640	26.350
67	39.100	36.085	32.935	28.840	27.655	26.385
68	39.230	36.160	33.010	28.885	27.695	26.385
69	39.350	36.220	33.100	28.910	27.705	26.395
70	39.485	36.300	33.175	29.000	27.765	26.395
71	39.555	36.395	33.255	29.035	27.830	26.435
72	39.665	36.470	33.360	29.095	27.870	26.450
73	39.735	36.550	33.440	29.170	27.925	26.490
74	39.800	36.615	33.505	29.230	27.960	26.505
75	39.885	36.710	33.590	29.250	28.050	26.535
76	39.980	36.795	33.680	29.295	28.085	26.575
77	40.040	36.850	33.735	29.365	28.125	26.580
78	40.125	36.955	33.830	29.405	28.175	26.595
79	40.205	36.995	33.885	29.470	28.205	26.620
80	40.285	37.090	33.995	29.520	28.275	26.665

**BC NEWSPRINT SCHEDULE  
May 1, 2014**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710
82	40.430	37.235	34.125	29.615	28.375	26.735
83	40.525	37.305	34.205	29.655	28.410	26.750
84	40.580	37.400	34.290	29.720	28.475	26.800
85	40.650	37.460	34.360	29.760	28.530	26.815
86	40.755	37.550	34.440	29.830	28.570	26.830
87	40.815	37.635	34.525	29.865	28.630	26.855
88	40.885	37.700	34.580	29.920	28.680	26.875
89	40.985	37.770	34.680	29.950	28.740	26.925
90	41.040	37.850	34.745	30.045	28.790	26.945
91	41.130	37.925	34.805	30.080	28.835	26.955
92	41.205	38.000	34.915	30.115	28.890	26.995
93	41.275	38.070	34.975	30.170	28.925	27.015
94	41.355	38.165	35.050	30.220	29.000	27.065
95	41.435	38.225	35.140	30.275	29.030	27.070
96	41.490	38.320	35.215	30.330	29.085	27.095
97	41.575	38.380	35.280	30.385	29.140	27.125
98	41.665	38.465	35.365	30.435	29.195	27.150
99	41.735	38.540	35.440	30.485	29.245	27.200
100	41.830	38.605	35.530	30.535	29.270	27.210
101	41.895	38.690	35.620	30.580	29.305	27.235
102	41.995	38.755	35.685	30.645	29.375	27.250
103	42.060	38.825	35.755	30.715	29.415	27.295
104	42.135	38.920	35.845	30.755	29.475	27.310
105	42.215	38.985	35.925	30.790	29.520	27.345
106	42.295	39.060	36.000	30.835	29.550	27.375
107	42.370	39.130	36.085	30.905	29.615	27.390
108	42.455	39.215	36.160	30.955	29.650	27.420
109	42.520	39.285	36.235	31.005	29.690	27.445
110	42.615	39.370	36.315	31.050	29.760	27.480

**BC NEWSPRINT SCHEDULE  
May 1, 2015**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
51	36.975	34.620	31.440	28.095	27.030	26.095
52	37.080	34.730	31.640	28.210	27.095	26.100
53	37.295	34.845	31.710	28.275	27.130	26.120
54	37.420	34.955	31.830	28.315	27.165	26.120
55	37.555	35.045	31.930	28.350	27.220	26.160
56	37.695	35.120	31.995	28.405	27.300	26.160
57	37.825	35.215	32.140	28.425	27.320	26.185
58	37.940	35.290	32.200	28.470	27.355	26.185
59	38.065	35.405	32.310	28.530	27.380	26.230
60	38.965	36.175	33.005	29.120	27.965	26.735
61	39.100	36.275	33.110	29.190	27.985	26.815
62	39.255	36.375	33.205	29.215	28.040	26.825
63	39.365	36.450	33.285	29.255	28.060	26.830
64	39.510	36.530	33.365	29.295	28.095	26.835
65	39.600	36.630	33.435	29.340	28.155	26.875
66	39.750	36.695	33.525	29.400	28.195	26.875
67	39.880	36.805	33.595	29.415	28.210	26.915
68	40.015	36.885	33.670	29.465	28.250	26.915
69	40.135	36.945	33.760	29.490	28.260	26.925
70	40.275	37.025	33.840	29.580	28.320	26.925
71	40.345	37.125	33.920	29.615	28.385	26.965
72	40.460	37.200	34.025	29.675	28.425	26.980
73	40.530	37.280	34.110	29.755	28.485	27.020
74	40.595	37.345	34.175	29.815	28.520	27.035
75	40.685	37.445	34.260	29.835	28.610	27.065
76	40.780	37.530	34.355	29.880	28.645	27.105
77	40.840	37.585	34.410	29.950	28.690	27.110
78	40.930	37.695	34.505	29.995	28.740	27.125
79	41.010	37.735	34.565	30.060	28.770	27.150
80	41.090	37.830	34.675	30.110	28.840	27.200

**BC NEWSPRINT SCHEDULE  
May 1, 2015**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	41.165	37.925	34.740	30.140	28.905	27.245
82	41.240	37.980	34.805	30.205	28.945	27.270
83	41.335	38.050	34.890	30.250	28.980	27.285
84	41.390	38.150	34.975	30.315	29.045	27.335
85	41.465	38.210	35.045	30.355	29.100	27.350
86	41.570	38.300	35.130	30.425	29.140	27.365
87	41.630	38.390	35.215	30.460	29.205	27.390
88	41.705	38.455	35.270	30.520	29.255	27.415
89	41.805	38.525	35.375	30.550	29.315	27.465
90	41.860	38.605	35.440	30.645	29.365	27.485
91	41.955	38.685	35.500	30.680	29.410	27.495
92	42.030	38.760	35.615	30.715	29.470	27.535
93	42.100	38.830	35.675	30.775	29.505	27.555
94	42.180	38.930	35.750	30.825	29.580	27.605
95	42.265	38.990	35.845	30.880	29.610	27.610
96	42.320	39.085	35.920	30.935	29.665	27.635
97	42.405	39.150	35.985	30.995	29.725	27.670
98	42.500	39.235	36.070	31.045	29.780	27.695
99	42.570	39.310	36.150	31.095	29.830	27.745
100	42.665	39.375	36.240	31.145	29.855	27.755
101	42.735	39.465	36.330	31.190	29.890	27.780
102	42.835	39.530	36.400	31.260	29.965	27.795
103	42.900	39.600	36.470	31.330	30.005	27.840
104	42.980	39.700	36.560	31.370	30.065	27.855
105	43.060	39.765	36.645	31.405	30.110	27.890
106	43.140	39.840	36.720	31.450	30.140	27.925
107	43.215	39.915	36.805	31.525	30.205	27.940
108	43.305	40.000	36.885	31.575	30.245	27.970
109	43.370	40.070	36.960	31.625	30.285	27.995
110	43.465	40.155	37.040	31.670	30.355	28.030

**BC NEWSPRINT SCHEDULE  
May 1, 2016**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
51	37.715	35.310	32.070	28.655	27.570	26.615
52	37.820	35.425	32.275	28.775	27.635	26.620
53	38.040	35.540	32.345	28.840	27.675	26.640
54	38.170	35.655	32.465	28.880	27.710	26.640
55	38.305	35.745	32.570	28.915	27.765	26.685
56	38.450	35.820	32.635	28.975	27.845	26.685
57	38.580	35.920	32.785	28.995	27.865	26.710
58	38.700	35.995	32.845	29.040	27.900	26.710
59	38.825	36.115	32.955	29.100	27.930	26.755
60	39.745	36.900	33.665	29.700	28.525	27.270
61	39.880	37.000	33.770	29.775	28.545	27.350
62	40.040	37.105	33.870	29.800	28.600	27.360
63	40.150	37.180	33.950	29.840	28.620	27.365
64	40.300	37.260	34.030	29.880	28.655	27.370
65	40.390	37.365	34.105	29.925	28.720	27.415
66	40.545	37.430	34.195	29.990	28.760	27.415
67	40.680	37.540	34.265	30.005	28.775	27.455
68	40.815	37.625	34.345	30.055	28.815	27.455
69	40.940	37.685	34.435	30.080	28.825	27.465
70	41.080	37.765	34.515	30.170	28.885	27.465
71	41.150	37.870	34.600	30.205	28.955	27.505
72	41.270	37.945	34.705	30.270	28.995	27.520
73	41.340	38.025	34.790	30.350	29.055	27.560
74	41.405	38.090	34.860	30.410	29.090	27.575
75	41.500	38.195	34.945	30.430	29.180	27.605
76	41.595	38.280	35.040	30.480	29.220	27.645
77	41.655	38.335	35.100	30.550	29.265	27.650
78	41.750	38.450	35.195	30.595	29.315	27.670
79	41.830	38.490	35.255	30.660	29.345	27.695
80	41.910	38.585	35.370	30.710	29.415	27.745

**BC NEWSPRINT SCHEDULE  
May 1, 2016**

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	41.990	38.685	35.435	30.745	29.485	27.790
82	42.065	38.740	35.500	30.810	29.525	27.815
83	42.160	38.810	35.590	30.855	29.560	27.830
84	42.220	38.915	35.675	30.920	29.625	27.880
85	42.295	38.975	35.745	30.960	29.680	27.895
86	42.400	39.065	35.835	31.035	29.725	27.910
87	42.465	39.160	35.920	31.070	29.790	27.940
88	42.540	39.225	35.975	31.130	29.840	27.965
89	42.640	39.295	36.085	31.160	29.900	28.015
90	42.695	39.375	36.150	31.260	29.950	28.035
91	42.795	39.460	36.210	31.295	30.000	28.045
92	42.870	39.535	36.325	31.330	30.060	28.085
93	42.940	39.605	36.390	31.390	30.095	28.105
94	43.025	39.710	36.465	31.440	30.170	28.155
95	43.110	39.770	36.560	31.500	30.200	28.160
96	43.165	39.865	36.640	31.555	30.260	28.190
97	43.255	39.935	36.705	31.615	30.320	28.225
98	43.350	40.020	36.790	31.665	30.375	28.250
99	43.420	40.095	36.875	31.715	30.425	28.300
100	43.520	40.165	36.965	31.770	30.450	28.310
101	43.590	40.255	37.055	31.815	30.490	28.335
102	43.690	40.320	37.130	31.885	30.565	28.350
103	43.760	40.390	37.200	31.955	30.605	28.395
104	43.840	40.495	37.290	31.995	30.665	28.410
105	43.920	40.560	37.380	32.035	30.710	28.450
106	44.005	40.635	37.455	32.080	30.745	28.485
107	44.080	40.715	37.540	32.155	30.810	28.500
108	44.170	40.800	37.625	32.205	30.850	28.530
109	44.235	40.870	37.700	32.260	30.890	28.555
110	44.335	40.960	37.780	32.305	30.960	28.590





