# LABOUR AGREEMENT 2012-2017



**BETWEEN** 



**Crofton Division** 

AND



COMMUNICATION, ENERGY and PAPERWORKERS UNION LOCAL 1132

# CROFTON LABOUR AGREEMENT 2012-2017

This AGREEMENT made this 10th day of March, 2012

#### BFTWFFN:

#### Catalyst Paper - Crofton Division

(hereinafter referred to as the Company)
PARTY OF THE FIRST PART

- AND -

## Communications, Energy and Paperworkers Union, Local 1132

(hereinafter referred to as the Union)
PARTY OF THE SECOND PART

WITNESSETH

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## AGREEMENT BETWEEN CATALYST PAPER – CROFTON DIVISION

AND THE

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION, LOCAL 1132

## **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 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 his/her responsibilities and obligations under this Agreement.

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

### 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 Code

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/her occupation or employment or in respect of his/her 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
  - no employment agency shall refuse to refer him/her for employment, unless reasonable cause exists for such refusal for discrimination.
- (2) For the purposes of subsection (1),
  - a) the race, religion, colour, age, marital status, ancestry, place or origin, or political belief of any person or class of persons shall not constitute reasonable cause;
  - b) a provision respecting Canadian citizenship in an Act constitutes reasonable cause:
  - the sex of any person shall not constitute reasonable cause unless it relates to the maintenance of public decency;
  - a conviction for a criminal or summary conviction charge shall not constitute reasonable cause unless such charge related 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, employees will retain all of his/her rights under the Collective Agreement.

## **ARTICLE II - DEFINITIONS**

Wherever used in this Agreement, including Exhibits:

The word EMPLOYEES means all persons on the payroll of the Company named in this Agreement, excepting: those engaged in administration, in actual supervision, in sales, engineering, technical and research, accounting, clerical, stenographic and other office work, or watchmen's functions excluding those employed on jobs listed in Exhibit "A"

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

- a) 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/she are usually employed, his/her 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.
- b) 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., in the particular mill.
- c) The word WEEK means a period of seven (7) calendar days beginning at 8:00 a.m. Sunday or at the regular hour of changing shifts nearest to 8:00 a.m.
- d) GRIEVANCE, DISPUTE or COMPLAINT means any difference between the persons bound by this Agreement concerning its interpretation, application, operation, or any alleged violation thereof, and PARTY means either one of the parties to this Agreement.

#### ARTICLE III - BARGAINING AGENCY

#### Section 1: Recognition

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

#### 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/ her 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 forty (40) days after becoming employed by the Company.

### Section 3: Discharge of Non-Members

Any employee who fails to maintain his/her 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/her membership in good standing.

## Section 4: Application for Membership

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

#### Section 5: Union Dues Deduction

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

#### **ARTICLE V - STANDING COMMITTEE**

A Standing Committee shall be maintained in the following manner:

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

#### **ARTICLE VI - HOURS OF WORK**

#### Section 1: Basic Work Week

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

#### Section 2: Overtime

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

## a) Day Workers

- 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.
- ii) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive straight time hours.
- iii) For work performed on an employee's designated day off as provided for in Section 3 herein.
- iv) 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.
- v) 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.

#### b) Tour Workers

- 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.
- ii) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive hours except:
  - 1. when such work in excess of eight (8) hours is caused by change of shifts,
  - overtime work by special arrangement between a Tour Worker and his/her mate to exchange shifts with the approval of his/her Supervisor, and when this can be accomplished without additional cost or penalty to the Company.
- iii) 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.
- iv) For work performed on an employee's designated day off as provided for in Section 3 herein.
- v) 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.
- vi) In the payment of overtime on the basis provided above, the one basis which results in the payment of the largest amount of overtime shall be used.

## c) 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.
- Day Workers who work in excess of ten (10) hours in a day shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of ten (10) hours in a day and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.
- iii) When the banked time off is requested in writing seven (7) days in advance, employees shall receive written notice of the disposition of his/her request a minimum of seventy-two (72) hours prior to the requested time off. The payment of overtime shall not be a factor in canceling approved time off.

## Section 3: Days Off and Schedule of Shifts

- (a) 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:
  - 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 his/her 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/her 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/her previously established shift schedule.

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

(d) Where an employee is temporarily off work because of a shutdown of his/her 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/her 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/ her place. At the end of a shift no Tour Worker shall leave his/ her place to wash up and dress until his/her mate has changed his/her clothes and reported to take on responsibility of the position.

If a Tour Worker does not report for his/her regular shift, his/her mate shall notify the Foreman. He/she shall remain at his/her post until a substitute is secured, and, if necessary, he/she 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/her regular shift, unless he/she have already arranged with his/her Foreman for a leave of absence. If unavoidably prevented from reporting, he/she must give notice to his/her Foreman, or at the office, if reasonably possible, at least four (4) hours before his/her tour goes on duty.

#### (b) Day Workers

Day Workers shall be at his/her respective post ready to begin work at the time his/her pay starts and shall not quit work in advance of the time his/her pay stops. For example, if a Clothing Man's pay time is from 8:00 a.m. to 12:00 noon, and from 12:30 p.m. to 4:30 p.m., he/she shall be at his/her post ready to work at 8:00 a.m. and 12:30 p.m. and shall not quit work until 12:00 noon and 4:30 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/she 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/her 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/she continues to work, a meal which shall be hot if practicable, shall be provided every four (4) hours thereafter.

#### (c) All Workers

Any employee called in for an emergency before his/her shift commences, without time to arrange for his/her 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 reduction of May 1, 2011 wage rates by 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 Differentials

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

Date	Base Rate
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

#### (a) Tour Workers

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

8:00 a.m. to 8:00 p.m.	2.50%
8:00 p.m. to 8:00 a.m.	4.25%

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

8:00 a.m. to 4:00 p.m.	2.00%
4:00 p.m. to 12:00 a.m.	3.55%
12:00 a.m. to 8:00 a.m.	4.50%

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

4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

## (b) Day Workers

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

4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

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

## (c) All Employees

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

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

#### Section 2: Where Shift Commenced

In any case where an employee has commenced his/her regular scheduled shift, he/she 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/her 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 WorkFor any work performed on a holiday as specified in Article XVII.
- (d) Assignment of work not connected with the initial call-in When a day worker is required to report for work in accordance with (a), (b) or (c) above, he/she shall receive one (1) additional

Call Time payment if the initial call-in was to perform emergency work and he/she are then required to perform work other than that which necessitated the call-in.

(e) Maintenance / Day Worker Start Times

The company may alter the start time of an emplyee from the regular shift start/stop time by up to two (2) hours (no earlier than 6 A.M.).

(f) Day Workers called in after twelve midnight

The Company will cooperate with any day worker called in after twelve midnight to ensure that this work does not preclude them working his/her 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/her supervisor. No penalty shall apply to the Company as a result of such an arrangement.

## 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 his/her regular tour and are dismissed before his/her 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 his/her shift is scheduled to begin and work through into his/her regular shift he/she shall be paid for the time worked plus three (3) hours. If tour workers are asked to remain after his/her shift is scheduled to end, to put on a Fourdrinier Wire, he/she 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 his/her 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 his/her own during his/her regular shift, shall receive three (3) hours extra time, but in no case shall more than three (3) hours extra time be allowed.

#### **ARTICLE XII - JURY DUTY**

## **Section 1: Wage Compensation**

Any regular full time employee who is required to report for Jury Selection, Jury Duty, Coroner's Inquest or who is subpoenaed to serve as a witness in a court action, save and except actions involving the Company or Trade Unions, unless subpoenaed by the Crown, on a day when he/she would normally have worked, will be reimbursed by the Company for the difference between the pay received in such duty and his/her regular straight time hourly rate of pay for his/her 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/her straight time rate of pay for his/her 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/she shall be compensated at his/her regular straight time hourly rate for hours lost from his/her 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/her 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: 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 3: Other Leave

Granting of leave is a matter between the employees and the mill management. The Company will consider length of service and will endeavor 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 40 hours of actual work performed during the preceding vacation period provided no vacation of less than one day will be granted.	3% 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 *.	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

\* 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; Banked Days Off and Days Off in lieu of work performed on a Statutory Holiday.

## **Section 2: Payment on Termination**

In the event an employee's employment terminates either before he/she becomes entitled to a vacation with pay, or, being entitled to it, before he/she takes it, he/she shall be paid on termination 3%, 5%, 7%, 9%, 11% or 13% (depending on whether he/she belong in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of his/her wages earned during the period of employment ending with his/her termination in respect of which no vacation or vacation pay to which he/she remain 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) Vacations with pay are not cumulative and must be taken during the vacation except as provided below:
  - (i) Vacations earned under Section 4(d) below.
  - (ii) (1) At the start of the vacation year, employees may elect to receive all, part of, or none of his/her vacation pay in advance in full weekly increments.
    - (2) Employees shall have the option at any time during the vacation year to bank paid vacation entitlement in excess of the statutory minimum to a maximum of 2 weeks per year for which the vacation pay advance has not been paid. Employees may accumulate a maximum of 6 weeks vacation in the bank.
    - (3) Banked vacations must be taken prior to retirement and will be paid at the employee's current rate of vacation pay at the time when taking the banked vacation time off.

