

LABOUR AGREEMENT

2012-2017



BETWEEN

Catalyst



Port Alberni Division

AND



**COMMUNICATION, ENERGY
and PAPERWORKERS UNION
LOCAL 592**

**PORT ALBERNI DIVISION
LABOUR AGREEMENT
2012- 2017**

This AGREEMENT made this 10th day of March, 2012

BETWEEN

**Catalyst Paper -
Port Alberni Division**

(hereinafter referred to as the Company)

PARTY OF THE FIRST PART

- AND -

**LOCAL #592 of the COMMUNICATION ENERGY &
PAPERWORKERS**

(hereinafter referred to as the Union)

PARTY OF THE SECOND PART

WITNESSETH:

**2012 - 2017
Labour Agreement**

**between
Catalyst Paper -
Port Alberni Division**

and

**Communications,
Energy & Paperworkers Union of Canada
Local 592**

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ARTICLE I - GENERAL

Section 1: Purpose

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

Section 2: Mutual Responsibilities

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

Section 3: No Interruption of Work

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

Section 4: Human Rights

The Company and Union subscribe to and support the principles of the Human Rights Code of British Columbia, 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 the Company and the Union recognize their respective obligations and

responsibilities to provide a work environment free from sexual or personal harassment.

- 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 CEP 592 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 Port Alberni, excepting: those engaged in administration, in actual supervision, in sales, engineering, technical and research, accounting, clerical, stenographic and other office work, 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 Port Alberni.
- 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 Port Alberni.
- 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 and the Union as the only agencies representing all employees as defined in this Agreement for the purpose of Collective Bargaining.

Section 2: Bulletin Boards

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

ARTICLE IV - UNION SECURITY

Section 1: Cooperation

The Company will cooperate with the Union in obtaining and

retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors and foremen the policy herein expressed.

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:

The Mill Manager shall appoint a Company Standing Committee of three (3) individuals which shall represent the Company.

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 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.

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

- When such work in excess of eight (8) hours is caused by change of shifts.
- Overtime work by special arrangements between a tour worker and his mate to exchange shifts with the approval of his Supervisor and when this can be accomplished without additional penalty to the Company.

- c) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.
- d) For work performed on an employee's designated day off as provided for in Section 3 herein.
- e) The Company agrees that employees may carry over statutory holiday time earned when sufficient straight-time hours are unavailable that week. The hours may be carried over after the week in which they are earned provided a regular work schedule is being followed.

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

3. Banking of Overtime

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

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

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

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

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

- b) Where a system of days off is now in effect, same shall remain in effect as long as mutually satisfactory to the Union and the Company, it being understood that this has reference to a mill system of days off and not to the individual employee's days off.
- c) When the Company changes an employee's shift schedule after the start of the week without notification being given during the first eight (8) hours of his last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.

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

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

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

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. The meal shall be eaten on Company time.

c) All Workers

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

ARTICLE VII - WAGES

Section 1: Wage Scale

The Company will provide a General Wage adjustment as follows:

- Effective May 1, 2012 provide a general wage reduction of 10%
- Effective May 1, 2013 provide a general wage increase of 0%
- Effective May 1, 2014 provide a general wage increase of 0%
- Effective May 1, 2015 provide a general wage increase of 2%
- Effective May 1, 2016 provide a general wage increase of 2%.

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".

Section 2: Shift Differential

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

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

1. Tour Workers

- a) 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%

- (b) 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%

- (c) 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%

2. 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.

3. 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 shift 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 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:

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 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 hours for travelling to the course and four hours when returning from the course.

Section 4: Maternity Leave

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

Section 5: Other Leave

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

ARTICLE XV - VACATIONS

Section 1: Entitlement

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

	Length of Vacation	Vacation Pay, being the greater of:
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 OR 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.	4½% or NIL hours
(B) been employed for less than one year but has worked not less than 1500 hours during the preceding vacation period OR been employed for not less than one year and who has worked not less than 1200 hours during the preceding vacation period. The following hours will count as hours worked for the purpose of qualifying for a vacation: Vacations; Supplementary Vacations; Statutory Holidays; Special (Personal) Floating Holidays; Jury or 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), (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 4(d) below, vacations with pay are not cumulative and must be taken during the vacation period.
- d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.
- e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavour by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.
- g) Time lost as the result of an accident recognized as compensable by the Workers' Compensation Board, suffered during the course of employment with the Company, shall be considered as time worked for the purpose of calculating vacation entitlement upon return to work.
- h) Time not exceeding one year, lost as the result of a non-occupational accident, illness or approved maternity leave, shall be considered as time worked for the purpose of qualifying for vacation provided that at the time of the accident or illness or

commencement of maternity leave, the employee has been on the payroll for not less than one (1) year and returns to employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner.

Time exceeding one (1) year shall be recognized as uninterrupted service for the purpose of establishing vacation time off, upon return to work.

- i) Time lost as the result of layoff shall not be considered as time worked for the purpose of qualifying for a vacation.
- j) When operating conditions permit, the Company agrees in principle to granting two (2) days leave of absence to allow shift workers on a seven (7) day schedule a full seven (7) day tour off, for one (1) week's vacation - five (5) days with pay and two (2) without pay.
- 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.

Due to mill start-ups, training and various operating schedules and practices involved, details should be resolved at mill level.

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

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 7 days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him for the shift. If no trained volunteer is found, the employee will be required to work the shift.
- c) Employees who work at Christmas shall be paid double time for work during that period identified in clause (b).

Section 4: Pay for Holiday Work

- a) Overtime shall be paid for all work performed during holidays at the rates hereinafter specified.
- b) An employee who works on such a holiday shall receive equal time off with pay at 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.
- d) An employee shall have the option of taking equivalent time off if a statutory holiday falls on a regular day off.

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 (g) 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) 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.

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.

Section 2: Qualifying Conditions

For each Special (Personal) Floating Holiday taken an employee will be granted eight (8) hours pay on the straight time rate of the employee's regular job subject to the following:

- a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for his first Special (Personal) Floating Holiday and on the payroll for one hundred and eighty (180) days to qualify for his second, third, fourth and fifth Special (Personal) Floating Holidays.
- b) Employees will not qualify for Special (Personal) Floating Holidays if on leave of absence of more than nine (9) months in the contract year except in the case of sickness or injury.
- c) If an employee is required to work on any of these Special (Personal) Floating Holidays, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate of time and one-half. The employee will then be entitled to take the said holiday or holidays with pay at a later date to be mutually agreed upon.
- d) When the holiday is requested in writing seven (7) days in advance, the payment of overtime shall not be a factor in the granting of Personal Floating Holidays. The employee

shall receive written notice of the disposition of his request a minimum of seventy-two (72) hours prior to the requested Personal Floating Holiday.

ARTICLE XIX - WELFARE PLAN

Section 1: The Plan

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

ARTICLE XX - PENSION PLAN

Section 1: The Plan

The Company agrees to contribute to a Pulp and Paper Industry Pension Plan Trust established pursuant to the Pulp and Paper 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

Contributions are to be made by the Company and the employee to the Pulp and Paper Industry Pension Plan for each hour worked as follows:

Company 10% Employee 8%

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

The parties understand that arrangements have been made with the Pension Trustees that will ensure that anyone retiring during the term of this Agreement will receive a supplemental pension credit for each month of the 1997-1998 strike based on the plan minimum.

Section 3: Board of Trustees

The Board of Trustees shall be amended to provide representation of three (3) Trustees appointed by the member employers, three (3) Trustees elected or appointed by the CEP and three (3) Trustees elected or appointed by the PPWC.

Section 4: Bridge Benefit

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

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

Section 5: 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 bases:

(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 lay-off, 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 ten (10) days.

b) Up to five (5) days where the layoff is estimated to be in excess of twenty-one (21) days.

c) Up to eight (8) days where the layoff is estimated to be in excess of thirty-five (35) days.

d) Up to ten (10) days where the layoff is estimated to be in excess of sixty (60) days.

- e) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the 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 re-training for another job within the operations to facilitate the exercising of mill seniority, recognizing there will be some limitations where special qualifications are required. Phasing in arrangements to implement the program shall be concluded prior to the closure.

Section 5: 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 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 that 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* OR	% of Earnings
1st twenty (20) years	2	4%
Subsequent years	1	2%

Maximum Severance Allowance 52* weeks 2080 hours

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

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

At the time of separation the employee shall have the option of receiving the severance allowance on termination, or he/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 the 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 per year of service to a maximum of sixty (60) weeks based on the employee's years of employment during the employee's last period of continuous service computed on the basis of forty (40) straight time hours per week at the employee's regular rate.

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

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

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

ARTICLE XXIV - JOB ELIMINATION

Section 1: Definition

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

Section 2: Exclusions

No payment will be made under Section 5 in cases:

- a) Of curtailments of a temporary or indefinite duration.
- b) Of employees hired for work of known or temporary duration.
- c) Where the employee has already qualified under technological change or permanent mill closure provisions.

Section 3: Notice

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

Section 4: Elimination Options

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

- (1) Recall and seniority retention as per Article XXI - Seniority, or
- (2) Severance allowance as per Section 5 below.

Such employees 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:

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

Maximum Severance Allowance 52* weeks 2080 hours
**Computed on the basis of forty (40) straight time hours at the employee's regular rate*

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

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

Where an employee renounces the right of recall during this period, the employee will be terminated and their severance allowance paid forthwith with all seniority and recall rights 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 in a category outside his job category.
- c) It is not the intent of the Company to replace its regular workforce through the use of contract firms.
- For greater clarity it is agreed that:
- (i) The changes which provide that it is not the intent of the Company to replace its regular work force through the use of contract firms will not set aside existing external work arrangements and practises.
 - (ii) Working under the flexible work practice provisions does not mean that an employee has been displaced and is working outside his job category.

ARTICLE XXVI - APPRENTICESHIP TRAINING PROGRAM

Section 1: Training Program

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

Section 2: Apprenticeship Act

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

ARTICLE XXVII - COMPRESSED WORK WEEK

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

ARTICLE XXVIII - SAFETY AND OCCUPATIONAL HEALTH

Section 1: Principle

Employees and the Company are to comply with established safety rules as amended by the Joint Safety 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 30th 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.

Section 5: Guideline for Joint Placement Committees

The Company and the Union agree to the establishment of a Joint Union – Management Rehabilitation/Re-Integration Committee.

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

The purpose of the Committee will be to investigate and make recommendations on the implementation of an effective Rehabilitation/Re-Integration Program during the term of this agreement.

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

- a) The purpose of this committee is to place workers who are disabled, injured or off work due to illness in returning to work on suitable and meaningful jobs.
- b) To accomplish this purpose, it is recognized that the seniority provisions of the collective agreement are inviolate and that injured workers must be reinstated with the framework of those provisions.
- c) It is recognized that it is desirable to return the injured workers to his/her pre-injury job wherever possible. Both the union and the company agree that this may require the modification of

the non-essentials at the job and will cooperate to make those modifications that are necessary.

- d) When the injured worker is unable to perform his pre-injury job, even with the extensive modifications, then the union and the company will cooperate in finding a job that the worker can do, recognizing that a more senior employee cannot be displaced.
- e) In assessing any accommodation requirements the guidelines issued by the B.C. Human Rights Code will be followed.
- f) The joint management-union committee will have equal representation, input and authority, and will operate by consensus.
- g) The joint committee will meet on a regular basis at the expense of the company and equal and ample time will be allowed to all members of the committee to meet, investigate the workplace, consult with persons having expertise in ergonomics, engineering and other resource personnel in order to accomplish the satisfactory placing of injured workers.
- h) The injured worker will be party to discussions pertaining to his placement.
- i) These guidelines shall not be construed as restricting the rights of the individual, or the union, to grieve any matter considered to be a violation of the labour agreement.

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.

“An employee who has been given a written reprimand may, after two (2) years without further discipline on his personnel file, request a review of his file to have the reprimand removed. However, the final decision to remove the written reprimand remains with Management”.

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

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

ARTICLE XXXI - ADJUSTMENT OF COMPLAINTS

Preamble:

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

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

Section 1: Grievance Procedure

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

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

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

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

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

The time periods may be extended by mutual agreement by 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 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 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 any change is desired, and, if no such notice is given by either party on or after the said January 1 and before the said April 30, the earliest time at which such notice may be given by either party is the corresponding period in the following year.
- 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.

In Witness Whereof,
we the undersigned have hereunto set signatures:

FOR CEP, LOCAL 592

J. VanDusen

B. Hamelin

T. Goodyear

A. Currey

FOR CATALYST

Steve Boniferro – Senior Vice-President,
Human Resources

Robert Stepusin – Senior Vice-President,
Business Improvement

**PORT ALBERNI CEP LOCAL #592
EXHIBIT "A"
JOB CATEGORIES AND WAGE RATES**

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 Mechanical 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
LABOUR RATE	24.780	24.780	24.780	25.275	25.780
MAINTENANCE					
Journeyman	33.495	33.495	33.495	34.165	34.850

APPRENTICEHIP WAGE RATE - TIME FROM DATE OF INDENTURE

The following training wage grid shall apply for all apprentices indentured after May 1, 2012. All apprentices indentured on April 30, 2012 shall continue to be paid in accordance with the grid contained in the 2008-2012 Labour Agreement.

1st year Apprentice

0-6 MONTHS - 74% of journeyman rate or base rate whichever is greater.

7-12 MONTHS - 74.5% of journeyman rate.

2nd year Apprentice

- 76% of journeyman rate.

3rd year Apprentice

- 82% of journeyman rate.

4th year Apprentice

- 90% of journeyman rate.

5th year Apprentice/Journeyman rate

- 100% of journeyman rate

0-6 MONTHS - 74% of journeyman rate or base rate whichever is greater.	24.790	24.790	24.790	25.28	25.790
7-12 MONTHS - 74.5% of journeyman rate.	24.950	24.950	24.950	25.450	25.960
2nd year Apprentice - 76% of journeyman rate.	25.460	25.460	25.460	25.965	26.490
3rd year Apprentice - 82% of journeyman rate.	27.470	27.470	27.470	28.015	28.580
4th year Apprentice - 90% of journeyman rate.	30.150	30.150	30.150	30.750	31.365
5th year Apprentice/Journeyman rate - 100% of journeyman rate	33.495	33.495	33.495	34.165	34.850

Miscellaneous Maintenance Rates

Heat & Frost Insulators, Refrigeration Mechanics, Pipefitters, Millwrights, Welders, Machinists*, Instrument Mechanics, Automotive, Carpenters, Painters, Electricians and Tinsmiths**.