## JOB EVALUATION - CONVERSION TABLE BY STEPS

	May 1	May 1	May 1	May 1	May1	STEP	May 1	May 1	May 1	May 1	May1
	2012	2013	2014	2015	2016		2012	2013	2014	2015	2016
BASE	24.780	24.780	24.780	25.280	25.790	26	30.650	30.650	30.650	31.265	31.890
1/2	24.860	24.860	24.860	25.355	25.860	27	30.860	30.860	30.860	31.475	32.105
1	24.975	24.975	24.975	25.475	25.985	28	31.095	31.095	31.095	31.715	32.350
2	25.180	25.180	25.180	25.685	26.200	29	31.335	31.335	31.335	31.960	32.600
3	25.380	25.380	25.380	25.890	26.410	30	31.575	31.575	31.575	32.205	32.850
4	25.595	25.595	25.595	26.105	26.625	31	31.800	31.800	31.800	32.435	33.085
5	25.820	25.820	25.820	26.335	26.860	32	32.025	32.025	32.025	32.665	33.320
						33	32.260	32.260	32.260	32.905	33.565
6	26.060	26.060	26.060	26.580	27.110	34	32.490	32.490	32.490	33.140	33.805
7	26.290	26.290	26.290	26.815	27.350	35	32.715	32.715	32.715	33.370	34.035
8	26.505	26.505	26.505	27.035	27.575						
9	26.735	26.735	26.735	27.270	27.815	36	32.960	32.960	32.960	33.620	34.290
10	26.955	26.955	26.955	27.495	28.045	37	33.175	33.175	33.175	33.840	34.515
						38	33.395	33.395	33.395	34.065	34.745
11	27.205	27.205	27.205	27.750	28.305	39	33.640	33.640	33.640	34.315	35.000
12	27.430	27.430	27.430	27.980	28.540	40	33.870	33.870	33.870	34.545	35.235
13	27.655	27.655	27.655	28.210	28.775						
14	27.895	27.895	27.895	28.455	29.025	41	34.095	34.095	34.095	34.775	35.470
15	28.120	28.120	28.120	28.680	29.255	42	34.330	34.330	34.330	35.015	35.715
						43	34.555	34.555	34.555	35.245	35.950
16	28.360	28.360	28.360	28.925	29.505	44	34.785	34.785	34.785	35.480	36.190
17	28.570	28.570	28.570	29.140	29.725	45	35.020	35.020	35.020	35.720	36.435
18	28.805	28.805	28.805	29.380	29.970						
19	29.030	29.030	29.030	29.610	30.200	46	35.260	35.260	35.260	35.965	36.685
20	29.260	29.260	29.260	29.845	30.440	47	35.475	35.475	35.475	36.185	36.910
						48	35.705	35.705	35.705	36.420	37.150
21	29.500	29.500	29.500	30.090	30.690	49	35.930	35.930	35.930	36.650	37.385
22	29.720	29.720	29.720	30.315	30.920	50	36.160	36.160	36.160	36.885	37.625
23	29.950	29.950	29.950	30.550	31.160						
24	30.185	30.185	30.185	30.790	31.405						
25	30.425	30.425	30.425	31.035	31.655						

	May 1	May 1	May 1	May 1	May1		May 1	May 1	May 1	May 1	May1
STEP	2012	2013	2014	2015	2016	STEP	2012	2013	2014	2015	2016
51	36.405	36.405	36.405	37.135	37.880	76	42.115	42.115	42.115	42.955	43.815
52	36.615	36.615	36.615	37.345	38.090	77	42.345	42.345	42.345	43.190	44.055
53	36.850	36.850	36.850	37.585	38.335	78	42.575	42.575	42.575	43.425	44.295
54	37.090	37.090	37.090	37.830	38.585	79	42.800	42.800	42.800	43.655	44.530
55	37.305	37.305	37.305	38.050	38.810	80	43.035	43.035	43.035	43.895	44.775
56	37.550	37.550	37.550	38.300	39.065	81	43.255	43.255	43.255	44.120	45.000
57	37.770	37.770	37.770	38.525	39.295	82	43.475	43.475	43.475	44.345	45.230
58	38.000	38.000	38.000	38.760	39.535	83	43.705	43.705	43.705	44.580	45.470
59	38.225	38.225	38.225	38.990	39.770	84	43.940	43.940	43.940	44.820	45.715
60	38.465	38.465	38.465	39.235	40.020	85	44.170	44.170	44.170	45.055	45.955
61	38.710	38.710	38.710	39.485	40.275	86	44.385	44.385	44.385	45.275	46.180
62	38.930	38.930	38.930	39.710	40.505	87	44.615	44.615	44.615	45.505	46.415
63	39.155	39.155	39.155	39.940	40.740	88	44.845	44.845	44.845	45.740	46.655
64	39.380	39.380	39.380	40.170	40.975	89	45.080	45.080	45.080	45.980	46.900
65	39.590	39.590	39.590	40.380	41.190	90	45.300	45.300	45.300	46.205	47.130
66	39.830	39.830	39.830	40.625	41.440	91	45.535	45.535	45.535	46.445	47.375
67	40.055	40.055	40.055	40.855	41.670	92	45.765	45.765	45.765	46.680	47.615
68	40.290	40.290	40.290	41.095	41.915	93	46.000	46.000	46.000	46.920	47.860
69	40.525	40.525	40.525	41.335	42.160	94	46.220	46.220	46.220	47.145	48.090
70	40.755	40.755	40.755	41.570	42.400	95	46.435	46.435	46.435	47.365	48.310
71	40.975	40.975	40.975	41.795	42.630	96	46.675	46.675	46.675	47.610	48.560
72	41.205	41.205	41.205	42.030	42.870	97	46.910	46.910	46.910	47.850	48.805
73	41.430	41.430	41.430	42.260	43.105	98	47.140	47.140	47.140	48.085	49.045
74	41.655	41.655	41.655	42.490	43.340	99	47.360	47.360	47.360	48.305	49.270
75	41.880	41.880	41.880	42.720	43.575	100	47.585	47.585	47.585	48.535	49.505

## **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 & Paperworkers Union and one (1) representative of Pulp and Paper Employee Relations Forum.
- (ii) It shall be the duty of the Job Evaluation Directors:
  - a) to direct and supervise the functioning of the Job Evaluation Plan in accordance with the policies and procedures adopted by the parties to the Labour Agreement through an Administrative Committee comprised of the Job Evaluation Directors, three (3) designated representatives from the local unions and three (3) designated representatives of the companies using the plan.
  - b) to receive reports from Plant Evaluation Committees and to recommend improvements where necessary in the procedure of the Committees.

- c) to review cases of evaluation upon request of either Union or Company members of the Plant Evaluation Committees.
  - d) to review the general operation of the Joint Job Evaluation Board as to methods, factors, procedures, delays, and to order such reviews or surveys of job fields as necessary. It shall also be the duty of the Job Evaluation Directors to adjudicate any disagreement which might arise in the functioning of the Plan.
  - e) To direct the Joint Job Evaluation Board as to changes in methods which do not constitute basic changes. The Directors shall neither negotiate rates nor exercise any of the bargaining functions of the National Union or the Company.
  - f) To recommend improvements in the Job Evaluation Plan to an Administrative Committee for consideration. Only in the Administrative Committee is vested the power to amend, add to, or subtract from, the Plan. Ratification of improvements will be by such method as determined by each party to 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 Board. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

(c) **Plant Evaluation Committee**

- (i) The Mill Manager and the Union shall create a Plant Evaluation Committee which shall consist of not less than two (2) nor more than three (3) members representing the Union involved and not less than two (2) nor more than three (3) members representing the Company.
- (ii) It shall be the duty of the Plant Evaluation Committee
  - a) to act upon all requests for job evaluation, within the scope and limitations of the Plan as stipulated in Section 2 above, which may arise if, in their opinion, such evaluation would result in a rate change. Any decision to submit a job to the Joint Job Evaluation Board for evaluation must be unanimously agreed upon by all members of the Plant Evaluation Committee representing both the Company and the Union.
  - b) to make investigations of jobs to be submitted for evaluation, prepare job descriptions, arrange schedule of interviews required, determine and arrange for the attendance of those job representatives who desire to be present at the explanation of the evaluation computations, as provided in Section 4(d) and to assist in pointing out factual and pertinent information relative to the job to the Joint Job Evaluation Board at the time of evaluation.
  - c) to make a written report to the Job Evaluation Directors of the jobs on which the Union and the Company members of the Committee have been unable to agree as to whether an evaluation should be made, with a statement of the facts on which the disagreement was based.
- (iii) Either the Union or the Company members of the Plant Evaluation Committee may request a review by the Job Evaluation Directors of any case of evaluation where, in their opinion, proper application of the job evaluation standards has not been accomplished.

(d) **Independent Review Officer**

- (i) The Communication, Energy & Paperworkers Union and the Pulp and Paper Employee Relations Forum shall appoint an Independent Review Officer for the term of the Agreement.
- (ii) The Independent Review Officer shall neither be an employee of the Union, Company, nor their agencies.

- (iii) The Independent Review Officer shall have the authority to render decisions on matters that have been referred to him which are appropriate under the Plan.
- (iv) The Pulp and Paper Employee Relations Forum and the Communications Energy & Paperworkers Union shall each pay one-half of the fees and expenses of the Independent Review Officer incurred in the adjudication of disputes.

**General Policies**

- a) The evaluated job rate arrived at through official evaluation by the Joint Job Evaluation Board will be final and binding upon both parties to the Labour Agreement unless review has been requested as provided in Section 3(a)(ii)(c) or 3(a)(ii)(g). In case of such review the decision of the Job Evaluation Directors or, where appropriate the Independent Review Officer shall be final and binding upon both parties. Where a number of appeals indicate a problem within a job field, the Directors shall refer such problems to the Administrative Committee for final determination.
- b) Where an official evaluation indicates an upward adjustment in the rate for a job the adjustment will be retroactive to the date agreed upon by the Plant Evaluation Committee which is entered on, and a part of, the application for evaluation provided for in Section 3(c)(ii)(a) setting forth the duties of the Plant Evaluation Committee.
- c) Where a new job has been created, the Plant Evaluation Committee of the mill will make application to the Joint Job Evaluation Board for a temporary rate for the new job. An evaluated rate will be established by the Job Evaluation Board before a period of twelve (12) months has expired following the start of the new job except in those cases where a specific request is made by the Plant Evaluation Committee to the Job Evaluation Directors to retain the temporary rate beyond twelve (12) months, and the request is approved by the Directors. It will be the duty of the Plant Evaluation Committee to agree on a date on which the job became sufficiently stabilized to permit evaluation, and any increase resulting from the evaluated rate will be paid retroactively to the agreed-upon start-up date of the new equipment or the commencement of the job.
- d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant

Evaluation Committee and to those job representatives present, before leaving the mill. In those cases where it is not possible to complete the evaluation at the mill, the Joint Job Evaluation Board will return to the mill and explain the evaluation computations before making the results official.

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

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

- f) Members of the Plant Evaluation Committee or other employees in the mill who are relieved from their jobs during working hours to assist in carrying out the functions of the Job Evaluation Plan or to receive training therein will be paid by the Company at their regular job rates for the time lost during their regular shifts, thereby preventing any loss in regular income. Time put in on evaluation work outside the employee's regular shift will not be paid for by the Company.
- g) When a survey or Job Field Study is authorized by the Directors, a projected completion date will be established. The completion date will also be used as a guide in determining the date for implementation of changes that result from the study.
- h) A Local Union may opt out of the Job Evaluation Plan during the thirty (30) days following ratification of the Memorandum for renewal of the Agreement. The effective date of any opting out will be the last day of the expiring Agreement.

