

LABOUR AGREEMENT

2012-2017

BETWEEN

**CANFOR PULP LIMITED PARTNERSHIP
NORTHWOOD PULP MILL**

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

- AND -

**COMMUNICATIONS, ENERGY AND
PAPERWORKERS' UNION OF CANADA
BILL HICKEY LOCAL 603**

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

LABOUR AGREEMENT

2008 - 2012

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AGREEMENT

ARTICLE I - GENERAL

Section 1: Purpose

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

Section 2: Mutual Responsibilities

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

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

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

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

- (1) Every person has the right of equality of opportunity based upon bona fide qualifications in respect of his occupation or employment, or in respect of an intended occupation, employment, advancement, or promotion; and, without limiting the generality of the foregoing,
 - (a) no employer shall refuse to employ, or to continue to employ, or to advance or promote that person, or discriminate against that person in respect of employment or a condition of employment; and
 - (b) no employment agency shall refuse to refer him for employment, unless reasonable cause exists for such refusal or discrimination.

- (2) For the purposes of sub-section (1),
 - (a) the race, religion, colour, age, marital status, ancestry, place of origin, or political belief of any person or class of persons shall not constitute reasonable cause;
 - (b) a provision respecting Canadian citizenship in any Act constitutes reasonable cause; (1974, Bill 178, s.6)

- (c) the sex of any person shall not constitute reasonable cause unless it relates to the maintenance of public decency;
 - (d) a conviction for a criminal or summary conviction charge shall not constitute reasonable cause unless such charge 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 change in employer status, members of Local 603 will retain all of their rights under the Labour Agreement.

ARTICLE II - DEFINITIONS

Wherever used in this Agreement, including Exhibits:

- (a) The word EMPLOYEES means all persons on the payroll of the Company at the location 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".

- (b) The words TOUR WORKERS mean employees when engaged in operations scheduled in advance for at least twenty-four (24) hours continuous running; it being understood, however, that if a Tour Worker is temporarily assigned to work not connected with the continuous operation on which he is usually employed, his status as to tour or day work during such temporary assignment is determined by the nature of such assignment. All other employees are considered Day Workers.
- (c) The word DAY means a period of twenty-four (24) hours beginning at 8:00 a.m. or at the regular hour of changing shifts nearest to 8:00 a.m., in the particular mill.
- (d) The word WEEK means a period of seven (7) calendar days beginning at 8:00 a.m., or at the regular hour of changing shifts nearest to 8:00 a.m., on the day on which the actual work week begins in the particular mill.
- (e) GRIEVANCE, DISPUTE or COMPLAINT means any difference between the persons bound by this Agreement concerning its interpretation, application, operation, or any alleged violation thereof, and PARTY means either one of the parties to this Agreement.

ARTICLE III - BARGAINING AGENCY

Section 1: Recognition

The Company recognizes the Communications, Energy and Paperworkers' Union of Canada 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 a Shop Steward by a Supervisor within three (3) days of starting work.

Section 2: Union Shop

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

Section 3: Discharge of Non-Members

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

Section 4: Application for Membership

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

Section 5: Union Dues Deduction

The Company shall remit to the Union not less than once each calendar month, amounts deducted from employees' wages in respect of initiation fees and regular monthly dues.

ARTICLE V - STANDING COMMITTEE

Standing Committees shall be maintained in the following manner:

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

ARTICLE VI - HOURS OF WORK

Section 1: Basic Work Week

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

Section 2: Overtime

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

(1) Day Workers

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

carried over after the week in which they are earned provided a regular work schedule is being followed.

(2) **Tour Workers**

- (a) For all work performed on Sunday (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
- (b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive hours except:
 - (i) when such work in excess of eight (8) hours is caused by the change of shifts,
 - (ii) overtime work by special arrangement between a Tour Worker and his mate to exchange shifts with the approval of his Supervisor, and when this can be accomplished without additional cost or penalty to the Company.
- (c) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.
- (d) For work performed on an employee's designated day off as provided for in Section 3 herein.
- (e) The Company agrees that employees may carry over Sunday Letter and statutory holiday time earned when sufficient straight time hours are unavailable that week. The hours may be carried over after the week in which they are earned provided a regular work schedule is being followed.

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

(3) Banking of Overtime

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

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

equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.

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

Section 3: Days Off and Schedule of Shifts

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

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

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

In the event the day or days off are changed to follow the original designated day or days off, then forty-eight (48) hours notice will be given in

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

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

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

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

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

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

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

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

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

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

Section 4: Starting and Stopping Work

- (a) **Tour Workers**

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

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

(b) **Day Workers**

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

Section 5: Meals

(a) **Tour Workers**

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

at the start of the shift and another meal or lunch four (4) hours later. The meal shall be eaten on Company time.

(b) **Day Workers**

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

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

(c) **All Workers**

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

ARTICLE VII - WAGES

Section 1: Wage Scale

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

Section 2: Shift Differential

(a) Tour Workers

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

	<u>(% of base pay)</u>
8:00 am to 8:00 pm	2.50%
8:00 pm to 8:00 am	4.25%

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

	<u>(% of base pay)</u>
8:00 am to 4:00 pm	2.00%
4:00 pm to 12:00 am	3.55%
12:00 am to 8:00 am	4.50%

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

	<u>(% of base pay)</u>
4:00 pm to 12:00 am	2.25%
12:00 am to 8:00 am	3.25%

(b) Day Workers

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

	<u>(% of base pay)</u>
4:00 pm to 12:00 am	2.25%
12:00 am to 8:00 am	3.25%

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

(c) All Employees

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

ARTICLE VIII - JOB EVALUATION PLAN

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

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

ARTICLE IX - ALLOWANCE FOR FAILURE TO PROVIDE WORK

Section 1: No Work

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

Section 2: Where Shift Commenced

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

ARTICLE X - CALL TIME

Section 1: Qualifying Conditions

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

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

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

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

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

(c) **Statutory Holiday Work**

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

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) No more is payable under Articles VI, IX and XI.

ARTICLE XI - FOURDRINIER WIRE ALLOWANCE

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

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

The above shall also apply to Tour Workers when working on machines other than their own.

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

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

ARTICLE XII - JURY DUTY

Section 1: Wage Compensation

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

Section 2: Holidays and Overtime

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

ARTICLE XIII - BEREAVEMENT LEAVE

Section 1: Compensation

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

Section 2: Definition of Family

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

Section 3: Effect on Vacation Entitlement

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

ARTICLE XIV - LEAVE OF ABSENCE

Section 1: Union and Public Office

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

An employee appointed or elected to full-time office in his Union, or to federal, provincial or municipal office, shall be granted as much leave as is necessary during the term of such office.

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

Section 2: Steam Plant Leave

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

Section 3: First Aid Certificates

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

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

Section 4: Maternity Leave

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

Section 5: Other Leave

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

ARTICLE XV - VACATIONS

Section 1: Entitlement

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

	Length of Vacation	Vacation Pay, Being the greater of	
<p>An employee who is on the payroll on May 1st, who has been continuously employed during the qualifying period, and who has:</p> <p>(A) been employed for less than one year and does not qualify under (B) below;</p>	<p>¼ 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.</p>	<p>% of total wages earned by the employee during the preceding vacation period</p> <p>4 – ½%</p>	<p>or hours pay at the hourly rate of the employee's regular job.</p> <p>or nil hours</p>
<p>(B) been employed for less than one year but has worked not less than 1500 hours during the preceding vacation period or been employed for not less than one year and who has worked not less than 1200 hours during the preceding vacation period. The following hours will count as hours worked for the purpose of qualifying for a vacation: Vacations; Supplementary Vacations; Statutory Holidays; Special (Personal) Floating Holidays; Jury or Witness Duty; Bereavement Leave; Contractual Steam Plant and Apprenticeship Leaves; Banked Days Off and Days Off in lieu of work performed on a Statutory Holiday;</p>	<p>2 weeks</p>	<p>4 – ½%</p>	<p>or 80 hours</p>
<p>(C) qualified for his 2nd vacation under this Agreement;</p>	<p>3 weeks</p>	<p>6 – ½%</p>	<p>or 120 hours</p>
<p>(D) qualified for his 7th vacation under this Agreement;</p>	<p>4 weeks</p>	<p>8 – ½%</p>	<p>or 160 hours</p>
<p>(E) qualified for his 14th vacation under this Agreement;</p>	<p>5 weeks</p>	<p>10 – ½%</p>	<p>or 200 hours</p>
<p>(F) qualified for his 23rd vacation under this Agreement;</p>	<p>6 weeks</p>	<p>12 – ½%</p>	<p>or 240 hours</p>
<p>(G) qualified for his 29th vacation under this Agreement.</p>	<p>7 weeks</p>	<p>14 – ½%</p>	<p>or 280 hours</p>

Section 2: Additional Pay

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

Section 3: Payment on Termination

In the event an employee's employment terminates either before he becomes entitled to a vacation with pay, or, being entitled to it, before he takes it, he shall be paid on termination 4-1/2%, 6-1/2%, 8-1/2%, 10-1/2%, 12-1/2% or 14-1/2% (depending on whether he belongs in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of his wages earned during the period of employment ending with his termination in respect of which no vacation or vacation pay to which he remains entitled has been paid or taken.

Section 4: General Rules

- (a) The vacation period is May 1 to April 30.
- (b) Vacations with pay provided in accordance with Section 1 above for employees in category (A) may not be counted when determining whether an employee has qualified for the vacations provided under Section 1 for employees in categories (C), (D), (E), (F) or (G).
- (c) Vacations with pay are not cumulative and must be taken during the vacation period except as provided below:
 - 1) Vacations earned under Section 4 (d).

- 2) (i) At the start of the vacation year, employees may elect to receive all, part or none of their vacation pay in advance in full weekly increments.
- (ii) Employees shall have the option at any time during the vacation year to bank paid vacation entitlement in excess of the statutory 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.
- (iii) Banked vacations must be taken prior to retirement and will be paid at the employee's current rate of vacation pay at the time when taking the banked vacation time off.
- (d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.
- (e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- (f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavour by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.
- (g) Time lost as the result of an accident recognized as compensable by the Workers' Compensation Board, suffered during the course of employment with the Company, shall be considered as time worked for the purpose of calculating vacation entitlement upon return to work.

- (h) Time not exceeding one year, lost as the result of a non-occupational accident, illness or approved maternity leave, shall be considered as time worked for the purpose of qualifying for vacation provided that at the time of the accident or illness or commencement of maternity leave, the employee has been on the payroll for not less than one (1) year and returns to employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner.

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

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

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

- (k) Employees who qualify for vacation under categories (c), (d), (e), (f), or (g) may at their option elect to forfeit one (1) week of vacation, subject to the Employment Standards minimum, and be paid the vacation pay they would have received in lieu of the week of vacation. Employees must declare their intention of this option, in writing, prior to the start of the vacation year, and will be paid out between May 15th – 31st of the vacation year

Section 5: Computation of Vacation Pay

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

ARTICLE XVI - SUPPLEMENTARY VACATIONS

Section 1: Eligibility

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

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

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

Section 2: General Provisions

- (a) The Supplementary Vacation may be taken in conjunction with the regular vacation to which the employee is entitled provided such regular vacation is not scheduled to be taken during the months of July or August, in which event the Supplementary Vacation shall be taken at a time to be agreed upon by the Company and the employee.
- (b) The Supplementary Vacation must be taken prior to the employee becoming eligible for his next earned period of Supplementary Vacation as provided for in Section 1(a) above.
- (c) One (1) weeks Supplementary Vacation pay shall be equal to forty (40) hours at the straight time hourly rate of the employee's regular job.
- (d) An employee may elect to take his Supplementary Vacation one day at a time according to the following schedule:
 - After 5 years service - one (1) day per year
 - After 10 years service - two (2) days per year
 - After 15 years service - two (2) days per year
 - After 20 years service - three (3) days per year
 - After 25 years service - three (3) days per year
 - After 30 years service - four (4) days per year
 - After 35 years service - four (4) days per year
 - After 40 years service - five (5) days per year

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

be taken in multiples of five (5) will be taken in one block.

Section 3: Partial Entitlement

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

ARTICLE XVII - STATUTORY HOLIDAYS

Section 1: Recognized Days

The following shall be the recognized Statutory Holidays:

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

Section 2: Adjustment in Hours

The hours of commencing and ending, specified above, may be varied by mutual agreement of the Company and the

Union Standing Committee and the specified hour of commencing or ending will be adjusted to coincide with the regular hours for changing shifts.

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

Section 3: Holiday Work

- (a) The Company will provide the Union with not less than thirty (30) days notice of the general scope of operating and/or maintenance plans on statutory holidays. Unanticipated weather conditions or maintenance requirements may alter those plans.
- (b) On Christmas Eve, Christmas Day and Boxing Day, operational and maintenance manning required will be identified on a scheduled crew basis. Any employee scheduled to work who wishes to be excused from working on a particular statutory holiday will be accommodated provided a request for leave is requested seven (7) days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him for the shift. If no trained volunteer is found, the employee will be required to work the shift."
- (c) Employees who work at Christmas shall be paid double time for work during that period identified in clause (b).

Section 4: Pay for Holiday Work

- (a) Overtime shall be paid for all work performed during holidays at the rates hereinafter specified.
- (b) An employee who works on such a holiday shall receive equal time off with pay at his straight time

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

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

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

An employee shall have the option of taking equivalent time off if a statutory holiday falls on a regular day off. If the Day Off in Lieu 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 Statutory Holiday Pay and the Day Off in Lieu will be forfeited."

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 scheduled work day before, and his scheduled work day after, such holiday, unless failure to work his scheduled work day

before or after the holiday was due to any of the following events:

- (i) When the employee is on his regular authorized paid vacation;
 - (ii) When the employee is unable to work by reason of an industrial accident as recognized by the Workers' Compensation Board or non-occupational sickness or injury;
 - (iii) When the operation in which the employee is engaged is curtailed or discontinued by the decision of the Company and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before, or his scheduled work day after, such holiday;
 - (iv) When a trade in shifts agreed upon between employees and approved in advance by the Company results in a temporary change of the scheduled work day before, or the scheduled work day after, the holiday, provided the employee works the shift agreed upon;
 - (v) When the employee is on a leave of absence authorized by the Company.
- (d) The employee who has been on the payroll for at least sixty (60) days but who has not previously qualified for a Statutory Holiday will qualify for the holiday if he has worked a minimum of one hundred and eighty (180) hours during the sixty (60) day qualifying period just preceding the holiday and meets the requirements of (b) and (c) above.
- (e) Time lost as the result of an accident as recognized by the Workers' Compensation Board, suffered during the course of employment, or time lost as a result of

non-occupational sickness or injury shall be considered as time worked for the purpose of qualifying for a recognized paid holiday, it being understood that the employee will only be entitled to this credit for time while on Workers' Compensation or non-occupational sickness or injury for a period of up to but not exceeding one (1) year from the date of his sickness or injury.

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

ARTICLE XVIII - SPECIAL (PERSONAL) FLOATING HOLIDAYS

Section 1: Floating Holidays

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

Section 2: Qualifying Conditions

For each Special (Personal) Floating Holiday taken an employee will be granted eight (8) hours pay on the straight time rate of the employee's regular job (see pages 115 and 120 for employees scheduled on Twelve (12) and Ten (10) Hour Shift Schedules respectively) subject to the following:

- (a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for his first

Special (Personal) Floating Holiday and on the payroll for one hundred and eighty (180) days to qualify for his second, third, fourth and fifth Special (Personal) Floating Holidays.