Rates for these categories will be paid as per those specified for Mechanics and Apprentices

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
Working Foreman	34.055	34.055	34.055	34.735	35.430
Leadhand	33.625	33.625	33.625	34.300	34.985
*Class "A" Machinists (Swift Lathe)	33.895	33.895	33.895	34.575	35.265
Journeyman (Roll Balancer)	33.895	33.895	33.895	34.575	35.265
Roll Grinderman	33.895	33.895	33.895	34.575	35.265

**Spray painting, sandblasting and flame conditioning - additional eight (8) cents per hour.

LUBRICATION MECHANICS

(24) Lead Lubrication Mechanic	30.185 E	30.185 E	30.185 E	30.790 E	31.405 E
Lubrication Mechanic	31.045	31.045	31.045	31.665	32.300
(2) Trainee Scale: - Over 3 months	25.595 E	25.595 E	25.595 E	26.105 E	26.625 E
(1) Trainee Scale: - 2 - 3 months	24.975 E	24.975 E	24.975 E	25.475 E	25.985 E
(0) Trainee Scale: - 1st month	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E

WOODROOM - BOOM

(18) Log Stacker Operator	28.805 E	28.805 E	28.805 E	29.380 E	29.970 E
(16) H.L. Logger (Boom Utility)	28.360 E	28.360 E	28.360 E	28.925 E	29.505 E
(8) Dozer/Weighmaster	26.505 E	26.505 E	26.505 E	27.035 E	27.575 E

WOODROOM

(27) Leadhand	30.860 E	30.860 E	30.860 E	31.475 E	32.105 E
Hitachi Operator	28.360 N	28.360 N	28.360 N	28.925 N	29.505 N
(10) Barker Operator	26.955 E	26.955 E	26.955 E	27.495 E	28.045 E
(6) Cut-off Saw Operator	26.060 E	26.060 E	26.060 E	26.580 E	27.110 E
Clean-up	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E
Dept. Utility Relief	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E

SAWFLING

Head Filer	35.185	35.185	35.185	35.890	36.610
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MECHANICAL PULPING

(31) CTMP Operator I	31.800 E	31.800 E	31.800 E	32.435 E	33.085 E
(20) CTMP Operator II	29.260 E	29.260 E	29.260 E	29.845 E	30.440 E
(16) Peroxide Operator	28.360 E	28.360 E	28.360 E	28.925 E	29.505 E
Dept. Utility Relief	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
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STEAM GENERATION

(51) Power Boiler Assistant Shift Engineer, 2nd	36.405 E	36.405 E	36.405 E	37.135 E	37.880 E
(32) Power Boiler Assistant Shift Engineer, 3rd	33.870 H	33.870 H	33.870 H	34.545 H	35.235 H
(30) Control Room Engineer, 3rd	31.575 E	31.575 E	31.575 E	32.205 E	32.850 E
(22) Effluent Treatment Operator - 4th	29.720 E	29.720 E	29.720 E	30.315 E	30.920 E
(14) Hog Fuel FEL Loader Operator - 4th	28.125 E	28.125 E	28.125 E	28.685 E	29.260 E
(15) Power Boiler Fireman 4th	28.120 E	28.120 E	28.120 E	28.680 E	29.255 E
(0) Dept. Utility Relief	24.780 E	24.780 E	24.780 E	25.270 E	25.775 E

The following bonus system will be paid to employees who acquire steam tickets which in their current positions are not required:

1. Employees holding a 4th class ticket, where no ticket is required, will receive thirty-five (35) cents per hour over their job rate.
2. Employees holding a 3rd class ticket, where a 4th class ticket is required, will receive fifty (50) cents per hour over their job rate.
3. Employees holding a 2nd class ticket, where a 3rd class ticket is required, will receive fifty-five (55) cents per hour over their job rate.
4. Employees holding a 1st class ticket, where a 2nd class ticket is required, will receive sixty-five (65) cents per hour over their job rate.

Note: Only one of the bonuses is applicable - no stacking

WAREHOUSE & SHIPPING

(14) Inventory/Shipping Allocator	27.895 E	27.895 E	27.895 E	28.455 E	29.025 E
(12) Truck & Rail Shipper	27.430 E	27.430 E	27.430 E	27.980 E	28.540 E
(10) Day Driver	26.955 E	26.955 E	26.955 E	27.495 E	28.045 E
(9) Lead Driver Lowerator	26.735 E	26.735 E	26.735 E	27.270 E	27.815 E
(1) Power Sweeper Operator	24.975 E	24.975 E	24.975 E	25.475 E	25.985 E
(0) Dept. Utility Relief	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E

JANITORIAL

(0) Janitor	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E
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MILL STORES

(12) Receiver/Shipper	27.430 E	27.430 E	27.430 E	27.980 E	28.540 E
(8) Counter Clerk	26.505 E	26.505 E	26.505 E	27.035 E	27.575 E
(5) Heavy Spares Clerk	25.820 E	25.820 E	25.820 E	26.335 E	26.860 E
(0) Dept. Utility Relief	24.780 E	24.780 E	24.780 E	25.275 E	25.780 E

JOB EVALUATION PLAN CONVERSION TABLE BY STEPS

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
PLANT PROTECTION					
(15) Plant Protection Officer / First Aid Attendant - Level III Unrestricted	28.120 E	28.120 E	28.120 E	28.680 E	29.255 E
(14) Plant Protection Officer / First Aid Attendant - Level III Restricted Certification to teach Occupational First Aid Level I \$0.20/hour effective May 1, 1997. Certification to teach Occupational First Aid Level III \$0.20/hour effective May 1, 1997.	27.895 E	27.895 E	27.895 E	28.455 E	29.025 E
(22) O. H. & S. Technician	29.720 E	29.720 E	29.720 E	30.315 E	30.920 E
(13) O. H. & S. Technician (relief) - over 6 months	27.655 E	27.655 E	27.655 E	28.210 E	28.775 E
(8) - 4 - 6 months	26.505 E	26.505 E	26.505 E	27.035 E	27.575 E
(4) - 2 - 4 months	25.595 E	25.595 E	25.595 E	26.105 E	26.625 E
(1) - first month	24.975 E	24.975 E	24.975 E	25.475 E	25.985 E

DIRTY MONEY

When engaged in clean-up work on the following jobs, employees will be paid fifteen (15) cents per hour over base rate, or their regular rate, whichever is greater.

- a) External hog fuel fired boiler tube cleaning.
- b) Zinc hydro area - when cleaning inside.
- c) External hog fuel fired boiler tube cleaning.
- d) Precipitators - when cleaning inside.
- e) Multiclones - when cleaning inside.
- f) Power boiler cinder returns - when cleaning inside hoppers.
- g) Clean up all oil spills.

STEP	May 1 2012	May 1 2013	May 1 2014	May 1 2015	May1 2016
BASE	24.780	24.780	24.780	25.280	25.790
1/2	24.860	24.860	24.860	25.355	25.860
1	24.975	24.975	24.975	25.475	25.985
2	25.180	25.180	25.180	25.685	26.200
3	25.380	25.380	25.380	25.890	26.410
4	25.595	25.595	25.595	26.105	26.625
5	25.820	25.820	25.820	26.335	26.860
6	26.060	26.060	26.060	26.580	27.110
7	26.290	26.290	26.290	26.815	27.350
8	26.505	26.505	26.505	27.035	27.575
9	26.735	26.735	26.735	27.270	27.815
10	26.955	26.955	26.955	27.495	28.045
11	27.205	27.205	27.205	27.750	28.305
12	27.430	27.430	27.430	27.980	28.540
13	27.655	27.655	27.655	28.210	28.775
14	27.895	27.895	27.895	28.455	29.025
15	28.120	28.120	28.120	28.680	29.255
16	28.360	28.360	28.360	28.925	29.505
17	28.570	28.570	28.570	29.140	29.725
18	28.805	28.805	28.805	29.380	29.970
19	29.030	29.030	29.030	29.610	30.200
20	29.260	29.260	29.260	29.845	30.440
21	29.500	29.500	29.500	30.090	30.690
22	29.720	29.720	29.720	30.315	30.920
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
26	30.650	30.650	30.650	31.265	31.890
27	30.860	30.860	30.860	31.475	32.105
28	31.095	31.095	31.095	31.715	32.350
29	31.335	31.335	31.335	31.960	32.600
30	31.575	31.575	31.575	32.205	32.850

STEP	May 1/12	May 1/13	May 1/14	May 1/15	May1/16	STEP	May 1/12	May 1/13	May 1/14	May 1/15	May1/16
31	31.800	31.800	31.800	32.435	33.085	66	39.830	39.830	39.830	40.625	41.440
32	32.025	32.025	32.025	32.665	33.320	67	40.055	40.055	40.055	40.855	41.670
33	32.260	32.260	32.260	32.905	33.565	68	40.290	40.290	40.290	41.095	41.915
34	32.490	32.490	32.490	33.140	33.805	69	40.525	40.525	40.525	41.335	42.160
35	32.715	32.715	32.715	33.370	34.035	70	40.755	40.755	40.755	41.570	42.400
36	32.960	32.960	32.960	33.620	34.290	71	40.975	40.975	40.975	41.795	42.630
37	33.175	33.175	33.175	33.840	34.515	72	41.205	41.205	41.205	42.030	42.870
38	33.395	33.395	33.395	34.065	34.745	73	41.430	41.430	41.430	42.260	43.105
39	33.640	33.640	33.640	34.315	35.000	74	41.655	41.655	41.655	42.490	43.340
40	33.870	33.870	33.870	34.545	35.235	75	41.880	41.880	41.880	42.720	43.575
41	34.095	34.095	34.095	34.775	35.470	76	42.115	42.115	42.115	42.955	43.815
42	34.330	34.330	34.330	35.015	35.715	77	42.345	42.345	42.345	43.190	44.055
43	34.555	34.555	34.555	35.245	35.950	78	42.575	42.575	42.575	43.425	44.295
44	34.785	34.785	34.785	35.480	36.190	79	42.800	42.800	42.800	43.655	44.530
45	35.020	35.020	35.020	35.720	36.435	80	43.035	43.035	43.035	43.895	44.775
46	35.260	35.260	35.260	35.965	36.685	81	43.255	43.255	43.255	44.120	45.000
47	35.475	35.475	35.475	36.185	36.910	82	43.475	43.475	43.475	44.345	45.230
48	35.705	35.705	35.705	36.420	37.150	83	43.705	43.705	43.705	44.580	45.470
49	35.930	35.930	35.930	36.650	37.385	84	43.940	43.940	43.940	44.820	45.715
50	36.160	36.160	36.160	36.885	37.625	85	44.170	44.170	44.170	45.055	45.955
51	36.405	36.405	36.405	37.135	37.880	86	44.385	44.385	44.385	45.275	46.180
52	36.615	36.615	36.615	37.345	38.090	87	44.615	44.615	44.615	45.505	46.415
53	36.850	36.850	36.850	37.585	38.335	88	44.845	44.845	44.845	45.740	46.655
54	37.090	37.090	37.090	37.830	38.585	89	45.080	45.080	45.080	45.980	46.900
55	37.305	37.305	37.305	38.050	38.810	90	45.300	45.300	45.300	46.205	47.130
56	37.550	37.550	37.550	38.300	39.065	91	45.535	45.535	45.535	46.445	47.375
57	37.770	37.770	37.770	38.525	39.295	92	45.765	45.765	45.765	46.680	47.615
58	38.000	38.000	38.000	38.760	39.535	93	46.000	46.000	46.000	46.920	47.860
59	38.225	38.225	38.225	38.990	39.770	94	46.220	46.220	46.220	47.145	48.090
60	38.465	38.465	38.465	39.235	40.020	95	46.435	46.435	46.435	47.365	48.310
61	38.710	38.710	38.710	39.485	40.275	96	46.675	46.675	46.675	47.610	48.560
62	38.930	38.930	38.930	39.710	40.505	97	46.910	46.910	46.910	47.850	48.805
63	39.155	39.155	39.155	39.940	40.740	98	47.140	47.140	47.140	48.085	49.045
64	39.380	39.380	39.380	40.170	40.975	99	47.360	47.360	47.360	48.305	49.270
65	39.590	39.590	39.590	40.380	41.190	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.
- 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 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 Forum.
 - f) to recommend improvements in the Job Evaluation Plan to Wage Conferences for consideration. Only in the Wage Conference is vested the power to amend, add to, or subtract from, the Plan.
 - g) when the Directors are unable to resolve, within sixty (60) days, matters referred to them under (c) or (d) above, the matter may be referred by either Director or the Union or Company members of the Plant Evaluation Committees to the Independent Review Officer as provided for under paragraph 3(d) below.
- b) Joint Job Evaluation Board
- (i) The Joint Job Evaluation Board shall consist of one (1) representative of the National Union and one (1) representative of Pulp and Paper Employee Relations Forum.
 - (ii) It shall be the duty of the Joint Job Evaluation Board to evaluate and set the rate for any job presented for evaluation in accordance with this Plan. It shall also be the duty of the Board to develop, revise and maintain in an up-to-date manner the tables necessary to the functioning of the Job Evaluation Plan. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

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

- (d) Independent Review Officer
 - (i) The 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.

4. General Policies

- a) The evaluated job rate arrived at through official evaluation by the Joint Job Evaluation Board will be final and binding upon both parties to the Labour Agreement unless review has been requested as provided in Section 3(a)(ii)(c) or 3(a)(ii)(g). In case of such review the decision of the Job Evaluation Directors or, where appropriate the Independent Review Officer shall be final and binding upon both parties. Where a number of appeals indicate a problem within a job field, the Directors shall refer such problems to the Administrative Committee for final determination.
- b) Where an official evaluation indicates an upward adjustment in the rate for a job the adjustment will be retroactive to the date agreed upon by the Plant Evaluation Committee which is entered on, and a part of, the application for evaluation provided for in Section 3(c)(ii)(a) setting forth the duties of the Plant Evaluation Committee.
- c) Where a new job has been created, the Plant Evaluation Committee of the mill will make application to the Joint Job Evaluation Board for a temporary rate for the new job. An evaluated rate will be established by the Job Evaluation Board before a period of twelve (12) months has expired following the start of the new job except in those cases where a specific request is made by the Plant Evaluation Committee to the Job Evaluation Directors to retain the

temporary rate beyond twelve (12) months, and the request is approved by the Directors. It will be the duty of the Plant Evaluation Committee to agree on a date on which the job became sufficiently stabilized to permit evaluation, and any increase resulting from the evaluated rate will be paid retroactively to the agreed upon start-up date of the new equipment or the commencement of the job.

- d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant Evaluation Committee and to those job representatives present, before leaving the mill. In those cases where it is not possible to complete the evaluation at the mill, the Joint Job Evaluation Board will return to the mill and explain the evaluation computations before making the results official.
- e) The Joint Job Evaluation Board shall furnish to the Plant Evaluation Committee a copy of the job description and evaluation computation forms pertaining to jobs that have been evaluated. Copies of the forms furnished are to be retained in the files at a suitable place, and will be open to members of the Plant Evaluation Committee for study or review.
 NOTE: It is understood that the Plant Evaluation Committee files referred to in this sub-section are to be available at all times to the members of that Committee for study and review. It will be left to the Plant Evaluation Committee at each mill to determine the most suitable place in which to locate these files.
- f) Members of the Plant Evaluation Committee or other employees in the mill who are relieved from their jobs during working hours to assist in carrying out the functions of the Job Evaluation Plan or to receive training therein will be paid by the Company at their regular job rates for the time lost during their regular shifts, thereby preventing any loss in regular income. Time put in on evaluation work outside the employee's regular shift will not be paid for by the Company.
- g) When a survey or Job Field Study is authorized by the Directors, a projected completion date will be established. The completion date will also be used as a guide in

determining the date for implementation of changes that result from the study.