- (d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.
- (e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- (f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavor by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.
- (g) Time not exceeding one (1) year, lost as the result of an accident recognized as compensable by WorkSafeBC, suffered during the course of employment, shall be considered as time worked for the purpose of qualifying for vacation. Time exceeding one (1) year shall be recognized as uninterrupted service for the purpose of establishing vacation time off, 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 Company 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) 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/her "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/she are entitled, become eligible to receive a Supplementary Vacation with pay each five (5) years as set forth below:

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

(b) For the purpose of determining eligibility for Supplementary Vacation, an employee's service shall be calculated from the date of his/her 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/her 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/her 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/she must advise the Company, in writing, of his/her 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/her 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 seven (7) days in advance of the statutory holiday and provided that a trained volunteer can be found to replace them 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). If the Mill is not operating, employees required to work will be paid in accordance with Section 4 of this Article.

## 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/her straight time hourly rate. Such time off shall be treated in the same manner as a Special (Personal) Floating Holiday.

## Section 5: Employee's Day Off Falls on a Statutory Holiday

An employee will have the option of taking equivalent time off if a Statutory Holiday falls on the employee's regular day off.

## **Section 6: Qualifying Conditions**

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

- (a) The employee must have been on the payroll for not less than the sixty (60) days just preceding the holiday and must have previously qualified for a statutory holiday as provided in (d) below, and
- (b) The employee must have worked at least one (1) day during the sixty (60) day qualifying period just preceding the holiday, and
- (c) The employee must have worked his/her scheduled work day before, and his/her scheduled work day after, such holiday, unless failure to work his/her scheduled work day before or after the holiday was due to any of the following events:
  - (i) When the employee is on his/her regular authorized paid vacation;
  - (ii) When the employee is unable to work by reason of an industrial accident as recognized by WorkSafeBC or nonoccupational 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/her 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/she have 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 WorkSafeBC, 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 WorkSafeBC compensation or non-occupational sickness or injury for a period of up to but not exceeding one (1) year from the date of his/her sickness or injury.
- (f) It is understood and agreed, however, that an employee shall not receive the above provided holiday pay if he/she have 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 him/her working on such holiday.

## ARTICLE XVIII - SPECIAL (PERSONAL) FLOATING HOLIDAYS

## **Section 1: Floating Holidays**

There shall be granted annually five (5) Special (Personal) Floating Holidays with pay to regular full-time employees, such special holidays to be arranged at a time suitable to the employee and the Company and shall be taken prior to June 30 following the contract year in which the holidays were granted, so that there will be no loss of production.

## **Section 2: Qualifying Conditions**

For each Special (Personal) Floating Holiday taken, a Day Worker will be granted eight (8) hours pay on the straight time rate of the employee's regular job (Tour Workers on the Compressed Work Week will be granted twelve (12) hours' pay on the employee's straight time rate) 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/her first Special (Personal) Floating Holiday and on the payroll for one hundred and eighty (180) days to qualify for his/her 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/her 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 Industry Pension Plan and the Pulp and Paper Industry Trust Agreement made effective July 1, 1975 and as amended from time to time.

#### Section 2: Contributions

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

Company 10% Employee 8%

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.

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

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

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

#### **ARTICLE XXI - SENIORITY**

## **Section 1: Principles**

(a) The Company recognizes the principles of seniority in its 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/she has acquired experience by providing relief.

If an employee is moved out of a line of progression for any reason, the Company will not require re-testing of the employee for them 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/her 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 year's 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/her last address reported to and received by the mill shall result in his/her termination of employment with the Company. Bona fide reasons for failure to report shall not deprive an employee of his/her 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 Local Union training provisions of up to fifteen (15) days;
- (f) Where a layoff results from a permanent partial plant closure or 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/her 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/her 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/ her welfare coverage extended by one month for each month in which he/she work.
- (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/her employment.
- (f) An employee will qualify for a new period of welfare coverage as provided in paragraphs (a) and (b) above if he/she returns to work for at least ten (10) days within a floating period of thirty (30) consecutive days.

#### **ARTICLE XXII - JOB SECURITY**

## Section 1: Objective

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

#### Section 2: Definition

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

#### Section 3: Joint Committee

A joint committee on automation will be established which shall consist of three (3) persons representing the Company and three (3) persons representing the Union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the mill and to make such recommendations as are agreed upon, to the local General 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/her 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/she will be paid an adjusted rate which will be midway between the rate of his/her regular job at the time of the set-back and the rate of his/her new regular job. At the end of this twelve (12) month period, the rate of his/her new regular job will apply. However, such employee will have the option of terminating his/her employment and accepting severance pay as outlined in Section 6(a) below, provided he/she exercise 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/her employment and accepting severance pay as outlined in Section 6(a) below if the job should be proved to be unsuitable, provided he/she exercise his/her 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/her 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 Allo	wance
	Weeks per year of service	% of Earnings
1st twenty years	2	4%
Subsequent years	1	2%

Maximum Severance Allowance 52 weeks\* 2080 hours

For employees with a minimum of one (1) year's employment during his/her last period of continuous service, severance allowance shall not be less than four (4) week's pay.

At the time of separation the employee shall have the option of receiving his/her severance allowance on termination, or he/she may elect to have his/her severance allowance held in abeyance for up to one year from the date of termination. He 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 an employee renounces the right of recall during this period, the employee will be terminated and his/her severance allowance paid forthwith with all seniority and recall rights being forfeited.

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

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

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

## Section 7: Training

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

## ARTICLE XXIII - PERMANENT MILL CLOSURE

#### Section 1: Notice

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

#### Section 2: Severance Allowance

Such employees shall be entitled to a severance allowance of two (2) weeks 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) year's employment during his/her last period of continuous service, severance allowance shall not be less than four (4) week's 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.

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

#### **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:

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

Such employee must elect his/her option within thirty (30) days of notification that his/her loss of employment is permanent. If Option (b) 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 Allowa	ince
	Weeks per year of service	% of Earnings
1st twenty (20) years	2	4%
Subsequent years	1	2%
MAXIMUM SEVERANCE ALLOWANCE	52 weeks*	2080 hours

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

For employees with a minimum of one (1) year's employment during his/her last period of continuous service, severance allowance shall not be less than four (4) week's pay.

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

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

At the time of separation the employee shall have the option of receiving his/her 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 an employee renounces the right of recall during this period, the employee will be terminated and his/her severance allowance paid forthwith with all seniority and recall rights being forfeited.

## **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.

- (b) 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 work force, the Committee will also meet quarterly to make recommendations regarding the utilization of the mill maintenance work force to minimize the use of contractors, both inside and out of the mill.
- (c) The Company will not bring a contractor into the mill:
  - (i) which directly results in the layoff of employees, or
  - (ii) to do the job of employees on layoff, or
  - (iii) to do the job of a displaced employee working outside his/ her job category.
- (d) It is not the intent of the Company to replace its regular work force through the use of contract firms.

For greater clarity it is agreed that:

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

## ARTICLE XXVI - FLEXIBLE WORK PRACTICES

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

## ARTICLE XXVII - COMPRESSED WORK WEEK

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

## ARTICLE XXVIII - SAFETY AND OCCUPATIONAL HEALTH

### **Section 1: Principle**

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

## **Section 2: Joint Safety Committee**

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

#### **Section 3: Safety Education**

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

The Company undertakes to promote safety and occupational health education among all its employees in an effort to overcome accidents and occupational health problems.

## Section 4: Joint Labour / Management Safety Conference

- (1) A Joint Labour / Management Safety Conference of two (2) days will be held annually.
- (2) It shall be the basic principle of this Conference to assist the delegates in the development of an effective safety program through the promotion and implementation of best practices for an effective safety program in each mill.

- (3) To accomplish the implementation of an effective safety program in the mill, each Local Union shall have two (2) delegates in attendance at the safety conference. The two (2) delegates shall be compensated by their respective employer for any loss of wages. Travel and hotel expenses of the delegates shall not be paid by their respective employers.
- (4) A senior management representative shall attend the conference. Senior company officials and representatives of WorkSafeBC 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.

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

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

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

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

## 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 they may then initiate a grievance.

#### Section 1: Grievance Procedure

Step One -

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

Step Two -

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

Step Three -

If there is no satisfactory resolution at second step then either party may, within seven (7) days, refer the question to the Standing Committee by advising the chairpersons 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 General Manager will then have thirty (30) days to deal with, and answer, the grievance. Either party may elect to involve outside help at this step such as a regional Union representative and/or a Management representative from outside of Crofton.

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 endeavor 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/she shall meet and hear evidence of both sides and render a decision within fifteen (15) days after he/she has concluded his/her 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 them 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/she 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 Company and the Union. 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 themself 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 endeavor 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/her decision and his/her 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 subsection (2) of Section 50 of the Labour Relations Code of British Columbia is hereby excluded.