## **EXHIBIT "1" - DEFINITION OF MECHANICAL TRADES**

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

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

## **EXHIBIT "C" WELFARE PLAN**

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

### **2. Coverages and Benefits**

#### **(a) Group Term Life Insurance**

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

#### **(b) Accidental Death or Dismemberment Insurance**

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

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

(c) **Non-occupational Accident and Sickness Insurance**

The Welfare Plan will include NonOccupational 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

<b>Maximum Weekly Indemnity Benefits Payable</b>	
<b>Effective Date</b>	<b>Benefit Maximum</b>
May 1, 2012	\$845.00 per week
May 1, 2013	\$845.00 per week
May 1, 2014	\$845.00 per week
May 1, 2015	\$860.00 per week
May 1, 2016	\$880.00 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 nonoccupational accident and beginning with the fourth day of disability caused by nonoccupational sickness, except that in those cases of nonoccupational 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 fiftytwo (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.

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

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

(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 1999 Blue Cross Pulp and Paper Industry brochure as updated through the September 5, 2002 Memorandum of Agreement. Which includes Vision Care coverage for employees and eligible dependents will also form part of this Labour Agreement.

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

(e) **Dental Care Plan**

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

(f) **Long Term Disability Plan**

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

(g) **Insurance Benefits Coverages**

**MAXIMUM INSURANCE BENEFITS PAYABLE**

<b>Effective Date</b>	<b>Group Term Life</b>	<b>Group Term Life</b>
May 1, 2012	\$98,500	\$98,500
May 1, 2013	\$98,500	\$98,500
May 1, 2014	\$98,500	\$98,500
May 1, 2015	\$100,500	\$100,500
May 1, 2016	\$102,500	\$102,500

(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.

(i) **Attempted Suicide**

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

(j) **Weekly Indemnity - Waiting Period**

Only one (1) waiting period will be required for serious illnesses which require kidney dialysis, chemotherapy, radiation or other similar recurring treatments. This will provide benefits, after the initial waiting period, for any subsequent lost time.

**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 Union – Management Welfare Committee**

(a) 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 function of the Joint Committee will be to review the operations of the Welfare Plan. It will meet quarterly to formulate and review statistical reports such as usage and costs,

it will also review carrier agreements supplied by the Company for the purpose of ensuring compliance with Exhibit "C".

This committee would also deal with any disputes that may arise under the dispute resolution process.

(b) **Committee Structure**

Mill Operations with one Local Union in the mill shall have a union committee structure of not less than two (2) and not more than three (3) members. Mill Operations where there are two Local Unions shall have a committee consisting of not less than three (3) nor more than five (5) members. Such committee members shall be selected by the Union or Unions concerned. The Company shall appoint a Management Welfare Committee consisting of not less than two (2) members and not more than the aggregate number of members of the Union Welfare Committee.

**5. Changes in Classification**

The regular wage rate of the employee in effect on May 1<sup>st</sup> and November 1<sup>st</sup> 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.

**6. 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	50%
Employee	50%

## 7. Reporting Period

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

## 8. Changes in Premiums and Employee Contribution

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

## 9. 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.

## 10. 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.

## 11. 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 the following Dispute Resolution process.

- 1) Where the insurance carrier has denied an employee Weekly Indemnity or Long Term Disability benefits, the issues shall be referred to a Joint Union-Management Welfare Committee.

To assist in the appeal of the denial of benefits, in addition to a standard Weekly Indemnity or Long Term Disability claim form from the employee's physician, the Employer shall, within seven days, confirm the following documentation has been forwarded to the carrier (with copies to the Union committee);

- a) complete job description
- b) physical demands analysis which indicates in detail the demands of the particular occupation.

From these documents an evaluation is made to identify the essential and peripheral elements of the particular occupation. With input from the Employer, these evaluations will ensure an appropriate identification of the key or essential elements of a particular occupation.

- 2) In the event the employee's claim is further denied and the employee wishes to further appeal the decision the carrier, the claimant may, within fourteen days, refer the denial of benefits to the Joint Union-Management Welfare Committee. The Committee will meet within seven (7) days of referral, they will review all relevant information the claim forms, documents as listed in 1) above along with obtaining directly from the insurer the employees complete file. The file will include all correspondence, all notes, denial letter and any medical reports obtained by or commissioned by the insurer which would include but not limited to any functional capacity evaluation or a transferable skills report

The Committee will render on a consensus basis a written decision. If the committee is unable to resolve the disputed claim, within fourteen (14) days, it will be referred to a third party for resolution.

- 3) The mutually agreed upon third party shall have the right to review the claim file, require further examinations or testing of the claimant by a specialist. Costs incurred for medical examination or specialist testing shall be borne by the Employer. The costs of the third party shall be born equally by the Union and the Employer.
- 4) The company and the Union will develop a list of six (6) mutually agreeable third parties.
- 5) The third party will endeavor to complete the assessment and reach a decision on the issue under appeal within fourteen (14) days of referral.
- 6) The decision of the third party shall be binding upon the parties and where applicable, the carrier.

## 12. 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.

### **13. 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.

### **14. Coverage During Leave of Absence**

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

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

### **15. 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.

### **16. Completion of Forms**

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

## **APPENDIX "1" DENTAL CARE PLAN**

### **A. Benefits**

#### **(i) Diagnostic Services**

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

- Oral examinations
- Consultations

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

#### **(ii) Preventive Services**

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

- Cleaning and scaling
- Topical application of fluoride
- Space maintainers

#### **(iii) Surgical Services**

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

#### **(iv) Restorative Services**

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

#### **(v) Prosthetic Repairs**

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

#### **(vi) Endodontics**

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

#### **(vii) Periodontics**

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

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

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

(ix) **Orthodontics**

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

The maximum lifetime benefit is \$3,500.00 per person, effective May 1<sup>st</sup>, 2000 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 effective May 1<sup>st</sup>, 2000.

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 will have his/her future disability benefit 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.

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

**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 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 Agreement.
- (d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with section 6

of Article XXI of the Labour Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreements. In the event an employee becomes totally disabled while covered by this plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

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

## 12. Contribution Waiver

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

### 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 earned time off with pay, such as vacations, supplemental vacations, statutory holidays, special (personal) floating holidays, and any halftime portion of banked overtime.
- (3) Upon commencement of L.T.D. benefits all terms and conditions of the Collective 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 local mill trades where applicable as set forth below:

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

### General Principles

3. The period of Apprenticeship Training will be as defined by the Apprenticeship Branch for each trade. The Apprentice will receive the Journeyman rate on successful completion of 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 appropriate labour Agreements in effect at the Mill concerned shall be applicable to Apprentices in the Program.
6. Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Apprenticeship Branch.
7. Under the Program, Apprentices will receive rates as per Exhibit "A" of the 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 five weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and 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

**1945 - 2017**

**B.C.S.L.A.**

Taken from the Transcripts of  
Negotiations for Contract Years

**1945 - 1952 inclusive**

and from Memoranda issued during  
subsequent Wage Conferences

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COMMUNICATIONS, ENERGY & PAPERWORKERS

UNION OF CANADA LOCAL 1

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## CATALYST PAPER – POWELL RIVER DIVISION

### 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 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) (Revision made to Item iii) September 5<sup>th</sup>, 2002)

- (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) For employees attending meetings the meeting time will be compensated on either an equivalent time off basis, or overtime basis, at the employee's discretion, for attendance of committee members requested by the Company at recognized committee meetings as below.

- Environmental
- Safety Reps: Area Safety Committees
- Central Guidance Committee
- Lock-Out
- Contracting Out
- Standing Committee
- Wage Delegates

For meetings on a tour workers' first day off, that starts prior to 1:00 p.m., the employee will be booked off at midnight of the previous night shift to provide adequate rest. Should the meeting last more than six (6) hours, pay will be provided for the additional hours as in A) above.

- (iv) For meetings on a tour workers' scheduled nightshift that begins at 12 noon or later, the employee will be booked off on that nightshift at midnight with no loss of pay to provide adequate rest.
- (v) 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.
- (vi) 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 Labour Agreement that:

- (i) The hours worked on Sundays and on the recognized paid Statutory Holidays provided for in the above referred to 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 a supplementary to Article VI, Section 2 – Overtime, of the 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 one on one side and one on the other. These will be numbered 1, 2 and 3. No. 1 man relieves No. 1; No. 2 relieves No. 2; and No. 3 relieves No. 3.

**Relief of Mates.** (Page 328, 1950 Transcript)

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

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

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

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

## **(b) Sunday Running**

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

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

When a Day Worker is established on a job that is some distance from 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)**

- (i) When a Day Worker whose shift is from 8:00 a.m. to 5:00 p.m. is told to go home at 12:00 noon and return at 4:00 p.m. for work, 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 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) **Painting and Welding Being Done by Other than Regular Painters and Welders.** (Page 137, 1947 Transcript)

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

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

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

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

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

If an employee is requested to work in excess of eight (8) hours in any one day or in excess of 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.

### (d) **Conflict Between Labour Agreement and Transcript.**

Whenever there is a conflict between the Labour Agreement and the Transcript, the Agreement will prevail. (p.46 & 47, 1951 Transcript)

### (e) **Native Indian Employment**

In response to a Union proposal relative to encouragement of Native Indians to seek employment, the Industry will participate with the National Union in a joint committee to function during the term of the 1970 Labour Agreements. The committee will

be known as the Native Indian Employment Committee, and will consist of eight (8) members, four (4) representatives of the Unions and four (4) representatives of the Industry.

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

## CCAA Plan of Arrangement 2012

March 10, 2012

The parties agree to recommend acceptance of the following amendments to the 2008 – 2012 Labour Agreement.

The parties also agree the Local Unions will be entitled to satisfy itself through the efforts of an Accountant designated by the Local Unions that any “plan of arrangement” made as part of the CCAA Court process and any agreements reached with creditors of the Company are appropriate for and consistent with the business plan of the Company to continue to operate. The Accountant shall be bound by the appropriate Confidentiality Agreement but will be entitled to provide general opinions and assurances to the Local Unions and this agreement and concessions will not be effective until the Local Unions have been satisfactorily informed on the relief by the Accountant as set out above. The review by the Accountant may include examination of the agreements reached by the Company with its major lenders and bond holders on a confidential basis.

It is also agreed that the amendments to the Collective Agreement set out below have been agreed to by the Unions to assist the Company in developing a “plan of arrangement” to facilitate the furtherance and conclusions of the CCAA process and to facilitate the continued operation of the various mill operations represented by the Local Unions. Should any “plan of arrangement” not be approved or accepted by the Court process (either because of opposition of Creditors or refusal by the Court) or should the “plan of arrangement” put forward by the Employer (or any amendment to that plan) involve either the closure (partial or otherwise) of any of the mill operations represented by the above Local Unions, then the amendments to the Collective Agreement set out below shall be deemed null and void and the current Collective Agreement between the respective Local Union(s) and the company (defined as the 2008 – 2012 Labour Agreements that are in place in each location including Local Agreements prior to the “concessions”)

shall immediately be deemed to be and have been the terms and conditions of employment for all bargaining unit employees and the 2008 – 2012 Labour Agreements shall immediately be deemed to be and have been the Labour Agreements between the parties at each location.