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

EXHIBIT "1" DEFINITION OF MECHANICAL TRADES

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

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

EXHIBIT "C" WELFARE PLAN

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

1. Compliance

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

Maximum Weekly Indemnity Benefits Payable	
Effective Date	Benefit Maximum
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 non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness, which results in the claimant being hospitalized as a bed patient, and in those

cases where surgery is performed which necessitates loss of time from work, the said Weekly Indemnity benefits will be payable beginning with the first day of sickness. Benefits will be payable for a maximum of fifty-two (52) weeks during any one period of disability.

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.

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, which ever comes first. Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, they must reimburse the Plan once they have received 100% of their gross wages lost.

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

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

d) Medical-Surgical Coverage

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

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

e) Dental Care Plan

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

duplicate benefits provided now or which may be provided in the future by any government program.

f) Long Term Disability Plan

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

g) Group Term Life and AD&D Coverage

MAXIMUM INSURANCE BENEFITS PAYABLE		
	GROUP TERM LIFE	AD&D
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.

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) Joint Union – Management Welfare Committee

A Union Welfare Committee shall be appointed and shall meet with a Management Welfare Committee with respect to questions which may arise concerning the operations of the Welfare Plan. The 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 and November 1 will determine his entitlement to Group Life and Accidental Death and Dismemberment and Weekly Indemnity coverages as outlined in the schedule contained in Exhibit "C". Where an employee's regular duties consist of more than one job, his regular rate shall be deemed to be the average of the rates applicable to such jobs.

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. Such reports will be submitted to the Joint Welfare Board not later than March 1 of each year. The Board shall distribute copies of the reports to the Local Union concerned.

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 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) A complete job description
- b) A 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 of the carrier, the claimant may, within fourteen (14) 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 on the claim forms, and documents 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 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.

APPENDIX "2"

PULP AND PAPER INDUSTRY LONG TERM DISABILITY PLAN SUMMARY

(iv) Restorative Services

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

(v) Prosthetic Repairs

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

(vi) Endodontics

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

(vii) Periodontics

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

(viii) Prosthetic Appliances and Crown and Bridge Procedures

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

(ix) Orthodontics

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

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

B. Co-Insurance

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

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

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 age 60 years of age will have their 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. Benefit Payments

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

- c) For those who are either on W.I. or L.T.D. effective July 1, 1988, and continue to be disabled, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him further under (b) above. At the point that 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, 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.

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

5. Definition of Total Disability

- a) The disabled employee's inability to perform the duties of his own occupation for the first eighteen (18) months of L.T.D. disability payments and thereafter his inability to perform the duties of any occupation for which he is qualified by education, training or experience.
- b) During a period of disability the disabled employee must be under the regular care and attention of a medical doctor, or in cases of disability arising from a mental or nervous condition, a psychiatrist.

6. Integration with Other Disability Income

- a) The benefit from this plan combined with all other disability income to which the disabled employee is entitled will not exceed 80% of the employee's regular wage at the 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 Employment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Employment 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, supplementary vacations, statutory holidays, special (personal) floating holidays, and any half-time portion of banked overtime.
- 3) Upon commencement of L.T.D. benefits all terms and conditions of the Collective Agreement will become inoperative except where provided for in 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 four weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and he will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted six (6) weeks leave of absence, five (5) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the prescribed Third Class Certificate examination.

3. Second Class Certificate

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

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

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

4. Basis of Pay

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

5. Additional Leave

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

6. Books

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

7. Examination and Tuition Fees

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

8. Transportation Allowance

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

Apprenticeship Branch to apprentices attending an approved Vocational School.

9. Timing of Leave

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

10. Number on Leave

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

11. Government Allowances

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

12. Living Out Allowance

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

STATEMENTS OF POLICY

1994 - 2017
Labour Agreement

1945 - 1994
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

COMMUNICATIONS ENERGY & PAPERWORKERS

Catalyst Paper – Port Alberni 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)

- (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.
- (iii) If it does extend past the end of the shift, no allowance is made for such additional time.
- (iv) Employees attending meetings during their time off will not be paid.

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

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

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

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

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

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

If he is called back at 1 p.m. Saturday to work four (4) hours in the afternoon, is he entitled to time and one-half? The answer is "no" for the reason that the contract stipulates that overtime will only be paid on the one basis. In other words, we cannot pay overtime twice on the same time. However, in the letter of October 18, 1946, Powell River Company Limited and Pacific Mills Limited did agree to include Sunday time and designated holidays time in the forty-four (44) hour week (amended to forty (40) hours 1952-53), even though time and one-half had been paid on it. They did not agree to include any other time on which time and one-half had been paid and there is no intention of broadening it at this time. On this principle, therefore, in the case above, the hours the employee worked on Tuesday, his designated day off, are eliminated from inclusion in the forty-four (44) hour week (amended to 40 hours 1952-53).

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

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

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

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.

d) Section 3: Days Off and Schedule of Shifts

i) 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.

ii) 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.

e) 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 B.C. Standard Labour Agreement. Therefore, if one or more such holidays fall within the employee's vacation period, he will be required to take the comparable number of additional days off. The employee shall only receive the pay for such recognized paid holidays falling within his vacation period when he takes the required additional time off.
- (iii) Where an employee, after having agreed to do so, fails or refuses to work on a holiday, on account of sickness, or other bona-fide reason, the Company reserves the right to investigate the absence of the employee to decide whether or not he is entitled to holiday pay.
- (iv) The sixty (60) day qualifying period referred to in Clause (a) refers to "calendar" days.

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

Employees absent on the "scheduled work day before and/or the scheduled work day after a recognized holiday" are excused from their regular scheduled shifts in instances of sickness, or of sickness in the family, and are, therefore, entitled to holiday pay. The question of the validity of the excuse of sickness can be determined by the Company in each mill in each case.

Article XXVIII - Safety and Occupational Health Unsafe Working Conditions

(Page 136, 1947 Transcript)

It is not the policy of the Company to require an employee to work under unsafe conditions. It is admitted by the Union and the Company that it is impossible to draw a hard and fast line as to

what is safe and unsafe. Being a factual question, each case must be decided on its merits, but in general an employee who justifiably refuses to work under unsafe conditions would not be subject to discipline.

Article XXX - Disciplinary Action

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

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

Article XXXI - Adjustment of Complaints

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

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

Exhibit "A"

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

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

Miscellaneous

a) Rents and Services. (Page 122, 1947 Transcript)

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

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

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

c) Conflict Between Labour Agreement and Transcript.

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

d) Native Indian Employment

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

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

LETTERS OF UNDERSTANDING

The following letters remain in effect during the 2012 - 2017 contract

Re: 1994 Union Agenda Item #20(3)-Apprenticeship

LETTER OF UNDERSTANDING

On successful completion of the required period of vocational school training, the Company will reimburse out-of-town expenses to a maximum of two (2) hours pay per day at the first year apprentice rate on a seven (7) day basis while in attendance at school. The 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.

Re: Letter of Understanding - Rehiring

May 24, 1992

Re: 1992 Union Agenda Item #22 - Rehiring

Mr. Norm McLellan
Vice-President, Region IV
Canadian Paperworkers Union
#540-1199 West Pender Street
Vancouver, B.C. V5E 2R1

Mr. Stan Shewaga
President
Pulp, Paper and Woodworkers of Canada
201-1184 West 6th Avenue
Vancouver, B.C. V6H 1A4

Dear Norm and Stan:

Re: Letter of Understanding - Rehiring

The following practice will be observed during the 1992-1994 contract.

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

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

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

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

Yours very truly,

Eric Y. Mitterndorfer
President
May 24, 1992

Letter of Understanding – Commitment to Employment

September 3, 2002

David Coles
Vice President
Communications, Energy and Paperworkers Union
#540 – 1199 West Pender Street
Vancouver, B.C. – V6E 2R1

Dear David,

Commitment to Employment

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

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

1. The Company and 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 very truly,
Ron Buchhorn
Vice President, Human Resources

Letter of Understanding – Trades Qualification

September 3, 2002

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 tradespersons in BC.

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

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

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

Dave Coles
Western Region Vice President

Ron Buchhorn
Vice President, Human Resources
NorskeCanada

Re: 1992 Union Agenda Item #26 - Contracting Out

Mr. Norm McLellan
Vice-President, Region IV
Canadian Paperworkers Union
#540-1199 West Pender Street
Vancouver, B.C. V5E 2R1

Mr. Stan Shewaga
President
Pulp, Paper and Woodworkers of Canada
201-1184 West 6th Avenue
Vancouver, B.C. V6H 1A4

Dear Norm and Stan:

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,

Eric Y. Mitterndorfer
President

Catalyst Paper – Port Alberni Division CONTRACTING OUT COMMITTEE

Labour Agreement Article XXV

Before a contractor is brought into the mill (emergencies excepted) Management will notify:

- a) The Union Contracting Out Committee will be notified of all work proposed for contracting at the earliest practical time.
- b) When requested, a full committee meeting will be held.
- c) Review with Crew or Department. This means that before the decision is made to have a contractor do work which our people are capable of doing, (given size of job, skills required, equipment required, timing) time will be made available for a union contracting committee representative and a management representative to review the specific job and work load with the crew affected using their input to assist in the decision as to contracting or not, and what should be contracted.
- d) It is recognized that circumstances in the Mill change from time to time, therefore decisions made in the area of contracting will not set precedence in favour of Union or Management. (This means that should mill crews or contractors be given certain work, the position that the work must be done by the same party in all circumstances thereafter is not valid.)

Clarification of Commitment

Reasons for contracting: If a project or other contracting work is to be done, the mill crews will be considered first and the joint contracting committee will meet to resolve the issues.

(Maintenance) Skill Training: To assist our tradespeople in maintaining the mill, the company will provide skill upgrade training when required. It is not management's intention to develop seldom used skills.

Special Skills: In cases where special skills are required then we have no choice but to contract out.

Specialized Equipment: It is not practical for the Mill to have all the specialized equipment which is required from time to time, but when deemed practical by the contracting out committee and approved by management the equipment will be purchased or rented in order that mill crews can perform the work.

Resolution Process: In the event that the Contracting Out Committee cannot resolve an issue, the Union President and Mill Manager will meet to discuss and resolve an issue. If they are not able to come to a conclusion the issue will be referred to Step IV of the grievance procedure. This process can be immediately cancelled by either party.

Letter of Understanding – Code of Ethics

February 22, 1995

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 Union acknowledges that, subject to contracting Article XXV 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 of pay 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 Plan

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

- a) For contractors performing maintenance and repair work of a nature normally performed by employees in the bargaining unit - the equivalent contributions.
- b) For contractors performing construction work - one half the equivalent contributions.

3. Remittance to the Local Union

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

Note: Refer to Supplemental Agreement, Code of Ethics Payment item.

4. Adherence to Safety Regulations

Contractors performing construction work are responsible for ensuring that their employees comply with the health and safety regulations and policies applicable to the work being performed. When the contractors' employees are performing maintenance and repair work which is of a nature normally performed by employees in the bargaining unit, the contractors and their employees shall adhere to the established health and safety regulations and policies in force at the mill site. Management commits to deal promptly with any violations brought to its attention by the Joint Health and Safety Committee.

5. Honouring of Picket Lines

Contractor's 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

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 as defined by the business areas at each site.

8. The parties recognize that the acquisition of new skills that facilitate the implementation of flexible work practices is an ongoing process and will continue over time to support the changing needs of the business.
9. The following payments will be made for flexible work practices:

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

to be implemented as follows:

- Effective May 1, 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.
- \$.25 per hour for Maintenance employees and \$.20 per hour for Operators upon successful completion of each modular training program and utilization of skills acquired as a result of this training. There will be two training modules for Maintenance employees and one training module for Operations employees.
- Upon ratification Maintenance employees will receive the 1st module payment of \$0.25.
- Effective May 1, 1999 the 2nd module payment of \$0.25 will be made to Maintenance employees and \$0.20 to Operations employees for their training.

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; employees with TQ's, roll grinders, roll balancers, lubrication mechanics and saw filers.

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 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. The parties agree that disputes relating to the implementation of this letter shall be reviewed by the Workplace Review Committee, which will make every effort to resolve these disputes in accordance with the spirit and terms of this letter. The Workplace Review Committee will be composed of the Local 592 Wage Delegates and Company Representatives

Letter of Understanding – 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 the ways and means to avoid jurisdictional disputes between the unions.

Letter of Understanding - 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 Union.

Letter of Understanding – 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 Benefit Lifetime maximum of \$25,000.

The Company agrees to contribute a yearly top up to the Retirees Extended Health Care Fund (to a maximum of \$100,000) to reach and maintain a minimum balance of \$400,000. The top ups will occur on May 1st 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 representation 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.

A copy of this Letter of Understanding shall be attached as an Addendum to the Memorandum of Agreement – Local Issues of each Local Union.

Dated this 5th day of September, 2002.

Letter of Understanding – Compassionate Extended Health Benefits

Compassionate Extended Health Benefit 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 work related death (as defined by the WCB). This coverage shall be provided until such dependents reach the age of majority (19).

Commitment to Long Term Success of Pulp and Paper Industry In British Columbia

March 10, 2012

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 Ministries 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.

President’s Council

March 10th, 2012

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.

**Letter of Understanding - 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) hours 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)

**Letter Of Agreement – Joint Union – Management
Welfare Committee**

March 10, 2012

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 10th day of March, 2012

D. Schaub, CEP

S. Boniferro, Catalyst Paper





SUPPLEMENTAL AGREEMENTS

BETWEEN

C.E.P. LOCAL 592

and

Catalyst Paper – Port Alberni Division

2012 - 2017

PREAMBLE

The following is a list of Agreements of a continuous nature which have been agreed to by the Company and the Union are currently in effect. In the interest of brevity, the exact wording of the agreement may have been altered. In cases of dispute, the original text will apply.

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I - GENERAL

ITEM 1 - APPRENTICESHIP SELECTION

Ref: 1981 B/S

A candidate must score 20 points in Part I to proceed to Part II of the selection process. Once the candidate has obtained this level they then must score 30 points in Part II to be considered for an apprenticeship. Those obtaining the highest scores will be entered into the first opening in their selected trade.

Proof of Grade 12 or equivalent is required.

PART I

A. Apprenticeship Test Battery:

The test battery is comprised of the following tests:

1. TSK GENERAL TEST – B

This test measures a person's ability to understand, to learn, to reason, to plan and to solve problems found in a wide range of practical, everyday activities in industry.