## Section 3: Notice of Re-opening

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

- either party desiring any change shall mail to other party notice in writing, by registered mail, on or after January 1, 2017 but in any event no 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 Senior. Vice President, Human Resources (or their representative)

## Section 4: Collective Bargaining

If notice of desire for changes has been given in accordance with Section 3 above, the parties shall, as soon as agreeable to the parties following such date of notice, meet for collective bargaining, the Company being represented in such negotiations by a Bargaining Committee appointed by the Company, and the Union being represented by a Bargaining Committee selected by the Union. Any agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this Agreement. If such negotiations cannot be completed prior to the May 1 following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to the said May 1.

#### Section 5: Termination

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

10th day of March 2012

Catalyst Paper –Crofton Division P.O. Box 70 Crofton, BC by:

Steve Boniferro, Senior Vice President, Human Resources

Robert Stepusin, Senior Vice President, Business Improvement

Communications, Energy and Paperworkers, Local 1132 as certified bargaining agency of the employees by:

Fraser McQuarrie

Bruce Ronald

## EXHIBIT "A" – JOB CATEGORIES AND WAGE RATES

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

#### 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 1/15	May 1/16
LABOUR RATE	24.780	24.780	24.780	25.280	25.790

#### MACHINE ROOM

No. 1 Paper Machine - News (Rates - Bracket 75) (Width of Machine 270")

Machine Tender	39.885	39.885	39.885	40.685	41.500
Back Tender	36.710	36.710	36.710	37.445	38.195
Winderman	33.590	33.590	33.590	34.260	34.945
Fourth Hand	29.250	29.250	29.250	29.835	30.430
Fifth Hand	28.050	28.050	28.050	28.610	29.180

No. 2 Paper Machine - News (Rates - Bracket 85) (Width of Machine 270")

Machine Tender	40.650	40.650	40.650	41.465	42.295
Back Tender	37.460	37.460	37.460	38.210	38.975
Winderman	34.360	34.360	34.360	35.045	35.745
Fourth Hand	29.760	29.760	29.760	30.355	30.960
Fifth Hand	28.530	28.530	28.530	29.100	29.680

	No. 3 Paper Machine - News (Width of Machine 330")	<b>May</b> <b>1/12</b> (Rates - Br	May 1/13 acket 98)	May 1/14	May 1/15	May 1/16
	Machine Tender Back Tender Winder Man Fourth Hand Fifth Hand	41.665 38.465 35.365 30.435 29.195	41.665 38.465 35.365 30.435 29.195		42.500 39.235 36.070 31.045 29.780	43.350 40.020 36.790 31.665 30.375
	OCK PREPARATION  9) Stock Preparation  ) Shift Utility		31.800 H 25.180 E			
(2	STERS  0) Day Tester Leadhand  0) Day Tester	29.260 E 28.360 E	29.260 E 28.360 E	29.260 E 28.360 E		
(2	NISHING ROOM  3) Inventory Coordinator  2) Wrap Line Operator  ) Shift Utility	29.720 E	29.950 E 29.720 E 25.180 E	29.720 E	30.315 E	30.920 T
	.,	32.960 E 29.260 E 26.735 E		32.960 E 29.260 E 26.735 E	29.845 E	30.440 E

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

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Bracket Number		B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND	Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710	51	36.250	33.940	30.825	27.545	26.500	25.585
82 83	40.430 40.525	37.235 37.305	34.125 34.205	29.615 29.655	28.375 28.410	26.735 26.750	52 53	36.355 36.565	34.050 34.160	31.020 31.090	27.655 27.720	26.565 26.600	25.590 25.610
84	40.580	37.400	34.290	29.720		26.800	54	36.685	34.270	31.205	27.720	26.630	25.610
85	40.650	37.460	34.360	29.760	28.530	26.815	55	36.820	34.360	31.305	27.795	26.685	
86	40.755	37.550	34.440	29.830	28.570		56	36.955	34.430	31.370	27.850	26.765	25.645
87	40.815 40.885	37.635 37.700	34.525 34.580	29.865 29.920	28.630 28.680	26.855 26.875	57	37.085	34.525	31.510	27.870	26.785	25.670
88 89	40.885	37.700	34.580	29.920		26.875	58 59	37.195 37.320	34.600 34.710	31.570 31.675	27.910 27.970	26.820 26.845	25.670 25.715
90	41.040	37.770	34.745	30.045	28.790		60	38.200	35.465	32.360	28.550	27.415	
91	41.130	37.925	34.805	30.080	28.835	26.955	61	38.335	35.565	32.460	28.620	27.435	26.290
92	41.205	38.000	34.915	30.115	28.890		62	38.485	35.660	32.555	28.640	27.490	26.300
93	41.275	38.070	34.975	30.170	28.925		63	38.595	35.735	32.630	28.680	27.510	26.305
94	41.355	38.165	35.050	30.220	29.000	27.065	64	38.735	35.815	32.710	28.720	27.545	26.310
95	41.435	38.225	35.140	30.275	29.030	27.070	65	38.825	35.910	32.780	28.765	27.605	26.350
96	41.490	38.320	35.215	30.330	29.085		66	38.970	35.975	32.870	28.825	27.640	26.350
97	41.575	38.380	35.280	30.385	29.140	27.125	67	39.100	36.085	32.935	28.840	27.655	26.385
98	41.665	38.465	35.365	30.435		27.150	68	39.230	36.160	33.010	28.885	27.695	26.385
99 100	41.735 41.830	38.540 38.605	35.440 35.530	30.485 30.535		27.200 27.210	69	39.350	36.220	33.100	28.910	27.705	
100	41.830	38.003	33.330	30.535	29.270	27.210	70	39.485	36.300	33.175	29.000	27.765	26.395
101	41.895	38.690	35.620	30.580	29.305		71	39.555	36.395	33.255	29.035	27.830	26.435
102	41.995	38.755	35.685	30.645		27.250	72	39.665	36.470	33.360	29.095	27.870	26.450
103	42.060	38.825	35.755	30.715	29.415		73	39.735	36.550	33.440	29.170	27.925	26.490
104	42.135	38.920	35.845	30.755		27.310	74	39.800	36.615	33.505	29.230	27.960	26.505
105	42.215	38.985	35.925	30.790	29.520	27.345	75	39.885	36.710	33.590	29.250	28.050	26.535
106	42.295	39.060	36.000	30.835	29.550		76	39.980	36.795	33.680	29.295	28.085	26.575
107	42.370	39.130	36.085	30.905		27.390	77	40.040	36.850	33.735	29.365	28.125	26.580
108	42.455	39.215	36.160	30.955		27.420	78	40.125	36.955	33.830	29.405	28.175	26.595
109	42.520	39.285	36.235	31.005	29.690	27.445	79	40.205	36.995	33.885	29.470	28.205	26.620
110	42.615	39.370	36.315	31.050	29.760	27.480	80	40.285	37.090	33.995	29.520	28.275	26.665

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## BC NEWSPRINT SCHEDULE May 1, 2014

Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND	racket umber	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710	51	36.250	33.940	30.825	27.545	26.500	25.585
82	40.430	37.235	34.125	29.615	28.375	26.735		36.355	34.050	31.020	27.655		25.590
83	40.525	37.305	34.205	29.655	28.410	26.750	53	36.565	34.160	31.090	27.720	26.600	25.610
84	40.580	37.400	34.290	29.720	28.475	26.800	54	36.685	34.270	31.205	27.760	26.630	25.610
85	40.650	37.460	34.360	29.760	28.530	26.815	55	36.820	34.360	31.305	27.795	26.685	25.645
86	40.755	37.550	34.440	29.830	28.570	26.830	56	36.955	34.430	31.370	27.850	26.765	25.645
87	40.815	37.635	34.525	29.865	28.630	26.855		37.085	34.525	31.510	27.870		25.670
88	40.885	37.700	34.580	29.920	28.680	26.875		37.195	34.600		27.910		25.670
89	40.985	37.770	34.680	29.950		26.925		37.320	34.710		27.970		25.715
90	41.040	37.850	34.745	30.045	28.790	26.945	60	38.200	35.465	32.360	28.550	27.415	26.210
91	41.130	37.925	34.805	30.080	28.835	26.955	61	38.335	35.565	32.460	28.620	27.435	26.290
92	41.205	38.000	34.915	30.115	28.890	26.995	62	38.485	35.660	32.555	28.640	27.490	26.300
93	41.275	38.070	34.975	30.170		27.015	63	38.595	35.735	32.630	28.680	27.510	26.305
94	41.355	38.165	35.050	30.220	29.000	27.065		38.735	35.815	32.710	28.720	27.545	
95	41.435	38.225	35.140	30.275	29.030	27.070	65	38.825	35.910	32.780	28.765	27.605	26.350
96	41.490	38.320	35.215	30.330	29.085	27.095	66	38.970	35.975	32.870	28.825	27.640	26.350
97	41.575	38.380	35.280	30.385	29.140	27.125	67	39.100	36.085	32.935	28.840	27.655	26.385
98	41.665	38.465	35.365	30.435	29.195	27.150	68	39.230	36.160	33.010	28.885	27.695	26.385
99	41.735	38.540	35.440	30.485	29.245		69	39.350	36.220	33.100	28.910	27.705	26.395
100	41.830	38.605	35.530	30.535	29.270	27.210	70	39.485	36.300	33.175	29.000	27.765	26.395
101	41.895	38.690	35.620	30.580	29.305		71	39.555	36.395	33.255	29.035	27.830	26.435
102	41.995	38.755	35.685	30.645	29.375			39.665	36.470	33.360	29.095	27.870	26.450
103	42.060	38.825	35.755	30.715	29.415	27.295		39.735	36.550	33.440	29.170	27.925	26.490
104	42.135	38.920	35.845	30.755	29.475			39.800	36.615	33.505	29.230		26.505
105	42.215	38.985	35.925	30.790	29.520	27.345	75	39.885	36.710	33.590	29.250	28.050	26.535
106	42.295	39.060	36.000	30.835	29.550	27.375	76	39.980	36.795	33.680	29.295	28.085	26.575
107	42.370	39.130	36.085	30.905		27.390		40.040	36.850	33.735	29.365	28.125	26.580
108	42.455	39.215	36.160	30.955	29.650	27.420		40.125	36.955	33.830	29.405		26.595
109	42.520	39.285	36.235	31.005		27.445		40.205	36.995	33.885	29.470		26.620
110	42.615	39.370	36.315	31.050	29.760	27.480	80	40.285	37.090	33.995	29.520	28.275	26.665