This agreement is without prejudice to any rights or claims that the Local Unions may make in any Court or other proceeding including any CCAA or other insolvency proceeding.

**Agreement  
Between  
Catalyst Paper Corporation  
And  
The Communication Energy and Paperworkers  
Unions,  
Local 1, 76, 592, 686, 1132, 630 and 1123  
(The “Unions”)**

Whereas the Company and all related corporate entities that are Petitioners in Action #S120702 entered into CCAA proceedings in BC Supreme Court and are planning on presenting a “Plan of Arrangement” to the Court pursuant to the CCAA.

Whereas part of that arrangement will be the continuation of the revised Collective Agreement that is to be agreed to as part of current negotiations between the Company and the Unions.

Whereas the Unions have made substantial amendments and concessions to the Company in furtherance of its intention to cut operating costs and continue operating.

Whereas the Unions have made these concessions explicitly to assist the Company but also so that obligations of the Company to members and former members of the Unions that were in effect on the CCAA filing date of January 31, 2012 will continue to apply after the arrangement becomes effective.

Whereas the Employer agrees that it explicitly agrees to honour those obligations despite them potentially being “pre-filing debts” in the CCAA action and thus subject to potential compromise.

Whereas the parties agree that the Unions are agreeing to the compromise contained in the revised Collective Agreement explicitly on the basis that the obligations will continue as set out above and below.

The parties agree:

- a) The Company will ensure that all obligations (including any obligations currently in dispute through the grievance process under a collective agreement to the extent that the Company is determined to be responsible under such process) and amounts owing to CEP members and former CEP members pursuant to various current and former Collective Agreements, Letters of Understanding or other retirement or severance arrangements to the extent applicable as of the CCAA filing date of January 31, 2012 will continue after any Plan of Arrangement placed before the Court and other Creditors and those obligations and amounts will survive any final “discharge order” pursuant to the CCAA proceedings and be continuing obligations of the Company or its successor regardless of any technical “Bankruptcy” or any other insolvency proceeding.
- b) The Company will be responsible for obtaining the agreement of the 2016 Bondholders group this arrangement under a plan of arrangement with the Company files under the CCAA.
- c) Without limiting the generality of the above and unless explicitly compromised in the new Collective Agreement entered into between the parties, the Company will ensure and take steps to ensure the Company's obligation with respect to the following amounts continue to apply in any “plan of arrangement” regardless if the amount owing to individual CEP members or former members was accrued prior to the CCAA filing date of January 31, 2012 namely:
  - 1) All pension top-up payments due and owing under various early retirement agreements between the parties.
  - 2) All “bridging” payments due and owing for “early retirees” under the various Collective Agreements including “pop-up” payments.
  - 3) All benefits payable pursuant to agreements between the parties for retirees and their beneficiaries to the extent that such benefits were being paid by the Company prior to the CCAA filing date of January 31, 2012.
  - 4) All vacation or other “earned time” benefits owed to current employees including banked time, supplementary vacation,

lieu time or other accumulated benefits under the various Collective Agreements.

This agreement is entered into at the same time as the revised Collective Agreement and if this agreement is Nullified any way, then the Collective Agreement is also nullified.

Agreed to this 10<sup>th</sup> day of March, 2012.

For Catalyst Paper Corporation	For Communications, Energy and Paperworkers Union of Canada
Steve Boniferro	Eldon Haggerty, Local 1
Robert Stepusin	Don Boucher, CEP National Union R. Hughf, CEP National Union Dave Schaub, CEP National Union

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## LETTERS OF UNDERSTANDING

### LETTER OF UNDERSTANDING

September 5, 2002

#### Living Out Allowance – Apprenticeship / Steam Plant

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 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.

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### LETTER OF UNDERSTANDING

September 5, 2002

#### Rehiring

Mr. Mike Verdiel  
President, Local 76  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Mr. Gary Thorsell  
President, Local 1  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Dear Mike and Gary:

The following practice will be observed during the 2003 - 2008 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/she fails to accept a offered position. Those hired under this practice will be new employees."

Yours very truly,

Brian Johnston

Vice-President, Powell River Division

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### LETTER OF UNDERSTANDING

September 5, 2002

#### Contracting Out

Mr. Mike Verdiel  
President, Local 76  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Mr. Gary Thorsell  
President, Local 1  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Dear Mike and Gary:

LETTER OF INTENT

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

Yours very truly,

Brian Johnston

Vice-President

Powell River Division



**Contractors on Site**

LETTER TO THE C.E.P. FROM PACIFICA PAPERS INC. POWELL RIVER

This is to confirm the agreement between the Company and your respective unions 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 Unions acknowledge that, subject to contracting Article XXV (C.E.P.) and the Company retains the right to select contractors as it deems appropriate.

No aspect of this policy applies to contractors which are certified to Unions 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 CEP 76**

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) Honoring of Picket Lines**

Contractors' employees shall honour all legal picket lines at the mill site. Failure to do so shall result in disqualification from the 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****Flexible Work Practices**

*"Flexible Work Practices will be implemented consistent with the Letter of Understanding attached to this Agreement."*

1. The introduction of flexible work practices is designed to improve productivity, improve product quality, reduce down time and lower costs while ensuring that the work is completed in a safe manner. The efficiencies that result from flexible work practices are also intended to assist in fulfilling the intention of Article 25 of the Agreement.

2. The parties agree that this letter on flexible work practices recognizes that the primary responsibility for the operation of the mill will remain with operators and the primary responsibility for maintaining the mill will remain with trades persons.
3. It is understood that the intent of this letter will supersede local practices, and verbal and written agreements which would impair the implementation of flexible work practices.
4. All work will be performed in a manner consistent with safety articles of the collective agreement as well as the company's safety rules and the regulations issued by the 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.
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:

- Effective May 1<sup>st</sup>, 1998 and prior to applying any other wage increases, \$.45 per hour for Maintenance employees and \$.20 for Operating employees.
- Immediate utilization of existing skills that may not have been previously used due to restrictive work practices.
- Employees assisting each other regardless of department or occupation.
- There will be two training modules for Maintenance employees and one training module for Operations employees which will enhance the employee's ability to be flexible, payment for which will be as follows:
  - \$.25 provided to all maintenance employees effective date of ratification.
  - \$.25 provided to all maintenance employees effective May 1st, 1999.
  - \$.20 provided to all production employees effective May 1st, 1999.

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

The same delineation which defines who is an operator and who is a maintenance employee shall apply to the payment of premiums. Maintenance employees will include all journeypersons as identified under Exhibit I - Definition of Mechanical Trades - of the Collective Agreement and roll balancers, lubrication mechanics and sawfilers.

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

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

10. Training programs implemented under point (6) are not intended to force qualification in another trade.
11. The Company agrees that no employee will lose their employment with the Company as a direct result of the

implementation of flexibility initiatives under this letter. This provision applies to only those employees employed at the date of ratification of this agreement.

12. No trades person or apprentice will be involuntarily displaced from their respective trade on a permanent basis as a result of the implementation of flexible work practices.
13. It is not intended that flexible work practices shall result in a trades person being assigned to a non trades classification when someone outside of his trade is performing his trade core duties.
14. The Company agrees that no employees regular job rate will be reduced when he/she is assigned to perform work under this work place flexibility agreement. This does not apply to an employee who is laid off or whose job is temporarily curtailed and is recalled or works in a different job category on the basis of mill seniority.
15. The Company commits to maintain apprenticeship agreements.
16. For the term of the renewed Collective Agreement, the Company and the Union agree to establish and participate in a Joint Committee which will meet quarterly to discuss issues related to productivity, morale, profitability, work opportunities, market conditions, any alleged discrimination, the ongoing effectiveness of flexible work practices and any other problems related to flexible work practices.
17. The Joint Committees will be composed as follows:

<b>Committee 1</b>	<b>Committee 2</b>
the President of Local 1	the President of Local 76
Mill Manager	Mill Manager
Wage Delegates Local 76	Wage Delegates Local 76
Company Representatives	Company Representatives
CEP National Representative	CEP National Representative

18. The parties agree that disputes relating to the implementation of this letter shall be reviewed by the Joint Committee, which will make every effort to resolve these disputes in accordance with the spirit and terms of this letter.

### **Letter Regarding Catalyst Paper Mills**

With respect to the implementation of flexible work practices at the Catalyst Paper mills, the parties agree that they will consult with respect to ways and means to avoid jurisdictional disputes between the unions.

### **Letter Regarding Powell River**

With respect to the implementation of flexible work practices, the parties agree that they will consult with respect to ways and means to avoid jurisdictional difficulties between Local 1 and Local 76.

## **LETTER OF UNDERSTANDING**

### **Clarification of Letter of Understanding RE: Flexible Work Practices**

The following principles are intended to provide clarification for all employees and staff, as to how the implementation of flexible work practices evolve.

All of those who have developed these clarification notes and who are signatory to this agreement commit that they will collectively and individually support and assist in all reasonable ways to see that productivity and job security are maximized through the use of flexible work practices

#### **Understanding of what flexible work practices are:**

1. Respecting the core duties of the trades is paramount. Scheduling of work respecting these duties is also paramount. Employees will use all of their existing skills and new skills in completing their tasks.
2. A recognition of seniority, lines of progression and jurisdiction unless through open dialogue understandings are reached e.g. junior person in line be re-assigned prior to a more senior person subject to Article XXI Seniority, understanding that seniority will not prevent an employee taking the initiative to assist to get work done by utilizing their existing skills and new skills.
3. Assisting each other, during down times or upset conditions, utilizing, existing and new skills in order to reduce down time and improve efficiencies.
4. Trades assist each other to perform their duties in an effective and efficient manner, at the same time acknowledging the respective trade core duties.
5. A method of freeing up time in order for employees to

perform more complex duties within their classification. As employees become more skillful as is described in point #3, #4 and #6, this will lead to incorporating work which would normally be contracted out.

6. Module training which is universal and consistent for all job classifications, which does not require formal testing but rather provides for comprehension.
7. Designed to preserve and enhance employment.

**Understanding of what flexible work practices are not:**

1. Employees unreasonably refusing to perform tasks assigned based upon the above mentioned principles nor will unreasonable assignments be made.
2. A method of driving work place re-organization through change for the sake of change nor a method of driving changes to job descriptions or transfer of duties from one classification to another or higher qualification requirements, including multi-skilling or dual trades.
3. A reassignment of duties where equipment is left running, unattended.
4. A reassignment of duties with an expectation of the remaining crew members to absorb the duties of the now vacant position.
5. A process to undermine nor circumvent the terms and conditions of the collective agreement. But rather only agreements and practices with respect to present work practices are superceded where they impair the implementation of flexible work practices under the letter of understanding.

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**LETTER OF UNDERSTANDING**

**Rehabilitation and Reintegration program**

- i) The Company and the Union agree to the establishment of a joint Union – Management Rehabilitation /Re-integration Committee.
- ii) The Committee shall be comprised of up to three (3) representatives each from the Company and the Union.
- iii) 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.