2. RBH - TEST OF NON-VERBAL REASONING

This test measures a person's ability to learn by doing. It provides an estimate of reasoning ability most closely associated to the practical training involved in apprenticeship.

3. TSK SHOP ARITHMETIC – B

This test measures a person's ability to solve mathematical problems related to situations common to shop and maintenance activities.

4. FAS BLOCKS

This test measures a person's ability to visualize objects in three dimensions and to understand the relationships of parts of an object.

5. FAS PRECISION

This test measures a person's ability to make visual comparisons and to notice slight differences in shapes and shadings of figures and lines.

6. FAS PARTS

This test measures a person's ability to think visually of shape and sizes of objects and to perceive the relationship of parts to the whole. It measures the ability to understand the two dimensional representation of objects or the relationship of part of an assembly to the complete project.

7. DAT MECHANICAL COMPREHENSION

This test measures a person's ability to understand increasingly complex mechanical and other technical relationships and to solve related problems. Ability here is partly based upon experience, so the test is therefore a measure of present ability rather than final capability.

USE OF TEST BATTERY FOR SELECTION

In order to proceed further in the selection process an applicant must achieve a minimum rank of 5 out of a possible maximum of 9 in each of the written tests.

Points will be awarded for test results on the basis of 2 points for each rank above 5 to a total maximum of 56 points.

B. Pre-Apprentice Training

7 points for completion of Pre-Apprentice or recognized Canadian Technical School Course in trade being entered or up to 5 points for related Pre-Apprenticeship or Technical school. (Joint Apprenticeship Committee to determine significance in each case.)

C. Courses related to Trades

5 points for completion of recognized self-learning or night school course related to trades. (Joint Apprenticeship Committee to determine significance in each case.)

D. Experience

On proof of related experience, award up to 2 points per year. Maximum 10 points. (Joint Apprenticeship Committee to determine significance in each case.)

E. Seniority

3 points for every year over one year to a maximum of 12 points.

PART II

A. Interviews

1. Management Committee members, (2) worth a maximum of 10 points each.
2. Union Representatives, (2) worth a maximum of 10 points each.

B. Industrial Vocational Consultants

(consultant rates) to a maximum of 10 points.

ITEM 2 - BANKED OVERTIME LEAVE

- THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: 1981 B/S

Banked Overtime Leave will be granted on the following basis:

1. One additional day above the established Vacation/Floater quota of the Departments will be allowed for the purpose of taking Banked Overtime Leave.
2. Banked time openings can only be filled by Banked Time Leave requests.
3. Vacation/Floater days not taken can be filled by Banked Time Leave requests.
4. When a Banked Time Leave request is submitted in writing seven (7) days in advance, the employee shall receive written notice of the disposition of his request a minimum of seventy-two (72) hours prior to the requested leave. Once such notice is received the Banked Time Leave will be considered approved and final and will take precedence over Vacation/Floater requests.

ITEM 3 - BULL SESSION ITEMS RATIFIED

Past Bull Sessions to be ratified on a continuous basis and signed at the same time as present negotiated Bull Sessions and Contract providing some basic guidelines are developed, e.g.:

“The following is a list of local Bull Sessions of a continuous nature which have been agreed to by the Company and the Union and are currently in effect. In the interest of brevity, the exact wording of the agreement may have been altered. In cases of dispute, the original text will apply. Bull Sessions prior to 1970 will be reviewed and there could be individual items included.”

ITEM 4 – COVERALLS

Rev. 2003 Supplementals

The Company will supply three pairs of coveralls to employees in the Mechanical Departments, Steam Plant, Saw Filers, Lubrication Mechanics and Effluent Treatment, on a loan basis. If due to the nature of the work the employee requires additional coveralls on an ongoing basis two additional pairs of coveralls will be granted by his Supervisor.

Employees not included in the departments designated above may request cloth coveralls for specific dirty jobs which will be issued on a loan basis, if determined to be required by the Supervisor.

Coveralls will be supplied to any employee who demonstrates their clothing is subject to excessive chemical exposure or excessive wear and tear.

ITEM 5 - DISCIPLINARY INFORMATION DISCLOSURE

Ref: 1979 B/S - Rev. 1981, 1983

1. All personnel record files maintained for each employee will be accessible to the employee for review at a time mutually convenient to the Company and the individual.
2. Information which will be excluded from an employee's file is unnecessary or outdated information which no longer serves a useful purpose.
3. A copy of any or all of the employee's file will be provided to the employee if requested.
4. If the employee believes there is information that is incorrect, superfluous, incomplete or missing, he may propose a change in his file. If the proposed change is accepted by the Company, the file will be revised.

5. If the proposed change is not accepted the employee may submit to the Company, a written statement which gives the employee's view of the disputed matter. A copy of this written statement will become part of the employee's file.
6. The Company will not verify and should not release any personal information other than standard employment or credit verification and information requests from law enforcement agencies covering active, former or retired employees unless the Company is required by legal process to provide such information.
7. Active, former or retired employees will be notified in writing if the Company releases personal information pursuant to the above.

ITEM 6 – EMPLOYEE'S CLOTHING DAMAGED IN MILL ACCIDENT

Ref: 1973 B/S

The Company will replace personal protective equipment and clothing, under special circumstances, providing there is an injury involved and reported to First Aid. Each case will be judged on individual merits. Also, safety shoes will be replaced in cases where there is no injury. However, damage of shoes must be as a result of a work incident. The only exception of the above is in cases where eye glasses may be replaced by the Worker's Compensation Board.

ITEM 7 - LEAVE OF ABSENCE

Ref: 1988 B/S

Annual Vacations must be taken or scheduled in advance, prior to the Company considering Leave of Absence requests for periods of one day or more.

ITEM 8 - GENERAL LABOUR WORK DURING SHUTDOWNS

Ref: 1988 B/S

1. General Labour work available during shutdowns will be assigned to employees on the basis of mill seniority, selected from a volunteer list established by the Personnel Department.

When the list is completed a copy will be given to the Standing Committee and posted at the Guard House.

2. It is understood that the list at the time of posting will represent the available employees who will be expected to accept work assigned to them.
3. Volunteers may indicate their choice of shifts on the volunteer list and Management will accommodate employee's wishes, by seniority, where possible.
4. Having established crews on the basis of the above, Management will evaluate the mix of experience on each crew, and after discussing it with the employees involved, may make some changes.
5. This agreement can be terminated by either party with ninety (90) days notice.

ITEM 9 - HOURS OF WORK

Ref: 1981 B/S

Management and Union reaffirmed that the policy as previously stated in Standing Committee that hours worked to be kept to a maximum of 16 hours except in cases of emergency.

ITEM 10 - JOB POSTING

Ref: 1977 B/S - Rev. 1981, 1983

PART A

The following Statement of Principle will act as guidelines for permanent entry positions within Local 592:

1. Permanent entry jobs into a department will be publicized prior to filling. (Entry jobs being the most junior jobs in the Department acquiring Department Seniority.)
2. That publication will consist of written notification on a locked notice board outside the Guard House.
3. This notice shall appear at least fourteen (14) days prior to final selection.
4. This notice will advise interested persons to obtain job details and Transfer Applications from the Personnel Department.

5. Requests for Transfer will be accepted at any time prior to such notification in anticipation of an opening. This will allow employees on vacation, away sick, etc., an opportunity to be considered. These Transfer Applications will expire once the position has been filled.
6. The Union Standing Committee will be provided with a list of all candidates for each position posted prior to selection.
7. All successful applicants will be on a 30 day trial period in their new job during which time their seniority will be protected in their original job.
8. The successful applicants will be notified by the Personnel Department or Department Supervisor. The name of the successful applicant will appear on the previously mentioned notice board.
9. Management will determine and select the most suitable qualified candidate for the vacant position. "Qualified" means the ability of an employee to satisfactorily discharge the duties and responsibilities of the job involved based on one's qualifications and past performance; and, as to entry to the bottom of a progression line, means in addition one's ability to progress through the line.
10. Apprenticeship selection will be as outlined in Item No. 1.

PART B

JOB POSTING WAREHOUSE & SHIPPING AND WOODROOM DEPARTMENT

1. The Union will extend the present 30 day probationary period for these departments to 60 days. The right of return to a previous job or department will also be extended to 60 days.
2. This offer by the Union to extend the probationary period is based on Management's agreement to use the additional time for the expressed purpose of job training only.
3. Either party can cancel this agreement by serving 90 days notice.
4. If the agreement is cancelled the probationary period will return to the previous 30 day period.

ITEM 11 - EMPLOYEE FREEZING

1. Each department should resolve requests for freezing of employees in the Department between Department Superintendents and the Shop Steward, on a mutually satisfactory basis.
2. When agreement has been reached, the Standing Committee will finalize and record the freezing.
3. If freezing cannot be resolved per item (1) above, then the Standing Committee will judge the freezing request on the basis of two reasons only:
 - a) Sickness or disability of employee.
 - b) Employee's personal situation.
4. There may be exceptional cases where freezing is not immediately possible due to other reasons such as the Department's ability to handle excessive requests in critical job positions. Standing Committee will meet to consider alternatives in these exceptional cases.
5. The freezing will last a period of 12 months. During the last 30 days of the 12 month period it will be subject to review by either the employee or the Department Superintendent. If either party does not request a review, then the freezing will continue for another 12 month period and from year to year thereafter.
6. Before an employee can re-enter the line of progression a vacancy must exist in his job category. He will not bump those employees who have passed him while he was frozen. If a lay-off should occur of more than 30 days, employees will be laid off in the same order they were promoted, except that on the bottom job departmental seniority would apply.
7. This agreement is not retroactive except insofar as employees presently frozen may request to be unfrozen, but will apply to all employees who are frozen after July 1, 1988.
8. CLARIFICATION - When an employee freezes himself, and the freezing form (1988) is properly processed, the following procedure will apply: a person who freezes himself on a specific job will not move up the line of progression as outlined on the form. Other employees who by-pass the frozen person will become senior to the individual and maintain that seniority in the line of progression. However, if there is a reduction in the

line of progression, employees who by-pass the frozen person will again by-pass the frozen person going down the line of progression.

9. This agreement may be terminated by either party with 90 days notice.

ITEM 12 - PROCEDURE FOR MEDICAL ACCOMMODATION

Preamble:

Medical Accommodation will be considered for any employee with a **bona fide** medical condition that prevents them from performing the required duties of their job without adverse health consequences.

Objective medical evidence is required from the employee and medical professionals to process a medical accommodation request. This process may take several months to properly assess and conclude.

Procedure:

1. Employee requesting a medical accommodation must first apply for Freezing using the 592 Employment Freezing Form, as defined in Item #11 – Employee Freezing in the Supplemental Agreement section of the CEP 592 Collective Agreement.
2. Department reviews the freezing request according to the procedure.
3. If the employee freezing request is approved by the Department and Union Area Representative the employee then submits the approved freezing form to the Disability Management Committee for review and processing. During the review process the employee is considered as a normal freezing and paid accordingly.
4. During the Medical Accommodation review process, an employee's position in the line of progression is temporarily protected.
5. The Disability Management Committee will schedule a meeting with the employee to discuss the particular issues and the process to evaluate the medical accommodation request.
6. The Disability Management Committee will work with the employee, his medical practitioner and any required specialists to gather objective findings to confirm that a bona fide medical condition that prevents the employee from being able to perform the duties of the position(s) exists. The Disability Management Committee will forward the appropriate Job Analysis to the medical practitioner. These findings will also be used to assess the limitations and restrictions caused by this condition. The onus is on the employee to obtain the required medical documentation. The Company will pay referral costs that the Disability Management Committee directs, however employee costs (time/travel, etc.) will be covered by the employee.
7. The position(s) will first be assessed in terms of risk and exposure, to determine if it is possible to eliminate the source of problem and thereby allow the employee to perform the duties of the position(s).
8. The position(s) will also be assessed for the physical requirements as they relate to the employee's condition, to determine if any changes are possible that will allow the employee to perform the duties of the position(s).
9. The Disability Management Committee will determine the accommodation required to enable the employee to do the position(s).
10. The Disability Management Committee will ensure the family physician or specialist agrees that the demands of any duties suggested are not going to aggravate or worsen the medical condition.
11. If all other avenues have been exhausted the Disability Management Committee may recommend that the employee be permitted to unfreeze and move up the line of progression until their card rate reaches the position below the job in question. When their card rate reaches this point the employee will be deemed frozen as defined in Item #11 – Employee Freezing in the Supplemental Agreement section of the CEP 592 Collective Agreement.
12. The Disability Management Committee will draft an outline of the nature and terms of the proposed medical accommodation and provide it to the Standing Committee for approval. If a medical accommodation cannot be objectively determined then the committee shall submit this finding to Standing Committee.

13. Standing Committee will review the Disability Management Committee recommendation and record the final decision and specific arrangement in the minutes of the meeting.
14. If a medical accommodation is not approved at Standing Committee, the employee will remain frozen in their position and may request to be unfrozen upon the one year anniversary. Any line of progression promotions that have occurred will be deemed valid. The employee's position in the line of progression will be considered not to have been protected and they will be treated as defined in Item #11 – Employee Freezing in the Supplemental Agreement section of the CEP 592 Collective Agreement.

ITEM 13 - LEAVE OF ABSENCE

Ref: 1975 B/S

The matter of short term leave of absence for personal business appointments is a problem. Therefore, it is proposed that floaters will not be a consideration if an employee presents a leave of absence request for half a day or less for legitimate medical or business reasons. This is expressly for the purpose of assisting tour and day workers to obtain time off during day shift Monday to Friday to carry out urgent personal business. In cases of insufficient notice (less than 48 hours) or insufficient relief, or heavy shutdown work schedules, it is understood that a Supervisor may still be unable to grant all leaves requested.

ITEM 14 - MICROWAVE OVENS

Ref: 1979 B/S

Microwave ovens will be installed in all Management recognized lunchrooms.

Once each year an article will be placed reminding employees to check the microwave ovens to see if the emissions from the unit have been checked. If they haven't, then the Electrical Department should be called.

ITEM 15 - CURRENT PLANT AND DEPARTMENTAL SENIORITY LISTS

Ref: 1970 B/S

The Personnel Department will supply one copy of current Plant and Departmental Seniority lists regularly to the Union Office.

ITEM 16 - PRESCRIPTION LENSES

Ref: 1975 B/S

The Company will pay the cost of replacement of personal prescription lenses, excluding contact lenses, for Welders and anyone working with welders and who's glasses become pitted. Replacement will only be considered where a claim for damage has been submitted and is refused by the W.C.B. Replacement to a maximum of one pair per contract year noncumulative, is conditional on:

- a) Clear evidence that lenses were damaged on the job by pitting.
- b) The employee's presentation of an appropriate receipt to his Supervisor for approval and forwarding to the Personnel Office.
- c) Replacement must be with C.S.A. Approved safety lenses.