## BC NEWSPRINT SCHEDULE May 1, 2015

Bracket Number		B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND	Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	40.360	37.180	34.060	29.550	28.340	26.710	51	36.975	34.620	31.440	28.095	27.030	26.095
82	40.430	37.235	34.125	29.615	28.375	26.735	52	37.080	34.730	31.640	28.210	27.095	26.100
83	40.525	37.305	34.205	29.655	28.410	26.750	53	37.295	34.845	31.710	28.275	27.130	26.120
84	40.580	37.400	34.290	29.720	28.475	26.800	54	37.420	34.955	31.830	28.315	27.165	26.120
85	40.650	37.460	34.360	29.760	28.530	26.815	55	37.555	35.045	31.930	28.350	27.220	26.160
86	40.755	37.550	34.440	29.830	28.570	26.830	56	37.695	35.120	31.995	28.405	27.300	26.160
87	40.815	37.635	34.525	29.865	28.630	26.855	57	37.825	35.215	32.140	28.425	27.320	26.185
88	40.885	37.700	34.580	29.920	28.680	26.875	58	37.940	35.290	32.200	28.470	27.355	26.185
89	40.985	37.770	34.680	29.950		26.925	59	38.065	35.405	32.310	28.530	27.380	26.230
90	41.040	37.850	34.745	30.045	28.790	26.945	60	38.965	36.175	33.005	29.120	27.965	26.735
91	41.130	37.925	34.805	30.080	28.835	26.955	61	39.100	36.275	33.110	29.190	27.985	26.815
92	41.205	38.000	34.915	30.115	28.890	26.995	62	39.255	36.375	33.205	29.215	28.040	26.825
93	41.275	38.070	34.975	30.170	28.925	27.015	63	39.365	36.450	33.285	29.255	28.060	26.830
94	41.355	38.165	35.050	30.220	29.000	27.065	64	39.510	36.530	33.365	29.295	28.095	26.835
95	41.435	38.225	35.140	30.275	29.030	27.070	65	39.600	36.630	33.435	29.340	28.155	26.875
96	41.490	38.320	35.215	30.330	29.085	27.095	66	39.750	36.695	33.525	29.400	28.195	26.875
97	41.575	38.380	35.280	30.385	29.140	27.125	67	39.880	36.805	33.595	29.415	28.210	26.915
98	41.665	38.465	35.365	30.435	29.195	27.150	68	40.015	36.885	33.670	29.465	28.250	26.915
99	41.735	38.540	35.440	30.485	29.245	27.200	69	40.135	36.945	33.760	29.490	28.260	26.925
100	41.830	38.605	35.530	30.535	29.270	27.210	70	40.275	37.025	33.840	29.580	28.320	26.925
101	41.895	38.690	35.620	30.580	29.305	27.235	71	40.345	37.125	33.920	29.615	28.385	26.965
102	41.995	38.755	35.685	30.645	29.375	27.250	72	40.460	37.200	34.025	29.675	28.425	26.980
103	42.060	38.825	35.755	30.715	29.415	27.295	73	40.530	37.280	34.110	29.755	28.485	27.020
104	42.135	38.920	35.845	30.755		27.310	74	40.595	37.345	34.175	29.815	28.520	27.035
105	42.215	38.985	35.925	30.790	29.520	27.345	75	40.685	37.445	34.260	29.835	28.610	27.065
106	42.295	39.060	36.000	30.835	29.550	27.375	76	40.780	37.530	34.355	29.880	28.645	27.105
107	42.370	39.130	36.085	30.905		27.390	77	40.840	37.585	34.410	29.950	28.690	27.110
108	42.455	39.215	36.160	30.955		27.420	78	40.930	37.695	34.505	29.995		27.125
109	42.520	39.285	36.235	31.005	29.690		79	41.010	37.735	34.565	30.060	28.770	
110	42.615	39.370	36.315	31.050	29.760	27.480	80	41.090	37.830	34.675	30.110	28.840	27.200

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## BC NEWSPRINT SCHEDULE May 1, 2016

Bracket Number		B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND	Bracket Number	M.T.	B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND
81	41.165	37.925	34.740	30.140		27.245	51	37.715	35.310	32.070	28.655	27.570	26.615
82 83	41.240 41.335	37.980 38.050	34.805 34.890	30.205 30.250	28.945 28.980	27.270	52 53	37.820	35.425	32.275	28.775	27.635	26.620
84	41.333	38.150	34.690	30.315	29.045		53 54	38.040 38.170	35.540 35.655	32.345 32.465	28.840 28.880	27.675 27.710	26.640 26.640
85	41.465	38.210	35.045	30.355	29.100		55	38.305	35.745	32.570	28.915	27.765	
86	41.570	38.300	35.130	30.425	29.140	27.365	56	38.450	35.820	32.635	28.975	27.845	26.685
87	41.630	38.390	35.215	30.460	29.205		57	38.580	35.920	32.785	28.995	27.865	26.710
88	41.705	38.455	35.270	30.520	29.255		58	38.700	35.995	32.845	29.040	27.900	26.710
89	41.805	38.525	35.375	30.550	29.315		59	38.825	36.115	32.955	29.100	27.930	26.755
90	41.860	38.605	35.440	30.645	29.365	27.485	60	39.745	36.900	33.665	29.700	28.525	27.270
91	41.955	38.685	35.500	30.680	29.410	27.495	61	39.880	37.000	33.770	29.775	28.545	27.350
92	42.030	38.760	35.615	30.715	29.470		62	40.040	37.105	33.870	29.800	28.600	27.360
93	42.100	38.830	35.675	30.775	29.505		63	40.150	37.180	33.950	29.840	28.620	27.365
94	42.180	38.930	35.750	30.825	29.580		64	40.300	37.260	34.030	29.880	28.655	
95	42.265	38.990	35.845	30.880	29.610	27.610	65	40.390	37.365	34.105	29.925	28.720	27.415
96	42.320	39.085	35.920	30.935	29.665	27.635	66	40.545	37.430	34.195	29.990	28.760	27.415
97	42.405	39.150	35.985	30.995	29.725	27.670	67	40.680	37.540	34.265	30.005	28.775	27.455
98	42.500	39.235	36.070	31.045		27.695	68	40.815	37.625	34.345	30.055	28.815	27.455
99	42.570	39.310	36.150	31.095	29.830		69	40.940	37.685	34.435	30.080		27.465
100	42.665	39.375	36.240	31.145	29.855	27.755	70	41.080	37.765	34.515	30.170	28.885	27.465
101	42.735	39.465	36.330	31.190	29.890	27.780	71	41.150	37.870	34.600	30.205	28.955	27.505
102	42.835	39.530	36.400	31.260	29.965		72	41.270	37.945	34.705	30.270	28.995	27.520
103	42.900	39.600	36.470	31.330	30.005		73	41.340	38.025	34.790	30.350	29.055	27.560
104	42.980	39.700	36.560	31.370	30.065		74	41.405	38.090	34.860	30.410	29.090	
105	43.060	39.765	36.645	31.405	30.110	27.890	75	41.500	38.195	34.945	30.430	29.180	27.605
106	43.140	39.840	36.720	31.450	30.140	27.925	76	41.595	38.280	35.040	30.480	29.220	27.645
107	43.215	39.915	36.805	31.525		27.940	77	41.655	38.335	35.100	30.550	29.265	27.650
108	43.305	40.000	36.885	31.575	30.245		78	41.750	38.450	35.195	30.595	29.315	27.670
109	43.370	40.070	36.960	31.625	30.285		79	41.830	38.490	35.255	30.660		27.695
110	43.465	40.155	37.040	31.670	30.355	28.030	80	41.910	38.585	35.370	30.710	29.415	27.745