- (b) Employees will not qualify for Special (Personal) Floating Holidays if on leave of absence of more than nine (9) months in the contract year except in the case of sickness or injury.
- (c) If an employee is required to work on any of these Special (Personal) Floating Holidays, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate of time and one-half. The employee will then be entitled to take the said holiday or holidays with pay at a later date to be mutually agreed upon.
- (d) When the holiday is requested in writing seven (7) days in advance, the payment of overtime shall not be a factor in the granting of Personal Floating Holidays. The employee shall receive written notice of the disposition of his request a minimum of seventy-two (72) hours prior to the requested Personal Floating Holiday.

ARTICLE XIX - WELFARE PLAN

Section 1: The Plan

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

Section 2: Joint Welfare Board

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

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

ARTICLE XX - PENSION PLAN

Section 1: The Plan

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

Section 2: Contributions

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

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

Effective January 1, 2007	8.0%
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Section 3: Board of Trustees

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

Section 4: Pension Bridge Benefit

The Company shall provide employees with a pension bridge annuity of twenty dollars (\$20.00) per month per year of service at age sixty (60) or older who retire prior to attaining age sixty-five (65). The pension bridge benefit will not be payable beyond age sixty-five (65). The calculation of the pension bridge benefit shall be credited on the same basis as under the terms and conditions of the Pulp & Paper Industry Pension Plan. An employee who chooses to retire at age fifty-five (55) or later shall have access to the bridging benefit paid by the Company when they reach age sixty (60).

ARTICLE XXI - SENIORITY

Section 1: Principles

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

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

If an employee is moved out of a line of progression for any reason, the employer will not require retesting of the employee for him to return to that specific line of progression. No employee will be removed from the mill as the result of unilateral testing by the employer.

- (b) The Company and the Union recognize that it is desirable to reduce the effect of layoffs on employees and at the same time continue to recognize mill seniority, job qualifications and the role of lines of progression, job seniority and departmental seniority.
- (c) Arrangements to implement the above principles will be discussed by the Company and the Union.

Section 2: Probationary Period

Until an employee has been on the payroll of the Company for forty (40) calendar days, or until he/she has accumulated thirty (30) working days in a ninety (90) calendar day period, he/she shall be considered a probationary employee and shall have no rights under Article XXI with respect to seniority.

Section 3: Retention of Seniority

- (a) Any employee, other than a probationary employee, whose employment ceases through no fault of his own, shall retain seniority and shall be recalled on the following basis:
 - (i) An employee with less than one (1) years continuous service shall retain these rights for six (6) months from the date of lay-off.
 - (ii) An employee with one (1) or more years continuous service shall retain these rights for eighteen (18) months from the date of lay-off, plus

two (2) additional months for each year of service up to an additional twenty-four (24) months.

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

Section 4: Training

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

- (a) Up to two (2) days where the layoff is estimated to be in excess of ten (10) days.
- (b) Up to five (5) days where the layoff is estimated to be in excess of twenty-one (21) days.
- (c) Up to eight (8) days where the layoff is estimated to be in excess of thirty-five (35) days;
- (d) Up to ten (10) days where the layoff is estimated to be in excess of sixty (60) days
- (e) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the Union training provisions of up to fifteen (15) days;
- (f) Where a layoff results from a permanent partial plant closure or a temporary closure in excess of ninety (90) days, the Company will participate in a program of training or retraining for another job within the operation 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.

- (g) All layoffs which take place within one hundred and eighty (180) calendar days will be considered cumulative for the purposes of training.

Section 5: Lay-off and Vacation Entitlement

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

Section 6: Welfare Coverage

- (a) An employee with one (1) or more years seniority may have his welfare coverage continued for six (6) months while on layoff.
- (b) An employee with more than four (4) months but less than one (1) years seniority may have his welfare coverage continued for three (3) months while on lay-off.
- (c) An employee who elects to maintain coverage while laid off will be required to pay the employee portion of the premium in advance on a monthly basis.
- (d) An employee who has welfare coverage as provided for in paragraphs (a) and (b) above, will on return to work have his welfare coverage extended by one month for each month in which he works.
- (e) An employee whose welfare coverage under paragraphs (a) and (b) above has expired, will on return to work be eligible for coverage for the period of his employment.

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

ARTICLE XXII - JOB SECURITY

Section 1: Objective

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

Section 2: Definition

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

Section 4: Required Notice

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

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

Section 5: Seniority Status

- (a) In the event that it is necessary, crews will be reduced in accordance with Article XXI - Seniority, of the Agreement.
- (b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his regular job at the time of the set-back for a period of six (6) months, and for a further period of six (6) months he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the set-back and the rate of his new regular job. At the end of this twelve (12) month period, the rate of his new regular job will apply. However, such employee will have the option of terminating his employment and accepting severance pay as outlined in Section 6(a) below, provided he exercises this option within the initial six (6) month period referred to above.

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

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

Section 6: Severance Allowance

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

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

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

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

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

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

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

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

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

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

Section 7: Training

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

ARTICLE XXIII - PERMANENT MILL CLOSURE

Section 1: Notice

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

Section 2: Severance Allowance

Such employees shall be entitled to a severance allowance of two (2) weeks per year of service to a maximum of sixty (60) weeks based on the employee's years of employment during the employee's last period of continuous service computed on the basis of forty (40) straight time hours per week at the employee's regular rate.

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

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

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

ARTICLE XXIV - JOB ELIMINATION

Section 1: Definition

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

Section 2: Exclusions

No payment will be made under Section 5 in cases:

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

Section 3: Notice

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

Section 4: Elimination Options

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

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

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

Section 5: Severance Allowance

Severance allowance will be calculated by one of the two following methods based on the last period of continuous service, it being the choice of the affected employee as to which of such methods of calculation is used:

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

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

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

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

The severance allowance will not be more than the

employee would normally receive if he remained at work at forty (40) hours per week to his normal retirement date.

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

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

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

ARTICLE XXV - CONTRACTING

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

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

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

For greater clarity it is agreed that:

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

ARTICLE XXVI - APPRENTICESHIP TRAINING PROGRAM

Section 1: Training Program

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

Section 2: Apprenticeship Act

It is understood, however, that the grievance procedure as set forth in Article XXXI - Adjustment of Complaints, shall not

be applicable to those matters covered by the Apprenticeship and Tradesmen's Qualification Act which, by said Act, are deemed to be outside the jurisdiction of the Union.

ARTICLE XXVII - COMPRESSED WORK WEEK

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

ARTICLE XXVIII - SAFETY AND OCCUPATIONAL HEALTH

Section 1: Principle

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

Section 2: Joint Safety Committee

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

Committee shall meet at least once a month to consider all safety and occupational health problems.

Section 3: Safety Education

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

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

Section 4: Joint Labour/Management Safety Conference

- (1) A Joint Labour / Management Safety Conference of two (2) days will be held annually.
- (2) It shall be the basic principle of this Conference to assist the delegates in the development of an effective safety program through the promotion and implementation of best practices for an effective safety program in each mill.
- (3) To accomplish the implementation of an effective safety program in the mill, each Local Union shall have two (2) delegates in attendance at the safety conference. The two (2) delegates shall be compensated by their respective employer for any loss of wages. Travel and hotel expenses of the delegates shall not be paid by their respective employers.
- (4) A senior management representative shall attend the conference. Senior company officials and representatives of WorkSafe BC will be encouraged to attend. Additional delegates of either labour or

management will be permitted to attend on an observer basis.

- (5) The agenda shall address issues that will promote occupational health and safety in their respective workplaces. Agenda items shall be submitted to the respective representative no later than November 30th prior to the conference.
- (6) The Planning Committee shall initially meet no later than one hundred and eighty (180) days prior to the established date of the conference and then schedule follow up meetings in accordance as required by the planning committee.
- (7) The Planning Committee shall be comprised of the following members:
 - a) One (1) CEP Local Union member
 - b) One (1) PPWC Local Union member
 - c) One (1) CEP representative from the Regional Office
 - d) One (1) PPWC representative from the National Office
 - e) One (1) Employer representative from the employer group
 - f) One (1) Industry representative
 - g) One (1) Conference Facilitator
- (8) The Occupational Health and Safety Conference shall be funded on the basis of an industry contribution of three cents (\$.03) per employee per hour worked into a Jointly Trusteed Occupational Health and Safety Conference Fund.

The funding shall provide that when the monies in the Joint Trusteed Occupational Health and Safety Conference Fund reach Two Hundred Thousand Dollars (\$200,000.00), the funding will be discontinued

until the fund has been reduced to Fifty Thousand Dollars (\$50,000.00).

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

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

ARTICLE XXIX - ENVIRONMENTAL PROTECTION

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

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

ARTICLE XXX - DISCIPLINARY ACTION

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

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

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

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

ARTICLE XXXI - ADJUSTMENT OF COMPLAINTS

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

If an employee is not satisfied with the resolution offered by their 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 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 superintendent 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 Three 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 Committees by advising the chairmen of the Standing Committees 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 Pulpmill 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 regional Union representation and/or a Management representative from outside of Northwood.

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

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

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

Section 2: National Officer

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

Section 3: Time Limit

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

Section 4: Arbitration Procedure

- (a) The Company and the Union will endeavour to agree upon the selection of the Arbitrator. In the event the Company and the Union are unable to agree upon the selection of the Arbitrator, they will apply, within the thirty (30) day period, to have the Arbitrator appointed under the provisions of Section 86 of the Labour Relations Code of British Columbia.
- (b) After the Arbitrator has been chosen he shall meet and hear evidence of both sides and render a decision within fifteen (15) days after he has concluded his hearings, said decision to be final and binding upon all parties to this Agreement.
- (c) The parties shall bear in equal portions the fees and expenses of the Arbitrator and rental of any premises used for the hearing.
- (d) The Arbitrator shall be restricted to interpreting and applying the provisions of this Agreement and shall have no authority to alter, modify, subtract from or supplement them in any way.
- (e) In the case of discharge or suspension which the Arbitrator has determined to have been unjust the

Arbitrator shall order the reinstatement of the employee and shall award him back pay. In the case of back pay, should there be any doubt in the opinion of the Arbitrator, the Arbitrator may order all or part back pay as he deems fit.

Section 5: Expedited Arbitration

- (a) A panel of six (6) Arbitrators, each of whom shall be appointed for a two (2) year term, shall be selected by mutual agreement of the Employer and the Communications, Energy & Paperworkers Union on behalf of its local unions. Grievances processed under this section shall be assigned to the Arbitrators on a rotational basis.
- (b) An Arbitrator must meet and hear the evidence of both parties within fifteen (15) days after assignment. If an Arbitrator is unable to commit himself to do so, the grievance shall immediately be assigned to the next Arbitrator in order of rotation.
- (c) The unavailability of counsel shall not be a reason to delay an arbitration under this section.
- (d) The parties will endeavour to agree on a statement of material facts which may be submitted to the Arbitrator in advance of the hearing.
- (e) The Arbitrator will give his decision and his written reasons within one week after the hearing. The reasons need not accompany the decision. Neither the decision nor the reasons will form precedent.
- (f) The provisions of Sections 4(b), (c), (d) and (e) as it applies to discharge, shall apply to this section.

ARTICLE XXXII - FLEXIBLE WORK PRACTICES

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

ARTICLE XXXIII - DURATION AND AMENDING PROCEDURE

Section 1: Term of Agreement

This Agreement shall be in effect from midnight April 30, 2012 to midnight April 30, 2017, and thereafter from year to year subject to the conditions as set out in Sections 2 to 5 which follow hereunder.

Section 2: Labour Relations Code

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

Section 3: Notice of Re-opening

This Agreement may be opened for collective bargaining as to changes as follows: either party desiring any change shall mail to the other party notice in writing, by registered mail, on or after January 1, 2017 but in any event no later than midnight April 30, 2017, that a change is desired, and, if no such notice is given by either party on or after the said January 1 and before the said April 30, the earliest time at which such notice may be given by either party is the corresponding period in the following year.

All notices given under the provisions herein on behalf of the Union shall be given by the Union (or its representative) and similarly notices on behalf of the Company shall be given by

the President of the Company (or his representative).

Section 4: Collective Bargaining

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

Section 5: Termination

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

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

Dated this ____ day of _____, 2012.

**CANFOR PULP LIMITED
PARTNERSHIP
NORTHWOOD PULP
MILL**

**COMMUNICATIONS,
ENERGY AND
PAPERWORKERS'
UNION OF CANADA,
BILL HICKEY LOCAL 603**

EXHIBIT 'A'

JOB CATEGORIES AND WAGE RATES

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

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
LABOUR RATE	27.530	28.080	28.780	29.645
MAINTENANCE				
Mechanics				
Journeyman	37.215	37.960	38.910	40.075
Apprentices				
5 th Year Apprentice	37.215	37.960	38.910	40.075

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Apprentices (cont'd)				
4 th Year Apprentice	34.495	35.185	36.065	37.145
3 rd Year Apprentice	31.695	32.330	33.140	34.135
2 nd Year Apprentice	30.380	30.990	31.765	32.720
1 st Year Apprentice	29.865	30.460	31.220	32.155
Lubrication				
Lubrication Mechanic	34.495	35.185	36.065	37.145
(10) Oiler	29.950 E	30.550 E	31.315 E	32.255 E
Trade Utility: - over 18 months	27.880	28.440	29.150	30.025
- 7 - 18 months	27.625	28.180	28.885	29.750
- 0 - 6 months	27.530	28.080	28.780	29.645
Miscellaneous				
(15) Tool Crib: - over 24 months	31.245 E	31.870 E	32.665 E	33.645 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Miscellaneous (cont'd)				
(13) - 19 - 24 months	30.725 E	31.340 E	32.125 E	33.090 E
(11) - 13 - 18 months	30.230 E	30.835 E	31.605 E	32.555 E
(9) - 0 - 12 months	29.705 E	30.300 E	31.060 E	31.990 E
(3) Jackhammer Operator	28.200 E	28.765 E	29.485 E	30.370 E
Stores				
(12) Stores Person - over 18 months	30.480 E	31.090 E	31.865 E	32.820 E
(8) Stores Person - 13 - 18 months	29.450 E	30.040 E	30.790 E	31.715 E
(5) Stores Person - 7 - 12 months	28.690 E	29.265 E	29.995 E	30.895 E
(3) Stores Person - 0 - 6 months	28.200 E	28.765 E	29.485 E	30.370 E
Scrap & Salvage Mechanic	37.215	37.960	38.910	40.075

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Equipment Line (cont'd)				
(10) D-6 Cat Operator	29.950 E	30.550 E	31.315 E	32.255 E
(8) Front End Loader Operator (980)	29.450 E	30.040 E	30.790 E	31.715 E
(8) General Equip./Loader Oper.	29.450 E	30.040 E	30.790 E	31.715 E

GENERAL SERVICES

Miscellaneous

(4) Sand Truck Operator	28.440 E	29.010 E	29.735 E	30.625 E
(2) Sweeper Operator	27.985 E	28.545 E	29.260 E	30.140 E