ITEM 17 - SAFETY FOOTWEAR & CAULK BOOTS

Rev. 2003 Supplementals

The Company will pay 75% of retail price for safety shoes and caulk boots to a maximum of \$175.00 per employee, per calendar year. Employees to submit receipt for payment.

In addition, 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.

ITEM 18 - STATUTORY HOLIDAY DURING DAYS OFF - THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: 1975 B/S, Rev. 1983

When a recognized Statutory Holiday falls on an employee's designated day off, the employee may request one additional day off without pay providing:

- a) He applies for the day off prior to the recognized holiday.
- b) He takes the time off within the contract year following the Statutory Holiday.
- c) The time off to be arranged at a time suitable to the employee and the Company.

ITEM 19 - TRAINING

Ref: 1983 B/S, 1986 B/S

PART A

1. The Company and Union agree to the concept of providing hourly and staff employees opportunities to receive hands-on familiarization training in their own departments or others, in functions they would not normally perform. The intent for this could be training for trainers, problem identification and/or problem solving. It is understood that there would be no displacement of employees normally performing the designated function(s). Each specific case will be discussed at Standing Committee in advance.
2. Part Time Trainers
Rev: 1991 B/S
 - a) When hourly paid employees are required as trainers, selection will be made on the basis of seniority, talent and qualifications.
 - b) The Company will seek input from all Union employees and local Supervision concerned when developing selection criteria for trainers.
 - c) Prior to the final selection, the Standing Committee will be advised of the name of the employee who will be offered the trainer position. The Standing Committee after considering employee objections can bring these concerns to the Department Superintendent.

3. Training Administration

When training and work shop sessions are contemplated outside of the employees regular work schedule, the Standing Committee will be advised in advance of the details of this training such as type, duration, location, payment and the employee group involved, etc.

PART B

Specialized Training

1. Specialized training opportunities will be advertised for 30 days in the department or area concerned where practical.
2. The notice will state the criteria and conditions necessary to be considered for the training.
3. Management will interview each applicant, reviewing with him the scope of the new work, and will show where the applicant meets or does not meet the criteria or conditions.
4. In the event that the number of employees meeting the stated criteria and conditions exceeds the required numbers, seniority would be the determining factor in selecting candidates for training.
5. Providing that the successful applicants are available, they will be trained in the order of their seniority.
6. When all workers in a department or area are to receive new training, such training will be done in the order of their seniority, subject to their availability.

ITEM 20 - VACATION SCHEDULING

Ref: 1975 B/S

Current departmental practice will be followed for allotment of vacations until November 15th each year. **(THIS LANGUAGE IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT)**

On November 15th employees will be advised to schedule their remaining vacations by December 15th. The Superintendent will seek the co-operation of the Shop Steward of the department concerned before scheduling the remaining holidays.

ITEM 21 - OPERATING AND MAINTENANCE STATS

Rev: 1991 - Standing Committee

The Company will determine its Operating and Maintenance needs and manning requirement will be filled as follows:

Operating Areas:

1. Regular crews normally scheduled to work on the day a holiday falls will work, if required.
2. If full crews are not required then senior employees on the shift will be selected, provided they have the necessary training and experience to safely perform the assignments.
3. A G.L.P. that has been on a regular crew for (30) days or more prior to the Stat. will be considered part of the regular crew.
4. If there are further requirements then senior volunteers from the off-shifts will be selected
5. **THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.**

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 7 days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him for the shift. If no trained volunteer is found, the employee will be required to work the shift.

6. When all of the above have been exhausted, mutual exchanges will be permitted.

Maintenance:

Shift Coverage - Regular tour workers normally scheduled to work on the day a Statutory Holiday falls will be required to work.

Daywork Requirements - Volunteers who have the training and experience to do the work will be selected by Maintenance Department seniority (including those tour workers not required on shift). The Superintendents or Supervisors may allow for a mix of experience when selecting volunteers.

Emergency Callouts:

1. Where possible, volunteers who have the training and experience to do the work will be called by Maintenance Department seniority.
2. When the senior volunteer is not called, Management will notify the Union on the first regular work day following the Statutory Holiday.
3. If the Union is not satisfied with the given reasons it may choose to submit a grievance.
4. Should the Union be successful with its grievance the redress shall be equivalent alternative hours worked and paid at the Statutory Holiday rate of pay.
5. The hours to be worked will be scheduled by mutual convenience on the employee's day off but no later than three (3) months after the resolution of the grievance.
6. The Union wants to reflect that the above does not change the Union's position that Statutory Holiday overtime should be by seniority from the required trade volunteer list.

ITEM 22 - G.L.P. SCHEDULING

Once a G.L.P. is fully scheduled for the week, then all benefits and penalties relating to Hours of Work (Article VI) will apply.

A copy of the following week's G.L.P. Schedule will be sent to the Union Hall by 4:30 p.m. Thursday. Updates will be sent to the Union Hall daily. Updates from the weekend will be sent on Monday.

ITEM 23 - 12 HOUR SHIFT AGREEMENT

- THIS ITEM IS SUPERSEDED BY THE ALTERNATE SHIFT SCHEDULES OUTLINED IN ITEM 64 - A4 AGREEMENT.

1. Compressed Work Week Conditions:

The Compressed Work Week will be on the conditions that there will be no extra cost to the Company and that the efficiency of any department or departments will not decrease.

2. Relief Procedures:

The securing of adequate relief will follow the present departmental relief policies. In the event of inadequate relief for

the continuation of operations, the Company will revert to an eight (8) hour schedule within a twenty-four (24) hour period.

3. 12 Hour Shift Overtime Payment:

Overtime will not be paid if incurred as a result of initial implementation or final discontinuance of the twelve (12) hour shift schedule. Employees entering the twelve (12) hour shift schedule on a temporary relief basis from an eight (8) hour per day, forty (40) hour per week schedule, will be paid overtime at the rate of time and one-half for hours worked in excess of forty (40) for the first week upon entering the schedule and for the last week upon leaving the schedule, providing proper notice has been given and the change occurs after the start of the work week.

Any employee entering the twelve (12) hour shift schedule without being given due notice as per the Labour Agreement, will be paid the overtime premium for the 9th to the 12th hour of the first twelve (12) hour shift only.

4. Notice of Absences:

Employees will endeavor to give adequate notice of request for any absence, as per the Labour Agreement, Supplemental Agreements, and Mill General Rules.

5. Overtime Payment:

Overtime at the rate of time and one-half will be paid for all work in excess of twelve (12) hours in any one day and for all work in excess of forty (40) hours average per week in the eight (8) week average period.

6. Banked Time Procedures:

Tour workers who work in excess of twelve (12) consecutive hours on a regular scheduled shift or in excess of eight (8) consecutive hours on a scheduled day off shall have the option of receiving the overtime premium on the basis of Article VI of the Labour Agreement or of receiving straight time for hours in excess of twelve (12) or eight (8) consecutive hours respectively, 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.

7. Change of Shift Schedule:

When the Company changes an employee's shift schedule after the start of the week without notification being given during the first twelve (12) hours of his last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.

If the change in shift 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.

8. Vacation Entitlement for Those That Don't Qualify:

An employee who does not qualify for vacation under Article XV of the Labour Agreement, will receive a vacation of two (2) hours for each full week of actual work performed during the preceding vacation period. No vacation of less than one day will be granted.

9. Taking Vacations On Tour Basis:

Employees will be allowed to take vacations on a tour basis. For purposes of the twelve (12) hour shift schedule, a tour will be the number of consecutive working days without a day off. i.e., for a forty-eight (48) hour tour an employee may take forty (40) hours vacation and eight (8) hours leave of absence.

10. Floating Holiday Entitlements:

For the purpose of the twelve (12) hour shift schedule, the floating holiday entitlement will be sixty (60) hours, subject to all other conditions of Article XVIII of the Labour Agreement.

11. Grouping Holidays:

Employees will be permitted to group annual vacation, banked overtime, and/or deferred statutory holiday time to facilitate taking time off in twelve (12) hour units.

12. Banked Overtime:

a) At the end of the contract year, banked overtime hours from the previous contract year not taken will be paid to

the employee at one-half premium pay; except that an employee who has four (4) or more but less than twelve (12) hours remaining will have the option of taking a twelve (12) hour shift off and be paid the number of hours to which he is entitled.

- b) 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.

13. Paid Entitlements:

Employees may take four (4) hours from paid entitlements which are defined as: banked overtime, banked statutory time, annual vacations and supplementary vacations if so desired to supplement Statutory Holiday Pay if they would normally have worked a twelve (12) hour shift on that day.

14. 12 Hour Shift Definition:

The twelve (12) hour shift time 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 twenty four (24) hours beginning at 6:00 a.m. and a week as period of seven (7) calendar days beginning at 6:00 a.m. Monday. The two twelve (12) hour shifts will be referred to as Day Shift and Night Shift.

15. Weekly Indemnity Calculation:

Weekly Indemnity benefits will continue to be calculated on the basis of seven (7) calendar days in which the loss of income occurred.

16. Labour Agreement Terms:

Except as outlined herein, the terms and conditions of the Labour Agreement remain unchanged.

17. Stat Holiday Crew Requirements:

The crew on night shift prior to Easter Monday, Labour Day and Canada Day will continue to work from 6:00 a.m. until 8:00 a.m. prior to the Statutory Holiday if required to do so. Payment for those hours will be as stipulated in the Labour Agreement.

18. Seniority Moves:

Seniority moves will remain as per present department practices and as per the Labour Agreement.

19. D.U.R.:

Present departmental relief policies will remain in effect.

20. Department Coverage Stat Holidays:

Present department coverage on Statutory Holidays in agreed areas will remain.

21. Departments Included in Compressed Work Week:

The following areas will operate on the Compressed Work Week Schedule subject to the following exceptions which operate on eight (8) hour shifts:

Department	Exceptions
Mill Stores	- Receiver/Shipper - Counter Clerk - Heavy Spares Clerk
Shipping	Total department operates on 8 hour shifts except for Lowerator.
Woodroom	Total department operates on 8 hour shifts.
Maintenance	All positions operate on 8 hour shifts except for Maintenance shift coverage jobs.
Janitorial	Total department operates on 8 hour shifts.
Plant Protection	Occupational Health & Safety Technician

22. Cancellation Clause:

The above provisions may be cancelled by either party with 30 days written notification. It should be noted that each of the departments operating on the Compressed Work Week Schedule are considered individually and may individually cancel the above provisions.

ITEM 24 - ADVANCE ANNUAL VACATION CHEQUES

– THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: Standing Committee, March 19, 1980

Members of the C.E.P. Local 592 have the option of applying for advance annual vacation cheques.

The application form is available in the Time Office and we suggest they be completed there.

The advance annual vacation cheques will be issued in accordance with the following conditions:

1. Employees must apply in writing by May 1st of each year.
2. Cheques will be made up on a percentage basis only, employees will be entitled to a subsequent adjustment after they take their vacations if the hours calculation provides more than the percentage calculation.
3. Vacations taken after April 30th will be given general wage increase changes if the hours option is used. Adjustments would also be made to reflect card rate changes.
4. Employees will not be permitted to withdraw only partial vacation pay and the balance at a later date.
5. Income tax will be deducted on the basis of vacation pay alone.
6. The vacation cheque will not include the additional ten hours pay, but those hours will be paid when the employee takes his first week's vacation as per present practice and labour agreement provisions.
7. Cheques will be made up during the 1st half of May and made available during the 2nd half of May. Those wishing to receive their pay cheques under this policy must pick this cheque up prior to June 14th.

ITEM 25 - EMPLOYEE & FAMILY ASSISTANCE PROGRAM

Ref: 1983 B/S, 1986 B/S, Rev. 2003

The Company and Union are committed to offer help to current employees, their families, former Port Alberni Division employees and retired employees with their personal problems. Therefore an Employee and Family Assistance Program has been implemented and will be maintained.

EFAP Awareness Conference Costs

The Company agrees to expand the EFAP budget to include travel, accommodation, course fees, wages and reasonable costs of six committee members and Local 592's Administrative Secretary.

Critical Incident Stress

C.I.S. trained individuals will provide support services to employees involved in critical incidents. As well they will provide debriefing

services as required in conjunction with a trained mental health professional.

Union members of the committee will be appointed by the Union Executive. Recognizing the value of this process to the employees and worksite, management will ensure these C.I.S. trained individuals are available during such circumstances.

Time missed from work for training or participation in a critical incident stress defusing/debriefing will be at the company's expense.

ITEM 26 - PAYMENT FOR MEETINGS ON OFF-SHIFT HOURS

Ref: Management Policy 117

There will be no banking of time spent at committee meetings; all time currently permitted to be banked will now be paid. (see Item 64 – A4 Agreement)

The basis of payment for attending meetings held outside working hours is as follows:

NOTE: Time for Union Committee members attending a meeting on a day off or between shifts must be authorized by the Management Representative who called the meeting.

A. UNION COMMITTEE MEETINGS

Union Committee members attending Union/Management meetings during off-shift hours will not be paid for attending such meetings. If the meeting is held during their regular shift, however, no deductions will be made. Examples of such meetings include Standing Committee, Job Evaluation, Vending and Apprenticeship meetings. If special Company initiated information meetings are called, and full committee attendance is desired, time spent to attend such a meeting will be paid for those employees not on shift at the time the meeting is held. The rate of pay shall be at straight day shift card rate and no call time, meal, etc.

B. SAFETY MEETINGS

1. PLANT GUIDANCE MEETINGS/592 DIRECT SAFETY BOARD/ ENVIRONMENTAL COMMITTEE AND/OR TOURS

Hourly paid members of such committees and other hourly paid employees who are requested to attend such meetings or participate in a safety tour, will be paid at their regular rate

of pay on a straight time basis for the actual time spent in attending regular Plant Guidance, 592 Direct Safety Board, or tours outside of working hours. No call times, meals, etc., will be paid for this attendance.

2. ACCIDENT INVESTIGATIONS

Whenever possible, Accident Investigations and other safety related meetings should be scheduled during working hours. However, hourly paid employees who are requested to investigate accidents during hours outside their regular shift will be paid according to the Labour Agreement.

3. OTHER SAFETY RELATED MEETINGS

Subcommittees (Lock-Out, etc.)

Area Safety Committees

Crew Safety Meetings

Quarterly Crew Chairman Safety Meetings

Hourly paid employees who are requested to attend safety related meetings during hours outside their regular shift will be paid at the overtime rate for actual hours involved if they would normally qualify for overtime. This time can be banked under the normal rules for the day workers and tour workers. No call time, meals, or meal tickets will be paid for this attendance. Such meetings should normally last less than one hour.

Special presentations where we encourage maximum attendance would be paid on the same basis.

On occasions where Union Executives who are not members of a particular safety committee wish to attend a meeting of that committee on a voluntary basis outside their regular shift, they will not be paid by the Company for attending.

ITEM 27 - THIRTY DAY SICK/ABSENCE POLICY

- THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: Standing Committee, October 1, 1982

If a particular department knows in advance that an employee will be off for more than thirty (30) days, the move up will be made as soon as possible. The most senior available qualified employee will be moved up.