## JOB EVALUATION PLAN CONVERSION TABLE BY STEPS

Bracket Number		B.T.	WINDER	4TH HAND	5TH HAND	6TH HAND	STEP	May 1 2012	May 1 2013	May 1 2014	May 1 2015	May1 2016
0.1	41 000	20.605	25 425	20.745	20 405	27 700	BASE	24.780	24.780	24.780	25.280	25.790
81 82	41.990	38.685	35.435	30.745	29.485		1/2	24.860	24.860	24.860	25.355	25.860
	42.065	38.740	35.500	30.810	29.525		1	24.975	24.975	24.975	25.475	25.985
83	42.160	38.810	35.590 35.675	30.855 30.920	29.560	27.830	2	25.180	25.180	25.180	25.685	26.200
84	42.220	38.915					3	25.380	25.380	25.380	25.890	26.410
85	42.295	38.975	35.745	30.960	29.680	27.895	4	25.595	25.595	25.595	26.105	26.625
86	42.400	39.065	35.835	31.035	29.725	27.910	5	25.820	25.820	25.820	26.335	26.860
87	42.465	39.065	35.920	31.033	29.723		_	26.060	26.060	26.060	26 500	27 110
88	42.465	39.100	35.920	31.130	29.790	27.965	6 7	26.060	26.060	26.060	26.580 26.815	27.110
89	42.540	39.225	36.085	31.160	29.040	28.015	8	26.290 26.505	26.290 26.505	26.290 26.505	26.815	27.350 27.575
90	42.695	39.295	36.150	31.160	29.900	28.035	9	26.505	26.505	26.303	27.035	27.575
90	42.095	39.373	30.130	31.200	29.950	26.033	10	26.733	26.733	26.733	27.270	28.045
91	42.795	39.460	36.210	31.295	30.000	28.045	10	20.933	20.933	20.933	27.433	20.043
92	42.793	39.535	36.325	31.330	30.060	28.085	11	27.205	27.205	27.205	27.750	28.305
93	42.870	39.605	36.323	31.390	30.000	28.105	12	27.430	27.203	27.430	27.730	28.540
94	43.025	39.710	36.465	31.440	30.093	28.155	13	27.655	27.655	27.655	28.210	28.775
95	43.110	39.770	36.560	31.500	30.170	28.160	14	27.895	27.895	27.895	28.455	29.025
23	45.110	33.770	30.300	31.300	30.200	20.100	15	28.120	28.120	28.120	28.680	29.255
96	43.165	39.865	36.640	31.555	30.260	28.190						
97	43.255	39.935	36.705	31.615	30.320	28.225	16	28.360	28.360	28.360	28.925	29.505
98	43.350	40.020	36.790	31.665	30.375	28.250	17	28.570	28.570	28.570	29.140	29.725
99	43.420	40.095	36.875	31.715	30.425	28.300	18	28.805	28.805	28.805	29.380	29.970
100	43.520	40.165	36.965	31.770	30.450		19	29.030	29.030	29.030	29.610	30.200
100	13.320	10.103	30.303	31.770	50.150	20.510	20	29.260	29.260	29.260	29.845	30.440
101	43.590	40.255	37.055	31.815	30.490	28.335						
102	43.690	40.320	37.130	31.885	30.565	28.350	21	29.500	29.500	29.500	30.090	30.690
103	43.760	40.390	37.200	31.955	30.605	28.395	22	29.720	29.720	29.720	30.315	30.920
104	43.840	40.495	37.290	31.995	30.665	28.410	23	29.950	29.950	29.950	30.550	31.160
105	43.920	40.560	37.380	32.035	30.710	28.450	24 25	30.185	30.185	30.185	30.790 31.035	31.405
							25	30.425	30.425	30.425	31.035	31.655
106	44.005	40.635	37.455	32.080	30.745	28.485	26	30.650	30.650	30.650	31.265	31.890
107	44.080	40.715	37.540	32.155	30.810	28.500	27	30.860	30.860	30.860	31.475	32.105
108	44.170	40.800	37.625	32.205	30.850	28.530	28	31.095	31.095	31.095	31.715	32.350
109	44.235	40.870	37.700	32.260	30.890	28.555	29	31.335	31.335	31.335	31.713	32.600
110	44.335	40.960	37.780	32.305	30.960	28.590	30	31.575	31.575	31.575	32.205	32.850
								,	,			

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STEP	May 1 2012	May 1 2013	May 1 2014	May 1 2015	May1 2016	STEP	May 1 2012	May 1 2013	May 1 2014	May 1 2015	May1 2016
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**

#### I. 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.

#### II. 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":
  - a) Jobs on Newsprint Machines.
- B. Except as provided in Section 2(a) above, all jobs covered by the Crofton Labour Agreement shall be considered eligible for evaluation when presented in the manner prescribed herein to the Joint Job Evaluation Board hereinafter provided for.

#### III. Administration and Procedure

- C. Job Evaluation Directors
  - The Job Evaluation Directors shall be composed of one

     (1) representative of the Communications, Energy and Paperworkers Union and one (1) representative of Pulp and Paper Industrial Relations Forum.
  - 2. 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 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.

- to review cases of evaluation upon request of either Union or Company members of the Plant Evaluation Committees.
- d) to review the general operation of the Joint Job Evaluation Board as to methods, factors, procedures, delays, and to order such reviews or surveys of job fields as necessary. It shall also be the duty of the Job Evaluation Directors to adjudicate any disagreement which might arise in the functioning of the Plan.
- e) to direct the Joint Job Evaluation Board as to changes in methods which do not constitute basic changes. The Directors shall neither negotiate rates nor exercise any of the collective bargaining functions of the Parties to the Agreement.
- f) to recommend improvements in the Job Evaluation Plan to Administrative Committee 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.

#### D. Joint Job Evaluation Board

- The Joint Job Evaluation Board shall consist of one (1) representative of the National Union and one (1) representative of Pulp and Paper Industrial Relations Forum.
- 2. 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.

#### E. Plant Evaluation Committee

- The Mill General Manager and the Union shall create a Plant Evaluation Committee which shall consist of not less than two (2) or more than three (3) members representing the Union involved and not less than two (2) or more than three (3) members representing the Company.
- 2. 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 his/her 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.
- 3. 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.
- F. Independent Review Officer
  - The Communications, Energy and Paperworkers Union and the Pulp and Paper Industrial Relations Forum shall

- appoint an Independent Review Officer for the term of the Collective Agreement.
- 2. The Independent Review Officer shall neither be an employee of the Union, Company, nor their agencies.
- 3. The Independent Review Officer shall have the authority to render decisions on matters that have been referred to them which are appropriate under the Plan.
- The Pulp and Paper Industrial Relations Forum and the Communications, Energy and Paperworkers Union shall each pay one-half of the fees and expenses of the Independent Review Officer incurred in the adjudication of disputes.

#### IV. General Policies

- G. 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 Joint Negotiating Committee for final determination.
- H. 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.
- I. 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.

- J. 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.
- K. 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

- L. Members of the Plant Evaluation Committee or other employees in the mill who are relieved from his/her 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 his/her regular job rates for the time lost during his/her 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.
- M. 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.

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

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

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.

## I. Compliance

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

## II. Coverage and Benefits

A. Group Term Life Insurance

The Welfare Plan will include Group Term Life Insurance coverage in accordance with the Table. 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.

Accidental Death and Dismemberment coverage Schedule to reflect current insurance carriers' benefit levels.

Provide coverage for quadriplegia, paraplegia and hemiplegia at 200%.

#### 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 (WI) 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 Plan will provide benefits for loss of time as a result of attempted suicide under the Plan provisions covering other mental illnesses. Coverage also includes injury disability arising from attempted suicide.

Benefit payment will not be made beyond age 65 and in all cases, will cease on recovery. Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, he/she must reimburse the Plan once he/she receives 100% of his/her loss. One hundred percent (100%) of his/her loss includes gross wages lost.

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

First three months
Second three months
Third three months
Last three months
Last three months
Last three months

75% of Normal Premium
25% of Normal Premium
No Premium

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.

#### 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 May 1993, including Vision Care coverage for employees and eligible dependents will also form part of this Agreement.

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

The maximum benefit payable on fees for clinical psychologists will be increased to \$350 per member or dependent in any calendar year.

The maximum benefit payable on fees for acupuncture charges by a physician will be increased to \$150 per member or dependent in any calendar year.

The maximum benefit payable on fees for physiotherapist and massage practitioner will be increased to a combined maximum of \$300 per member or dependent in any calendar year.

The maximum benefit payable on fees for hearing aids for children (including maintenance, batteries or recharging devices or other such accessories) will be increased up to \$600 per child every three calendar years.

A new provision covering fees for foot orthotics up to a maximum of \$250 per member or dependent in any calendar year will be added.

The maximum payable amount on vision care will be \$350 per person in any 24 calendar month period.

#### 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				
EFFECTIVE DATE	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.

#### I. Joint Trusteed Health and Welfare Plan

The parties agree to form a committee to investigate the feasibility of a Jointly Trusteed Health and Welfare Plan. This committee will communicate its findings during the term of the renewed labour agreement.

#### III. 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.

#### IV. 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.

#### V. Changes in Classification

The regular wage rate of the employee in effect on July 1 and January 1 will determine his/her 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/her regular rate shall be deemed to be the average of the rates applicable to such jobs.

#### VI. 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 and Extended Health Benefit and Dental Plan

Company 100 % Employee Nil

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

Company	50 %
Employee	50 %

#### VII. 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.

#### VIII. 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.

#### IX. 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

#### X. Dispute Resolution Mechanism

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.