Loci Crew

(13) Locomotive Engineer	30.725 E	31.340 E	32.125 E	33.090 E
(10) Conductor	29.950 E	30.550 E	31.315 E	32.255 E
(0) Relief Switchman	27.530 E	28.080 E	28.780 E	29.645 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
General Services (cont'd)				
Miscellaneous				
(9) Bert Pyke Snowplow Oper.	29.705 E	30.300 E	31.060 E	31.990 E
(5) Asst. Bert Pyke Operator	28.690 E	29.265 E	29.995 E	30.895 E
(2) Track Serviceman	27.985 E	28.545 E	29.260 E	30.140 E
Janitors				
(0) Janitor	27.530 E	28.080 E	28.780 E	29.645 E
Garage				
Journeyman Mechanic	37.215	37.960	38.910	40.075
(10) Serviceman: - over 12 months	29.950 E	30.550 E	31.315 E	32.255 E
(8) - 7 - 12 months	29.450 E	30.040 E	30.790 E	31.715 E
(6) - 4 - 6 months	28.955 E	29.535 E	30.275 E	31.185 E
(4) - 0 - 3 months	28.440 E	29.010 E	29.735 E	30.625 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
FIBRE LINE				
Pulping Group				
(57) Pulping Group Operator	41.965 E	42.805 E	43.875 E	45.190 E
(43) "B" Digester Operator	38.395 H	39.165 H	40.145 H	41.350 H
(38) Bleach Plant Operator	37.105 E	37.845 E	38.790 E	39.955 E
(34) "A" Digester Operator	36.100 E	36.820 E	37.740 E	38.870 E
(24) Asst. Pulping Group Operator	33.540 E	34.210 E	35.065 E	36.115 E
(17) "B" Field Operator	31.745 E	32.380 E	33.190 E	34.185 E
(16) "A" Field Operator	31.510 E	32.140 E	32.945 E	33.935 E
(9) Digester Field Operator	29.705 E	30.300 E	31.060 E	31.990 E
(2) Chip Screens Field Operator	27.985 E	28.545 E	29.260 E	30.140 E
(1) Utility	27.750 E	28.305 E	29.015 E	29.885 E

Machine Room and Warehousing		May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Machine Room					
(39) Machine Tender #2		37.380 E	38.130 E	39.085 E	40.260 E
(35) Machine Tender #1		36.350 H	37.075 H	38.000 H	39.140 E
(29) Back Tender #2		34.815 E	35.510 E	36.400 E	37.490 E
(25) Back Tender #1		33.805 H	34.480 H	35.340 H	36.400 E
(17) Baler		31.745 E	32.380 E	33.190 E	34.185 E
(11) Grader #2		30.230 E	30.835 E	31.605 E	32.555 E
(10) Grader #1		29.950 E	30.550 E	31.315 E	32.255 E
(9) Fork Lift Operator		29.705 E	30.300 E	31.060 E	31.990 E
(2) Utility		27.985 E	28.545 E	29.260 E	30.140 E
Warehouse					
(10) Senior Forklift Operator		29.950 E	30.550 E	31.315 E	32.255 E
Miscellaneous					
(1/2) Machine and Warehouse Utility		27.620 E	28.170 E	28.875 E	29.740 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Woodroom and Chip Handling				
(11) Cat Operator	30.230 E	30.835 E	31.605 E	32.555 E
(10) Front End Loader (980)	29.950 E	30.550 E	31.315 E	32.255 E
(10) Field Operator	29.950 E	30.550 E	31.315 E	32.255 E
(0) Utility	27.620 H	28.170 H	28.875 H	29.740 H

Miscellaneous

(7) Vacuum Truck Operator	29.210 E	29.795 E	30.540 E	31.455 E
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POWER GROUP

Steam and Recovery

(54) Assist. Shift Engineer, 3 rd	41.210 E	42.035 E	43.085 E	44.380 E
(53) Recovery Engineer, 3 rd	40.945 E	41.765 E	42.810 E	44.095 E
(37) Power Boiler Engineer, 3 rd	36.860 E	37.595 E	38.535 E	39.690 E
(26) Recovery Field Engineer, 3 rd	34.055 E	34.735 E	35.605 E	36.675 E
(19) Mill Field Engineer, 3 rd	32.255 E	32.900 E	33.720 E	34.730 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
Steam and Recovery (cont'd)				
(11) Power Boiler Field Eng., 4 th	30.230 E	30.835 E	31.605 E	32.555 E
(11) Recovery Field Engineer, 4 th	30.230 E	30.835 E	31.605 E	32.555 E
(1) Utility	27.750 E	28.305 E	29.015 E	29.885 E
Recaust / Water Treatment				
(32) Recaust Operator	35.585 E	36.295 E	37.200 E	38.315 E
(22) Kiln Operator	33.025 E	33.685 E	34.525 E	35.560 E
(8) Field Operator	29.450 E	30.040 E	30.790 E	31.715 E
(1) Utility	27.750 E	28.305 E	29.015 E	29.885 E

	May 1, 2012-2013	May 1, 2014	May 1, 2015	May 1, 2016
TECHNICAL				
(15) Quality Environmental Tester	31.245 E	31.870 E	32.665 E	33.645 E
(3) Chip Tester	28.200 E	28.765 E	29.485 E	30.370 E
(0) Chip Utility	27.530 T	28.080 T	28.780 T	29.645 T
PROTECTION DEPARTMENT				
(0) Lunchroom Attendant	27.530 E	28.080 E	28.780 E	29.645 E

STEAM PLANT CERTIFICATION BONUS

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

Note: Only one of the above bonuses is applicable – no stacking.

DIRTY MONEY

Fifteen (15) cents per hour above the “base rate only” will be paid for the following jobs. It is understood that the highest rate to be paid to any employee whose regular rate is below this maximum rate would be on the above stated basis of “base rate plus fifteen (15) cents”.

- 1) Handling bag lime.
- 2) Handling bad sodium sulphite.
- 3) Handling bag alum.
- 4) Cleaning out lime kiln, recovery pit and conveyor.
- 5) Cleaning out lime slaker.
- 6) Cleaning out liquor tanks.
- 7) Cleaning out oxidation towers.
- 8) Cleaning out digester.

- 9) Cleaning out recovery hearth.
- 10) Cleaning out upper passes in recovery.
- 11) Cleaning out upper passes in power boiler.
- 12) Cleaning out precipitator.
- 13) Cleaning out green and white liquor clarifiers and mud washers.
- 14) Cleaning out external hog fuel tubes.
- 15) Needle gun.
- 16) Steam cleaning.
- 17) Working on effluent system.
- 18) Working on sewer system.

Note:

- 1) Eight (8) cents per hour will be paid above the regular rate for time actually spent on spray painting, sandblasting and operating ramset or hilti-gun.
- 2) A special rate of ten (10) cents per hour above the regular job rate will be paid for time actually spent on roll grinding.

METRIC TOOLS

The Company will make available tradesmen's tools required upon the introduction of the metric system.

**JOB EVALUATION PLAN
CONVERSION TABLE BY STEPS**

STEP	MAY 01/12	MAY 01/13	MAY 01/14	MAY 01/15
BASE	27.530	27.530	28.080	28.780
1/2	27.620	27.620	28.170	28.875
1	27.750	27.750	28.305	29.015
2	27.985	27.985	28.545	29.260
3	28.200	28.200	28.765	29.485
4	28.440	28.440	29.010	29.735
5	28.690	28.690	29.265	29.995
6	28.955	28.955	29.535	30.275
7	29.210	29.210	29.795	30.540
8	29.450	29.450	30.040	30.790
9	29.705	29.705	30.300	31.060
10	29.950	29.950	30.550	31.315
11	30.230	30.230	30.835	31.605
12	30.480	30.480	31.090	31.865
13	30.725	30.725	31.340	32.125
14	30.995	30.995	31.615	32.405
15	31.245	31.245	31.870	32.665
16	31.510	31.510	32.140	32.945
17	31.745	31.745	32.380	33.190
18	32.005	32.005	32.645	33.460
19	32.255	32.255	32.900	33.720
20	32.510	32.510	33.160	33.990
21	32.780	32.780	33.435	34.270
22	33.025	33.025	33.685	34.525
23	33.275	33.275	33.940	34.790
24	33.540	33.540	34.210	35.065
25	33.805	33.805	34.480	35.340
26	34.055	34.055	34.735	35.605
27	34.290	34.290	34.975	35.850
28	34.550	34.550	35.240	36.120
29	34.815	34.815	35.510	36.400
30	35.085	35.085	35.785	36.680
31	35.335	35.335	36.040	36.940
32	35.585	35.585	36.295	37.200

33	35.845	35.845	36.560	37.475
34	36.100	36.100	36.820	37.740
35	36.350	36.350	37.075	38.000
36	36.620	36.620	37.350	38.285
37	36.860	36.860	37.595	38.535
38	37.105	37.105	37.845	38.790
39	37.380	37.380	38.130	39.085
40	37.635	37.635	38.390	39.350
41	37.885	37.885	38.645	39.610
42	38.145	38.145	38.910	39.885
43	38.395	38.395	39.165	40.145
44	38.650	38.650	39.425	40.410
45	38.910	38.910	39.690	40.680
46	39.175	39.175	39.960	40.960
47	39.415	39.415	40.205	41.210
48	39.670	39.670	40.465	41.475
49	39.925	39.925	40.725	41.745
50	40.180	40.180	40.985	42.010
51	40.450	40.450	41.260	42.290
52	40.685	40.685	41.500	42.540
53	40.945	40.945	41.765	42.810
54	41.210	41.210	42.035	43.085
55	41.450	41.450	42.280	43.335
56	41.720	41.720	42.555	43.620
57	41.965	41.965	42.805	43.875
58	42.220	42.220	43.065	44.140
59	42.470	42.470	43.320	44.405
60	42.740	42.740	43.595	44.685
61	43.010	43.010	43.870	44.965
62	43.255	43.255	44.120	45.225
63	43.505	43.505	44.375	45.485
64	43.755	43.755	44.630	45.745
65	43.990	43.990	44.870	45.990
66	44.255	44.255	45.140	46.270
67	44.505	44.505	45.395	46.530
68	44.765	44.765	45.660	46.800
69	45.030	45.030	45.930	47.080
70	45.285	45.285	46.190	47.345
71	45.530	45.530	46.440	47.600

72	45.785	45.785	46.700	47.870
73	46.035	46.035	46.955	48.130
74	46.285	46.285	47.210	48.390
75	46.535	46.535	47.465	48.650
76	46.795	46.795	47.730	48.925
77	47.050	47.050	47.990	49.190
78	47.305	47.305	48.250	49.455
79	47.555	47.555	48.505	49.720
80	47.815	47.815	48.770	49.990
81	48.060	48.060	49.020	50.245
82	48.305	48.305	49.270	50.500
83	48.560	48.560	49.530	50.770
84	48.820	48.820	49.795	51.040
85	49.080	49.080	50.060	51.310
86	49.315	49.315	50.300	51.560
87	49.570	49.570	50.560	51.825
88	49.830	49.830	50.825	52.095
89	50.090	50.090	51.090	52.365
90	50.335	50.335	51.340	52.625
91	50.595	50.595	51.605	52.895
92	50.850	50.850	51.865	53.160
93	51.110	51.110	52.130	53.435
94	51.355	51.355	52.380	53.690
95	51.595	51.595	52.625	53.940
96	51.860	51.860	52.895	54.215
97	52.120	52.120	53.160	54.490
98	52.375	52.375	53.425	54.760
99	52.620	52.620	53.670	55.010
100	52.870	52.870	53.925	55.275

EXHIBIT "B"

JOB EVALUATION PLAN

1. The Job Evaluation Plan

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

2. The Scope and Limitations of the Plan

- (a) The Job Evaluation Plan shall not be applied to the following job fields covered by Exhibit "A" of the Labour Agreement:
- (i) Mechanical Trades (See Exhibit "1" attached for definition).
 - (ii) Longshoring.
 - (iii) Saw Filers and Saw Fitters.
 - (iv) Jobs on Newsprint Machines.
- (b) Except as provided in Section 2(a) above, all jobs covered by the Labour Agreement shall be considered eligible for evaluation when presented in the manner prescribed herein to the Joint Job Evaluation Board hereinafter provided for.

3. Administration and Procedure

(a) Job Evaluation Directors

- (i) The Job Evaluation Directors shall be composed of one (1) representative of the Communications, Energy and Paperworkers' Union of Canada and one (1) representative of the Employers.
- (ii) It shall be the duty of the Job Evaluation Directors:
 - a) to direct and supervise the functioning of the Job Evaluation Plan in accordance with the policies and procedures adopted by the parties to the Labour Agreement through an Administrative Committee comprised of the Job Evaluation Directors, three (3) designated representatives from the local unions and three (3) designated representatives of the companies using the plan.
 - b) to receive reports from Plant Evaluation Committees and to recommend improvements where necessary in the procedure of the Committees.
 - c) to review cases of evaluation upon request of either Union or Company members of the Plant Evaluation Committees.
 - d) to review the general operation of the Joint Job Evaluation Board as to methods, factors, procedures, delays, and to order such reviews or surveys of job fields as necessary. It shall also be the duty of the

Job Evaluation Directors to adjudicate any disagreement which might arise in the functioning of the Plan.

- e) to direct the Joint Job Evaluation Board as to changes in methods which do not constitute basic changes. The Directors shall neither negotiate rates nor exercise any of the collective bargaining functions of the National Union or the Company.
- f) to recommend improvements in the Job Evaluation Plan to an Administrative Committee for consideration. Only in the Administrative Committee is vested the power to amend, add to, or subtract from, the Plan. Ratification of improvements will be by such method as determined by each party to the plan.
- g) when the Directors are unable to resolve, within sixty (60) days, matters referred to them under (c) or (d) above, the matter may be referred by either Director or the Union or Company members of the Plant Evaluation Committees to the Independent Review Officer as provided for under paragraph 3(d) below.

(b) Joint Job Evaluation Board

- (i) The Joint Job Evaluation Board shall consist of one (1) representative of the National Union and one (1) representative of the Employers.
- (ii) It shall be the duty of the Joint Job Evaluation Board to evaluate and set the rate for any job presented for evaluation in accordance with this Plan. It shall also be the duty of the Board to

develop, revise and maintain in an up-to-date manner the tables necessary to the functioning of the Job Evaluation Plan. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

(c) Plant Evaluation Committee

- (i) The Mill Manager and the Union shall create a Plant Evaluation Committee which shall consist of not less than two (2) nor more than three (3) members representing the Union involved and not less than two (2) nor more than three (3) members representing the Company.
- (ii) It shall be the duty of the Plant Evaluation Committee:
 - a) to act upon all requests for job evaluation, within the scope and limitations of the Plan as stipulated in Section 2 above, which may arise if, in their opinion, such evaluation would result in a rate change. Any decision to submit a job to the Joint Job Evaluation Board for evaluation must be unanimously agreed upon by all members of the Plant Evaluation Committee representing both the Company and the Union.
 - b) to make investigations of jobs to be submitted for evaluation, prepare job descriptions, arrange schedule of interviews required, determine and arrange for the attendance of those job representatives who desire to be present at the explanation of the evaluation computations, as provided in Section 4(d) and to assist in pointing out factual and pertinent information relative to

the job to the Joint Job Evaluation Board at the time of evaluation.

c) to make a written report to the Job Evaluation Directors of the jobs on which the Union and the Company members of the Committee have been unable to agree as to whether an evaluation should be made, with a statement of the facts on which the disagreement was based.

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

(d) **Independent Review Officer**

(i) The Communications, Energy and Paperworkers' Union of Canada and the Employers shall appoint an Independent Review Officer for the term of the Labour Agreement.

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

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

iv) The Employers and the Communications, Energy and Paperworkers' Union of Canada shall each pay one-half of the fees and expenses of the Independent Review Officer incurred in the adjudication of disputes.

4. General Policies

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

evaluated rate will be paid retroactively to the agreed-upon start-up date of the new equipment or the commencement of the job.

- (d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant Evaluation Committee and to those job representatives present, before leaving the mill. In those cases where it is not possible to complete the evaluation at the mill, the Joint Job Evaluation Board will return to the mill and explain the evaluation computations before making the results official.
- (e) The Joint Job Evaluation Board shall furnish to the Plant Evaluation Committee a copy of the job description and evaluation computation forms pertaining to jobs that have been evaluated. Copies of the forms furnished are to be retained in the files at a suitable place, and will be open to members of the Plant Evaluation Committee for study or review.

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

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

- (g) When a survey or Job Field Study is authorized by the Directors, a projected completion date will be established. The completion date will also be used as a guide in determining the date for implementation of changes that result from the study.
- (h) A Local Union may opt out of the Job Evaluation Plan during the thirty (30) days following ratification of the Memorandum for renewal of the Agreement. The effective date of any opting out will be the last day of the expiring Agreement.