ITEM 28 - O.T. AGREEMENT RE: CALL INS

Ref: 1994 B/S

Maintenance and Operating Employees working overtime when there are people laid off.

On a without prejudice basis the employed Maintenance Membership of Local 592 will on a voluntary basis work emergency overtime, provided the overtime is estimated by the crew and Supervisor to be two hours or less. If at the end of two hours of emergency overtime it becomes evident that the work is near completion but requires additional time the tradesman may complete the work.

Planned overtime requirements that are estimated by the crew and Supervisor to be more than two hours will be worked by available laid off employees. If no laid off employees are available when called, overtime may be worked on a voluntary basis.

ITEM 29 - PROPER NOTIFICATION (CONTRACTORS)

Ref: Management Policy

This is a reminder that all non-divisional personnel wishing entry into the mill must sign in at the Guardhouse. This requirement applies to everyone including contractors and service reps.

In the case of Contractors when they have a crew working in the Mill, the contractor or his Supervisor may sign in and out for his people on a shift basis. When signing in, the contractor's rep. must log the number of employees he has in the mill and where they are working and be sure they have left the mill when he signs out.

ITEM 30 – LOCK-OUT AND ACCIDENT INVESTIGATION PROCEDURE

At the earliest possible time if it becomes evident to the Superintendent of the Department or the Area Safety Representative that disciplinary action may result either party may stop the investigation at this point.

The appropriate Union Standing Committee member will be called in to participate in a fact finding. Once the fact finding is complete then the investigation can proceed. If discipline is imposed by Management it will be subject to the grievance procedure.

ITEM 31 - SENIORITY

The Union and Company recognize the principles of seniority as outlined in Article XXI - Seniority, Section 1 Principles.

For the purposes of this clause, "Mill Seniority" will be defined as Local 592 Seniority. (Exception: those members that transferred to Local 592 prior to July 1984 as discussed in Standing Committee Minutes July 23rd, 1984)

Recorded recall will be issued to laid off employees who have worked a minimum of 80 hours in any floating 30 day period.

For purposes of this clause, laid off out of the mill means below the layoff line. Laid off from a department means above the layoff line but insufficient seniority to stay in the department due to department curtailment of a temporary (less than 30 days) or permanent nature (30 days or more).

Department seniority will cease after an employee has been laid-off from a department for 30 days or more.

Employees who are laid off from the mill and/or their department on a permanent basis will have no claim to department or line of progression seniority.

1. Permanent mill lay offs. Layoffs that are expected to exceed or exceed 30 calendar days will be considered as permanent mill layoffs, limited only by certification and qualification requirements and the job training provisions of the Labour Agreement and Supplemental Agreements. All permanent mill layoffs and recall will be by mill seniority.
2. Temporary mill layoffs. A temporary mill lay off is defined as a mill lay off that is not expected to exceed 30 calendar days.
 - a) Temporary recalls from mill lay off will be by the senior qualified employee when the work available does not exceed the recognized job training or refresher period.
 - b) When the temporary work exceeds the job training or refresher period, the mill senior employee is recalled and trained to do the work.
 - c) When there is a reasonable expectation that the mill senior laid off employee will be recalled continuously to the same or other work, he will be recalled and trained regardless of the fact that the initial recall is for work that does not exceed the training period.

3. Temporary mill layoffs will be governed by the 30 day bumping agreement. This position will as far as it is practicable allow the executive and membership to protect mill seniority.
4. Department layoffs and department recall. Lay off from a department and recall to a permanent vacancy within a department will be by mill seniority.

When laid off from a department the employee becomes a G.L.P., provided that the employee has the necessary mill seniority to remain in the mill.

Employees are then given work within the mill, subject to certification and qualifications and the job training provisions of the Labour Agreement and Supplemental Agreements.

Vacancies in the mill created as a result of employees being permanently laid off (30 days or more) out of the department will be reposted. The successful candidate has all the rights associated with the posting.

5. Without changing the intention of the above and governed by the above the following principles are recognized:
 - a) Mill seniority establishes the right to work in the mill.
 - b) Department seniority establishes an employee's right to work in a department. The employee's line of progression position determines the job position an employee will hold within the department.
6. The above position will not and does not change the special protection within their shop, given to ex-members of the I.B.E.W. by the L.R.B. of B.C. at the time of the decertification of their local union.
7. Operating Procedures when the Full Department is Working:
 - Regular crews and shifts work as scheduled and Mill Seniority is applied as per Article XXI-Seniority.Operating Procedures When the Department is Partially Curtailed:
 - Regular crews work in order of department seniority, bumping is applied as per Article XXI-Seniority.

ITEM 32 - BUMPING PROCEDURES

Procedures for bumping during periods of temporary layoff where partial operations continue.

PERIOD 1	PROCEDURES
(Up to and including 3 days)	<ul style="list-style-type: none"> a) If full department operations then: Regular department crews would work on regular shift. No bumps would occur. b) If partial department operations then: Regular department crew works by crew seniority and relief would be by department seniority.
PERIOD 2 (4 days to 14 days incl.)	<ul style="list-style-type: none"> a) Regular department crew would work on regular shift. This only applies if the regular shift schedule is being followed, if it is changed this does not apply. b) Mill seniority would be considered for bumping into the bottom job(s) of the line of progression or department, if a line exists and such jobs are scheduled, providing no more than one day of training is required to perform the job satisfactorily.
PERIOD 3 (15 days to 30 days incl.)	<ul style="list-style-type: none"> a) Regular department crew would work on regular shift. This only applies if the regular shift schedule is being followed, if it is changed this does not apply. b) Mill seniority would be considered for bumping into the bottom job(s) of the line of progression or department, if a line exists and such jobs are scheduled, providing no more than three days of training is required to perform the job satisfactorily.

ITEM 33 - TEMPORARY POSTINGS

In case of permanent layoffs temporary postings will be discussed.

ITEM 34 - TRAINING

- a) Training of employees whenever possible will take place in one consecutive period. It is recognized that training is much more effective if it takes place in one consecutive period. The Department will do everything within its ability to maintain this principle.

- b) The length of training and familiarization for each training opportunity will be reviewed by the mill manning committee after discussion at the department level.
- c) While operating employees are in their training and familiarization period they will not exercise their department recall rights. However, if prior to the preceding Thursday @ 4:30 p.m. a full tour is available in a position which has a higher rate and the employee would normally be entitled to the job, the higher rate would be paid for that week. This will be reviewed each week.
- d) It is understood that in the event of a permanent position to which the employee is entitled becomes available, the above procedures would no longer be in effect and the employee would move to the permanent position immediately.
- e) Concerns with trainers/training as per Item #19 - Training

ITEM 35 - OVERTIME MEALS

Overtime Meal Cash Value is 80% of base rate.

There are no longer deferred meals.

ITEM 36 - UNION BOOK OFF

Rev. 2003 Supplementals

All hours coded as Union Business which occur during an employee's regular schedule will be included as hours worked for the calculation of averaging time, overtime and share purchase.

It is understood that union book-off payments of less than 60 days charged back to Local 592 will not be loaded to cover the expense of the Health and Welfare Plan.

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 three months in any one calendar year. For the purpose of Collective Agreement entitlements, this time will be considered time worked. (refer to Collective Agreement, Appendix C, Section 15)

ITEM 37 - CHIP PILE

If an established chip pile is located on mill property, mill employees will be used to enter those chips into the mill chip systems. The Union concerns of an offsite chip pile were noted.

ITEM 38 - FLY ASH HAUL

When an acceptable and approved business case supports mill crew transport of Fly Ash to Block 105, then mill employees may perform this transfer activity. The business case will be developed and reviewed with Union participation.

ITEM 39 – HAZMAT BONUS

Ref: 2003 Supplementals

HAZMAT team members will be paid a 0.50 cent per hour bonus on straight time hours. HAZMAT team members will be paid their card rate during practices. Insurance coverage for HAZMAT team members is to be increased to \$100,000.00 as soon as possible after ratification of this memorandum.

ITEM 40 – OPTIONAL LIFE INSURANCE

Ref: 2003 Supplementals

Catalyst Paper, Port Alberni Division will arrange for employees to access voluntary life insurance plan. This insurance will be consistent with the Powell River program. Premiums for the optional insurance coverage are to be borne by the employee.

II - MAINTENANCE

ITEM 41 - LAPSE OF WELDERS TICKETS

Ref: 1973 B/S

The Company will allow a limited number of instances (not more than 15% of the crew) when a welder over age 55 and with at least 15 year's service, due to health reasons is unable to pass his ticket examination, to allow his ticket to lapse. His case will be reviewed at

Standing Committee. Determination by Management will be made in regard to providing appropriate work in the welding trade. If no suitable work is available, he will have the option to accept work in the mill for which he is capable and to which his seniority entitles him. He will be paid the rate of this job.

ITEM 42 - PERSONAL TOOLS

Ref: 1979 B/S - August 1979, Management Policy, 1986 B/S, 1988 B/S
Compensation of 100% of receipted value will be paid when tools are stolen from properly secured lock-ups, subject to policy conditions being met.

In the event an employee loses a tool while working in an awkward place, such as over the water or in other locations where it is impossible to retrieve the tool(s), then the employee is entitled to apply for a new tool(s) using a form which can be obtained through their Supervisor.

ITEM 43 - PLANNED MAINTENANCE DURING PERIODS OF MAINTENANCE CREW LAYOFFS

Ref: 1988 B/S

In the event where planned maintenance is being done during periods when the full maintenance workforce is not required, the following procedure will be followed to obtain manpower and to establish the scheduling:

1. Crew will be canvassed for volunteers. If there are insufficient volunteers, senior tradesmen will be scheduled. Volunteers will not be scheduled unless they are available for the duration of the maintenance work, subject to normal approved time off quotas. Senior volunteers will be scheduled.
2. If work is planned for off-shifts, we will canvass all those who will be working.
3. If there are more volunteers than are required, seniority will be the deciding factor in (2) above.
4. Having established crews on the basis of the above, management will evaluate the mix of experience on each crew and, after discussing with the employees involved, may make some changes.

5. This agreement can be terminated by either party with thirty (30) days notice.

ITEM 44 - SPRING BREAK CLARIFICATION

- THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: 1979 B/S

School Spring Break will be considered as prime time.

A period of one week will be set aside during the Spring Break to enable the maintenance crews, except Lubrication Mechanics, to take their annual vacations. It is understood that the maximum number allowed off will not exceed 30%. This would apply to crews by trades or departments and would only apply to those who wish to take their annual vacations during this period.

Lubrication Mechanics are allowed up to a maximum of 25% off.

- a) Employees taking vacations during this period will not be able to extend their vacations into the following week, unless there are unfilled openings.
- b) Employees taking vacations in the week preceding the special one week period will not be able to extend their vacation into the special one week period, unless there are unfilled openings.
- c) If an emergency arises during the one week period and sufficient people are not available, then other arrangements will be made with the Standing Committee.
- d) Crews involved: Yard, Painters, Machine Shop, Millwrights, Carpenters, Instrument Mechanics, Automotive Mechanics, Pipefitters, Welders, Sheet Metal, and Electricians.
- e) The cut-off date for application is to be March 1st of every year.

ITEM 45 - TEMPORARY TRADESMEN

Ref: 1973 B/S

- a) From time to time the Company requires an additional force of mechanical tradesmen on a temporary basis. Prior to hiring, the Company will discuss with the Union Standing Committee on the number, project, trade and duration of employment term that these tradesmen will be required. It is understood that these

men will be hired as "temporary", for a period not to exceed 120 days and will not be subject to recall when the project is completed. These temporary tradesmen will be advised of this as a condition of employment. Temporary tradesmen will be considered for permanent positions.

b) TEMPORARY TRADESMEN AGREEMENT TO REPLACE FOR WI AND WCB

Under the following conditions, this Agreement will allow the company to call in a Temporary Tradesman to replace our Tradesmen when they are on Weekly Indemnity or Worker's Compensation.

From time to time the Company requires an additional force of tradesmen on a temporary basis to cover for our Tradesmen while he/she is on WI or WCB. Prior to hiring, the Company will submit a written request to be authorized by the Union Standing Committee. It is understood that these people will be hired as "temporary" for a period not to exceed 120 days and will not accrue seniority or be subject to recall. These temporary tradesmen will be advised of this as a condition of employment.

A Temporary Tradesman that is brought in to replace a Tradesman will be classified as a Day Worker as defined in the Collective Agreement and will be the last person called for overtime.

Any time there is a Temporary Tradesman working under this agreement, it will be reviewed each month at the Standing Committee Meeting.

Laid-off Catalyst Tradesmen will be given first right of refusal to these jobs.

ITEM 46 - VACATION POLICY FOR MAINTENANCE DEPARTMENTS

- THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: 1973 B/S - Rev. 1979, 1981

1. The normal selective vacation period shall be recognized as June, July, August and September and every effort will be made to accommodate employees who wish to take their vacations during these months.

2. One week's vacation shall be 5 working days within 7 calendar days, starting on Monday.
3. During peak vacation periods, July and August, it may be necessary to limit vacation time to 2 weeks maximum per employee. Vacations will not be split by Management beyond 2 one-week periods for an employee entitled to 2 weeks, or 2 weeks and 1 week for an employee entitled to 3 weeks, or 2 two-week periods for an employee entitled to four weeks unless specifically requested by the employee.

4. During the vacation year, an employee may have only 1 first choice in any one vacation year; i.e. summer, Easter, Christmas, unless there is an unfilled opening.

5. A period of 3 weeks will be set aside during July or August to enable the maintenance crews, except Lubrication Mechanics, to take their annual vacations. It is understood that the maximum number allowed off will not exceed 50%. This would apply to crews by trades or departments and would only apply to those who wish to take their annual vacation during this period.

Lubrication Mechanics are allowed up to a maximum of 25% off.

- a) Management to schedule the 3 week period and will communicate to the Union prior to posting. The said period will be posted prior to vacation list posting.
- b) Employees taking vacations during the 3 week period will not be able to overlap their holidays outside this 3 week period, unless there are unfilled openings.
- c) Employees taking vacations outside of the special 3 week period will not be allowed to overlap into the 3 week period, unless there are unfilled openings.
- d) If an emergency arises during the 3 week period and sufficient people are not available, then other arrangements will be made with the Standing Committee.
- e) Employees taking vacations during this 3 week period will not have another choice for prime vacation periods during the vacation year unless there are unfilled openings.
- f) Crews involved: Yard, Painters, Machinists, Millwrights, Carpenters, Instrument Mechanics, Automotive Mechanics, Pipefitters, Welders, Sheet Metal, and Electricians.

6. Two (2) employees in the same trade may exchange their vacation time, to the satisfaction of the department Superintendent, providing the normal operation of the department is not disrupted.
7. During the vacation year, vacation allotment will be limited to 1 in 5.