- iv) 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.

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**LETTER OF UNDERSTANDING**

August 28, 1998

**Pension Plan Banked Overtime Hours**

Mr. Mike Verdier  
President, Local 76,  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Mr. Gary Thorsell  
President, Local 1  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4  
Dear Mike and Gary:

**Re: Pension Plan Banked Overtime Hours**

The Company will provide a letter to the Pension Plan Trustees recommending that all banked overtime hours earned, when taken off in the following calendar year, will be treated in a like manner to banked overtime hours taken off earned before the employee reached the 2080 hours cut off.

Yours truly,  
Miles Lauzon  
Vice President, General Manager

**LETTER OF UNDERSTANDING**

September 5, 2002

**Job Security**

Mr. Mike Verdiel  
President, Local 76,  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Mr. Gary Thorsell  
President, Local 1  
Communications, Energy and Paperworkers Union of Canada  
5814 Ash Avenue  
Powell River, BC V8A 4R4

Dear Mike and Gary:

**Re: Job Security**

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 Unions.

Yours truly,  
Brian Johnston  
Vice-President  
Powell River Division

**LETTER OF UNDERSTANDING**

September 3, 2002

**Commitment to Employment**

Mr. Jim Britton  
Vice-President, Western Region  
Communications, Energy and Paperworkers Union  
#540 – 1199 West Pender Street  
Vancouver, BC V5E 2R1

Dear Jim,

**Commitment to Employment**

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

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

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

Yours truly,  
Ron Buchhorn  
Vice-President, Human Resources

**LETTER OF UNDERSTANDING**

November 5, 2002

**Retiree Extended Health Benefits**

It is agreed that a fund be established to address the issue of ensuring benefit coverage when the retiree or their spouse exceeds the Retiree Extended Health Care Benefit lifetime maximum of \$25,000.

Catalyst Paper agrees to contribute a yearly top up of up to \$100,000.00 into the common fund, for all CEP Locals of Catalyst Paper, to reach and maintain a minimum balance of \$400,000.00 in the fund. The top up payment will occur on May 1 of each year for

the term of the Collective Agreement.

The Union will provide an audited financial report to the Company every year.

For the purpose of union administration of this fund, a committee comprised of one (1) representative from each Local Union and a representative from the CEP Western Region office shall meet following ratification of the Memorandum of Agreement to:

1. Select a fund administrator
2. Develop guidelines for Governance and Investment Issues

The guidelines for Governance and Investment Issues shall be completed within six (6) months following ratification. The Union shall be solely responsible for the governance and administration of this fund.

Dated this 20th day of November 2008.

For the Company  
Steve Boniferno  
Sr. Vice President, Human Resources

For the Union  
Mike Fenton  
CEP National  
Representative

-----  
**LETTER OF UNDERSTANDING**                      September 3, 2002

### **Trades Qualifications**

CEP and Catalyst Paper both clearly recognize the critical nature of apprenticeship training and certified trades qualifications mechanisms. It is no secret that British Columbia is facing a 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 skill levels and portability of tradepersons in BC.

The parties agree to the establishment of a committee comprised of management representatives of Catalyst Paper and appropriate representatives of the 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.

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

Dave Coles  
Vice-President  
Western Region

Ron Buchhorn  
Vice-President, Human Resources  
NorskeCanada

-----  
**LETTER OF UNDERSTANDING**                      March 11, 1999

### **Extended Health Medical Plan**

**To All Hourly Employees:**

**RE: Extended Health Medical Plan**

**Lifetime Maximum from \$100,000 to \$1 Million**

Pacifica Papers Inc., Powell River has arranged through our carrier (Pacific Blue Cross), to increase the Extended Health Medical Plan lifetime maximum for all eligible expenses from \$100,000 to \$1,000,000 per family member.

One of the eligible expenses is for Emergency Medical costs (if required) when traveling out of the country. This applies to either traveling on company business or for personal reasons.

As many people travel out of the country for or on behalf of Pacifica it was felt additional coverage would provide better protection in the event of a health emergency. As the plan covers personal travel for you and your dependent family members, the new lifetime maximum will also apply to them.

This letter is for your information. The increase is effective March 1, 1999.

Sincerely,  
Miles Lauzon  
VP & General Manager

## LETTER OF UNDERSTANDING

March 10, 2012

### Commitment to Long-Term Success of Pulp and Paper Industry in British Columbia

The Parties recognize the importance of a long term successful Pulp and Paper Industry in British Columbia and in particular within the communities and facilities which Catalyst Paper operates. To this end the Company is prepared to work jointly with the Communications and Paperworkers Union of Canada (CEP) to secure the following:

- Work jointly with CEP, its officers, agents and contacts, to seek funding for the advancement of the above stated purposes including alternate fuels etc., otherwise referred to as "Green Initiatives", from Federal and Provincial Ministeries and their agencies etc.
- Work jointly with the CEP, its officers, agents and contacts, to acquire a fibre supply that gives a long term viable supply of fibre at a fair market price.
- Work jointly with the CEP, its officers, agents and contacts, Provincial and Federal Ministeries and their agencies etc., to acquire funding and/or investment opportunities for a wider range of higher valued products and possible finished product opportunities.
- Work jointly with CEP, its officers, agents and contracts, Provincial and Federal Ministeries and their agencies etc., to develop a Provincial Pulp and Paper Industry training initiative for new employees, Steam Plant Operators, Trades and other positions requiring certification. This may require working closely with other heavy industry employers across British Columbia.

A review of the status of these ventures and initiatives will be conducted on a quarterly basis at the President's Council, any value achieved will be applied to the ongoing operation of the three (3) Canadian operations.

---

## LETTER OF UNDERSTANDING

March 10, 2012

### Revised President's Council

The Company and Union agree to establish and participate in a Revised President's Council which will meet quarterly to work with the President and CEO along with senior management towards

achieving the Company's business goals and objectives. The President's Council will:

- Review and monitor progress toward meeting performance, sales, employment and other targets set out in the Annual Business Plan;
- Review the capital expenditure programs;
- Review major sale, lease or rental of assets;
- Review manning objectives including attrition, recruitment and other matters which impact employees.

The President's Council will be composed of:

- President and CEO of Catalyst Paper Corp.
- Vice President of Operations
- Senior Vice President of Human Resources
- General Managers of each Division
- Human Resources Managers of each division
- President and one additional delegate from Local Union(s) of each division
- CEP National Representative(s)
- CEP Western Region Vice President or designate

The Company agrees to pay for all reasonable expenses for the attendance of each Local Union President (or their designate) and additional delegate for attendance at the President's Council.

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## Letter of Agreement

March 10, 2012

### Joint Union Management Welfare Committee

Refers to Exhibit C – Clause 4. Joint Union – Management Welfare Committee

This will confirm our agreement that the review of carrier agreements referred to in 10 e) (a) will be carried out through the corporate benefits group and not by the individual mills.

Signed this 10<sup>th</sup> day of March, 2012

D. Schaub, CEP

S. Boniferro,  
Catalyst Paper

**LETTER OF UNDERSTANDING**

March 10, 2012

**Banked Time – 2012 - 2017**

**Between**

**CATALYST PAPER CORPORATION**

**And**

**CEP LOCAL UNIONS 1, 76, 592, 686, and 1132**

**Re: Banked Time – 2012 – 2017 Renewed Labour Agreement**

The parties agree that Article VI – Hours of Work or Agreements which form part of the renewed Labour Agreement providing for the payment or banking of overtime based on the double time are suspended until April 30, 2015. During this period employees will receive payment at time and one-half or straight time rate and banking at ½ time rate for the actual time worked.

Examples would be as follows:

A day worker works four (4) hours beyond the end of their scheduled shift. They would be entitled to receive:

Eight (8) hours at the straight time rate

Two (2) hours at the rate of time and one-half

Two (2) hours at the straight time rate

Two (2) hours banked at the half time rate (one (1) hour in the bank)

A day worker works fourteen (14) hour in a day. They would be entitled to receive:

Eight (8) hours at the straight time rate

Two (2) hours at the rate of time and one-half

Four (4) hours at the straight time rate

Four (4) hours banked at the half time rate (two (2) hours in the bank)

A day worker is called to work at 10 PM and works four (4) hours following completion of their regular shift. They would be entitled to:

Eight (8) hours at the straight time rate

Two (2) hours at the rate of time and one-half

Two (2) hours at the straight time rate

Two (2) hours banked at the half time rate (one (1) hour in the bank)

A tour worker works four (4) hours beyond the end of their scheduled shift. They would be entitled to receive:

Twelve (12) hours at the straight time rate

Four (4) hours at the straight time rate

Four (4) hours banked at the half time rate (two (2) hours in the bank)

A tour worker works twelve hours on their designated day off. They would be entitled to receive:

Eight (8) hours at the rate of time and one half

Four (4) hours at the straight time rate

Four (4) hours banked at the half time rate (two (2) hours in the bank)





**2012 – 2017**  
**Supplementary Agreement**  
**between**  
**CATALYST PAPER – POWELL RIVER DIVISION**  
**and**  
**LOCAL 1**  
**of the**  
**COMMUNICATIONS, ENERGY & PAPERWORKERS**  
**UNION of CANADA**

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Pacifica Papers Inc.

August 28, 1998

Powell River

### Local 1 Agenda Item #4 & WI / LTD Carrier

Given that Canada Life has purchased Crown Life, Local 1 and the Company agree to monitor the service provided by the new carrier for a period of 24 months from date of ratification. If at the end of 24 months the Company and Local 1 find that the carrier repeatedly fails to correct service problems that we point out to them, the Company and Local 1 agree to jointly select a new carrier. It is mutually understood that the program should be cost effective. It is understood that there is a shared expense to this process with respect to the reserve and that it is desirable to have one carrier for the site.

Pacifica Papers Inc.

August 28, 1998

Powell River

### Local 1 Agenda Item #5 & Local 76 Agenda Item #14 - Value of Meal Tickets

Effective August 28, 1998, meal compensation will be valued at 80% of base rate.

NORSKECANADA

September 5, 2002

Powell River Division

### Safety Boot Allowance

Effective August 28, 1998, we will increase the Safety Boot Allowance to 75% to a maximum of \$150.00.

Effective May 1, 2003 employees shall be permitted to combine the allowance for two consecutive entitlement years\* in order to have access to sufficient monies to purchase more expensive footwear should they choose to do so.

Effective May 1, 2006, we will increase the Safety Boot Allowance to 75% to a maximum of \$175.00 .

\*Note: entitlement years will be contract years ie. May 1<sup>st</sup> – April 30<sup>th</sup>

\*\*Effective January 1<sup>st</sup>, 2013, entitlement years will change to calendar year – January 1<sup>st</sup> to December 31<sup>st</sup>.

PACIFICA PAPERS INC.

August 28, 1998

Powell River

**Local 1 Agenda Item #12 - 9 &10 Doghouses Janitorial Service**

9 & 10 doghouse will be cleaned by a janitor after each maintenance day.

Pacifica Papers Inc.