EXHIBIT "1"
DEFINITION OF MECHANICAL TRADES

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

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

EXHIBIT "C"

WELFARE PLAN

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

1. Compliance

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

2. Coverages and Benefits

(a) Group Term Life Insurance

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

(b) Accidental Death or Dismemberment Insurance

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

Dismemberment and paralysis insurance benefits of the Welfare Plan will be in accordance with the

schedules offered by the particular carrier involved, such coverage to be on a twenty-four (24) hour basis.

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

The Welfare Plan will include Non-Occupational Accident and Sickness Insurance that will provide a benefit of sixty-two percent (62%) of the employee's regular job rate to the maximums in the following table:

Maximum Weekly Indemnity Benefits Payable	
Effective Date	Benefit Maximum
2012-2015	\$925.00 per week
May 1, 2015	\$948.00 per week
May 1, 2016	\$976.00 per week

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

Note: The increases effective May 1, 2015 and 2016 reflect the May 1, 2012 benefit being increased in accordance with the general wage increases effective on those dates.

Weekly Indemnity benefits will be payable beginning with the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness, which results in the claimant being hospitalized as a bed patient, and in those cases where surgery is performed which necessitates loss of

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

Weekly indemnity benefits which begin prior to age 65 will continue until the employee has received at least fifteen (15) weeks of benefits, or until the employee is no longer disabled or retires, whichever ever comes first. Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, they must reimburse the Plan once they have received 100% of their gross wages lost.

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

1st three months	75% of normal premium
2nd three months	50% of normal premium
3rd three months	25% of normal premium
last three months	no premium

(d) **Medical-Surgical Coverage**

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

The Extended Health Benefit plan lifetime maximum is \$300,000.

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

(e) **Dental Care Plan**

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

(f) **Long Term Disability Plan**

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

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

MAXIMUM INSURANCE BENEFITS PAYABLE		
EFFECTIVE DATE	GROUP TERM LIFE	AD&D
2012-2013	\$98,500	\$98,500
May 1, 2014	\$100,500	\$100,500
May 1, 2015	\$103,000	\$103,000
May 1, 2016	\$106,000	\$106,000

Accidental Death and Dismemberment Coverage Schedule to reflect current insurance carriers' benefit levels and provide coverage for quadriplegia, paraplegia and hemiplegia at 200%.

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

"When in the opinion of the attending physician and attending specialist a medical procedure is required that is not available in B.C., and is one for which the Medical Services Plan of B.C. will accept financial

responsibility, the cost of travel and accommodation to the limits specified below will be paid for by the Plan. Where the attending physician specifies that an attendant is required, the travel and accommodation expenses for such person will be paid to the limit specified. The maximum limit under any one claim will be the return economy airfare or equivalent for patient and attendant, plus accommodation expenses up to a maximum of \$1,500. Receipts will be required and forwarded on the claim form prescribed by the Carrier."

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

3. Waiting Period

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

4. Joint Welfare Board

A Joint Welfare Board shall be established comprised of three (3) members appointed by the National Union and three (3) members appointed by the Employers. The function of the Board will be to review the operations of the Plan. It will formulate and review uniform statistical reports to be supplied by the Company for the purpose of ensuring compliance with Exhibit "C". The Company agrees to furnish to the Board such statistical reports as the Board may require.

5. Union Welfare Committee - Management Welfare Committee

The Union Welfare Committee shall be appointed and shall

meet with the Management Welfare Committee with respect to questions which may arise concerning the operations of the Welfare Plan. If there is only one Union in the mill, the Union Welfare Committee shall consist of not less than two (2) and not more than three (3) members and if there are two Unions in the mill it shall consist of not less than three (3) nor more than five (5) members, it being agreed such committee members shall be selected by the Union or Unions concerned from participating employees who are working in the mill at the time of appointment to and while serving on the Committee. The Company shall appoint a Management Welfare Committee consisting of not less than two (2) members and not more than the aggregate number of members of the Union Welfare Committee.

The function of the committee will be to review the operations of the Plan and to permit the committee to ensure compliance with the terms and conditions of Exhibit 'C'. The Company agrees to furnish to the committee such reports as the Committee may require.

6. Rehabilitation and Reintegration

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

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

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

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.

Administration of this program will be handled by the Health and Welfare Committee.

7. Changes in Classification

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

8. Costs

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

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

Company	100%
Employee	Nil

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

Company	70%
Employee	30%

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

9. 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.

10. 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.

11. 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.

12. Optional Payments under Life Insurance

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

13. Disputes

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

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

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

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

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

2. In the event the employee's claim is further denied and the employee wishes to further appeal the decision of the carrier, the claimant may, within fourteen days, refer the denial of benefit to the Joint Union-Management committee. If the Committee is unable to resolve the disputed claim, the issue will, within fourteen days, 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 carrier. The costs of the third party shall be borne equally by the Union and the Employer.
4. The third party will endeavour to complete the assessment and reach a decision on the issue under appeal within fourteen days of referral.
5. The decision of the third party shall be binding upon the parties and the carrier.

14. Disputed Workers' Compensation Board Weekly Indemnity Claims

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

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

15. 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.

16. 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.

17. Surviving Spouse and Dependent Coverage

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

APPENDIX "1" DENTAL CARE PLAN

A. Benefits

(i) Diagnostic Services

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

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

(ii) **Preventive Services**

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

Cleaning and scaling
Topical application of fluoride
Space maintainers

(iii) **Surgical Services**

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

(iv) **Restorative Services**

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

(v) **Prosthetic Repairs**

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

(vi) **Endodontics**

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

(vii) **Periodontics**

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

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

(a) Crowns and bridges.

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

(ix) **Orthodontics**

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

The maximum lifetime benefit is \$4,000 per person for all services provided by an Orthodontist.

B. Co-Insurance

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

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

APPENDIX "2" LONG TERM DISABILITY PLAN SUMMARY

1. Eligibility

(a) All hourly employees who are working full time for full pay will be eligible for coverage. Minimum hours worked must be no less than thirty (30) per week.

- (b) Coverage will commence after thirty (30) days of service.
- (c) Employees must be actively at work, full-time and for full pay on the date coverage commences.

2. Level of Benefits

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

Employees who are under 60 years of age will have their future benefits recalculated by applying the contractual wage increases that were applied in each year, during the period of their disability, to their long term disability benefit. The benefit will be recalculated using the greater of their existing long term disability benefit or a recalculation using the base rate that is in place on that date.

The recalculated weekly benefit when combined with all other disability income to which the disabled employee is receiving will not exceed 80% of 40 hours multiplied by the regular wage rate in effect at the date of disability.

3. Elimination Period

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

4. L.T.D. Benefit Payments

- (a) There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.
- (b) Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) months service with the company up to the date of onset of disability.
- (c) Benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him further under (b) above. At the point when he runs out of L.T.D. benefit, he will retire.

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

5. Definition of Total Disability

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

6. Integration with Other Disability Income

- (a) The benefit from this plan combined with all other disability income to which the disabled employee is

entitled will not exceed 80% of the employee's regular wage rate at date of disability.

All other disability income will include: C.P.P./Q.P.P. primary disability pension benefits, Workers' Compensation, disability income from a group or association plan, disability income arising out of any law or legislation, and wage continuation or pension plan of any employer including the Pulp and Paper Industry Pension Plan. Private or individual disability plan benefits of the disabled employee will not reduce the benefit from this plan.

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

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

7. Rehabilitative Employment

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

- (b) Rehabilitative employment shall mean any occupation or employment for wage or profit or any course or training that entitles the disabled employee to an allowance, provided such rehabilitative employment has the approval of the employee, and his doctor in consultation with the underwriter of the L.T.D. plan.
- (c) Rehabilitative employment will be deemed to continue until such time as the employee's earnings from rehabilitative employment exceed 75% of his straight time earnings at date of disability but in no event for more than twenty-four (24) months from the date rehabilitative employment commences.

8. Exclusions

Disabilities resulting from the following are not covered:

- (a) War, insurrection, rebellion or service in the armed forces of any country.
- (b) Participation in a riot or civil commotion.
- (c) Intentionally self-inflicted injuries.
- (d) Pregnancy, childbirth, miscarriage or abortion. Severe complications following termination of pregnancy will however be covered.

9. Pre-Existing Conditions

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

10. Successive Disabilities

A subsequent disability that is related to a previous disability and occurs within six (6) months of an employee's return to

work will be considered a continuation of the previous L.T.D. disability

and the employee will not be eligible for weekly indemnity benefits. The employee under these circumstances will be eligible to receive benefits without the necessity of completing another elimination period.

11. Terminations

Coverage will cease:

- (a) On termination of employment.
- (b) On a date fifty-two (52) weeks prior to an employee's 65th birthdate.
- (c) On the date leave of absence commences except as provided for in the Labour Agreement.
- (d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with section 6 of Article XXI of the Labour Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreements. In the event an employee becomes totally disabled while covered by this plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

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

12. Contribution Waiver

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

CONDITIONS FOR IMPLEMENTING THE PLAN

- (1) The Long Term Disability Plan is payment in kind of the employee's share of the reduction in the Unemployment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Unemployment Insurance Regulations. The full E.I. premium reduction including the employee 5/12th's share will be retained by the employer.
- (2) When an employee becomes totally disabled under this plan they shall have the option of taking all outstanding earned time off with pay, such as vacations, supplementary vacations, statutory holidays, special (personal) floating holidays, and any half-time portion of banked overtime.
- (3) Upon commencement of L.T.D. benefits all terms and conditions of the Labour Agreement will become inoperative except where provided for in Article 4 (b), (c) and (d) below.
- (4)
 - (a) Negotiated wage increases will apply as per Article 2 of the Plan Summary but subsequent increases in plan benefits will not affect employees on L.T.D. benefits.
 - (b) Employees in receipt of L.T.D. benefits from this plan will continue to accrue credit under the Pulp and Paper Industry Pension Plan provided such employees are not in receipt of a disability pension under the Pulp and Paper Industry Pension Plan.

- (c) Employees in receipt of disability payments from this plan will continue to be covered under his employer's medical, extended health and dental plans. Coverage under the employer's group life and A.D. & D. plans will also continue in accordance with the conditions of those plans.
- (d) An employee returning to work from an L.T.D. claim will return to a job his seniority, qualifications and ability to perform the work properly entitle him to.
- (e) Active claims as referred to in Section 14 of Exhibit "C" of the Labour Agreement will be defined as that period of time during which an employee is in receipt of weekly indemnity payments only.

EXHIBIT "D"

APPRENTICESHIP TRAINING PROGRAM

1. The purpose of the Program is to provide tradesmen of the highest calibre.
2. The Apprenticeship Training Program will reflect trades, as set forth below:

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

General Principles

3. The period of Apprenticeship Training will be as defined by the Industry Training Association for each trade. The Apprentice will receive the Journeyman rate on successful completion of his Apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that he completes his full term of training. If the Apprentice refuses to continue his training, he will be removed from the Program with no standing as a Journeyman in his trade.
4. Training syllabus for each trade to be designed to meet the requirements of the particular trade involved.
5. All provisions of the Labour Agreement shall be applicable to Apprentices in the Program.
6. Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Industry Training Association.
7. Under the Program, Apprentices will receive rates as per Exhibit "A" of the Labour Agreement.

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

Joint Union-Management Apprenticeship Committee

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

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

- (a) The Company to establish in-plant training programs to support the training syllabus as developed by the Industry Training Association for each trade involved. Supervision of the established Program shall be the responsibility of the Joint Committee.
- (b) Set standards for entry into the Apprenticeship Program that are not inconsistent with the standards recommended by the Industry Training Association
- (c) Carry out periodic reviews of the training programs at intervals of not more than three (3) months.
- (d) See that the required practical tests are carried out in cooperation with the Industry Training Association.
- (e) Determine the tool requirements by years of training.
- (f) Joint Committee to review any case of lost time from the Program because of sickness, accident, etc. and to determine the amount of additional time necessary before an employee meets his requirements of time served.

Central Advisory Committee

- 9. There shall be established a Central Advisory Committee of representatives of Labour and Management, for the purpose of considering policy

questions and possible necessary amendments from time to time. This Committee to be composed of equal representation from Labour and Management not to exceed, in total, three (3) from each group.

Entry to Program - New Apprentices

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

Schedule of Training for Apprentices

11. Upon completion of each period of training in an approved Vocational School an Apprentice will be required to pass examinations set by the Industry Training Association. Practical examinations shall be confined to the area of training received. In the event of failure to pass examinations, the Apprentice shall be required to undergo a period of re-training on subject material specified by the Industry Training Association authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in a review of his position by the Joint Apprenticeship Committee and could result in his removal from the Program. Employees who are removed from the Program will be offered an entry job in keeping with their plant seniority.
12. (a) Successful applicants will be assigned to a specific trade as a probationer for a two (2) month period. During the probationary period he shall receive the first year apprentice rate.

- (b) During each year of Apprenticeship, he shall work at the trade and attend Vocational School as required by the regulations pursuant to the Apprenticeship Act.
- (c) Upon the successful completion of his term of Apprenticeship and receipt of his certificate of Apprenticeship, issued by the Industry Training Association, the Apprentice shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.
- (d) If any of the aforementioned work periods are exceeded due to the unavailability of Vocational School facilities, such extra time will be credited to the Apprentice in succeeding training requirements. Also, the Apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing he successfully passes the examinations. Retroactivity will not apply where re-testing is necessary.
- (e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the Vocational School, and having spent twelve (12) months as a fourth year apprentice, he shall be reclassified and paid the fifth year Apprentice rate which is equivalent to the "A" Mechanic rate for the following twelve (12) months. On completion of the final period at the Vocational School the fifth year apprentice shall write his final examination set by the Industry Training Association and, upon becoming certified, shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.

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

Cost of Books

14. The Company will pay 100% of the cost of textbooks specified by the Industry Training Association. The apprentice will keep these books as his personal property.

Allowances and Wage Make-up

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

General

16. (a) The Company agrees to develop and provide a program of on-the-job training for each trade, which shall include doing jobs of gradually increasing skills consistent with the apprentice's training and ability.
- (b) Apprentices will be required to acquire and build a kit of tools progressively throughout the Program, as specified by the Industry Training Association and the Joint Union/Management Apprenticeship Committee.

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

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

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

17. Testing of existing "A" and "A+" Mechanics for a certificate of competency shall be at the employee's option. Failure to have obtained a Trade Qualification Certificate shall not prejudice the status of a Journeyman within the Pulp and Paper Industry. Should he desire to enter the Program, it will be for the purpose of additional training only, without reduction in rate of pay.

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

EXHIBIT "E"

STEAM PLANT VOCATIONAL LEAVE

1. Fourth Class Certificate

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

During his first week at the School the employee will be evaluated by the school authorities to determine his knowledge of the subject, and if the evaluation is favourable he will continue his studies at the school during the two weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and he will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted three (3) weeks leave of absence, two (2) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the prescribed Fourth Class Certificate examination.

2. Third Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a THIRD CLASS STATIONARY STEAM ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted six (6) weeks leave of absence with pay to attend an approved Vocational

School to complete the course and write the examination for the Third Class Stationary Steam Engineering Certificate.

During his first week at the school the employee will be evaluated by the school authorities to determine his knowledge of the subject, and if the evaluation is favourable he will continue his studies at the school during the following five (5) weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and he will return to the mill and carry out the recommended home studies. Upon completion of this additional studying the employee will be granted six (6) weeks leave of absence, five (5) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the prescribed Third Class Certificate examination.