The Millwrights are grouped into 2 groups for the purpose of allotting vacations, floaters and banked time.

The grouping would be by Department Seniority as follows:

Group 1	Group 2
1	2
3	4
5	6
7	8
9	etc.

8. Floating holidays combined with vacation may only be taken during prime vacation period if a break in the departmental vacation allotment number occurs. After March 1st of the year in question, an assessment of floaters which are still outstanding will be made by Management and the Union. The Union will give Management any assistance possible in urging their membership to take their remaining floaters as quickly as possible.
9. Normal practice during holiday shutdown periods will be that floaters up to vacation allotment plus one (1) may be allowed. (For banked time see also Item 2)
10. Two years vacation may be taken back-to-back by employees through satisfactory arrangements with their department supervisor. This may only occur during the months of April and May.
11. Leave of Absence with vacations may be taken in accordance with the Labour Agreement providing it does not conflict with their fellow employee's annual vacation.
12. It shall be the responsibility of the employee to co-operate with local Mill Management by indicating his desired vacation time by April 15th, at which time the list will be closed. The period between April 16th and May 1st will be used to finalize vacations requested prior to April 15th and in the event of a departmental seniority dispute in the choice of vacation time, it shall then be resolved by the Union.

13. It shall be the responsibility of Mill Management to post a notice in each department prior to March 1st.
14. After the 15th of April of the vacation year in question, allotment of vacations will be on a first come, first served basis, until November 15th of the year in question. On November 15th, notices will be posted to have employees schedule their remaining vacations by December 15th. Any vacations not scheduled by December 15th of the year in question will be scheduled by the Departmental Supervisor concerned.
15. It is suggested that different departmental crews get together to try to work out a mutually satisfactory arrangement among themselves so that full use can be taken of the summer months for those who wish this time.
16. This agreement will remain in effect as long as is mutually satisfactory.
17. This agreement is finalized on the basis that the existing floating holiday agreement dated January 8, 1960, is in effect.

ITEM 47 – TRADE GROUP 50% OFF DAYS

- THIS ITEM IS SUSPENDED FOR THE TERM OF THE COLLECTIVE AGREEMENT.

Ref: 2003 Supplementals

The Company agrees to designate 12 days per year as "Trades - 50% Off Days". These days:

- Are to be scheduled using paid leave entitlement
- Are to be distributed and pre-scheduled throughout the year
- Are to be re-confirmed at the beginning of each Quarter
- Are to fall on a Friday unless there are special circumstances
- Will be outside of the trades recognized summer 50% off period (Item 47(5))
- Will be effective date of ratification of this memorandum

The 50% off trades vacation ratio will be the same as the ratio utilized during prime time trades summer vacation. Permanent lube mechanics (not DURs) will be 50% off subject to special circumstances. (Note: For lube mechanics if permanent positions are 8 + 2 DUR's, the 50% off number is 4)

ITEM 48 - WEEKEND MAINTENANCE COVERAGE

Ref: 1975 B/S

A weekend call list will be posted for volunteers interested in working.

ITEM 49 - MILLWRIGHT SHIFT COVERAGE

Ref: Standing Committee May 3, 1976 Revised

GUIDELINES FOR SHIFT MILLWRIGHT REPLACEMENT IF THERE ARE NO VOLUNTEERS:

These guidelines will be utilized when existing Shift Maintenance crew replacement practices cannot be implemented.

1. Permanent vacancies (or known vacancies over 120 days)
 - a) A Junior employee in the mill who has completed his 30 day probationary period will fill the vacancy but will not go on shift until 60 days (or when competent) after probationary period in the department requiring Shift Maintenance. The junior qualified employees in the department will cover the shift while the new employee is being trained.
 - b) A Millwright filling a permanent vacancy must remain on shift a minimum of twelve months. After ten months, with 60 days notice, a request to come off shift can be made.
2. Temporary relief (35 calendar days or more)
 - a) Effective January 1st of each year, the junior employee in the crew will do the complete shift relief until he has accumulated a total of 35 eight-hour days or the equivalent in 12 hour shifts.
 - b) Additional relief will be provided by the crew on a rotation basis starting with the next junior employee, however, if a senior employee volunteers for this additional temporary relief, the time will be credited to the next junior employee.
 - c) The relief employee must have been in the crew 60 days (or when competent) after completion of his probationary period.

ITEM 50 - OVERTIME CONTINUATION

Ref: Standing Committee November 26, 1974 - Amended February 11, 1975

A day worker who, prior to 6:00 a.m., is called back to work on a breakdown after completion of 8 hours work shall be paid according to the Labour Agreement for those hours up to 8:00 am. However, if he continues to work through into the next day after 8:00 a.m., the overtime payment will continue to the completion of the job that necessitated the call-in. This would apply only to the original employee, or employees, brought in early. It is understood that should the breakdown continue the above clause would only apply for the first day.

If the original employee who was called in is taken off the job that necessitated the call-in, he would still receive the overtime payment until the job is completed. This would only apply for the first day.

ITEM 51 - SHIFT COVERAGE SENIORITY

1. If we were to reduce the number of shift positions on a permanent basis then the people would come off shift by reversed seniority.
2. If we were to curtail part of the mill and lay part of the Maintenance department off, shift coverage would be by seniority.
3. If we were shutting down part of the Mill for 96 hours or less for Maintenance and rescheduling the shift people to days to cover the shutdown. We would leave the normal people on shift in the area still running because of training and expertise.

We would also make sure that those coming off and going on shift would not lose time in making the switch.

ITEM 52 - PIPEFITTER SHIFT COVERAGE

1. Permanent shift vacancies will be posted for three days and the vacancy will be covered by the most senior volunteer or if no volunteer by the most junior trained pipefitter.
2. Permanent shift assignments will be for a minimum period of one year unless there is a more junior trained pipefitter or

volunteer available, in which case 30 days notice to come off shift will be given by the employee involved. The Employee involved has the option to stay on shift for an additional year.

3. The most senior shift pipefitter will have the first choice to come off shift.
4. Shift relief coverage for three days or less will be designated by the Supervisor.
5. Ninety days of total training in all operating departments will be provided before a junior pipefitter is assigned to a shift, i.e. 30 days each in project crew, pulp area crew, paper mill crew.
6. Mutual exchange of shifts between fitters may be arranged between the employees involved, Pipefitter Shop Steward and the Supervisor.
7. Shift relief coverage for one or more tours will be supplied by the bottom ten pipefitters:
 - a) Junior employee starting first.
 - b) Each employee to do 12 shifts (12 hour shifts) or completion of tour that make up the 12 shifts (would be 13 or 14 shifts); then coverage goes to next employee.
 - c) After the tenth employee completes his coverage, it then goes back to bottom employee.
8. This agreement is subject to review and discussion as required.

ITEM 53 - TRADESMEN, DEPARTMENT MOVES

Past practices for the movement from one Department to another will continue. Requests from Millwrights will be addressed by the Department Superintendent and the Union Area Vice-President. If the requests cannot be resolved then it will be given to the Union/Management Standing Committee.

Welder assignments (Jan. 1/1977) and the Pipefitter Reassignment Agreement will be recorded at Standing Committee.

III - OPERATIONS

ITEM 54 - OVERTIME CALL-INS

Ref: Letter of Understanding, 1982

If an Operating employee, through a supervisory error in applying the agreed upon overtime distribution procedure, misses an overtime opportunity, then the remedy would be for the Company to schedule an equivalent overtime assignment within 4 weeks of the complaint.

It is understood that "equivalent" refers to the number of hours and may or may not involve other payment.

i.e. In the context of this agreement, "equivalent" may or may not include any or all of the following, depending on the schedule of the "equivalent" assignment actually worked:

1. Call Time
2. Penalty Time
3. Banking of Overtime
4. Overtime Meals

This letter of understanding can be cancelled by either party with thirty (30) days notice.

Management will forward to the Union Hall current Department Overtime Call-In Procedures.

ITEM 55 - EFFLUENT TREATMENT

Employees who possess the Waste Water Treatment Certificate will receive the following wage increase, \$0.25/hour.

ITEM 56 - PLANT PROTECTION

Those Plant Protection Officers who have the certification to teach Occupational First Aid Level 1 will receive \$0.20/hour effective May 1, 1997.

Those who have the certification to teach Occupational First Aid Level III will receive \$0.20/hour effective May 1, 1998.

Any Plant Protection Officer who achieves either or both of the above certifications will begin to receive the appropriate amount effective the pay period following successful completion.

Security Dress Code

Uniforms (including complementary footwear) will be supplied by the company as per Department Policy i.e.: on an "as needed" basis and within reasonable limitations.

ITEM 57 - WAREHOUSE/SHIPPING DEPARTMENT

Department Employees who possess valid:

- Air Brake Endorsement
- Restriction 19
- 1st. Brakeman (Conductor)
- Transportation of Dangerous Goods

will receive \$0.25/hour.

Any Warehouse and Shipping Department employee who achieves all of the above certifications will receive the pay adjustment effective the pay period following successful completion.

ITEM 58 – CODE OF ETHICS PAYMENT

The Company recognizes the Code of Ethics payment to Local 592 is based on work performed by contractors that is of a nature normally performed by Local 592 employees.

ITEM 59 – JOINT PLACEMENT COMMITTEE

The joint union-management committee will have equal representation, input and authority, and will operate by consensus. Members will be appointed by each party for a 2 year term to provide for continuity. The purpose of this committee is to place workers who are disabled, injured or off work due to illness in returning to work on suitable and meaningful jobs. This committee will also provide adequate follow-up to promote a successful reintegration for the employee/member.

It is recognized that the seniority provisions of the collective agreement remain in effect and workers will be reinstated within the framework of those provisions.

It is recognized that it is desirable to return the injured worker to his/her pre-injury job wherever possible. Both the union and the company agree that this may require the modification of the non-essentials at the job and will cooperate to make those modifications that are necessary.

When the injured worker is unable to perform his/her pre-injury job, even with the extensive modifications, then the union and the company will cooperate in finding a job that the worker can do, recognizing that a more senior employee can not be displaced.

The committee will also ensure the employee/member is informed of his/her rights and opportunities under the Labour Agreement. In assessing any accommodation requirements the guidelines issued by the B.C. Human Rights Code will be followed.

The joint committee will meet on a regular basis at the expense of the company. Equal and ample time will be allowed to members of the committee to investigate potential jobs in the workplace, consult with persons having expertise in ergonomics, engineering and other resource personnel, along with input from personal Physicians in order to accomplish the satisfactory placing of injured workers. The committee is to be fully informed of all members who have been hurt, injured or sick on or off the job that week, as well as a status report on existing sick or injured members.

The injured worker will be party to discussions pertaining to his/her placement.

Once the decision has been reached to return the worker to the mill the Area Vice-President or Chairperson of the Standing Committee will be involved with the Joint Placement Committee.

All job duties restrictions and requirements will be discussed and understood by all parties prior to implementation.

Any changes to the original return to work duties and responsibilities will go back to the committee with involvement from the Area Vice-President or Chairperson of Standing Committee before implementation.

These guidelines shall not be construed as restricting the rights of the individual, or the Union, to grieve any matter considered to be a violation of the Labour Agreement.

ITEM 60 - LETTER OF UNDERSTANDING

- Employees on Temporary Layoff Opportunity to Elect a Severance Option

For the term of this Collective Agreement, the Company and the Union agree to provide employees on temporary layoff with an option to sever their employment under certain circumstances.

- 1) The option for severance would be available if:
 - a) Employee has 1 or more years of continuous service at the start of the layoff, and
 - b) Employee has been on layoff for 12 months, and
 - c) There is no definitive plan for reemploying the individual within the following 3 months.
- 2) For the purposes of this proposal, Layoff is defined as having the opportunity to work less than 900 hours during the 12 month period.

An employee who has an approved absence for regular vacation, personal floating holidays, or supplemental vacation that is due to expire will be considered to be unavailable for work. Opportunities for work that occur on these days will not be counted.
- 3) If the above conditions are met, the employee will have the option of accepting a severance payment. The severance will be calculated according to the formula in Article XXIV – Job Elimination.

Dated this 19th day of December 2008.

For the Company

For the Union

Steve Boniferno
Sr. Vice-President,
Human Resources

Mike Fenton
CEP National Representative

ITEM 61 - TIME EQUALIZATION

A Day Worker called in and works between the hours of 12:00 midnight and three (3) hours before his/her normal starting time, will be compensated for all hours worked at equal time off taken at the employee's option at the beginning or prior to the end of his/her next shift. They will be paid straight time for the time lost as a result of taking equal time off.

It is also clearly understood and agreed that all equalization time will be considered as time worked for the purposes of calculating weekly overtime, except that equalization payment will be paid at straight time only.

Examples:

Scenario #1 –

- 8-5 Day worker called in @ 10pm
- Works from 10pm until 2am
- Time equalization – 2 hours
- Employee option: return to work at 10am – 5pm; paid full 9 hours straight time pay or return to work at 8am – 3pm; paid full 9 hours straight time pay.

Scenario #2 –

- 8-5 Day worker called in @ 1am
- Works from 1am until 7 am
- Time equalization – 6 hours
- Employee option: return to work at 2pm - 5pm; paid full 9 hours straight time pay or employee takes 1 hour unpaid break and returns to work at 8am – 11am; paid full 9 hours straight time pay.

Scenario #3 –

- 7-5 shift Weekend Crew called in @ 1am
- Works from 1am until 7 am
- Time equalization – 6 hours
- Employee option: return to work at 1pm - 5pm; paid full 10 hours straight time pay or employee continues to work until 11am and is paid full 10 hours straight time pay.

Scenario #4 –

- 8-5 Day worker called in @ 5:30am
- Works from 5:30am until 8 am
- Time equalization – 0 hours

ITEM 62 - TECHNICAL EXPERTISE

In certain circumstances an employee may receive compensation for providing specialized technical assistance over the phone during a breakdown situation. In order to qualify the following conditions must be met:

- The employee must be part of an active trouble shooting process and be providing technical assistance during this process.
- The assistance is specialized information rather than normal informational or operational exchange.
- The assistance provided must be of a nature that typically the employee would attend the work site to remedy.

In this situation the employee will be eligible to be paid a 2 hour call time payment (C2). Such payments must be authorized by the supervisor, and a note to payroll must be included in the time record.

ITEM 63 - 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.

ITEM 64 – A4 AGREEMENT

MEMORANDUM OF AGREEMENT

Between

Catalyst Paper – Port Alberni Division
(the Company)

And

The Communication, Energy and Paperworkers Union, Local
592
(the Union)

It is clearly understood by both parties that where this document disagrees with the collective agreement, the terms and conditions as set out in this document will supersede the collective agreement, except as agreed to in the 2012-2017 memorandum.