August 28, 1998

**Powell River**

**Local 1 Agenda Item #13 & Local 76 Agenda Item #16 Mill Scrap Metal**

The Company agrees to continue the system where all mill employees will be able to obtain a reasonable amount of the mill's scrap metal (i.e. machine clothing, barrels and scrap metal) on an annual basis at an offsite location.

This material will be available to mill employees on a first choice basis for a small, nominal fee.

August 28, 1998

**M.S.A. Net**

The Company will provide prescription cards for all members.

We have reviewed the request for providing prescription cards to Pacifica Papers Inc. employees and future Pacifica Papers Inc. retirees. M.S.A. has confirmed that they can provide this service to the Company at the following cost:

\$0.55 per month per individual

\$1.55 per month per family

Effective date of ratification, we will advise M.S.A. to provide this service.

September 5, 2002

**Wellness**

A joint committee will be established to complete a review of the administration of the mill policy regarding eligibility for funding to support employee wellness. The purpose of the committee will be to discuss and agree to acceptable guidelines and eligibility for the various activities for which people may apply for support. The guidelines will be in place by December 15, 2002.

September 5, 2002

**Compassionate Extended Health Benefits Coverage**

The Company agrees to provide continued extended health benefits coverage (to a maximum of \$100,000) for the dependents of employees who are classed as a work related death (as defined by WCB). This coverage shall be provided until such dependents reach the age of majority (19).

March 10, 2012

**Earned Time Off (ETO) Agreement**

The following represents the understanding reached between the Union and the Company regarding the administration of earned time off (ETO) within Local 1 and replaces the Agreement on Earned Time Off dated September 5, 2002. This agreement will be effective on May 1, 2012. Crews will continue to book vacation under the current ETO rules and under the following new ETO rules starting in the 2012 vacation year.

**ETO Rules**

ETO will be administered by organizing employees into four crews, allowing time off to be taken on a demand basis in order to achieve a 1 off in each bracket. ETO Rules will be administered by organizing employees into groupings known as brackets. The following guidelines will apply:

1. Employees will be entitled to book ETO into openings within a bracket as provided under CWW paragraph #14 as amended. All ETO other than floating holidays must be booked in 48 hour increments by April 30<sup>th</sup> of the upcoming

contract year. If a bracket is open, approval will not be withheld unreasonably. It is understood that no employee should assume approval of ETO until approval is confirmed with Management. Booked ETO may be moved if an opening is available within the bracket on or before the last nightshift of the previous tour.

2. Once the year's vacation is booked, training will be scheduled for the year around known union and committee time. Training may be displaced by floating holidays but not by single vacation days.
3. When an employee's vacation is cancelled by the Company, the Company will pay as per working a scheduled day off.
4. If an employee complies with a request to work during their vacation they will be compensated as though working a scheduled day off.
5. For single 12-hour shifts, an employee must take 12 hours of Earned Time Off.
6. Individuals can move single days of pre-booked ETO provided their bracket has an opening and there is no training planned. If granted, that position in the bracket is filled for that day.

The following represents the structure of the ETO brackets:

Three Machine Operation:

- Paper Machines
- Bracket #1: P11MT, P11BT, P11WM, P11S4H
- Bracket #2: P10MT, P10BT, P10WM, P10S4H
- Bracket #3: P9MT, P9BT, P9 WM, P9S4H
- Bracket #4: PM114H, PM115H, PM104H, P105H
- Bracket #5 P94H, P95H, Utility, MCS Paper Machines
- Stock Preparation
- Bracket #1: P11SPO, P10SPO, SPAS, SPRO, SPCS

Note – Stock Prep. Group will consist of five (5) positions. Up to two (2) members may be off at any one time with the exception of only one (1) of the following four (4) will be allowed off at any one time. (P11SPO, P10SPO, SPAS, SPRO)

- Clothing Crew
- One off at a time

Two Machine Operation

The parties agree that in the event of a reduction from three (3) to two (2) papermachines, they shall meet to define the brackets within the principles of this agreement.

-----  
**C.E.P. Local 1 HANDOUT**

April 3, 1995

**Union Agenda Item #7**

**L.R.P. Averaging Pay for C.W.W.**

Overtime at the rate of time and one-half will be paid for work in excess of forty (40) hours average per week, over the defined eight (8) week period.

In the application of this principle, the following provisions will be applied to relief employees who do not follow the recognized Compressed Work Week rotation, (four (48) hour weeks and four (36) hour weeks)

1. A relief employee who works up to and including four 48 hour C.W.W.'s in an eight (8) week averaging period, will be paid overtime for work in excess of 44 hours in each of those weeks as per all local C.W.W. agreements.
2. A relief employee who has completed four 48 hour C.W.W.'s (4 - 12 hour shifts or a combination of 8 hour and 12 hour shifts equaling or greater than 48 hours) within a given eight (8) week averaging period, will be paid overtime for work in excess of thirty-six (36) hours in any other week in that averaging period.
3. Any shift scheduled after an employee has completed 36 hours in a 36 hour week will be treated as work performed on a designated day off.
4. A relief employee who does not complete four 48 hour C.W.W.'s (four 12 hour shifts) within the current (8) week averaging period, and works something other than four 12 hour shifts in a week, will be paid overtime for work in excess of forty (40) hours in that week.
  - A) Under our Labour Agreement, averaging pay is calculated weekly. Qualifying hours included in calculating averaging pay for workers that relieve into the compressed work week schedule are:
    - i) All hours worked except overtime hours
    - ii) All hours worked on Sundays and Statutory Holidays

## **April 9<sup>th</sup>, 1995 – Memorandum of Agreement**

### **Memorandum of Agreement**

**Between**

**Pacifica Papers Inc., Powell River**

**and**

**Communications, Energy and Paperworkers' Union of  
Canada Local 1**

#### **Purpose**

The purpose of this memorandum is to resolve the grievance relating to the company's cancellation of the terms and conditions of the minutes of meeting held in the Ritz Hotel, Monday evening, June 15<sup>th</sup>, 1953, and other items identified to Local 1 on March 10<sup>th</sup>, 1994. At the same time we reconfirm Section 1 of Article 1 of our current collective agreement that provides for:

- Mutual interests of employer/employee
- Safety and physical welfare of employees
- Economy of operation
- Quality and quantity of output
- Cleanliness of plant
- Protection of property

#### **The Understanding**

It is recognized by the parties that because of the current state of the industry, an ongoing process of dialogue and full cooperation between the union and the company are required to meet the conditions of Section 1, Article 1 described above.

The parties agree to continue to cooperate to:

- Improve safety.
- Concentrate all efforts towards our quality motto - "Quality with Pride" and in "Meeting our customers' quality requirements every time."
- Encourage economy of operation.
- Allow for review of measurements and assess progress and deficiencies.
- Encourage employees to upgrade.

iii) All Floating holiday hours and Banked Stat. hours

B) A work week is reduced by 8 hours for each paid Statutory Holiday or deferred Statutory Holiday.

C) Hours not included in the weekly calculations for averaging pay are:

- i) Vacation
- ii) Supplementary Vacation
- iii) Banked Overtime
- iv) Jury or Witness Duty
- v) Bereavement Leave
- vi) Leave of Absence
- vii) Sickness
- viii) Call Time
- ix) Penalty Times
- x) Overtime (excluding Sundays or Stats)

D) Hours in addition to those identified in "A" above, that are included in the definition of what constitutes a 48 hour compressed work week for the purposes of Item #2 are:

- i) Vacation
- ii) Supplementary Vacation
- iii) Banked Overtime
- iv) Paid Jury or Witness Duty
- v) Paid Bereavement Leave

These hours do not count towards the calculation of averaging pay for the week. They are only used to establish the definitions of what constitutes a 48 hour compressed work week, the principle being that all paid time off counts toward establishing the length of that week.

All paid Statutory Holiday hours count toward establishing the length of the work week as well.

To qualify as a 48 hour compressed work week, at least one day of that week must be worked or taken off with pay as a 12 hour C.W.W. shift.

- Increase the opportunity for attracting capital to Pacifica Papers Inc., Powell River Division, thereby securing employment.

## Section I

To help ensure the ongoing viability of the Powell River operation, Union and Management have reached an agreement on the following items:

- Effective April 1<sup>st</sup>, 1995 a system will be jointly established to provide for a meal or alternatively a meal credit on pay cheques.
- The agreement as set out in the minutes of the meeting held in the Ritz Hotel, Monday Evening, June 15<sup>th</sup>, 1953 is replaced with this agreement.

- 1) Floor Speeds

Floor speeds for the following paper machines will be established as follows:

MACHINE	SPEED	BRACKET
#9	2800	65
#10	3200	79
#11	3750	91

- 2) Machines starting Up Ahead of Work On the Winder Being Complete

Historically, Paper Machines have not started up until all work on the Winder is complete. In future, should work on the machines be completed ahead of the Winder being ready, then the machine can be started up.

- 3) In the event of a breakdown on the Paper Machines, the Winder Crew will not be sent home when there are reels on the floor.
- 4) Management will ensure a machine does not operate short handed, consistent with the agreed upon Call Out Procedures (Appendix I).
- 5) A joint understanding there will not be any future 4 hour shutdown meetings.

- C. **Profit-sharing/Gainsharing**

Union and Management will design a process to encourage the company and union to work together to ensure Powell River is viable in the long term.

- A joint committee will be struck to explore and evaluate profit-sharing/gainsharing concepts and options with the objective of developing an appropriate plan for the mutual benefit of the Union, members of Local 1, and the Company.
- The profit-sharing/gainsharing arrangement may be set up in such a way that a portion of the gains may be directed to an employee's personal RRSP account.
- Measurements

### **Jointly, Union and Management will:**

1. Establish mutually acceptable measurements and targets.
2. Monitor performance on a quarterly basis against the agreed targets.
3. Measurement targets are to be set annually by the joint Union/ Management Committee. This plan will reward continuous year over year improvement in key areas, such as Safety, Quality and Productivity.

## Section II - Leave of Absence & Severance

In the event of future reductions in the workforce during the term of the Labour Agreement currently being negotiated, the Company will provide the following opportunities to reduce the effects on Local 1 members.

- A. Leave of Absence

Provided employees are on an indefinite lay off:

- 1) The Leave of Absence Policy will be expanded to allow people to get a Leave of Absence for any reason. The maximum leave will be for a 12 month period, after which a review will be made jointly by Union and Management to determine if the leave will be extended.
  - 2) Some limitations may apply where special skills are required.
- B. Severance Allowance

Provided employees are on indefinite layoff, any employee hired prior to April 1<sup>st</sup>, 1995 who is displaced from their department and who is not required to be replaced will be offered a Severance Allowance equal to 1.5 weeks pay for each year of service (Minimum \$10,000). Consideration will also be given to other people in that department whose departure would result in the recall of that displaced person.

The wage delegates and the Company unanimously recommend acceptance of this Memorandum of Agreement, which will become effective upon ratification by the respective parties.

Signed \_\_\_\_\_ 1995 by:  
Pacifica Papers Inc. CEP Local 1

## Appendix "I" – Relief Manning

The following procedure should be used to secure relief manning if required.