3. Second Class Certificate

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

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

During his first week at the school in each of the above mentioned cases (i) and (ii) the employee will be evaluated by the school authorities to determine his knowledge of the

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

4. Basis of Pay

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

5. Additional Leave

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

6. Books

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

7. Examination and Tuition Fees

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

8. Transportation Allowance

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

9. Timing of Leave

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

10. Number on Leave

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

11. Government Allowances

If at any time provision is made whereby transportation and/or other allowances are granted by the government to Steam Plant personnel attending an approved Vocational School to write for

Stationary Engineering certificates, the provisions set forth above will then be amended to take into account such Government allowances.

12. Living Out Allowance

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

STATEMENTS OF POLICY

2008-2012

LABOUR AGREEMENT

and

1945 - 1994

B.C. STANDARD LABOUR AGREEMENT

Taken from the Transcripts of
Negotiations for Contract Years

1945 - 1952 inclusive

and from Memoranda issued during
subsequent Wage Conferences

**COMMUNICATIONS, ENERGY AND PAPERWORKERS'
UNION OF CANADA
BILL HICKEY LOCAL 603**

**CANFOR PULP LIMITED PARTNERSHIP
NORTHWOOD PULP MILL**

FOREWORD

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

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

STATEMENTS OF POLICY

ARTICLE II - DEFINITIONS

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

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

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

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

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

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

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

ARTICLE V – STANDING COMMITTEE

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

- (i) The general principle to be followed is that no employee's normal earnings shall be reduced by virtue of his attendance at a Standing Committee meeting.
- (ii) Employees attending meetings called while they are on duty will be paid for the time in attendance providing a meeting does not extend past the end of a shift.

If it does extend past the end of the shift, no allowance is made for such additional time.
- (iii) Employees attending meetings during their time off will not be paid.
- (iv) Where it is necessary to relieve an employee attending a meeting, the relief man will be paid at straight time except for any time in excess of eight (8) hours in the day which will be paid for at time and one-half.

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

ARTICLE VI – HOURS OF WORK

(a) Section 2: Overtime

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

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

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

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

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

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

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

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

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

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

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

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

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

Relief of Mates. (Page 328, 1950 Transcript)

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

Section 3: Days Off and Schedule of Shifts

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

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

- (b) **Sunday Running**

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

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

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

ARTICLE IX – ALLOWANCE FOR FAILURE TO PROVIDE WORK

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

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

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

In the application of this section it is considered that the allowance is due to an employee only in the case where he is reporting for his regular duties and then no work is provided. If the employee's regular duties consist of ship loading and bull gang work, he may be transferred from one regular assignment to another without penalty providing he obtains work on either job. However, while working on ships he will receive the ship rate and while working in the yard he will receive the bull gang rate. In the case of an employee, whose regular duties consist of one specified job, and who reports for work and finds no work available, if such employee then transfers to a job carrying a lower rate, at his election, he shall nevertheless receive the rate paid him on his regular job.

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

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

ARTICLE X – CALL TIME

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

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

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

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

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

- (i) In Section 2(a) relating to the payment of Call Time to Tour Workers, the phrase "after he has completed his regular shift" shall be considered to mean at that point when his pay stops upon being relieved by a mate.
- (ii) A Day Worker is called in on his designated day off reporting for work at 8:00 a.m. and working until 10:00 a.m. for which he received four (4) hours pay as the minimum allowance for an employee who starts work. If notification had not been given during his last shift preceding the work involved, he would qualify for Call Time and would also qualify under the provisions of Section 3(a) wherein a minimum of four (4) hours pay will be paid for each call when work has actually commenced both to

Tour Workers and Day Workers.

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

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

ARTICLE XVII – STATUTORY HOLIDAYS

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

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

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

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

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

Transcript)

- (i) In the calculation of the forty-two (42) hour work week (amended to forty (40) hours 1952-53) the payment of holiday pay will not be used unless the employee actually worked.
 - (ii) It is understood that an employee's vacation shall be exclusive of a paid holiday as recognized by the B.C. Standard Labour Agreement. Therefore, if one or more such holidays fall within the employee's vacation period, he will be required to take the comparable number of additional days off. The employee shall only receive the pay for such recognized paid holidays falling within his vacation period when he takes the required additional time off.
 - (iii) Where an employee, after having agreed to do so, fails or refuses to work on a holiday, on account of sickness, or other bona-fide reason, the Company reserves the right to investigate the absence of the employee to decide whether or not he is entitled to holiday pay.
 - (iv) The sixty (60) day qualifying period referred to in Clause (a) refers to "calendar" days.
- (d) **Clarification of Section 4(c).** (Page 105, 1950 Transcript)

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

ARTICLE XXVIII – SAFETY AND OCCUPATIONAL HEALTH

Unsafe Working Conditions. (Page 136, 1947 Transcript)

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

ARTICLE XXX – DISCIPLINARY ACTION

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

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

ARTICLE XXXI – ADJUSTMENT OF COMPLAINTS

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

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

Exhibit "A"

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

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

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

If an employee is requested to work in excess of eight (8) hours in any one day or in excess of his scheduled work week hours in any one week, the employee has the right to come in

or not to come in and no penalty can be imposed by the employer for the failure of the employee to come in. It is understood, however, that the Companies are entitled to look for reasonable co-operation from their employees.

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

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

Suggestions with Respect to Bull Sessions

1. That a full and complete list of bull session items be submitted to each Company - at the mill - at least TWO (2) WEEKS prior to the commencement of the Joint Wage Conference.
2. That bull session items be completed PRIOR to the commencement of the Joint Wage Conference.
3. That every effort, however, be made by all concerned to ELIMINATE THE NEED for bull sessions.

Letter of Understanding – Re. Apprentices Living Out Allowances

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

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

This letter was renewed by agreement between the Company and the Union for the term of the 2008 - 2012 Labour Agreement.

Letter of Understanding – Re: Rehiring

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

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

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

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

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

Letter Of Intent – Re: Contracting Out

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

Letter to the President – Re: Contracting Out Code of Ethics

This is to confirm the agreement between the Company and Communications, Energy, and Paperworkers' Union of Canada, Local 603 respecting the conditions that would apply to contractors coming onto the mill site to perform

construction work or perform maintenance and repair work of a nature normally performed by employees in the bargaining unit. This agreement will prevail for the duration of the Collective Agreement. In entering into this agreement, the Union acknowledges that, subject to Contracting Article XXV, the Company retains the right to select contractors as it deems appropriate.

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

Any other contractor who comes onto the mill site to perform construction work or perform maintenance and repair work which is of a nature normally performed by employees in the bargaining unit shall abide by the following Code of Ethics. This Code defines the terms and conditions under which these contractors and their employees will be governed during the term of their contract.

1. **Minimum Wages**

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

2. **Contributions to the Pulp and Paper Industry Pension Plan**

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

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

3. Remittance to the Local Union

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

4. Adherence to Safety Regulations

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

5. Honouring of Picket Lines

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

The hourly contribution calculation to be provided to the Union and the Industry Pension Plan would be based on the contractors' blue collar work force (i.e. those who would normally be included in a bargaining unit for construction and maintenance/repair including trades, labourers, apprentices, etc.).

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

Letter of Understanding – Re: Flexibility And Contracting

This letter is amended as per Brian Foley's letter of June 4, 1999.

With respect to contracting of maintenance and repair work in the mill, the Company and the Union share the objective of utilizing properly implemented trades flexibility to reduce the current amount of contracting. The Company and the Union understand that, depending on the degree of success with the flexibility initiatives, not only would contracting be reduced, but, in fact, there could be increased manning to deal with the added maintenance and repair work performed by mill employees.

Letter of Understanding - Re: Flexible Work Practices

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

to assist in fulfilling the intention of Article XXV of the Labour Agreement.

2. The parties agree that this letter on flexible work practices recognizes that the primary responsibility for the operation of the mill will remain with operators and the primary responsibility for maintaining the mill will remain with trades persons and Steam Plant maintenance employees.
3. It is understood that the intent of this letter will supersede local practices and verbal and written agreements which would impair the implementation of flexible work practices.
4. All work will be performed in a manner consistent with safety articles of the collective agreement as well as the Company's safety rules and the regulations issued by the Workers' Compensation Board of B.C. It is recognized that some tasks can only be performed by employees who possess certain government certifications and in that instance, the work will only be performed by employees who possess the required government certificate.
5. The intent of this agreement is to provide that all employees will safely utilize all of their existing skills and maximize their productivity and learn and use new skills to enhance their effectiveness.
6. The Company and the 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.

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

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 Operations employees.
- Immediate utilization of existing skills that may not have been previously used due to restrictive work practices.
- Employees assisting each other regardless of department or occupation.
- \$.0.25 per hour for Maintenance

employees and \$0.20 per hour for operators upon successful completion of each modular training program and utilization of skills acquired as a result of this training. There will be two training modules for Maintenance employees and one training module for Operations employees.

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

The same delineation which defines who is an operator and who is a maintenance employee shall apply to the payment of premiums. Maintenance employees will include all journey persons and lubrication mechanics.

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

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

9. Training programs implemented under point (6) are not intended to force qualification in another trade.
10. The Company agrees that no employees will lose their employment with the Company as a direct result of the implementation of flexibility initiatives under this letter. This provision applies to only those employees employed at the date of ratification of this agreement.
11. No trades persons or apprentices will be involuntarily displaced from their respective trade on a permanent basis as a result of the implementation of flexible work practices.
12. It is not intended that flexible work practices shall result in a trades person being assigned to a non trades classification when someone outside of his trade is performing his trade core duties.
13. The Company agrees that no employee's regular job rate will be reduced when he is assigned to perform work under this work place flexibility agreement. This does not apply to an employee who is laid off or whose job is temporarily curtailed and is recalled or works in a different job category on the basis of mill seniority.
14. The Company commits to maintain apprenticeship agreements.
15. For the term of the renewed Labour Agreement, the Company and the Union agree to establish and participate in a Joint Council

which will meet quarterly to discuss issues related to productivity, morale, profitability, work opportunities, market conditions, any alleged discrimination, the on-going effectiveness of flexible work practices and any other problems related to flexible work practices.

The Joint Council will be composed of:

Pulpmill General Manager
Four (4) additional Company Representatives
President of the CEP - Bill Hickey, Local 603
Four (4) additional Union Representatives
The CEP National Representative

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

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

Letter of Understanding – Re: Commitment to Employment

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

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

1. The Company and the Union will establish a joint committee on employment opportunities. The joint committee will be made up of Local Union representatives, Mill Management representatives, representatives of the CEP National office and Company representatives.
2. The joint committee will examine ways to enhance employment opportunities through new work arrangements, including reduced overtime and working time alternatives. The Company agrees to provide the joint committee with relevant information to ensure an informed discussion of the issues.
3. The joint committee will make recommendations to the parties on enhanced employment opportunities.

Letter of Understanding - Re: Job Security

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

Letter of Understanding – Re: Trades Qualifications

CEP and Canfor Pulp Limited Partnership both clearly recognize the critical nature of apprenticeship training and certified trades qualifications mechanisms. It is no secret that British Columbia is facing skills shortage and the pulp and paper industry is not exempt from this impending crisis.

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

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

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

The committee will be established within one month from the signing of this agreement.

BULL SESSIONS

2008 - 2012

BETWEEN

**CANFOR PULP LIMITED PARTNERSHIP
NORTHWOOD PULP MILL**

AND

**COMMUNICATIONS, ENERGY AND PAPERWORKERS'
UNION OF CANADA
BILL HICKEY LOCAL 603**

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1966

1. CLOTHING AND EQUIPMENT ISSUE

(Revised 1973, 1975, 1977, 1981, 1983, 1988, 1997)

Coveralls (regular and bib-type) will be stocked in Stores for the use of all employees. The Company will special order sizes not usually carried in Stores if required.

Carpenters' aprons, rubber boots, rubber suits and gloves will be stocked in the Supply Store or Safety Department. These will be issued on loan for special and out-of-ordinary assignments where there are dirty conditions or for safety.

In addition to the above, Welders' fire retardant coveralls and Painters' coveralls will also be stocked for the sole use of those trades.

Winter clothing, parkas and trousers will be stocked in the following locations:

Water Treatment	2 parkas
Safety Supply Stores.....	12 parkas, 6 trousers
Steam Plant.....	2 parkas
Pulping Group	2 parkas
Chemical Unloading	2 parkas, 2 trousers

These will be issued to employees whose normal duties do not require them to work outside, but in cold weather are assigned to work outside.

In addition, two snowmobile suits will be stocked in the Materials Handling Department for the sole use of the switchmen when, in cold weather, they are required to ride rail cars.

All issues will be on loan and will be made on an exchange basis or on the authorization of a supervisor. The signature of the recipient is also required.

All issued clothing and equipment is on loan and will be charged for unless returned or a satisfactory explanation is given in case of loss. Worn out equipment will be replaced upon application.

The Company will continue to provide, at the Foreman's discretion, winter mitts or gloves to those employees working outside for extended periods in cold weather.

2. VOLT-OHM METERS

The Company will provide volt-ohm meters where required. The Company stated they would provide volt-ohm meters, where required, on loan to Electrical Journeymen in keeping with industry practice and regulation.

1968

1. VERBAL WARNINGS

(Revised 1973)

The Company will modify the existing warning form to include verbal warnings. Distribution will be the same as at present.

2. TOOL LOSS ALLOWANCE POLICY *(Revised 2008)*

- a) The Company will replace damaged tools where it is reasonably certain that there was no tradesman negligence.
- b) The Company will not replace worn tools as such, but worn parts such as crescent wrench jaws, hammer handles and tape refills, etc., will be replaced.

1970

1. TRANSPORTATION OF EMPLOYEES

(Revised 1975)

The Company will make arrangements to provide transportation for Woodyard and Woodroom employees to and from their general work area during rainy and/or very cold winter weather.

2. BULL SESSION BOOKLET *(Revised 2008)*

The Company will provide a list of all existing Bull Session Agreements which are of continuing life, insofar as they apply to the current provisions of the Labour Agreement. These agreements will continue to be printed with the Collective Agreement.

3. SAFETY FOOTWEAR

(Revised 1973, 1975, 1981, 1988, 1994, 1997, 2003, 2008)

The Company will subsidize personal safety footwear for all employees who have completed their probationary period as follows, upon proof of purchase provided by the employee, with no limitation on the number of footwear purchased, (Vacation relief and temporary employees will be entitled to a maximum of one pair of safety footwear from Canfor Pulp Limited Partnership per calendar year) provided they are for the personal use of the employee:

Shoes First two pairs - 65%
 Subsequent pairs -50%

Boots First pair - 90%
 Second pair - 75%
 Subsequent pairs - 50%

The Company will provide one pair of safety footwear per year to regular, full time Chemical Conversion Operators, Helpers, and Utilitymen.

The Company will make insoles and leather preservative available through Stores.

Note: Vacation Relief employees will not receive less than reimbursements provided for in this agreement.

1973

1. PAY DAY *(Revised 1997)*

The Company will do its utmost to issue pay cheques every second Wednesday, on or after 3:00 p.m. It must be understood that there will be times when this deadline cannot be met, in such cases notices will be posted in the mill.

The Company cannot advance this date further.

2. CAR WASH TICKETS *(Revised 1975, 1981, 1988, 1994, 1997, 2003)*

Each employee will receive twelve car wash tickets per year with the first pay in November. Increase cash value of car wash ticket to \$5.00 per ticket.

Both parties agree that this arrangement removes any other requirements to issue car wash tickets.

3. EXAMINATIONS IN PRINCE GEORGE *(Revised 1997)*

Employees will be compensated at their regular straight time hourly rate as follows:

- Stationary Engineers: Maximum of three (3) days when unable to write the prescribed examination in Vancouver for 2nd Class Certificates, when such examination is in conjunction with their schooling.
- Locomotive Crew and Trackmobile Operators: Maximum of four (4) hours when writing the prescribed examination in accordance with the Department of Transport requirement.