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

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

- 3. The mutually agreed upon third party shall have the right to review the claim file, require further examinations or testing of the claimant by a specialist. Costs incurred for medical examination or specialist testing shall be borne by the Employer. The costs of the third party shall be born equally by the Union and the Employer.
- 4. The Company and the Union will develop a list of six (6) mutually agreeable third parties.

- 5. The third party will endeavor to complete the assessment and reach a decision on the issue under appeal within fourteen (14) days of referral.
- 6. The decision of the third party shall be binding upon the parties and where applicable the carrier.

#### XI. Disputed WorkSafeBC Weekly Indemnity Claims

If an employee covered by the Welfare Plan suffers a disability, payment for which is in dispute with WorkSafeBC, 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/she have been off work for at least two (2) weeks due to the disability without WorkSafeBC having accepted the claim.

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

#### XII. 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.

#### XIII.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.

#### XIV. Surviving Spouse and Dependent Coverage

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

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

#### I. Benefits

A. 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)

B Preventive Services

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

Cleaning and scaling

Topical application of fluoride

Space maintainers

C. Surgical Services

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

D. 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

E. Prosthetic Repairs

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

F. Endodontics

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

G. Periodontics

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

 H. Prosthetic Appliances and Crown and Bridge Procedures Crowns and bridges.

Partial and/or complete dentures, but not more than once in five (5) years.

. 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.

#### II. Co-Insurance

In respect of Benefits (a) to (g), the Plan will provide reimbursement as follows:

Plan pays 90% of approved schedule fees.

Benefits (h) and (i) will be subject to 50% co-insurance.

# APPENDIX "2" PULP AND PAPER INDUSTRY LONG TERM DISABILITY PLAN SUMMARY

#### I. 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.

#### II. Level of Benefit

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.

The Long Term Disability Plan will assume all costs for completion of required forms to a limit of \$25.00 per form.

#### III. Elimination Period

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

#### IV. L.T.D. Benefit Payments

A. There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.

- B. Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) months service with the member pulp and paper company up to the date of onset of disability.
- C. For those who are either on W.I. or L.T.D. effective July 1, 1988, and continue to be disabled, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry them further under (b) above. At the point that he/she run out of L.T.D. benefit, he/she can elect to either retire early or go on disability pension benefit until age sixty-five (65), at which time he/she 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 them further under (b) above. At the point when he/she runs out of L.T.D. benefit. he/she will retire.

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

#### V. Definition of Total Disability

- A. The disabled employee's inability to perform the duties of his/her own occupation for the first eighteen (18) months of L.T.D. disability payments and thereafter his/her inability to perform the duties of any occupation for which he/she are 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.

#### VI. Integration with Other Disability Income

A. The benefit from this plan combined with all other disability income to which the disabled employee is entitled will not exceed 80% of the employee's regular wage rate at date of disability.

All other disability income will include: C.P.P./Q.P.P. primary disability pension benefits, WorkSafeBC 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 WorkSafeBC 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.
- C. Where an employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, he/she must reimburse the Plan once he/she receive 100% of his/her loss. One hundred percent (100%) of his/ her loss includes gross wages lost.

#### VII. 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/her 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/her straight time earnings at date of disability but in no event for more than twentyfour (24) months from the date rehabilitative employment commences

#### VIII.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.
- Pregnancy, childbirth, miscarriage or abortion. Severe complications following termination of pregnancy will however be covered.

#### IX. 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/she were not absent from work from the aforementioned accident, sickness or mental disorder.

#### X. 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.

#### XI. Terminations

Coverage will cease:

- A. On termination of employment.
- B. On a date fifty-two (52) weeks prior to an employee's 65th birth date
- C. On the date leave of absence commences except as provided for in the Collective Agreement.
- D. On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with

Section 6 of Article XXI of the Labour Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreement. In the event an employee becomes totally disabled while covered by this Plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

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

#### XII. Contribution Waiver

Contributions are to be waived when an employee is in receipt of LTD payments.

#### CONDITIONS FOR IMPLEMENTING THE PLAN

- The Long Term Disability Plan is payment in kind of the employee's share of the reduction in the Unemployment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Unemployment Insurance Regulations. The full U.I.C. premium reduction including the employee 5/12th's share will be retained by the employer.
- II. 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.
- III. Upon commencement of L.T.D. benefits all terms and conditions of the Agreement will become inoperative except where provided for in Article 4 (b), (c) and (d) below.
- IV. 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 medical, extended health and dental plans. Coverage under the 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/her seniority, qualifications and ability to perform the work properly entitle them 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.

78 79

#### STATEMENTS OF POLICY

1945 – 1952 B.C.S.L.A.

Taken from the Transcripts of Negotiations for Contract Years 1945 - 1952 inclusive

and from Memoranda issued during subsequent Wage Conferences

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#### **FOREWORD**

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

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

#### STATEMENTS OF POLICY

#### **Article II - Definitions**

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

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

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

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

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

#### **Article V - Standing Committee**

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

- (i) The general principle to be followed is that no employee's normal earnings shall be reduced by virtue of his attendance at a Standing Committee meeting.
- (ii) Employees attending meetings called while they are on duty will be paid for the time in attendance providing a meeting does not extend past the end of a shift.
  - If it does extend past the end of the shift, no allowance is made for such additional time.
- (iii) Employees attending meetings during their time off will not be paid.
- (iv) Where it is necessary to relieve an employee attending a meeting, the relief man will be paid at straight time except for any time in excess of eight (8) hours in the day which will be paid for at time and one-half.

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

#### Article VI - Hours of Work

#### (a) Section 2: Overtime

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

- (i) The hours worked on Sundays and on the recognized paid Statutory Holidays provided for in the above referred to B.C. Standard Labour Agreement will be used in the computation of the forty (40) hour work week.
- (ii) The foregoing arrangement applies only to Sunday and recognized paid Statutory Holiday hours and no other hours on which time and one-half has been paid, nor hours paid for Call Time, may be used for the purpose of calculating the forty (40) hour week.
- (iii) For the purpose of calculating overtime, the basic forty (40) hour work week shall be reduced by eight (8) hours in any week in which a recognized paid Statutory Holiday occurs. Should more than one (1) recognized paid Statutory Holiday occur in any week, the basic forty (40) hour work week shall that week be reduced by eight (8) hours for each such recognized paid Statutory Holiday. For example, in a week in which one recognized paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of thirty-two (32). Should it happen that two (2) recognized paid Statutory Holidays occur in one (1) week, then overtime will be paid for hours worked in excess of twenty-four (24) that particular week.

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

#### (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, are he/she 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

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

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

Relief of Mates. (Page 328, 1950 Transcript)

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

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

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

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

#### (b) Sunday Running

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

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

When a Day Worker is established on a job that is some distance from 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 will 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/her to five (5) hours pay, thereby meeting the requirements of Section 3. It should be made clear that an

- employee under these circumstances will not receive four (4) hours minimum pay plus Call Time, if any, but that the four (4) hours minimum pay includes the Call Time payment.
- (iii) A Day Worker normally working the 8-5 or 8-4 shift is ordered to go home at 12:00 noon and report back for work at 4:00 p.m. or 12:00 p.m. The employee in question is entitled to Call Time since his designated shift terminated at 12:00 noon and more than two (2) hours elapsed between his designated shift and his return to work.

#### **Article XVII - Statutory Holidays**

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

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

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

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

- (c) Clarification of Section 4. (Page 265, 1948 Transcript)
  - (i) In the calculation of the forty-two (42) hour work week (amended to forty (40) hours 1952-53) the payment of holiday pay will not be used unless the employee actually worked.
  - (ii) It is understood that an employee's vacation shall be exclusive of a paid holiday as recognized by the B.C. Standard Labour Agreement. Therefore, if one or more such holidays fall within the employee's vacation period, he will be required to take the comparable number of additional days off. The employee shall only receive the pay for such recognized paid holidays falling within his vacation period when he takes the required additional time off.
  - (iii) Where an employee, after having agreed to do so, fails or refuses to work on a holiday, on account of sickness, or other bona-fide reason, the Company reserves the right to investigate the absence of the employee to decide whether or not he is entitled to holiday pay.

- (iv) The sixty (60) day qualifying period referred to in Clause (a) refers to "calendar" days.
- (d) Clarification of Section 4(c). (Page 105, 1950 Transcript)

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

#### Article XXVIII - Safety and Occupational Health

**Unsafe Working Conditions.** (Page 136, 1947 Transcript)

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

#### **Article XXX - Disciplinary Action**

(a) **Notification of Union Standing Committee by Employer.** (Page 70 et seg., 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) 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 his/her employees.