(Note: The Company has committed to Local 1 that they will do their utmost to ensure that a machine does not operate short handed.) The following procedure should be used to secure relief manning if required

- (i) Try the call list for relief.
- (ii) Try other Local 1 areas for relief.
- (iii) Hold back the operator without relief of the shift going off for 4 hours and bring in the next shift 4 hours early on a volunteer basis.
- (iv) If Local 1 members are on layoff, then call them in for relief.
- (v) Reschedule the next shift a full shift early and try for coverage on the later shift. For example: Night shift come in early and coverage be sought for the night shift to cover the same days dayshift.
- (vi) Determine if the repulpers could be shut down for some of the shift, for example: after an operator has been held back for 4 hours.
- (vii) Request individuals on ETO to cover the vacancy.
- (viii) Review call in status with Local 1 Leadership for assistance in the provision of labour.
- (ix) Determine if any Local 76 relief would be available who could do the job.
- (x) If unsuccessful in achieving a full crew compliment with the above steps; a plan will be implemented (including changing to the best available order) to safely maintain the machine (during the shortest time frame possible) short one (1) junior crew member.

**Note:** This is the only case where a machine will be run short handed.

Mr. Gary W. Thorsell  
CEP, Local 1  
5814 A Ash Street  
Powell River, B.C.  
V8A 4R4

Dear Mr. Thorsell:

### Retiree Benefits

For employees who have retired from active service with the Local, the Company agrees to provide for the employees, their spouses and their dependents, the following:

- Full premium payment for the B.C. Medical Plan for the retired employee's and spouse's lifetimes.
- Full premium payment for a basic Extended Health Benefits Plan.

Brian Johnston  
Vice-President  
Powell River Division  
August 11, 1998



## **Compressed Work Week Agreement**

### **COMPRESSED WORK WEEK MEMORANDUM OF AGREEMENT**

#### **BETWEEN**

**PACIFICA PAPERS INC.**

#### **AND**

**COMMUNICATIONS, ENERGY AND PAPERWORKERS  
UNION OF CANADA LOCAL 1**

Unless specifically varied by this agreement, all the terms and conditions of the Collective Agreement shall apply.

In order to implement a compressed work week schedule in any Local 1 department, the parties hereby agree to the following terms and conditions:

1. The introduction of the 12 hour shift schedule shall be on a trial basis for a six month period.
2. This trial or continuation period may be cancelled by either party, on a department by department basis, with 30 days written notice or within seven days if mutually agreed to by the Union and the Company.
3. The implementation and continuation of the compressed work week will be on the basis that the efficiency of any department will not decrease.
4. It is agreed that this compressed work week agreement does not supersede or amend in any way local agreements which were in force when the compressed work week schedule was introduced, and which shall remain in force if for any reason either party terminates this compressed work week agreement.
5. Should problems arise regarding the application of this Agreement, or as a result of its operation, the respective Standing Committees will meet to discuss the problem and attempt to resolve it.
6. The 12 hour shift times of 6:00 a.m. to 6:00 p.m. and 6:00 p.m. to 6:00 a.m. will define a "DAY" as a period of 24 hours beginning at 6:00 a.m., and a "WEEK" as a period of seven calendar days beginning at 6:00 a.m. Sunday. The two 12 hour shifts will be referred to as DAY shift and NIGHT shift.
7. The hours between 6:00 a.m. and 8:00 a.m. in advance of a

down Statutory Holiday will be covered by the regular night shift crew staying over, if required to do so by the Company.

8. Overtime will not be paid if incurred as a result of initial implementation or final discontinuance of the 12 hour shift schedule. Employees entering the 12 hour shift schedule on a temporary relief basis from an 8 hour per day, 40 hour per week schedule, will be paid overtime at the rate of time-and-one-half for hours worked in excess of 40 for the first week upon entering the schedule and for the last week upon leaving the schedule; providing proper notice has not been given and the change occurs after the start of the work week.
9. Overtime at the rate of time-and-one-half will be paid for all work in excess of 12 hours in any one day, all work performed on a Sunday (6:00 a.m. Sunday to 6:00 a.m. Monday) and all work in excess of 44 hours in a week.
10. a) Tour workers who work in excess of 12 consecutive hours on a regularly scheduled shift, or in excess of eight 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 for these excess hours and taking equivalent time off 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 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 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.  
b) An employee who has 4 or more but less than 12 hours of banked overtime remaining will have the option of taking a 12 hour shift off and being paid the number of hours that the employee has remaining in the bank.  
c) Time off hours will be taken out of the overtime bank in the same order as they went in. i.e., first in, first out (FIFO).
11. When the Company changes an employee's shift schedule after the start of the week without notification being given during the first 12 hours of his last shift preceding the new shift, the employee shall receive two 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 of shifts when the employee returns to his previously established shift schedule.

12. Employees following the compressed work week schedule shall be paid shift differential as per the Labour Agreement, however the day shift benefit shall be paid for the hours of 6:00 a.m. to 6:00 p.m. and the night shift benefit shall be paid for the hours of 6:00 p.m. to 6:00 a.m.
13. An employee who has been employed for less than one year and does not qualify for the first full vacation under Article XV (Vacations) 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 one day will be granted.
14. Compressed work week employees will be allowed to take vacations on a "tour" basis. For purposes of the 12 hour shift schedule, a "tour" vacation week will be the number of scheduled consecutive working days plus the following scheduled days off, will be DDNNOOOO, a period of eight (8) calendar days.

**Application of Pay:** for each C.W.W. vacation week will be the greater of 40 hours at the hourly rate of the employee's regular job or the percentage method plus 8 hours leave of absence. Eight (8) hours leave will be granted after all grouped hours as have been used.

Grouped hours are considered banked overtime, banked worked statutory holidays, deferred paid statutory holidays.

15. For the purpose of the 12 hour shift schedule entitlement period, special (personal) floating holidays will be calculated on the basis of the number of days for which the employee has qualified multiplied by 12 hours, subject to all other conditions of Article XVIII (Special / Personal Floating Holidays) of the Labour Agreement.
16. Employees on the 12 hour shift schedule may take four hours of banked overtime and/or deferred statutory holiday time to supplement statutory holiday pay, if they would normally have worked a 12 hour shift on that day.
17. 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/she shall be compensated at this regular

straight time hourly rate for hours lost from his regular schedule for a maximum of 3 shifts.

18. Weekly Indemnity benefits will continue to be calculated on the basis of seven calendar days.
19. For purposes of calculating overtime, the scheduled work week shall be reduced by 8 hours in any week in which a recognized paid statutory holiday occurs. Should more than one recognized paid statutory holiday occur in any week, the scheduled work week shall then be reduced by 8 hours for each such paid statutory holiday. Example given:
  - a) In a 48 hour work week in which one paid statutory holiday occurs, overtime will be paid for hours worked in excess of 40. Should it happen that two recognized paid statutory holidays occur in one week then overtime will be paid for hours worked in excess of 32 of that particular week.
  - b) In a 36 hour work week in which one paid statutory holiday occurs, overtime will be paid for hours worked in excess of 28. Should it happen that two recognized paid statutory holidays occur in one week then overtime will be paid for hours worked in excess of 20 of that particular week.

The foregoing applies only to recognized paid statutory holiday hours and no other hours on which time-and-one-half has been paid, or hours paid for call time, may be used for the purpose of calculating the work week in 19 (a) & (b) above.

20. 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 13 consecutive hours. If he/she continues to work, a meal which shall be hot if practicable, shall be provided every four hours thereafter.
21. It is understood that on federal and provincial election days, the night crew will report at 4:00 p.m. rather than 6:00 p.m. to allow the day crew four hours free for voting purposes, unless alternate arrangements are mutually agreed upon.
22. Whereas there may be periods in which Crew Spares and/or Labour Relief Pool workers will be required to work more than 42 hours per week average; it must be understood that this agreement is based on a 42 hour average work week and as such is not intended to be used as a means of increasing the work week of Crew Spares and/or Labour Relief Pool workers beyond that level.
23. In entering into this agreement, Management's policy of "not allowing people to work in excess of 16 consecutive hours" will continue.

WB Murray  
Human Resources Manager  
Pacifica Papers Inc.  
Powell River

Gary Thorsell  
CEP Local 1 President  
August 28, 1998

## **Local 1 Agenda Item #8**

### **The Guiding Principles of a Light Duty Program**

Light duty work may be provided to employees. If provided, it shall be on the same basis whether injured as a result of occupational or non-occupational accidents. The work performed must be meaningful and productive.

---

NorskeCanada  
Powell River Division

September 5, 2002

### **Modified Work**

As a means of supporting employees who require modification of duties while engaged in a short-term "light duty" program, the company agrees to pay the employee at a rate consistent with what they would have earned had they been unrestricted. This applies only to employees on a scheduled program for return to full duties.

---

Pacifica Papers Inc.  
Powell River

August 28, 1998

## **Local Agenda Item #15**

### **Letter for Entry in Memorandum of Agreement**

#### **Coverage During Leave of Absence for Local 1 & Local 76 C.E.P.**

The Company will continue to pay benefit premiums for Welfare Plan Coverage to the carrier on behalf of employees who are on authorized Leave of Absence on Local Union business in excess of 3 months in any one calendar year. For the purpose of Collective Agreement entitlements this time will be considered time worked.

Pacifica Papers Inc.  
Powell River

August 28, 1998

## **Local 1 Agenda Item #16**

### **W.I. and L.T.D. Average Rates**

#### **Average Rates**

With respect to "Changes in Classification", the Company is willing to calculate the W.I. and L.T.D. based on average rates. Effective as soon as possible, but no later than May 1<sup>st</sup>, 1999.

Average rates are calculated using pay data from the previous six (6) months (i.e. May 1<sup>st</sup> and November 1<sup>st</sup>).

#### **How Averaging Rates are Calculated**

The program adds up all the hours, and adds up all the gross dollar (hours x rate) with no overtime factor and then divides your total earnings by hours to find your average rate. Not included in this calculation are stat holidays, floaters, supplemental vacation, regular vacation, shift differential, call time, misc. premiums, C.O.P. banked withdrawal, and 40 hour premium.

There may be a resulting premium change which would be effective the same day benefits became effective.

---

Powell River

December 19<sup>th</sup>, 2008

### **Travel Guidelines for Local 1 Members**

The Company will inform the Local as soon as possible after we know that bargaining unit employees will be traveling.

All employees of the Company will be reimbursed for reasonable expenses incurred on Company business. The guiding principle is that employees traveling on Company business shall not lose any regular pay as a result of traveling and traveling is voluntary. Where an employee is traveling on a day off, he/she will be compensated on either an equivalent time off basis, or overtime basis, at the employee's discretion.

Employees on authorized Company business are covered by a \$1,000,000.00 Travel Accident Insurance Policy over and above A.D.&D, Group Life and W.C.B. coverage. The Company will cover emergency medical expenses while traveling outside the Province.

If you are required to use a personal vehicle the reimbursement is \$0.46 cents/km or Catalyst Paper policy.

In the event of a serious family emergency every effort will be made to expedite the return of an employee.

Employees shall not be asked to visit sites at which there is a Labour dispute in progress.

If an employee is scheduled to work on the nightshift before the travel departure date, he shall not be expected to work that nightshift and will be paid as though he had worked, unless the departure time is later than 3:00 PM of the following afternoon. If the departure time is after 3:00 PM the employee will be expected to work the previous nightshift.