Allowances provided will not apply to re-examinations.

Compensable hours under the terms of this Understanding will not count as hours worked for the purpose of computing overtime.

4. EMERGENCY RESPONSE INSURANCE

(Revised 1983, 1988, 1997, 2003)

All employees engaged in fire fighting, emergency response, or emergency ambulance activities on behalf of the Company will be provided with \$70,000 A.D.&D. coverage in addition to any benefits under Exhibit "C" Welfare Plan.

5. LIGHT DUTY PROGRAM

(Revised 1994)

The Company will provide a Light Duty Program on the condition that the employee may return to work only with the permission of his doctor, the approval of the Company, and without prejudice to future Workers' Compensation Board benefits, provided always that suitable work is available.

The foregoing is to apply to both on-the-job and off-the-job disabilities.

Recommendations for a Light Duty program will be developed by the Health and Welfare Committee.

1975

1. MEAL ALLOWANCE

(Revised 1977, 1979, 1981, 1988, 1994, 1997, 2003)

Employees will have the option of electing a meal allowance for meal entitlements under Article VI, Section 5, or when an employee's shift ends at a time he is entitled to an overtime meal. Meal allowances will be 80% of base rate and will be included with pay on regular pay days. The meal allowance will be separately identified on pay statements.

2. INDUCTION OF NEW EMPLOYEES

(Revised 1981, 1988, 1997)

The Company will implement a safety induction review with the supervisor, the employee and the department safety captain within 30 days of hiring. The Company agrees to include a Union representative during the induction of new employees.

1977

1. WELDERS' JACKETS

(Revised 1979, 1997)

The Company will subsidize Welders' leather jackets for regular full time Welders to the extent of 60% of cost upon proof of purchase provided by the employee with a maximum of one jacket every three years.

2. TRAVEL & ACCOMMODATION PLAN - Medical Referrals

(Revised 1979, 1981, 1983, 1988, 1994, 1997, 2003, 2008, 2012)

The Company will provide a "Medical Travel and Accommodation Plan". The provisions of the Plan shall be

subject to the limitations in the contract of the selected carrier.

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

Provision for the following supplementary benefits will be made for employees and their registered dependents who are resident in the province of British Columbia.

TERMS AND CONDITIONS

- A) Where, in the opinion of the attending physician, treating a member employee and/or his registered dependents, adequate treatment is not available locally, transportation by public conveyance from Prince George only will be provided to and from the nearest major centre equipped to provide the required and recommended medical treatment. Such treatment must occur within 2 months of the Attending Physicians referral and must be performed by a member of the College of Physicians and Surgeons of B.C. or equivalent if outside B.C. or a qualified Prosthetist (where services are required for permanent prosthetic appliances, i.e. artificial eyes and limbs), or for oral surgery performed by a member of the College of Dental Surgeons of B.C. or equivalent if outside B.C. (excluding cosmetic purposes).

If medical treatment is required outside of B.C., this travel plan will provide travel and accommodation coverage if the medical treatment is accepted by the B.C. Medical Plan.

"Registered Dependents" are defined as:

- (1) the spouse of the employee, and
 - (2) any child, step child, legally adopted child, or legal ward of the employee (including a child in respect of whom an adult stands in place of a parent) who is supported by the employee and who (a) is not married, and (b) is under the age of 21 years or is in full time attendance at a school or university, who is ordinarily resident in British Columbia.
- B) Where necessary, and at the request of the attending physician, provision for transportation of an attendant in connection with the aforementioned transportation of any employee or his registered dependents.
- C) Also, where transportation has been provided to the nearest major medical centre where adequate facilities are available, provision for assistance regarding accommodation is limited to commercial facilities before and after medical treatment as follows:

Claim Maximum for Patient and Attendant (when approved):

July 20, 2012 - \$800
May 1, 2014 - \$850
May 1, 2016 - \$900

The daily maximum is limited to \$110.00, effective date of ratification.

- D) Up to \$80.00 effective date of ratification for taxi fees to be reimbursed on presentation of suitable receipts.
- E) Costs of travel and accommodation outside of B.C. will be reimbursed to a maximum of the cost in B.C.
- F) If the employee or any registered dependent elects to

travel by personal vehicle under this plan the carrier will reimburse the employee \$0.52 per km (to a maximum of \$300) upon proof of qualification under the terms of this agreement. In the event that an attendant is required the reimbursement will not be stacked.

GUIDELINES

1. Definition of Attendant for Accommodation Purposes
 - a) any individual required to travel with the patient upon the advice and recommendation of the attending physician.
 - b) a parent travelling with a child upon approval of the co-chairman of the Joint Health & Welfare Committee.
2. Accommodation Facilities

Where double occupancy is appropriate (e.g. parent and child), accommodation will be provided to a daily maximum of \$110.00 effective date of ratification.

Double occupancy Claim Maximum for Patient and Attendant (when approved):

July 20, 2012 - \$800
May 1, 2014 - \$850
May 1, 2016 - \$900

Where double occupancy is inappropriate, accommodation will be provided to a daily maximum of \$110.00 effective date of ratification.

Single occupancy Claim Maximum for Patient and Attendant (when approved):

July 20, 2012 - \$800

May 1, 2014 - \$850

May 1, 2016 - \$900

3. In the event the patient remains at the treatment facility and where the attendant returns to Prince George, provision is made to provide travel and accommodation assistance in order that the attendant may accompany the patient's return to Prince George. Accommodation will be reimbursed to a maximum of \$350.00 per claim effective date of ratification. The daily maximum is limited to \$110.00 effective date of ratification.

PROCEDURES

- A) Co-chairman for the Joint Health and Welfare Committee shall review with the employee the limitations of the program prior to the employee utilizing the benefit. The employee will then be given a claim form and requested to obtain the necessary receipts and signatures.
- B) Actual claim for reimbursement must be reviewed and approved by the Co-chairman prior to its submissions to the carrier. Any questions raised by these claims will be further reviewed by the Health & Welfare Committee.
- C) Claims submitted subsequent to obtaining medical treatment will not be accepted under this scheme.

1981

VACATION PAY 1981

(REF: Article XV, Labour Agreement)

Upon written request, vacation pay, as outlined under Section 1, will be paid to employees between May 15th and 31st of each vacation year. Fourteen days notice is required for payment.

Vacation pay will be calculated on a percent basis in accordance with Section 1. Vacation pay adjustments, if necessary, will be made at the time each period of vacation is taken.

Vacation must be taken in the vacation year as outlined in Section 4.

1983

1. OVERTIME BANKING

The Company will implement a system that will provide employees, who are eligible to bank overtime hours as defined in the Labour Agreement, the option of:

- a) Banking all or portion thereof of all eligible hours.
- b) Upon written request, employees may receive all or portion thereof of the deferred one-half time premium pay. Fourteen days notice is required for payment.

2. APPRENTICESHIP

(Revised 1997, 2008, 2012)

The Company recognized a need to have an apprenticeship program. The purpose of the apprenticeship program is to help maintain a staff of high caliber tradesmen to meet the

pulp division requirements. Size of the apprenticeship program will depend on the anticipated needs, taking into account turnover, pulp division growth, availability of qualified tradesmen, technological developments, specific nature of certain trades and economic/budget conditions.

A Joint Management/Union Apprenticeship Committee will oversee the apprenticeship program. This committee will provide appropriate guidelines and will work closely with the government apprenticeship branch in determining training content and work practices. Training of and work performed by apprentices will be in keeping with the Industry Training Association striving for a balance of good overall training and providing productive work. Progressive taking of initiative will be encouraged throughout the indentureship, including working alone, in accordance with the level of training and experience of the apprentice. Apprentices will not be assigned to work alone in a manner that detracts from their training.

Apprentices, when required, will be selected in accordance with the apprenticeship training program as outlined in the Labour Agreement. This selection shall be based on the following criteria:

- education and trade experience
- mill seniority
- testing
- interview

Applicants will not be considered if the attendance record indicated they will not be able to meet the criteria of the Apprenticeship Program, or if there is an unsatisfactory disciplinary record.

2008 - 2012 Agreement Selection Criteria

Category	Maximum Points	Comment
Seniority	20	<ul style="list-style-type: none"> • 2 points/year
Pre-apprenticeship	8	<ul style="list-style-type: none"> • 8 points for related trades • 4 points for unrelated trades
Testing – Composite Score	32	<ul style="list-style-type: none"> • 24 points for pass 70% • additional 8 points for higher marks
Interviews	10	
Post Secondary School	10	<ul style="list-style-type: none"> • 2 points/course related to trade
Related Experience	10	
Steam Ticket or Related Tickets	10	<ul style="list-style-type: none"> • 2 points/ticket
Total	100	

The Selection Committee will be comprised of two persons 1 union / 1 management

- The Company will commit to paying apprentices their living out allowance in advance of their trip to school. Apprentices will need to sign a reimbursement agreement prior to being advanced their living out allowance money. (See page 134 of main wage for further guidance).

1988

1. LOCAL AGREEMENTS

(Revised 1994, 2003)

The Company will provide a book of all current signed Letters of Understanding and signed Memorandums of Agreement between the Company and Local 603. If either party has overlooked an Agreement, it will be included when brought to the attention of either party.

2. GLASSES DAMAGED ON THE JOB

(Revised 1997)

The Company will continue to provide an Eye Glass Policy equivalent in content to the current Safety Eye Glass Policy.

3. PRE-RETIREMENT PROGRAM

(Revised 1994, 1997, 2008)

The following pre-retirement program will be funded by the Company, excluding wages:

Age 45 and over

Two day seminar for employees and spouses.
When enough people to run a program.
Presentation on Pension Plan, Lifestyles, etc.
Up to one day of lost wages re-imbursed.
Administered by Health & Welfare Committee.

Age 44 and younger

Four hour session held in the evening.

Frequency is as required.
Presentation on Financial Planning.
No pay.
Administered by Health & Welfare Committee.

1994

1. FITNESS *(Revised 1997)*

The Company will arrange a reduced rate at several recognized fitness facilities.

The Company will provide an annual reimbursement of **\$150.00** to each employee who purchases an annual membership at a recognized fitness facility such as the Y.M.C.A, U.N.B.C or like fitness facility. (This does not include recreation facilities, tanning, etc.) Reimbursement will be made upon presentation of a receipt.

2. RETIREMENT BENEFITS *(Revised 2003, 2008)*

The Company will provide basic medical and limited extended health benefits to retired employees and their spouses as follows:

A) PACKAGE

MSP and limited Extended Health subject to the limitations in the contracts of the selected carriers.

B) PAYMENTS

The Company will be responsible for administration

C) ELIGIBILITY

- 1) Must meet eligibility per MSP conditions (B.C. residence, etc.)
- 2) Minimum 10 years' service at the pulpmill.
- 3) Employees on the payroll on the effective date and current retirees are exempt from minimum service requirements.
- 4) Must have retired from active service at the pulpmill.

D) CONTINUANCE OF COVERAGE

Retiree lifetime and for the pension option for spouse and dependent children

E) COVERAGE

- 1) MSP - as defined by plan
- 2) Limited Extended Health includes:
 - a) Basic reimbursement - \$25.00 deductible/80% thereafter to the specified limits as defined by the plan
 - b) out of province coverage within Canada
 - c) out of country coverage - emergency only - max. 60 days from date of departure
 - d) \$30,000.00 lifetime cap

3) Limited Extended Health excludes:

- a) Dental Plan
- b) Medical Travel Plans

3. SCRAP
(Revised 2003)

See Letter of Understanding on page 125.

4. EDUCATION PROGRAM
(Revised 2003)

The Company will apply the terms of the Educational Assistance Policy on the basis of 100% reimbursement for courses that directly relate to their present position and 50% for courses that are appropriate to future development within the Company.

5. E.R.C.
(Revised 2003)

The Company will implement the following with regard to the Emergency Response Crew (ERC).

- a) Day Worker Complement
 - The Company will increase the hourly day worker complement of the overall crew to 10 members.
 - There is currently 6 members on the crew, therefore there will be a posting for two ERC volunteers on May 1, 1995 and another posting on January 1996.
 - The day workers will be selected for the crew on mill seniority provided they meet the entry requirements.

- Starting January 1997, the Company will post each year for volunteers.
- Senior qualified volunteers may bump the 2 junior day worker members on the crew who have completed the 2 years training program.
- The 6 current day worker members are protected from bumping.

b) ERC Committee

- The Company will establish an ERC Committee of 4 employees.
- The Local will choose one member.
- The Hourly ERC members will choose one member from their complement of the overall ERC Crew.
- The Company will choose two members.
- The role of the Committee is to provide advice and recommendations on the selection of candidates and other issues related to the ERC.

c) Fire Patrol

- Fire Patrol will no longer be performed by the ERC.

6. **BUMPING**

(Revised 2003)

See Letter of Agreement Re. Labour Pool Provisions on page 125.

7. POSTINGS
(Revised 2003)

See Letter of Agreement Re. Seniority and Job Postings on page 129.

8 TEMPORARY TRADESMEN
(Revised 1997, 2003, 2008)

In keeping with a joint commitment of the Company and Union to provide as much maintenance and repair work as possible to the regular maintenance work force and to reduce the use of contractors, the Company may only hire "temporary qualified tradesmen" for the two (2) major maintenance shutdowns (and related shutdown and preparatory work) per calendar year under the following:

- a) The period of hire will not exceed twenty-five (25) calendar days per person per shutdown.
- b) There will be no more than one hundred and fifteen (115) temporary tradesmen hired for each shutdown.
- c) Temporary tradesmen are permitted to be hired twenty-one (21) days prior to the start and seven (7) days after a major shutdown.
- d) The temporary tradesmen shall have no rights under Article XXI – Seniority and Article XXV – Contracting.
- e) If temporary tradesmen are hired permanently, their seniority will be from the first day of their probation period for permanent employment.
- f) Union dues will be deducted for each period of employment.
- g) Contributions will be paid into the Pulp & Paper Pension Plan for all hours worked by the temporary tradesmen.

- h) Regular full time employees will be given the opportunity to work a schedule based on the scheduled hours for the shutdown, determined by the Company in advance of each major maintenance shutdown.

1997

1. JANITORIAL WORK

The Company agrees that janitorial work within the new Training Centre will be performed by Local 603 bargaining unit employees.

2. HEALTH & WELFARE *(Revised 2008)*

Employees who have been on Weekly Indemnity benefits for a minimum of six (6) months and such benefits cease in February, March, or April, the employee may elect to waive annual vacation time off in order facilitate a return to work plan that is suitable to the Health & Welfare Committee, the employee and the department. In instances where this is applied, the employee will be paid out for any outstanding vacation and be subject to all other rules as identified in the Labour Agreement, Article XV - Vacations.

2003

1. EFAP AND HEALTH & WELFARE COMMITTEE

- a) The General Manager will meet with committees to address their budget concerns.
- b) The Company will provide, on a one-time basis, a reimbursement of 50% of the cost of an approved treatment program to an employee who has completed a two year period without any work incidents related to substance abuse.

2. ENTRY STANDARDS FOR LUBRICATION MECHANICS

Applicants for the Oiler position will be required to have an education level of Grade 12 or equivalent and will be required to pass a mechanical aptitude and Wonderlic Personnel test.

3. NOTIFICATION OF CONTRACTING

See Letter of Understanding on page 131.

2008

1. TEMPORARY LABOURERS

In keeping with a joint commitment of the Company and Union to provide as much maintenance and repair work as possible to the regular maintenance work force, the Company may only hire "temporary labourers", for the two (2) major maintenance shutdowns per calendar year under the following:

The following conditions apply to the use of temporary labourers:

- a) Temporary labourers will not be considered part of the regular work force with respect to the commitment outlined in Article XXV - Contracting.
- b) The period of hire will not exceed twenty-five (25) calendar days per person per shutdown.
- c) Temporary hire dates will be restricted to the twenty-one (21) days immediately preceding the established shutdown dates, the period of the shutdown, and the seven (7) days following the shutdown.
- d) Temporary labourers will not work or be trained in operation positions.

