

2008 - 2012

LABOUR AGREEMENT

BETWEEN

**ZELLSTOFF CELGAR LIMITED PARTNERSHIP
CASTLEGAR, B.C.**

and

**PULP, PAPER AND
WOODWORKERS
OF CANADA LOCAL #1**

LABOUR AGREEMENT

BULL SESSION AGREEMENT

01157 (08)

2008 - 2012

LABOUR AGREEMENT

This **AGREEMENT** made this 19th day of September, 2008

BETWEEN ZELLSTOFF CELGAR LIMITED PARTNERSHIP
Castlegar, B.C.

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

- AND -

**LOCAL #1 of the PULP, PAPER AND
WOODWORKERS OF CANADA**

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

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2008 - 2012
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A G R E E M E N T

ARTICLE 1 - 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 employees to cooperate fully, individually and collectively, for the advancement of said conditions.

Section 2: Mutual Responsibilities

It is recognized by this agreement to be the duty of the Signatory 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 Signatory Union to explain fully to its members, its and their responsibilities and obligations under this Agreement.

Section 3: No Interruption of Work

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

Section 4: Human Rights Code

The parties hereto subscribe to the principles of the Human Rights Code.

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

Section 5: Change in Employer Status

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

ARTICLE II - DEFINITIONS

Wherever used in this Agreement, including exhibits:

(a) At Celgar Pulp-Castlegar

The word EMPLOYEES means all persons on the payroll of the Signatory 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 watchperson 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 means employees when engaged in operations scheduled in advance for at least twenty-four (24) hours' continuous running; it being understood, however, that if a Tour Worker is temporarily assigned to work not connected with the continuous operation on which he/she is usually employed, his/her status as to tour or day work during such temporary assignment is determined by the nature of such assignment. All other employees are considered Day Workers.

(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 workweek begins in the particular mill.

ARTICLE III - BARGAINING AGENCY

Section 1: Recognition

The company recognizes the union shown on page 1 as certified for a unit of its employees as defined in this Agreement.

Section 2: Bulletin Boards

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

ARTICLE IV - UNION SECURITY

Section 1: Cooperation

- a) The Company will cooperate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors and foremen the policy herein expressed. Any new employee shall be introduced to the shop steward by his supervisor within three (3) days of starting work.
- b) A Local Union Representative shall be given an opportunity to speak with all new employees during the employee's indoctrination.
- c) The Company will cooperate with the Local in booking individuals off for their attendance in union training.
- d) Reimbursement of wages for union training will be paid by the Union.

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/her membership in good standing in the Union by reason of failure to pay dues or assessments shall be discharged after seven (7) days' written notice to the Company by the Union of the employee's failure to maintain his/her membership in good standing.

Section 4: Application for Membership

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

Section 5: Union Dues Deduction

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

ARTICLE V - STANDING COMMITTEE

Standing Committees shall be maintained in the mill in the following Manner:

- (1) The Resident Manager shall appoint a Company Standing

Committee of four (4) individuals which shall represent the Company.

(2) The Union shall select from its membership a Union Standing Committee of four (4) which shall represent that Union for the purposes stated in this Agreement.

ARTICLE VI - HOURS OF WORK

Section 1: Basic Workweek

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 to hourly paid workers 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 Articles XII and XIII 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 Articles XII and XIII 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/her mate to exchange shifts with the approval of his/her Supervisor, and when this can be accomplished without additional cost or penalty to the Company.

- (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 one (1) hour 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 (1/2) premium pay. Tour Workers who choose to bank overtime may later re-elect to receive the deferred one-half (1/2) 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 one (1) hour 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 (1/2) premium pay.

Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half (1/2) premium pay.

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

Section 3: Days Off and Schedule of Shifts

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

The Company shall use its best efforts:

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

In the event the day or days off are changed to follow the original designated day or days off, then forty-eight (48) hours' notice will be given in advance of the original day or days off. In the event the day or days off are changed to precede the original designated day or days off, then forty-four (44) 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.

An employee may change his shift, day or days off by mutual arrangement with the foreman and shop steward of the

department concerned without penalty to the company.

- (b) Where a system of days off is now in effect, same shall remain in effect as long as mutually satisfactory to the signatory union and the signatory company.
- (c) When the company changes an employee's shift schedule after the start of the week without notification being given during the first eight (8) hours of his/her last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.
If the change in shifts during the week is temporary, the penalty payment is not payable for the second change in shifts when the employee returns to his 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.

Section 4: Starting and Stopping Work

(a) Tour Workers

When a tour begins, each tour worker is required to be in his/her place. At the end of a shift no tour worker shall leave his/her place to wash up and dress until his/her mate has reported to take on the responsibility of the position. If a Tour Worker does not report for his/her regular shift, his/her

mate shall notify the Foreman. He/she shall remain at his/her post until a substitute is secured, and, if necessary, he/she shall work an extra four (4) hours. If work in excess of twelve (12) hours is required by refusal of a mate to report in, or when no other qualified relief is available, then the employee shall complete the extra shift. Supervision will make substantial efforts to secure a substitute and the Company agrees to discuss in Standing Committee mutually agreeable procedures to achieve this purpose.

Arrangements shall be made by the Company to provide a hot meal at the start of the extra shift and at each four (4) consecutive hour period thereafter.

In the event a tour worker cannot report for his/her regular shift, he/she will, if it is reasonably possible, notify his/her Foreman or the office at least four (4) hours before his tour begins.

(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/she shall be at his/her 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 hot meal shall be provided to an employee when he/she is required to remain at work for more than one (1) hour after completion of his/her shift. One additional meal shall be provided every four (4) hours thereafter. The meal shall be eaten on company time.

If an employee is called in early, and less than two (2) hours' notice has been given, a meal shall be provided at each regular meal time.