Term: May 1, 2012 – April 30, 2017

1) Pay Structure:

- a. All employees who hold a permanent carded position will be paid on an annualized pay system. This pay system will take effect as of May 1, 2008.
- b. All earnings (excluding OT and worked stat premiums) will be built into an annual salary and employees will receive 26 equal bi-weekly pay cheques based on this salary.
- c. Unavoidable short term absences for appointments (eg: medical, dental, etc.) will be covered by the annualized pay structure. However, employees must make every effort to schedule such appointments on their days off.
- d. The 3 day waiting for weekly indemnity as per the current contract will be paid. After a 3 day absence, an employee's salary will be stopped and weekly indemnity benefits will start, provided an employee qualifies. FRL will remain unpaid – a reconciliation of pay will be done at year end if required.

- e. Any income lost (associated with floaters, vacations, etc.) by an employee during periods on WI or WCB will be reconciled at year end.
- f. DURs and relief employees will not be paid on the annualized salary system. They will be paid for hours worked at the rate of the position they are performing.
- g. In the event of a lay-off, an employee's annualized salary will cease. They will then be paid for hours worked at the rate of the job performed. Any pay reconciliation that is required will take place at that time.
- h. If an employee is bumped out of their department due to a curtailment of an area, a reconciliation of their salaried pay will be done if the curtailment is over 30 days. If the curtailment is less than 30 days no reconciliation will take place (unless the employee moves into a higher paid position).
- i. All employees (who hold a permanent carded position) will be paid on the annualized pay structure as of May 1, 2008. No make-up shifts will be granted.
- j. All benefits will be based on a 40 hr work week.

2. Flexible Work Practices:

"Local 592 is committed to the development of an efficient workforce through the acceptance and support of changes in work practices which will build a safe, open, creative, responsible and adaptable workforce through the utilization of all proven existing skills and knowledge, and any new skills acquired by effective training."

3. Alternate Shift Schedules:

New shift schedules and details outlined below will supercede, for the term of this memorandum of agreement, any language contained in the collective agreement regarding same items.

a. 5 Crew Shift Schedule:

- i. This shift schedule will take effect May 1, 2008
- ii. There will be 5 crews (A,B,C,D,E).
- iii. Each crew works a 4 on, 4 off schedule (2 days followed by 2 nights); working 9 tours followed by 22 days off.

- iv. An entire crew is off at the same time. There is no additional time off permitted during working periods; if time off is needed this must be arranged through a mutual exchange with a fellow employee. No pay adjustments will be made if this occurs.
- v. Annual salary will be calculated based on:
Base (actual hours worked) + floaters (60 hours/yr) + vacation entitlement at card rate or % from previous year (whichever is greater) + supps (pro-rated over 5 year period) + Sunday time to be worked + stat pay (56 hrs/yr) + shift differential
- vi. All paid premiums associated with worked stats will be paid separately (in addition to base salary) at time worked.
- vii. OT hours will be paid separately (in addition to base salary) based on hours worked at rate of job being performed.
- viii. Employees will be eligible for OT calls during all days off (between tours or during leave period).
- ix. No premium time (OT) will be paid for hours worked over 40 in one week based on an employee's regular schedule. (NOTE: If an employee works over 2080 straight time hours in one year they will be reconciled for premium time worked)
- x. If one employee is off for any reason (including sickness, FRL, book-offs) they may not be replaced (the crew may work with one less person). Decisions to replace will be at the discretion of supervision. If a 2nd employee in the same department and on the same crew is off, they will be covered with relief or OT. Employees off on longer term absences will be replaced as soon as is reasonably practical.
- xi. LOP training, compliance training, safety tours, etc. will be done within the regular crew manning complement. Exceptions to this may be made for specialized training.
- xii. Crew changes will only be made in the event of a permanent vacancy and if required due to a rate change or qualification requirements. Such changes will be made with a minimum number of employees being

required to change crews and may be delayed until the time at which the least disruption will be caused. Rate changes will take place at time of move.

- xiii. Factors such as current training and grandfathered and/or frozen employees will be considered in the development of initial crews.
- xiv. If an employee is required to work additional hours as a result of a crew move initiated by the employer, they will receive additional pay for this period.

b. 5 Crew Shift Schedule - Mtce:

- i. As outlined above.
- ii. Shift positions will be offered by seniority; if no volunteers junior person will be assigned.
- iii. Shift times will be: D/S 6am – 6pm; N/S 6pm-6am possibly moving to 1pm – 1am in future (further review required).

c. Instrumentation Coverage Schedule:

- i. Instrumentation coverage schedule will be 4 on, 4 off; schedule will be 3 shifts of 1pm – 1am, followed by one shift of 1pm – 10:40pm (for avg of 40 hrs/week). There will be 2 Instrumentation employees following this schedule.
- ii. Annual salary calculated based on:
Hours to be worked (at 40 hrs/wk) + floaters (60 hrs) + vacation entitlement at card rate or % from previous year (which ever is greater) + stat pay (56 hrs/yr) + Sunday time (based on 18 Sundays worked with reconciliation at year end) + shift differential
- iii. Premiums associated with worked stats to be paid separately (in addition to base salary) at time worked.
- iv. When supplemental holidays are taken, a year-end reconciliation will be made if required (due to rate differences).
- v. OT hours will be paid separately (in addition to base salary) based on hours worked.
- vi. Relief will come from D/S Instrumentation crews. Positions will be offered by seniority; if no volunteers the junior person will be assigned.

d. 9 Hour Day Shift Schedule:

- i. Will be followed by D/S maintenance (including lube), Mill Stores, Day Shift PPO
- ii. Schedule will be Mon. – Thurs. (9 hrs) and every 2nd Friday (8 hrs) (for avg of 40 hrs/week)
- iii. 9 hr shifts are 8am – 5pm with 2-20 min paid breaks (10:30am & 2:30pm); 8 hr shifts are 8am – 4pm with same breaks
- iv. Annual salary calculation based on:
hours to be worked (at 40 hrs/wk) + floaters (45 hrs) + vacation entitlement at card rate or % from previous year (whichever is greater) + stat pay (56 hours)
- v. When supplemental holidays are taken, a year-end reconciliation will be made if required (due to rate differences).
- vi. If required, a year-end reconciliation will be made for floater time taken.
- vii. OT hours will be paid separately (in addition to base salary) based on hours worked.
- viii. No OT paid for 9th hour, except on 8 hour scheduled day (Friday); double time paid after 9 hours. (Payment of double time is suspended May 1, 2012 – April 30, 2015 consistent with the Banked Time letter of understanding.)
- ix. Dayshift maintenance and operations employees will not normally work on stats. If worked, premiums associated with worked stats will be paid separately (in addition to base salary) at time worked.
- x. Shift differential will be paid for hours worked on this schedule as per the Collective Agreement.

e. Weekend Maintenance Coverage:

- i. Crew will consist of 6 tradespersons (eg. 1 W, 1 PF, 2 MW, 1 Elec., 1 other), including 1 working lead hand.
- ii. Schedule will be Thurs. – Sun., 10 hr shifts (8am – 6pm)
- iii. Positions will be offered by seniority; if no volunteers junior person will be assigned.
- iv. Annual salary calculation based on:

hours to be worked (40 hrs/wk) + floaters (50 hrs) + vacation entitlement at card rate or % from previous year (whichever is greater) + Sunday time (based on 44 Sundays worked with reconciliation at year end) + stat pay (56 hours)

- v. When supplemental holidays are taken, a year-end reconciliation will be made if required (due to rate differences).
- vi. OT hours will be paid separately (in addition to base salary) based on hours worked.
- xi. No OT for 10 hrs; double time paid after 10 hours. (Payment of double time is suspended May 1, 2012 – April 30, 2015 consistent with the Banked Time letter of understanding.)
- vii. Maintenance weekend coverage employees will not normally work on stats. If worked, premiums associated with worked stats will be paid separately (in addition to base salary) at time worked.
- viii. Shift differential will be paid for hours worked on this schedule as per the Collective Agreement.

f. 8 Hour Day Shift Schedule:

- i. Will be followed by Woodroom, Shipping
- ii. Annual salary calculation based on:
hours to be worked (at 40 hrs/wk) + floaters (40 hrs) + vacation entitlement at card rate or % from previous year (whichever is greater) + stat pay (56 hours)
- iii. When supplemental holidays are taken, a year-end reconciliation will be made if required (due to rate differences).
- iv. OT hours will be paid separately (in addition to base salary) based on hours worked at rate of job being performed.
- v. Shipping dayshift positions: Mon.- Fri.; 8hrs
- vi. Woodroom: Mon.- Fri.; 8hrs
- vii. Dayshift operating department employees will not normally work on stats. If worked, premiums associated with worked stats will be paid separately (in addition to base salary) at time worked.

4. Leave Scheduling:

a. Maintenance (excluding 5 Shift Mtce):

- i. Time off will be granted based on a max. of 1 in 3 off, all time off included (including floaters).
- ii. Time off will be granted by trade.
- iii. Pre-booking of leave time will continue. After May 1, allotment of leave time will be on a first come, first serve basis, until Dec 15. Any leave remaining unscheduled as of Dec 15 will be scheduled for the employee.
- iv. 7 day advance notice of floater above 1 in 3 not allowed.
- v. Total and annual outages will be blocked out for all leave.
- vi. Personal leave will be considered only after an employee has used all paid time off (not including FRL). FRL days will remain unpaid.
- vii. Any request above the 1 in 3 ratio will be waitlisted. Waitlisted requests may only be approved by the Maintenance Manager.

b. Dayshift Operating Departments:

- i. Time off will be granted based on a max. of 1 in 3, all time off included (including floaters).
- ii. Time off will be granted based on the following areas: WR, Shipping, Stores/DS PPO.
- iii. 7 day advance notice of floater above 1 in 3 not allowed.
- iv. Any leave remaining unscheduled as of Dec 15 will be scheduled for the employee.
- v. Total and annual outages will be blocked out for all leave.
- vi. Personal leave will be considered only after an employee has used all paid time off (not including FRL). FRL days will remain unpaid.
- vii. Any request above the 1 in 3 ratio will be waitlisted. Waitlisted requests may only be approved by the Operations Director.

viii. If required, students will be hired to provide peak vacation coverage (operations- shift or day positions) provided there are no members of Local 592 on lay-off. A waiver will be provided by Local 592 for this hiring.

5. OT / Stats:

- i. Reference to double time in this item will be suspended May 1, 2012 – April 30, 2015 consistent with the Banked Time letter of understanding.
- ii. OT and stat holiday time worked may be banked as per the current banking rules for use for early retirement only (an employee may only take this banked time immediately prior to their retirement date). In the event that an employee leaves the company prior to retirement, these banks shall be paid out as per the current collective agreement.
- iii. If an employee elects not to bank OT hours, they will be paid according to the following schedule:

Dayshift – 8 hour shifts	OT paid at time and a half for hours after 8, double time after 9
Dayshift – 9 hour shift	Double time after 9 hours
Dayshift – 10 hour shifts	Double time after 10 hours
12 hour shifts	Double time after 12 hours

- iv. If an employee elects not to bank stat holiday time worked, they will be paid at an additional time and a half (double time for Christmas stats) above the salaried pay.
- v. All existing banked time (OT, stats, COM bank) must be taken by the date of implementation of the new shift schedules or will be paid out at straight time on that date.
- vi. There will be no deferring of stats permitted.

6. Additional Qualifications (Maintenance):

- i. Wages, tuition, living out allowance, travel as per current apprenticeship guidelines will be paid for employees to gain up to 2 additional, industry-related IPs or recognized diploma courses as approved by the apprenticeship committee.
- ii. Pay will be as per apprenticeship guidelines. Training that is done during an employee's time off will be paid at straight time.

7. Additional Qualifications (Operations):

- i. Permanent carded employees will be paid the rate of the senior position that they are trained for and will be required to maintain competency in these positions (up to 2 above). As such, employees will rotate among positions on a tour basis. This rotation schedule is subject to review and revision by mutual agreement.

CTMP: Peroxide Operator and CTMP II trained to CTMP I

Steampant: CRE's rotate with ASE, ticketed 3rd's below rotate up to CRE, ticketed 4th's rotate up to ET (provided no grandfathered person there)

Shipping: Day drivers / Auto-utility / Sweeper positions will be rotated (after Distribution Strategy implemented)

Woodroom: Employees will rotate all positions within either boom or woodroom LOP.

- ii. Any leadhand positions will not be rotated.
- iii. No freezing will be permitted unless medically required.

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.

Gate Hires:

- The intent of the Gate Hire procedure is to augment mill crews during maintenance days, annual and total outages and short term projects. Gate hires will be Union employees and will be subject to the terms of the Collective Agreement. However, they will not accrue seniority, or have recall rights. They will be paid in accordance with Exhibit A – Job Categories and Wage Rates for hours of work performed and will pay union dues from the date of hire. They will not be eligible for benefits or variable pay.
- Gate hiring is not a procedure to replace apprentices.

- Gate hires will be indoctrinated. Indoctrination will remain current as long as the employee works a minimum of 1 day/month or 15 days/yr.
- Gate hires will be authorized to use their ticketed skills (eg: forklift, manlift, Port Alberni crane training, Hilti, Port Alberni fire watch, Port Alberni confined space).
- Gate hire call ins will be done by the HR Coordinator. The Maintenance Manager will authorize the number of employees being called in.
- Gate hires will be called in based on their resumes the first time and based on ratings as completed by Supervisor with tradesperson input after that. Lay off forms will be filled out each time the employees are laid off.
- The Union will receive a weekly report of gate hires that have been/are in the mill.
- Gate hires will not be used for > 30 consecutive working days without Union authorization. Planned projects > 30 consecutive days will be reviewed with the Union as per Supplemental Item 47 - Temporary Trades.
- Permanent mill employees will be given preference to pre-scheduled OT within their working area (whether home area or assigned area for maintenance shuts) prior to the OT being offered to gate hires. Once in the mill, gate hires will be treated as mill employees for OT purposes with regard to job continuation.
- Laid off employees will be given first right of refusal to work prior to gate hires being used, provided they can perform the work or be trained to do so in a reasonable time frame. Flexibility will be utilized to ensure laid off employees are given opportunity to be recalled prior to the use of gate hires.

Hourly Supervisors / Planners / Working Leadhands:

- Seniority will not be the determining factor in the selection of the successful applicants for these positions.
- The selection process of these positions will be joint; applicants will be required to pass relevant Catalyst training courses.
- Employees filling these roles will be paid 10% above card rate.

Vending Machines:

- The use of POU vending machines will be implemented throughout the mill. These vending machines will be owned, serviced and stocked by vendors. Mill employees may be assigned to stock these machines as required.

Variable Pay:

- Variable pay will be based on 3 targets:
 - Safety – LTF < 1, MIR < 3
 - Attendance – absenteeism < 4%
 - Labour costs of < \$80/tonne (excl. variable pay)
- Variable pay will be paid at 10% of earnings above \$200/t EBITDA, up to \$10,000/year/employee - for both staff and hourly employees.
- Will be paid annually directly to the employee (active employees only; pro-rated for the period of time at work).
- This variable pay program will replace the current Newsprint Price Trigger Bonus.