- e) The temporary labourers shall have no rights under Article XXI – Seniority and Article XXV – Contracting.
- f) If temporary labourers are hired permanently, their seniority will be from the first day of their probation period for permanent employment.
- g) Union dues will be deducted for each period of employment.
- h) Contributions will be paid into the Pulp & Paper Pension Plan for all hours worked by the temporary labourers.
- i) Regular full time employees will be given the opportunity to work a schedule based on the scheduled hours for the shutdown, determined by the Company in advance of each major maintenance shutdown.

LOCAL AGREEMENTS

2008 - 2012

BETWEEN

**CANFOR PULP LIMITED PARTNERSHIP
NORTHWOOD PULP MILL**

AND

**COMMUNICATIONS, ENERGY AND PAPERWORKERS'
UNION OF CANADA
BILL HICKEY LOCAL 603**

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Letter of Understanding – Re: Definition of “Day” and Official Starting and Stopping Times

It was agreed that “with the implementation of the Ten Hour Shift Agreement the definition of a day shall be consistent for all employees in the mill”. This has the effect of moving the start of the day and regular hour of changing shifts to 7:00 am for all hourly employees at the Northwood Pulp Operation unless otherwise agreed between the Company and the Local.

The Ten Hour Shift Agreement for dayshift workers will commence on August 18th 2003 at which time the 7:00 am start for all hourly employees will become effective.

Letter of Understanding – Re: Permanent Steam Plant “Move-ups”

It is agreed that permanent "move-ups" within the steam plant line of progression will be made on the "senior qualified employee" basis rather than the previous practice of moving the employee who has held a qualifying ticket for the longest period of time.

This agreement does not apply to either permanent salaried supervisory positions or to normal relieving by crew practices.

Letter of Understanding – Re: Hiring of Vacation Relief Personnel

This letter has been negotiated as a benefit to the current work force.

It is mutually agreed that the following principles will be applied in hiring Vacation Relief personnel. Selection will be based on availability from school and in the following general order:

(a) University, technical or vocational students

(b) High school students

Students who have been hired, as vacation relief for four (4) summer periods will be ineligible for re-hire until all other eligible students have been placed.

Vacation relief will be hired as required by the Company after consultation with the Standing Committee in order that the vacation entitlement of hourly crews can be scheduled as far as possible within the prime period - May 1st to September 30th.

At the time of hire, students will be required to commit to the full term of their school break with the exception of a two week period. Failure to fulfill the commitment will result in ineligibility for rehire in the subsequent year.

Seniority rights as outlined in Article XXI shall not apply to Vacation relief personnel.

In the event that particular circumstances warrant that a student cannot return to school, he may be considered for a permanent job posting upon written request and fully discussing his reasons with the Human Resources Manager and Local Union President. In the event that a vacation relief is retained for such permanent opening, his seniority will be dated from the day of permanent employment.

Vacation relief personnel will be advised that they will be terminated on or before September 30th, unless particular circumstances warrant review and their hiring documentation will reflect the above conditions.

Letter of Understanding – Re: Freezing Agreement

It is recognized by both parties that freezing is not generally advantageous to either the employee or to the proper administration of a department and, therefore, should be discouraged.

However, we must recognize the necessity of such action and the individual needs of the employee.

The following points will govern the process of freezing which has been in existence prior to this agreement and for future requests which may be approved.

EMPLOYEES PRESENTLY FROZEN: An employee who has been allowed to freeze in the past, for no reason other than >>> personal preference, should be encouraged to unfreeze.

REQUEST TO FREEZE: An employee who wants to freeze, must sign a written request and fully discuss the complexities of such action with the supervisor, the Local Union President and a member of the Human Resources Department.

RESTRICTED NUMBER: Excluding the present status of the Materials Handling Crew, not more than one employee per job classification or, in any event, no more than one employee per crew will be permitted to freeze at any one time.

Extraordinary circumstances, which appear to warrant exceptions to these restrictions, will be referred to the Mill Manager.

DURATION OF FREEZE: A freeze will remain in effect until an employee has been by-passed by two other employees, or a period of six (6) months has elapsed. In either event the employee must submit a written request to unfreeze. When an employee has been by-passed by two employees for permanent vacancies, the department supervisor will advise the employee accordingly.

SHIFT RELIEVING: An employee who chooses to freeze will not set up to a higher paid job on the crew for shift relieving purposes.

BY- PASSING OF A POSITION NOT ALLOWED: No employee will be allowed to by-pass a position within a line-of-progression.

JOB SENIORITY: An employee who by-passes an employee who chooses to freeze will retain job seniority ahead of this employee. If a crew reduction occurs, the employee who by-passed another employee will come down the line-of-progression in the same manner as he/she went around the employee who chose to freeze initially.

Twelve (12) Hour Shift Schedule Agreement

Section 1: General

For the purpose of a Twelve (12) Hour Shift Schedule, the parties hereby agree to the following terms and conditions:

The implementation and continuation of the Tour Worker twelve (12) hour shift schedule and the Day Worker twelve (12) hour shift schedule will be on a departmental basis on the conditions that there will be no extra costs to the Company and that efficiency of any department, or departments will not decrease. The Twelve (12) Hour Shift Schedule may be cancelled on a departmental basis by either party with thirty (30) days written notice.

With the exception of the Articles amended by this Twelve (12) Hour Shift Schedule Agreement, all other conditions of the Labour Agreement apply.

The terms of this Agreement will be reviewed after each negotiated contract to include applicable contract revisions.

Section 2: Definitions

The word Day means a period of twenty-four (24) hours beginning at 7:00 am. The word Week means a period of seven (7) calendar days beginning at 7:00 am, Sunday.

Tour Worker twelve (12) hour shift times will be 7:00 am to 7:00 pm and 7:00 pm to 7:00 am.

Day Worker twelve (12) hour shift times will be 7:00 am to 7:00 pm with four (4) days on and four (4) days off.

Section 3: Relief

It is clearly understood by both parties that replacements must be available for relief purposes.

- (a) Tour Worker replacements will normally come from employees on their scheduled days off or by re-assigning employees from day worker to tour worker status.
- (b) Day Worker replacements will normally come from employees on their scheduled days off or by re-assignments.

Guidelines for relief coverage and call out procedures will be developed on a departmental basis. Department supervision will consult with employee representatives to provide an opportunity for their input before implementing or revising departmental guidelines.

Section 4: Overtime

Overtime will not be paid if incurred as a result of implementing or discontinuing the twelve (12) hour shift schedule. Employees entering or leaving the schedule, such as for relief purposes, will not be paid overtime for the ninth (9th) to twelfth (12th) hour inclusive, when scheduled in advance. Employees reporting for a regular eight (8) hour shift, and required to enter a twelve (12) hour shift schedule will be paid overtime for the ninth (9th) to twelfth (12th) hour, inclusive of that shift.

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 or for work in excess of forty (40) hours average in a week except:

- (i) When such work in excess of twelve (12) hours is caused by the change of shift.
- (ii) Overtime work by special arrangement between a worker and his mate to exchange shifts with the approval of his supervisor and when this can be accomplished without additional cost or penalty to the Company.

The following arrangements will be applied in order to average forty (40) hours per week under the Twelve (12) Hour Shift Schedule agreement.

1. The averaging periods will be six (6) months commencing January 1st and July 1st.
2. Employees may request a maximum of fifty-two (52) hours of unpaid time off during each six (6) month period for Murphy Time. Murphy Time off will be arranged by mutual agreement between the employee and the supervisor.

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

3. At the end of the six (6) month averaging period, the Company will pay the one-half time for hours worked in excess of one thousand and forty (1,040). Hours worked for the purpose of averaging include:

- Regular scheduled hours worked
- Recognized statutory holidays (8 hours)
- Special personal floating holidays
- Weekly Indemnity (maximum 40 hours/week)
- Workers' Compensation (maximum 40 hours/week)
- Vacations
- Jury duty
- bereavement leave
- paid education leave

The first averaging period under this agreement for 12 hour tour workers will commence at 8:00 am, July 1, 1988.

The first averaging period under the 12 hour day shift will commence January 1, 1999.

Section 5: Banking of Overtime

Workers under this agreement who work in excess of twelve (12) consecutive hours on a regularly scheduled shift, or in excess of eight (8) consecutive hours on a scheduled day off, shall have the option of receiving the overtime premium on the basis of Section 4 or of receiving straight time for hours in excess of twelve (12) or eight (8) consecutive hours respectively. They may take equivalent time off in units of

not less than one (1) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it was banked may be carried over to the next contract year for the 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 time premium pay.

Section 6: Change of Shift Schedules

When the Company changes an employee's shift schedule after the start of the week without notification being given during the first twelve (12) hours of his last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change. If the change in shifts during the week is temporary, the penalty payment is not payable for the second change in shifts when the employee returns to his previously established shift schedule.

Section 7: Bereavement Leave

When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted an appropriate leave of absence and he shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule up to a maximum of twenty-four (24) hours.

Section 8: Vacations

A. Annual Vacations

An employee who has been employed for less than one year and does not qualify under (B) of Article XV -

Vacations of the Labour Agreement, will receive a vacation of two hours for each full week of actual work performed during the preceding vacation period provided no vacation of less than one day will be granted.

Employees will be allowed to take vacations on a tour basis. For purposes of the twelve (12) hour shift schedule, a tour will be the number of consecutive working days without a scheduled day off.

The vacation period will normally be considered to be four (4) working days plus two (2) days immediately preceding and following the tour. Vacation will be calculated based on hours, i.e. one tour equals forty (40) hours. Employees may use banked time, Murphy Time or unpaid leave to cover the remaining eight (8) hours of the tour.

B. Supplementary Vacations

Employees may elect to take their Supplementary Vacation one day at a time according to the schedule as outlined in Article XVI, Section 2(d). Pay for such holidays will be a combination of holiday pay entitlement in units of not less than eight (8) hours or may be coupled with accumulated paid or unpaid leave. In cases of entitlements of three (3) days or more, employees may take full shifts off based on equivalent hours and the remaining hours will be granted coupled with paid or unpaid leave.

Section 9: Special (Personal) Floating Holidays

Employees who are on the Twelve (12) Hour Shift Schedule shall be granted five (5) Twelve Hour Special Personal Floating Holidays per contract year.

Employees who are temporarily assigned to a 12 hour Twelve (12) Hour Shift Schedule shall be entitled to one twelve (12) hour special (personal) floating holiday for each three hundred and fifty (350) hours worked on such schedule in each contract year to a maximum of five (5).

Employees who permanently transfer to or from a Twelve (12) Hour Shift Schedule shall be granted special (personal) floating holidays of eight (8) or twelve (12) hours in accordance with the schedule being worked at the time the holiday is taken.

Section 10: Weekly Indemnity Benefits

Weekly Indemnity benefits will continue to be calculated on the basis of seven (7) calendar days.

Section 11: Grouped Hours

The following rules apply:

- (a) Employees will be permitted to group Days in Lieu of working a statutory holiday and banked overtime to facilitate taking them off in twelve (12) hour units.
- (b) Employees may take four (4) hours from grouped hours if so desired to supplement statutory holiday pay, if they would normally have worked a twelve (12) hour shift on that day.

Section 12: Meals

A hot meal, if not declined, shall be furnished at the usual meal times by and at the expense of the Company to any worker covered under this agreement required to work more than thirteen (13) consecutive hours. If he continues to work, a meal if practicable, shall be provided every four (4)

hours thereafter. The meal shall be eaten on Company time.

Employees will have the option of electing a meal allowance as outlined on page 16 when they qualify for a meal as indicated above.

Section 13: Steam Plant Examinations in Prince George

Employees will be compensated at their regular straight time hourly rate for hours for which they have qualified to a maximum of three (3) days multiplied by eight (8) hours, when unable to write the prescribed examinations in Vancouver for 2nd Class certificates, when such examinations are in conjunction with their schooling. Allowances provided will not apply to re-examinations. Compensable hours under the terms of this section will not count as hours worked for the purposes of computing overtime.

Section 14: Statutory Holidays and Sunday Letter Entitlement

For the purpose of calculating overtime, the scheduled work week shall be reduced by eight (8) hours in any week in which a recognized paid statutory holiday occurs. Should more than one recognized paid statutory holiday occur in any week the scheduled work week shall, that week, be reduced by eight (8) hours for each such paid statutory holiday.

Examples:

- (a) 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.

- (b) 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.

Section 15: Implementation of the Twelve (12) Hour Shift Schedule By Department

The Twelve (12) Hour Shift Schedule was implemented on a department basis as follows:

- Steam and Recovery effective May 15, 1983.
- Woodroom effective June 19, 1983.
- Materials Handling effective June 19, 1983.
- Technical effective June 19, 1983.
- Production effective June 26, 1983.
- Stores effective July 4, 1983.
- Maintenance effective June 29, 1986.

Ten (10) Hour Shift Schedule Agreement

Section 1: General

The parties hereby agree to the following terms and conditions with respect to employees who are working on a ten (10) hour compressed work week schedule:

The schedule shall apply to day worker groups or individuals as agreed between the Company and the Union Standing Committees.

The schedule may be cancelled by either party with thirty (30) days written notice or within seven (7) days if mutually agreed by the Company and the Union.

Overtime will not be paid if incurred as a result of implementing or discontinuing the schedule.

This schedule is consistent with the terms and conditions of the Labour Agreement between the parties and does not restrict the Company's ability to schedule as required. In case of conflict between the terms of this agreement and any other terms found outside this agreement, the terms of this agreement shall apply.

With the exception of the articles as amended by this Ten (10) Hour Shift Schedule Agreement, all other articles of the Labour Agreement apply.

The Ten (10) Hour Shift Schedule was implemented on August 18, 2003.

Section 2: Definitions

- a) The word "day" means a period of twenty-four (24) hours beginning at 0700 hours.
- b) The word "shift" means a period of ten (10) consecutive hours.
- c) The word "week" means a period of seven (7) consecutive days beginning at 0700 hours on Sunday.

Section 3: Implementation Conditions

The implementation of the ten (10) hour compressed work week schedule will be on the conditions that:

- a) There will be no additional cost to the Company.
- b) The efficiency and productivity of any department or individual employees will not decrease.
- c) Flexibility of scheduling currently available under “day worker” schedules will continue to be available under this schedule.
- d) The eight (8) hour day worker and the twelve (12) hour day worker shift schedules remain available for scheduling at the Company’s option.

Section 4: Regular Schedule

Employees working under this schedule will normally be scheduled to work Monday through Thursday 7:00 a.m. to 5:00 p.m. Five (5) day a week coverage will be provided by scheduling a crew Tuesday through Friday 7:00 a.m. to 5:00 p.m. The number of employees on this crew will be determined by the Company. The work day shall be ten (10) consecutive hours starting at the scheduled start time (normally 7:00 a.m.) and shall include one (1) twenty (20) minute paid lunch break and two (2) ten (10) minute rest breaks. As with tour workers, employees working under this schedule will be expected to work through their break periods if the task or conditions of the mill require it.

Section 5: Shift Differential

The payment of shift differential shall be in accordance with Article VII, Section 2 (b) of the current Labour Agreement

and subject to the definition of “day” and the official starting and stopping times that have been agreed to between the parties.

Section 6: Overtime

Overtime at the rate of time and one half will be paid for all work in excess of ten (10) hours in any one day or in excess of forty (40) hours in any one week.