#### (b) Native Indian Employment

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

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

#### LETTER OF UNDERSTANDING - FLEXIBLE WORK PRACTICES

- 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.
- The parties agree that this letter on flexible work practices recognizes that the primary responsibility for the operation of the mill will remain with operators and the primary responsibility for maintaining the mill will remain with trades persons and steam plant maintenance employees.
- 3. It is understood that the intent of this letter will supersede local practices, and verbal and written agreements which would impair the implementation of flexible work practices.
- 4. All work will be performed in a manner consistent with safety articles of the Collective Agreement as well as the Company's safety rules and the regulations issued by WorkSafeBC. 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.
- The intent of this agreement is to provide that all employees will safely utilize all of his/her existing skills and maximize his/her productivity and learn and use new skills to enhance his/her effectiveness.
- 6. The Company and the Unions 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.
- All employees will be required to complete training programs as prescribed by the Company and utilize new skills acquired as a result of training. Training will be consistent for all employees in each job classification as defined by the business areas at each site

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

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

to be implemented as follows:

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

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

The same delineation which defines who is an Operator and who is a Maintenance employee shall apply to the payment of premiums. Maintenance employees will include; employees with TQ's, steam plant maintenance employees, roll grinders, roll balancers. Jubrication 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 his/her 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 employees will lose his/her 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 his/her 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/her trade is performing his/her trade core duties.
- 14. The Company agrees that no employee's regular job rate will be reduced when he/she are 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 Presidents' Council which will make every effort to resolve these disputes in accordance with the spirit and terms of this letter.
- 17. With respect to the implementation of flexible work practices at the Catalyst Paper mills, the parties agree that they will consult with respect to ways and means to avoid jurisdictional disputes between the unions.

#### 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;
- 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 September 3, 2002

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

Dear David,

Protecting and enhancing employment in the pulp and paper industry is a joint commitment of the Company and the Union. The Company and the 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.

- The Company and the Union will establish a joint committee on employment opportunities. The joint committee will be made up of Local Union representatives, mill management representatives, representatives of the CEP National office and Catalyst Paper.
- 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.
- The joint committee will make recommendations to the parties on enhanced employment opportunities and make recommendations.
- Both parties undertake to give active consideration to all recommendations and vigorously work towards implementation of recommendations where agreement is reached.

Yours truly, Ron Buchorn Vice-President, Human Resources

## LETTER OF UNDERSTANDING - TRADES QUALIFICATIONS

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 B.C.

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

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

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

David Coles Western Region Vice President

Ron Buchhorn Vice-President, Human Resources NorskeCanada

## 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 his/her 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 each 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

David Coles Western Region Vice President Ron Buchhorn

Vice-President, Human Resources

Norske Canada

## LETTER OF UNDERSTANDING – 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 Ministries 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 officer, agents and contacts Provincial and Federal Ministries and their agencies etc., to develop a Provincial Pulp and Paper Industry training initiative for new employees, Steam Plant Operators, Trades and other positions requiring certification. This may require working closely with other heavy industry employers across British Columbia.

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

## LETTER OF UNDERSTANDING – REVISED PRESIDENT'S COUNCIL

March 10, 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:
  - o Review the capital expenditure program
  - o Review major sale, lease or rental of assets
  - o 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 Manager of each Division
- Human Resources Manager 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 – BANKED TIME – 2012 – 2017 RENEWED LABOUR AGREEMENT

March 10th, 2012

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

Examples would be as follows:

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

Eight (8) hours at the straight time rate

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

Two (2) hours at the straight time rate

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

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

Eight (8) hours at the straight time rate

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

Four (4) hours at the straight time rate

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

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

Eight (8) hours at the straight time rate

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

Two (2) hours at the straight time rate

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

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

Twelve (12) hours at the straight time rate

Four (4) hours at the straight time rate

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

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

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

Four (4) hours at the straight time rate

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

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

#### CCAA PLAN OF ARRANGEMENT 2012

March 10, 2012

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

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

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

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

#### Agreement Between **Catalyst Paper Corporation**

#### And

The Communication Energy and Paperworkers Unions, Local 1, 76, 592, 686, 1132, 630 and 1123 (The "Unions")

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

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

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

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

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

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

The parties agree:

a) The Company will ensure that all obligations (including any obligations currently in dispute through the grievance process under a collective agreement to the extent that the Company is determined to be responsible under such process) and amounts owing to CEP members and former CEP members pursuant to various current and former Collective Agreements, Letters of Understanding or other retirement or severance arrangements to the extent applicable as of the CCAA filing date of January 31, 2012 will continue after any Plan of Arrangement placed before the Court and other Creditors and those obligations and amounts will survive any final "discharge order" pursuant to the CCAA proceedings and be continuing obligations of the Company or its successor regardless of any technical "Bankruptcy" or any other insolvency proceeding.

- b) The Company will be responsible for obtaining the agreement of the 2016 Bondholders group this arrangement under a plan of arrangement with the Company files under the CCAA.
- c) Without limiting the generality of the above and unless explicitly compromised in the new Collective Agreement entered into between the parties, the Company will ensure and take steps to ensure the Company's obligation with respect to the following amounts continue to apply in any "plan of arrangement" regardless if the amount owing to individual CEP members or former members was accrued prior to the CCAA filing date of January 31, 2012 namely:
  - 1) All pension top-up payments due and owing under various early retirement agreements between the parties.
  - All "bridging" payments due and owing for "early retirees" under the various Collective Agreements including "popup" payments.
  - 3) All benefits payable pursuant to agreements between the parties for retirees and their beneficiaries to the extent that such benefits were being paid by the Company prior to the CCAA filing date of January 31, 2012.
  - 4) All vacation or other "earned time" benefits owed to current employees including banked time, supplementary vacation, lieu time or other accumulated benefits under the various Collective Agreements.

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

Agreed to this 10th day of March, 2012.

For Catalyst Paper Corporation For Communications, Energy and Paperworkers Union of Canada

Steve Boniferro Fraser McQuarrie, CEP Local 1132
Robert Stepusin Don Boucher, CEP National Union

Fraser McQuarrie, CEP Local 1132 Don Boucher, CEP National Union R. Hughf, CEP National Union Dave Schaub, CEP National Union

# 2012-2017 CODIFICATION OF LOCAL AGREEMENTS with C.E.P. LOCAL 1132

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## CODIFICATION OF LOCAL AGREEMENTS - 2012 - 2017

#### 1. Retired Employee Benefits - Statutory Holiday Work

The Company agrees to provide for employees who have retired from active service in Local 1132 C.E.P. at Crofton the following coverage for his/her lifetime and the lifetime of the employee's spouse at retirement:

- (a) Full premium payment for the B.C. Medical Plan for the retired employee's lifetime and eligible dependents. It is understood that the employee may be eligible for a premium subsidy if qualified.
- (b) Full premium payment for a basic Extended Health Benefits Plan.
- (c) The Union agrees to provide full co-operation in obtaining the necessary number of employees required to work on Statutory Holidays as provided for in Article XVII, Section 3, Crofton Labour Agreement

#### 2. Compressed Work Week

In order to implement a Compressed Work Week schedule, the parties hereby agree to the following terms and conditions:

- (a) Where it is determined that a department wants to implement the 12-Hour Shift Schedule there will be a 48 week trial period.
- (b) This trial period may be canceled by either party with thirty (30) days written notice or within seven (7) days if mutually agreed to by the Union and the Company.
- (c) The implementation of 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 will not decrease.
- (d) It is understood by both parties that problems may arise during the trial period. Should this occur, the parties will meet to discuss the problem and attempt to reach a satisfactory solution.

- (e) It is clearly understood by both parties that replacements must be available for relief purposes when required and that most of these replacements may come from employees on his/her scheduled days off.
- (f) 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 for less than full tour, will be paid overtime at the rate of time and one-half for hours worked in excess of forty for the first week upon entering the schedule and for the last week upon leaving the schedule.
  - Any employee entering the twelve (12) hour shift schedule will be paid the overtime premium for hours worked in excess of eight (8) hours on the first twelve (12) hour shift, unless notification of entry was given during the first eight (8) hours of his/her last shift preceding the new twelve (12) hour shift.
- (g) Employees will give as much notice as he/she possibly can on requests for leave, so that he/she can be replaced at straight time. Otherwise, the necessity to work employees on his/her days off will effectively negate the benefits gained from the additional days free from work in the compressed work week.
- (h) 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 four (44) hours in any one week (Sunday to Saturday), except:
  - (i) Overtime work by special arrangement between a Tour Worker and his/her mate to exchange shifts with the approval of his/her supervisor, and when this can be accomplished without additional cost or penalty to the Company.
  - (ii) The Compressed Work Week cycle will consist of four(4) weeks of forty eight (48) scheduled hours and four(4) weeks of thirty-six (36) scheduled hours.
- (i) 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 be given the option of receiving the overtime premium on the basis of Article VI, Section 2 (3) of the Crofton 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 at the hourly rate of the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for the purpose of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Tour Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium.
- (j) 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/her 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 schedule penalty payment is not payable for the second change in shifts when the employee returns to his/her previously established shift.
- (k) For purposes of the twelve (12) hour shift schedule the payment of night shift differential will be based on Tour work being scheduled 7:30-3:30, 3:30-11:30, and 11:30-7:30, in accordance with Article VII of the Crofton Labour Agreement.
- (I) An employee who has been employed for less than one year and does not qualify under (b) of Article XV - Vacations, of the Crofton Labour Agreement will receive a vacation to two hours for each 40 hours of actual work performed during the preceding vacation period. No vacation of less than one day will be granted.
- (m) Employees will be allowed to take vacations on a tour basis. For the purposes of the twelve (12) hour shift schedule, a tour will be the number of consecutive working days without a day off.
- (n) Employees on the Compressed Work Week schedule may apply for and receive five (5) shifts off as Floating Holidays.