If an employee is scheduled to work nightshift on the travel return date, he/she shall not be expected to work that nightshift if he/she returns to Powell River after noon on that day and will be paid as though he/she had worked

Expense Guidelines

### **Allowable Expenses**

- Meals including tips
- Standard accommodations at a first-class hotel
- Transportation by air, ferry, rail, bus, taxi & parking
- Allowance for personal cars used on business (\$0.46 cents/km or Catalyst Paper Policy)
- Laundry and valet services
- Long distance telephone and fax charges – for business purposes or calling home
- Gratuities – within reasonable limits and in accordance with local custom

### **Non-Allowable Expenses**

- Personal items such as self entertainment, reading material, barber, clothing, equipment and side trips.
  - Spouses's travel expenses
  - Additional personal accident insurance
  - Lost money, fines, property damage
- Not for inclusion in Labour Agreement. This understanding may be canceled with the notice after discussion between the parties during the term of the agreement

### **Remaining Items from the 2007 – 2012 \$80 Ton Agreement Job Posting Agreement**

A trial period of thirty (30) calendar days shall be in effect for all postings.

The trial period shall commence on the date of actual entry into a department or job. Employees who elect to return to their job or department prior to the end of the trial period dates specified in point 10, may do so with no loss of seniority.

### **Labour Relief Pool - 12 Hour Hatchwatch and Firewatch:**

For the purposes of maintaining productivity, efficiency, cost-effectiveness and above all, the safety of its members/employees CEP Local 1 and Catalyst Paper Corp. agree upon a 12 hour Hatchwatch and Firewatch Agreement for major shutdowns and outages.

Job assignments for Hatchwatch or Firewatch will be scheduled as per the Compressed Work Week Memorandum of Agreement.

The parties also agree to meet prior to major shutdowns and outages to discuss the application of this agreement and its schedules and consult with respect to ways and means to avoid jurisdictional difficulties between Local 1 and Local 76.

### **First Aid Certification:**

Any employee who holds a valid OFA Level III ticket will receive a premium of \$.50/hour (provided the position they are working in does not require it). The company will pay the tuition and book costs of the training (½ up front, ½ at successful completion). No wages will be paid during this training.

### **Further Avenues**

The leadership of Local 1 commits, on behalf of its membership that it will continue to work with Catalyst Paper to approach all levels of government in an effort to gain a respectful exit for our members, at the same time looking for new and innovative ideas that will work to ensure the long term viability of the Powell River Division.

This could include but not limited to:

- Provincial Funding
- Federal Funding for Research and Development
- Provincial Power Initiatives
- Tax Initiatives

Local 1 is further committed to making Powell River a leader in total manufacturing cost in the paper industry.

## Dedicated Crew Agreement

The following represents the understanding reached between CEP Local 1 and the Company regarding Paper Machine Dedicated Crews:

1. Effective May 1, 2012, the Dedicated Paper Machine Crews for #9 PM, #10 PM and #11 PM shall be covered by the dedicated crew agreement.
2. Each dedicated crew will consist of six carded positions: Machine Tender, Back Tender, Winderman, Senior 4<sup>th</sup> Hand, 4<sup>th</sup> Hand (non-relievable), and 5<sup>th</sup> Hand.
3. Employees will retain their present assignments on each of the machines; however discussion will take place to determine if any realignment of the crews is required.
4. The senior 4<sup>th</sup> hand will set-up to provide relief for vacancies occurring in the senior positions in that dedicated line of progression due to vacation, training, etc. This position will not be replaced when the incumbent is set up or absent. It is not the intent of this agreement to enable management to use the spare 4<sup>th</sup> hand to set the crew back below their carded positions, however there may be emergency manning situations where this is required to continue to operate the machine. Should this be required, Management will discuss the situation with the Union Executive prior to proceeding and the employees will not be paid less than their card rate.
5. A utility position will be created to support the needs of the papermill as required. One utility position will be scheduled per shift. The utility position will relieve into the paper machine line of progression. This position will be relievable.
6. There will be a Machine Crew Spare assigned to each shift to provide relief, by seniority, to the Paper Machine Department. Statutory Holiday minimum manning rules will apply to this position and it will not be filled unless required on these holidays
7. Machine Curtailments or Shutdown:
  - (a) In the event that a paper machine is shut down for less than a week, the carded crew members from that machine will be used for other duties on the down machine (e.g. training and cleanup). These workers will not be paid less than their card rate.
  - (b) If a paper machine is to be shut down for a week or longer, management may utilize the crew from the shutdown machine for cleanup and extraordinary duties in other areas within Local 1. If the work available is outside of their department (paper machines), the individual will have the option of going home. During this period the crew from the down machine may be trained on the other paper machines, and after adequate training may be used to fill in to cover absences on those machines. Management will encourage these displaced crew members to take earned time off, and will not replace them in most cases. During this interim period, no carded paper machine employees will be laid off or paid less than their card rate.
  - (c) In the event of a paper machine shutdown greater than 16 days, the Paper Machine Department will operate with a traditional single line of progression for the two operating machines. For shutdowns longer than 16 days, management will use crew members from the shutdown machine to displace junior employees from the operating lines of progression as individuals become sufficiently trained.
  - (d) In the event the machine restarts, the three paper machine dedicated crew will be reestablished.
  - (e) Should the extended temporary shutdown extend beyond 60 days, management and union agree to review a date to implement two machine dedicated paper machine crews within the department for each of the operating machines.
  - (f) Employees will be assigned to these Dedicated Paper Machine Crews initially by department seniority. Union and management will work together to create the initial crew line-up and ensure a smooth transition process.
    - (i) Each Dedicated Machine Crew will consist of five carded positions: Machine Tender, Back Tender, Winderman, 4<sup>th</sup> Hand and 5<sup>th</sup> Hand.
    - (ii) The utility position will relieve into the paper machine line of progression. This position will be relievable.
    - (iii) There will be two Machine Crew Spares per shift assigned to the Paper Machine Department to provide relief, by seniority, to both Paper Machines. Statutory

Holiday minimum manning rules will apply to these positions and they will not be filled unless required on these holidays.

8. Should there be an expected employee absence of 30 calendar days or longer. Management and Union agree to mutually co-operate to resolve the problem through a re-alignment of the crews on that machine in a timely manner.
9. Pay Equity: Senior crewmembers will not receive a rate less than junior crewmembers that are working on any paper machine that shift that day. E.g. #11 Winderman is set-up to #11 Back tender, #9 and #10 PM carded Back tender will not receive less than #11 PM Back tender's rate.
10. Union and Management agree that a full re-alignment may be done if unforeseen problems or inequities arise.
11. Termination of Agreement:
  - (a) This Agreement will apply for the term of the collective agreement.
  - (b) Union and Management may by mutual agreement cancel or renegotiate this agreement at any time prior to the expiry date.
  - (c) This Agreement will expire in the event of a job elimination which would eliminate any of the carded positions indicated in item #2 or the Local 1 FTE membership drops below 65 exempt of tech changes.
  - (d) In the event that this agreement expires, a full cross-machine seniority set-up will take place on the following Sunday, unless a new agreement has been negotiated.

### **Post-Entry Into Dedicated Crew Line-Up (LTD)**

These employee's vacancies will be posted. Upon return, the employee will fill his rightful seniority slot within the line of progression should that vacancy be available. If no vacancy exists on his machine, then he fills a permanent vacancy in his job bracket or above by seniority on any machine. Should this process fail, the employee will be inserted into his rightful seniority position as an extra crew member until there is a permanent vacancy in his job bracket or above by seniority on any machine.

### **Temporary Employee Agreement**

In our mutual effort to improve the business and attract reinvestment, CEP Local 1 agrees to enter into a process of incorporating temporary employees. Catalyst Paper Corporation and C.E.P. Local 1 are committed to providing as much work as possible to the regular workforce and it is not the intent of this letter to detract from this commitment.

It is understood that when the Company and CEP Local 1 agree it is beneficial, temporary employees will be used under special circumstances for business needs when it can be shown that the use of temporary employees will replace contractors and will not result in a negative impact on the regular workforce. Discussions with a wage delegate will take place before any final decisions on the use of temporary employees or contractors have been made.

If practicable, the Employer and the Union agree to give preference to laid-off employees located at other Catalyst divisions, with no impact on re-call rights. Travel time and expenses will not be covered. In addition, if practicable, the Union and the Employer agree to a local hiring preference.

#### **1. Conditions:**

- a) Temporary employees will be Union employees and will be subject to the terms of the Collective Agreement with the following exceptions:
  - (i) Temporary employees will not be considered part of the regular work force with respect to the commitment outlined in Article XXV – Contracting.
  - (ii) Temporary employees shall have no rights under Article XXI – Seniority and Article XXV - Contracting.
  - (iii) Temporary employees will not be eligible to apply to Job Postings within the mill.
- (b) Temporary employees will be paid in accordance with Exhibit A – Job Categories and Wage Rates.
- (c) If temporary employees are hired permanently, their seniority will be from the first day of their probation period for permanent employment.
- (d) Local 1 Union dues structure will apply.

- (e) Contributions will be paid into the Pulp & Paper Pension Plan for all hours worked by the temporary employees.
- (f) The Union will receive a weekly report of temporary employees that have been/are in the mill.
- (g) Regular full time employees will be given the opportunity to work a schedule based on the scheduled hours for the shutdown, determined by the Company in advance of each major maintenance shutdown.

If a disagreement occurs between the Company and Union in regards to the application of the Temporary Employee Agreement, both parties commit to trying to resolve the disagreement. If however the parties are unable to resolve the disagreement either party may cancel this Letter of Understanding after serving sixty (60) days notice.

March 10, 2012

### **Bereavement Leave Clarification**

When a death occurs to a member of the employee's immediate family, the employee will be granted the appropriate Leave of Absence and they shall be compensated at their regular straight time hourly rate for all normal hours lost from their regular schedule for a maximum of three (3) days in accordance with the provisions of Article XIII – Section 1 of the Labour Agreement.

For clarification, employees will be paid eight (8), ten (10), or twelve (12) hours if that is their regularly scheduled shift.

Reference to Bereavement Leave in compressed work week agreements will be deleted.

- ii) Temporary employees shall have no rights under Article XXI – Seniority and Article XXV - Contracting.
- iii) Temporary employees will not be eligible to apply to Job Postings within the mill.
- b) Temporary employees will be paid in accordance with Exhibit A – Job Categories and Wage Rates.
- c) If temporary employees are hired permanently, their seniority will be from the first day of their probation period for permanent employment.
- d) Local 1 Union dues structure will apply.
- e) Contributions will be paid into the Pulp & Paper Pension Plan for all hours worked by the temporary employees.

- f) The Union will receive a weekly report of temporary employees that have been/are in the mill.
- g) Regular full time employees will be given the opportunity to work a schedule based on the scheduled hours for the shutdown, determined by the Company in advance of each major maintenance shutdown.

If a disagreement occurs between the Company and Union in regards to the application of the Temporary Employee Agreement, both parties commit to trying to resolve the disagreement. If however the parties are unable to resolve the disagreement either party may cancel this Letter of Understanding after serving sixty (60) days notice.