Section 7: Banking of Overtime

Employees working under this agreement who work in excess of ten (10) hours in a day shall have the option of receiving the overtime premium on the basis of Section 9 of this agreement or of receiving straight time for the hours in excess of ten (10) and taking equivalent time off at the hourly rate for the job when the work was performed at the time suitable to the employee and the Company. 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. Workers who chose to bank overtime may later re-elect to receive the deferred one-half premium pay.

Section 8: Change of Shift Schedules

When the Company changes an employee’s shift schedule after the start of the week without notification being given during the first ten (10) hours of his last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.

Section 9: Meals

A meal or meal allowance will be provided to any employee who is required to remain at work for more than one hour after completion of his/her shift and then every four (4) hours thereafter.

Section 10: Vacations

One week of vacation equals forty (40) hours. The vacation week is as defined in Section 5 (c) of this agreement.

Section 11: Special (Personal) Floating Holidays

Employees on the 10 Hour Shift Schedule may apply for and receive five (5) shifts off as floating holidays per contract year. Pay for such floating holidays will be any combination of the employees forty (40) hour floating holiday pay entitlement in units of not less than eight (8) hours. This time may be coupled with accumulated banked overtime, Stat-in-lieu time (only if earned in units of two (2) hours or less), unpaid leave, or any combination of these hours to facilitate taking time off in ten (10) hour units. This option is voluntary. No employee shall be required to take more than four (4) shifts off.

Effective May 1, 2007, employees working under this agreement will qualify for five (5), ten (10) hour floating holidays per contract year.

Section 12: Grouped Hours

For employees working under this schedule, the following rules apply to the taking of banked overtime and Deferred Statutory Holidays:

- (a) When banked time off is requested it must be taken in units of not less than one (1) hours.

- (b) Deferred Statutory Holidays will be taken in units of not less than eight (8) hours. This time may be coupled with accumulated banked overtime, Stat-in-lieu time (only if earned in units of two (2) hours or less), unpaid leave, or any combination of these hours to facilitate taking time off in ten (10) hour units.
- (c) Time off hours will be taken out of the “overtime bank” in the same order as they went in (i.e. first in, first out).
- (d) Employees may take two (2) hours from accumulated banked overtime, Stat-in-lieu time (only if earned in units of two (2) hours or less), unpaid leave, or any combination of these hours to supplement Statutory Holiday pay, if they would normally have worked a ten (10) hour shift on that day.

Section 13: Supplementary Vacations

Employees may elect to take their earned Supplementary Vacations one day at a time according to the schedule as outlined in Article XVI, Section 2(d). When this option is chosen, Supplementary Vacations will be taken in units of not less than eight (8) hours. This time may be coupled with accumulated banked overtime, Stat-in-lieu time (only if earned in units of two (2) hours or less), unpaid leave, or any combination of these hours to facilitate taking time off in ten (10) hour units.

Section 14: Bereavement Leave

For employees working under this schedule, pay for Bereavement Leave as defined under Article XIII shall be for a maximum of 24 hours.

Section 15: Jury Duty

The provisions of Article XII, Jury Duty shall apply with the understanding that pay for such jury duty shall not exceed ten (10) hours per day or forty (40) hours in a week.

Section 16: Impact on Tradespersons and Apprentices

No tradesperson or apprentice will be displaced from their respective trades, no employees will be laid off, no existing trade classification will be eliminated and existing Apprenticeship Program agreements shall not be negatively impacted through the introduction or implementation of the Ten (10) Hour Shift Schedule.

Letter of Understanding – Re: Gasfitting

1. The Parties agree that the present 'A' Gas Fitter Tickets holder, John Deloume, will continue to perform the duties of a Pipefitter.
2. The Parties agree that in compensation for the Company's use of John Deloume's 'A' Ticket and his exercise of the responsibilities for approval, inspection and supervision of work under the Gas Safety Act, of that ticket, it will pay him an annual consultancy fee of 10% of a Journeyman's rate for 1,200 hours. Mr. Deloume will also be granted three (3) weeks Leave of Absence annually to be taken at a time suitable to him and the Company.
3. The Parties agree that if John Deloume leaves the bargaining unit or loses his 'A' Ticket and the Company wishes to continue to operate under and 'A' Ticket held by a bargaining unit member, the Company will provide the same terms as are set out in

this Agreement to the Senior Pipefitter, if any, who possess a valid 'A' Gas Fitter Tickets.

4. The annual date referred to in #2 of this agreement is May 1st of each year.
5. The Company retains the rights to utilize supervisors possessing valid 'A' Gas Fitter Tickets, or Contractors possessing valid 'A' Gas Fitter Tickets, so long as those rights are exercised in compliance with the Collective Agreement.
6. The exercise of the responsibilities of an 'A' Gas Fitter's Ticket holder for approval, inspection and supervision of work under the Gas Safety Act is not restricted to members of the bargaining unit.
7. If John Deloume, or any other employee receiving payments under this agreement leaves the bargaining unit of Northwood, the yearly amount paid under paragraph 2 shall be prorated and the employee agrees to compensate the Company for any overpayment.

Letter of Agreement Re: Labour Pool Provisions

The Labour Pool is established specifically for the purpose of providing incidental relief to all departments and to hold employees for a time following cut-back until other openings occur. It is recognized that this Pool will not handle large crew reductions.

Lay-offs of this nature will be discussed with the Union in line with the Contract provisions.

The Labour Pool will not interfere with the present composition of the Materials Handling Crew proper which has an established crew complement, but will be a separate

Labour Pool which will fluctuate depending on crew cut-back and Company requirements.

It is anticipated that the normal crew turnover will absorb the men in the Pool, but if at any time this crew is to be cut back, it will be on the basis of plant-wide seniority within that specific group. Such action will be discussed with the Local Union.

When an employee's entry into the Pool is the result of a crew reduction, he will retain his former departmental seniority. It being understood that he must accept the first opening available to him within his previous department. Where there is more than one promotional ladder in a department, an employee's departmental seniority means the seniority he possesses in the particular promotional ladder he was on.

Labour Pool employees who are assigned to temporary duties in another department, will remain on the strength of the Labour Pool.

Openings of a permanent nature which occur within another department may be applied for by members of the Labour Pool. In an instance where such openings are not filled on a voluntary basis, a member of the Pool may be assigned. In this instance the man involved would retain the option of exercising his former departmental seniority on the basis mentioned above.

Letter of Understanding – Re: Scrap

The disposal of scrap material from the Pulp Operations that is of no further use to Canfor - Northwood Pulpmill will be administered within these guidelines.

The intent of the scrap guideline is to allow employees first choice to acquire scrap material designated for employee use.

An area of the scrap yard will be designated for employee scrap.

To ensure an adequate supply for the employee designated scrap area, the designated scrap and salvage employee will separate scrap suitable for employee use before it is offered to scrap dealers.

GENERAL

- Materials are for the personal use of employees.
- Both hourly and salaries pulpmill employees as well as retirees are eligible to participate in this program.
- The scrap yard needs to be maintained in a condition, which meets all environmental, and safety requirements.
- Goods are sold as scrap on an as-is / where-is basis. The purchaser is responsible to have any material checked by a qualified person prior to use.
- The Stores Operations Supervisor or designate is required to sign Removal Permits for all material being removed by these guidelines.
- If there is any dispute about an item being of no value, it will be included in the draw system.
- All material remains the property of Canfor - Northwood Pulpmill until a disposal transaction is complete.
- Amounts made available to an individual employee may need to be limited to maintain fair distribution.
- If an employee requests something not currently available, an attempt will be made to fill the request through the scrap and salvage guidelines.

- The employee scrap area will be open on a regular weekly basis to allow reasonable access to all employees (major shutdown periods excluded).
- Unwanted items remaining in the designated area will be removed from the yard and disposed of by the company.
- To allow for minimal pricing of scrap, it is necessary to reduce administrative costs. Cooperation in paying by cheque whenever possible will assist in cost reduction.
- If an item is not removed from the mill within 10 days, the successful employee will lose all rights to the item and the item will be reposted. Extensions can be arranged through the Stores Operations Supervisor or the Scrap and Salvage employee.
- At the request of the Company or the Union, a Committee consisting of the Stores Operations Supervisor, Maintenance Services Superintendent and up to 3 members of Local 603 will be formed to resolve issues arising from these guidelines. Recommendations or unresolved issues will be sent to the Standing Committee.

The Guidelines for Scrap Policy will be administered as follows:

NO VALUE ITEMS

Items, which are considered with no value can be removed with a Removal Permit signed by the Stores Operations Supervisor's or designate.

COMMON REOCCURRING ITEMS

Common reoccurring scrap material designated as suitable for employees will be made available to employees through a designated area, on a first-come basis, maintaining fair distribution.

SALEABLE SCRAP ITEMS (metal, pipe, cable)

- The area will contain a reasonable supply of scrap steel, pipe and electrical cable. Because “reasonable” is a subjective term, a table of items and the desired availability of each item will be developed and modified as required. The Stores Operations Supervisor and the Scrap and Salvage employee will manage this table.
- There would be no charge for scrap valued below \$10.00 based on the weight and unit price.
- Scrap prices will be set quarterly based on the value being received by the current mill scrap dealer.

DRAW SYSTEM

All other items such as ladders, cabinets, etc. will be disposed using the draw system.

BID SYSTEM

- Unique items that have significant value will be available on a bid system.
- Employees, who wish to obtain an item, must submit a bid.
- Items will be posted for 7 calendar days.
- Highest bid will be successful.

- Tie bids will be re-bid between the two parties if no other arrangement is made between them (re-bid not to be lower than the original bid).
- The names of the successful bidders will be posted.

CATEGORY DEFINITION

CATEGORY	EXAMPLES	METHOD FOR EMPLOYEE TO GET ITEM
No Value	Styrofoam popcorn, packing crates, burlap bags, wood scraps, broken light fixture shades, pallets.	Removal Permit signed by the Stores Operations Supervisor or designate.
Common Reoccurring	Machine felts, railway ties, belting, poles, plastic barrels, bailing wire.	Free when available, if demand exceeds supply, a waiting list will be maintained and quantities to each employee may be limited.
Saleable Scrap	Metal, pipe, cable.	Sold at scrap value. No charge for quantities less than \$10.00 - prices set quarterly.
Unique Items	Broken ladders, metal cabinets, wood, metal, electrical cable.	Draw system.
Unique Items with a Significant Value	Deep-freeze, drill press.	Bid system.

**“REASONABLE” STEEL AND ELECTRICAL CABLE
SUPPLY LIST**

DESCRIPTION	SIZE	DESIRED AVAILABILITY
Flat Bar	1/8", 3/16", 1/4" X 1", 2", 3" & 4"	100' of each size
Angle Iron	1/8", 3/16", 1/4" X 1", 2", 3" & 4"	100' of each size
Channel	3/16", 1/4" x 2", 2-1/2" & 4"	100' of each size
I Beams	6", 8", 10", 12" & 14"	20' of each size as available
Pipe, Steel and Fiberglass	1/2" through to 6"	100' of each size
Teck Cable	#14, 12, 10, 8, 6, 4, 2 x 3 conductor	50' of each although it is not expected any piece will be very long

Letter of Agreement – Re: Seniority and Job Postings

1. SENIORITY

- (a) An employee's mill seniority is determined in accordance with Article XXI, Section 2.
- (b) An employee's department seniority is determined by the first day an employee is assigned to the department on a permanent basis.

When two or more employees are selected for the same job posting their new department seniority will be the date the posting closed and they will be listed in order of their mill seniority.

- (c) An employee's job seniority in Production will begin on the first day an employee is assigned to the job on a permanent basis.
- (d) Department practices for vacation allocation will prevail. However, department seniority will be applied when allocating vacation times prior to May 1, for the new vacation year.

Significant changes in department practices will be discussed with Union representatives.

2. JOB POSTINGS

- (a) At the discretion of the Company new job categories and permanent job vacancies in the mill will be posted on all main bulletin boards in the mill.

- (b) Where there is a single line of progression, entry into that line shall be by mill wide posting. Where there is a utility pool leading to more than one line of progression, entry to these lines will be through that pool. Entry to the pool will be by mill wide posting. All other jobs will be filled as per Article XXI, Seniority.
- (c) Job postings will be posted on the main bulletin boards throughout the mill for fourteen (14) calendar days, with the exception of apprenticeship postings which shall be posted for twenty-one (21) days.
- (d) Job postings shall note any limitations or requirements applying to applicants for the job.
- (e) Selection is made through the interview process taking into account the candidate's qualifications, seniority, work performance and any other relevant factors. Applicants may be required to pass specific tests to qualify.
- f) When the Company determines a need for apprentices, selection is governed by the Apprenticeship Training Program as outlined in the CEP 603 Bull Sessions, selection will take into account academic qualifications, mill seniority, employment history, experience, training and aptitude.
- (g) All applicants from within the mill will be considered prior to any hiring from outside.
- (h) An employee who is the successful applicant on a job posting will be given an opportunity to spend one full shift in that department to observe the new job. The employee will be given an understanding of all aspects of the job

with regard to pay, shift, and job responsibilities. After this one day observation, the employee may elect to return to their old department and be free to bid on future postings in other departments.

If an employee completes their one day observation and decides to move to the new department, they will be deemed to have accepted the job and will be ineligible for subsequent postings until twelve months have elapsed (with the exception of apprenticeship postings)

- (i) An employee selected to fill a posted job vacancy will serve a probationary period of thirty (30) days, with the exception of apprentices who will serve a sixty (60) day probationary period. If the employee elects to return to his former department, or if found unsuitable for the job within the probationary period he will retain his seniority when returning to his former department and job.
- (j) Arrangements will be made between departments for transferring the employee to the new position as soon as reasonably possible.
- (k) Should an employee's job be eliminated within six (6) months of being transferred to a new department, the employee may return to the previous job held immediately prior to the transfer.
- (l) Employees who are leaving on vacation, who wish to be considered for a job posting may leave a standing letter indicating a desire to be considered for any vacancy that arises. All

such employees will be given due consideration for such vacancies.

3. TEMPORARY JOB POSTINGS

Should the company decide to fill a vacancy and where such vacancy is expected to continue in excess of one hundred and twenty (120) days it will be filled by a job posting. The employee accepting the posting will retain the right to bid for a permanent job posting and or, an apprenticeship, but must remain in the posting for sixty (60) days or until the employee returns to his job position.

Letter of Understanding – Re: Notification of Contracting

The Company and the Union re-emphasize their joint commitment to minimize the use of contractors, both inside and out of the mill and they are both committed to utilizing the Contracting Out Committee and the Quarterly Review Committee meetings for this purpose.

The Letter of Understanding is without prejudice to the respective positions of the Company and the Union concerning contracting outside the mill.

When work is contracted out by the Company in what it believes to be an emergency situation, the Company will verbally advise the Union of the nature of the emergency and the work involved in the following order of contact: Co-chair of the Contracting Out Committee, the Local President, 1st Vice President, 2nd Vice President or the Recording Secretary. Subsequently, written advice concerning the emergency and what was involved will be provided to the Contracting Out Committee.

When a contractor comes on the mill site and performs work not normally performed by the bargaining unit **and** proper

notice was not given to the Union pursuant to Article XXV, the Company will pay the Union compensation of \$500.00. When a contractor comes on the mill site and performs work normally performed by the bargaining unit **and** proper notice was not given to the Union pursuant to Article XXV, the Company will pay the Union compensation of \$1,000.00.

If a contractor comes on the mill site **after** proper notice was given and the matter discussed by the Contracting Out Committee **and** if there is an allegation that the contractor performed bargaining unit work outside of the arrangement understood by the Contracting Out Committee, any disagreement between the Company and the Union as to how to address the matter will be referred to Brian Foley for an expedited binding decision.

Any disagreements with the application or interpretation of the Letter of Understanding will be subject to expedited arbitration by Brian Foley. Furthermore, if one party claims that the other party is abusing this agreement, Brian Foley will deal with the matter.