- Payment for Floating Holidays will be as stated in Article XVIII of the Crofton Labour Agreement.
- (o) For the purposes of the twelve (12) hour shift schedule, entitlement to Supplementary Vacations will be calculated on the basis of the number of weeks for which the employee has qualified, subject to all other conditions of Article XVI of the Crofton Labour Agreement.
- (p) Taking of Banked Overtime, Deferred Statutory Holidays, Floating Holidays, Days in Lieu of Statutory Holidays and Special leave.
  - Banked Overtime, Deferred Statutory Holidays, Floating Holidays, Days in Lieu of Statutory Holidays and Special Leave must be taken off in twelve (12) hour units.
  - (ii) Employees will be permitted to group Banked Overtime, Deferred Statutory Holidays, Floating Holidays, Days in Lieu of Statutory Holidays and Special Leave to facilitate taking time off in twelve (12) hour units.
  - (iii) 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.
  - (iv) Employees may take four (4) hours from grouped hours if so desired to supplement Statutory Holiday pay, if he/ she would normally have worked a twelve (12) hour shift on that day.
  - (v) With the above exceptions and those elsewhere in the Memorandum of Agreement, all other conditions of the Crofton Labour Agreement will apply to matters covered in the Item O.
- (q) Any regular full-time employee who is required to perform Jury Duty, or who is subpoenaed to serve as a witness in a Court action or Coroner's Inquest, save and except actions involving the Company or Trade unions, unless subpoenaed by the Crown, on a day on which he/she would normally have worked, will be reimbursed by the Company for the difference between the pay received for such duty and his/her regular straight time hourly rate of pay for his/her regularly scheduled hours of work.

It is understood that such reimbursement shall not be for hours in excess of twelve (12) hours per day or forty (40) hours per week over the averaging period, less pay received for such duty. The employee will be required to furnish proof of performing such service and such duty pay received.

- (r) For the purposes of calculating overtime, the scheduled work week shall be reduced by eight (8) hours for each paid Statutory Holiday. For example:
  - (i) In a forty-eight (48) hour work week in which one (1) paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of forty (40). Should it happen that two (2) recognized paid Statutory Holidays occur in one week, then overtime will be paid for hours worked in excess of thirty-two (32) of that particular week.
  - (ii) In a thirty-six (36) hour work week in which one (1) paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of twenty-eight (28). 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 (20) of that particular week

The foregoing applies only to recognized paid Statutory Holiday hours and no other hours on which time and one-half has been paid, nor hours paid for call time, may be used for the purpose of calculating the work week.

- (s) All hours worked on Sunday or Statutory Holidays will be used in the calculation of the scheduled work week.
- (t) When a Statutory Holiday falls on an employee's regular day off, he/she may elect to take an alternate day by the end of the contract year following the contract year in which it is earned.
- (u) The twelve (12) hour shift times of 7:30 a.m. to 7:30 p.m. and 7:30 p.m. to 7:30 a.m. will define a DAY as a period of twenty-four (24) hours beginning at 7:30 a.m. and a WEEK as a period of seven calendar days beginning at 7:30 a.m., Sunday.
- Weekly Indemnity benefits will continue to be calculated on the basis of even (7) calendar days and that loss of income has occurred

#### 3. Safety Footwear

Purchase of safety footwear will be reimbursed at 75% of cost, to a maximum of \$175 per employee, per calendar year. Employees must submit the receipt for payment.

Employees may combine two (2) years entitlement to purchase more expensive boots.

#### 4. Moulded Hearing Protection

The Company will provide one (1) pair of Custom Moulded Hearing Protection at 100% of the purchase price. Subsequent Custom Moulded Hearing Protection will be provided on a fifty/fifty (50/50) cost sharing basis between the Company and the Employee.

#### 5. Subsidy for Safety Glass Frames

Safety Glass Frames for prescription glasses will be provided at no cost to employee.

#### 6. Maintenance of Air Conditioning Equipment

Company will maintain the operation of air conditioning equipment in control rooms and comfort stations on a priority basis.

The Company will repair on a priority basis any equipment that directly affects air quality.

#### 7. Laundering of Coveralls

Company will launder coveralls issued to Stock Preparation Operators.

#### 8. Mutual Change of Shift

Company will allow two employees, at the identical job level, to apply for a mutual change of shift.

#### 9. Summer Student Seniority

It is hereby agreed that all students hired for the purpose of summer vacation relief during the period May 1 to September 15 will be subject to the following terms and conditions:

- (a) Students will be employees covered by the Collective Agreement between the parties subject only to the conditions contained herein.
- (b) Students will be hired on a temporary basis. Employment will terminate not later than September 15 of the year in which he/she are hired.
- (c) Each student will be provided with a copy of this Agreement and will be required to acknowledge receipt by dating and signing the Declaration to that effect in the form set out below.

This agreement may be canceled by either party, on thirty days written notice, during the period September 15 to April 1. I, Student, acknowledge that I received a true copy of this Memorandum of Agreement on the day of , 20 .

(Signature)

#### 10. Scheduling Less Than a Full Tour / Week Off

Tour Workers will be allowed to schedule less than a full tour vacation off subject to the normal number allowed off, when less than 40 hours remain, commencing at 8:30 a.m. on the Tuesday of the preceding week, on a first-come, first-served basis for the following tour.

Day workers will be allowed to schedule less than a full week off, when less than 40 hours remain, subject to the normal number allowed off, commencing on Friday morning of the preceding week on a first-come, first-served basis, for the following week.

#### 11. Municipal Elections Leave of Absence

The Company will make every effort to allow employees Leave of Absence (without pay) from day shift to vote in Municipal Elections.

#### 12. Joint Health and Welfare Committee

A Joint Health and Welfare Committee will be established to discuss and develop an employee Alcohol and Drug Program. The Joint Welfare Committee will be involved in the local administration of the Pulp and Paper Industry Pension Plan.

The Company agrees to provide monthly status reports to the C.E.P. Health and Welfare delegate outlining who is off and the expected return to work date if known.

#### 13. Janitor Services

The Newsprint Janitor will mop out the dry end lunchroom once per day, Monday to Friday and Utility hands will continue to provide weekend cleanup.

#### 14. Juice

When temperature conditions are extreme during the installations of wet and dryer felts, the Company will provide juice to Newsprint department employees.

#### 15. Radios

Employees will be permitted to bring radios into the mill, provided there is no interference with normal duties.

#### 16. Vacation Pay

Annual Vacation Pay will be made available to all employees by the second regular pay day in May.

#### 17. Newsprint Scale

The Newsprint Scale Averaging period will be updated every four weeks based on the previous 12 weeks operating speeds.

#### 18. Union Education Fund

The Company will remit Ten thousand dollars (\$10,000) per calendar year to the Local 1132 Union Education Fund.

#### 19. Wait Listing

The Company will consider applications for vacations during non-prime time where applications have been submitted for at least a full tour of vacation and do not incur additional costs for the Company.

#### 20. Extended Health Benefits

It is agreed that Extended Health Benefits coverage will be extended to dependents of employees up to a maximum of \$100,000 in the event of a work related death (as defined by WorkSafeBC).

Dependents are defined as the dependents of the employee registered with the Extended Health Care Provider at the time of the death. This coverage of dependents will continue until the dependents reach the age of majority (19 years of age).

#### 21. Relief Levels

Relief levels in CEP Local 1132 will be maintained at a minimum of one relief employee for every four positions that require relief (4:1).

When levels fall below this level the Company will hire or recall to re-establish the ratio.

## 22. Employees on Temporary Layoff – Opportunity to Elect a Severance Option

For the term of this Collective Agreement, the Company and 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.
- 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.

 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 Flimination

Dated this 19th day of December 2008

Mike Fenton Steve Boniferro

CEP National Rep Senior Vice-President, Human Resources

Western Region Catalyst Paper

#### 23. VTR Language

Upon the ratification of the restructuring agreement, no new employee will be entitled to hours in the VTR pool if the current VTR's are not working to the 42 hour average, and the company will make every effort to establish all incumbent VTR's to a home crew. This agreement is to address the wellness and scheduling of the VTR pool, as well as safety, sleep issues and short notice scheduling, this agreement will not place unreasonable additional costs to the company.

#### 24. Addition to the 5th Hand to PM 3

The Company agrees to an additional 5th hand to PM 3 on a six month trial basis. Local 1132 agrees to work with the company to set out clear accountabilities related to this role to ensure the additional position is value-adding to the operations.

#### 25. Steam Plant Certificates

Employees who simply by the nature of their work qualify under the Boiler Branch for Boiler Firing Time will be reimbursed at the rate of 50% for costs associated with books, tuition and examination fees related to and upon successful completion of the certificate

#### 26. Apprenticeship

After the current commitment of ten (10) apprenticeships is awarded within the PPWC, it is the intent of the Company to have apprenticeships open to employees within CEP 1132 as well as the PPWC

#### 27. Bereavement Leave - Clarification

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

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

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