ARTICLE VII - WAGES

Section 1: Wage Scale

The wage scale for the term of this Agreement is attached as Exhibit "A" of this Agreement.

Section 2: Shift Differentials

a) Tour Workers

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

	(% of base rate)
7:00 a.m. to 7:00 p.m.	2.50%
7:00 p.m. to 7:00 a.m.	4.25%

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

	(% of base rate)
8:00 a.m. to 4:00 p.m.	2.00%
4:00 p.m. to 12:00 a.m.	3.55%
12:00 a.m. to 8:00 a.m.	4.50%

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

	(% of base rate)
4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

b) Day Workers

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

	(% of base rate)
4:00 p.m. to 12:00 a.m.	2.25%
12:00 a.m. to 8:00 a.m.	3.25%

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

(c) All Employees

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

ARTICLE VIII – JOB EVALUATION PLAN

It is agreed that there shall be a Job Evaluation Plan the provisions of which are set forth in Exhibit "E" 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 XXIX, Adjustment of Complaints. Any dispute, which may arise there under, shall be dealt with as provided in the Job Evaluation Plan.

ARTICLE IX - ALLOWANCE FOR FAILURE TO PROVIDE WORK

Section 1: No Work

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

Section 2: Where Shift Commenced

In any case where an employee has commenced his/her regular scheduled shift, he/her 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 IX 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/her designated shift.
- (b) **Call to work on a designated day off**
When required to report for work on a designated day off.
- (c) **Statutory Holiday Work**
For any work performed on a holiday as specified in Article XII.
- (d) **Assignment of work not connected with the initial call-in.**
When a Day Worker is required to report for work in accordance with (a), (b) or (c) above, he/she shall receive one (1) additional Call Time payment if the initial call-in was to perform emergency work and he/she is then required to

perform any work other than that which necessitated the call-in.

Section 2: Payment

- (a) The employee shall receive a minimum payment of four (4) straight time hours' pay including payment for Call Time and time worked, but not the payment provided in Section 1(d).
- (b) Not more than one (1) basis shall be used to cover the same period of work except as provided in Section 1(d).
- (c) The Call Time payment will not be added to or paid in lieu of allowances payable under Articles VI, IX and XI.

ARTICLE XI - FOURDRINIER WIRE ALLOWANCE

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

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

The above shall also apply to tour workers when working on

machines other than their own.

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

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

ARTICLE XII - VACATIONS

Section I: Entitlement

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

<p>An employee who is on the payroll on January 1st who has been continuously employed during the qualifying period, and who has:</p>		<p>Vacation Pay, being the greater of: % of the total wages earned by the employee during the preceding vacation period;</p> <p style="text-align: center;">OR</p> <p>Hours pay at the hourly rate of the employee's regular job.</p>
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	<p>Length of Vacation.</p>	<p>Vacation Pay, being the greater of:</p>
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<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>4-1/2% or NIL hours</p>
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<p>B) been employed for less than one year but has worked not less than 1500 hours during the preceding vacation period</p>		
<p>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; Statutory Holidays; Special (Personal) & Supplementary Special (Personal) Floating Holidays; Jury or Witness Duty; Bereavement Leave; Contractual Steam Plant, Apprenticeship and First Aid Leaves; Banked Days Off and Days Off in lieu of work performed on a Statutory Holiday;</p>	<p>2 Weeks</p>	<p>4-1/2% or 80 hours</p>
<p>(C) qualified for his 2nd vacation under this Agreement;</p>	<p>3 weeks</p>	<p>6-1/2% or 120 hours</p>
<p>(D) qualified for his 7th vacation under this Agreement</p>	<p>4 weeks</p>	<p>8-1/2% or 160 hours</p>

(E) qualified for his 14 th vacation under this Agreement;	5 weeks	10-1/2% or 200 hours
(F) qualified for his 23 rd vacation under this Agreement;	6 weeks	12-1/2% or 240 hours
(G) qualified for his 29 th vacation under this Agreement;	7 weeks	14-1/2% or 280 hours

Section 2: Additional Pay

In addition to the vacation pay to which an employee is entitled under Section 1 above, each employee shall, on qualifying for vacation under categories (B), (C), (D), (E), (F) and (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/she becomes entitled to a vacation with pay, or, being entitled to it, before he/she takes it, he/she shall be paid on termination 4-1/2%, 6-1/2%, 8-1/2%, 10-1/2%, 12-1/2% or 14-1/2% (depending on whether he/she belongs in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of his/her wages earned during the period of

employment ending with his/her termination in respect of which no vacation or vacation pay to which he/she remains entitled has been paid or taken.

Section 4: General Rules

- (a) The vacation period is January 1 to December 31.
- (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) and (l)
 - 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. Vacation pay shall be paid employees, upon request, within fourteen (14) days after January 1st.
- (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 employees' wishes.
- (g) Time lost as a result of an accident recognized as compensable by Workers' Compensation Board, suffered during the course of employment with the Company, shall be considered as time worked for the purpose of calculating vacation entitlement upon return to work.
- (h) Time not exceeding one (1) 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) Time on Leave of Absence for union business duly approved by the employer in writing shall be considered as uninterrupted service for the purpose of establishing vacation time off, during the year of his absence as well as in ensuing years.

Vacation pay will apply as follows:

- (i) For the period of the person's absence while in the employ of the Union, the Union will be responsible for payment of all vacation credits due to the employee.
- (ii) On return to active regular employment, the employee shall receive vacation pay equal to the appropriate percentage of the total wages earned by the employee while actively employed by the Company during the vacation year.
- (iii) Subsequent vacation pay will be paid on the basis that Company service was uninterrupted.

- (k) Employees will be allowed to take vacations on a tour basis.
- (l) An employee, who has not taken his/her full vacation entitlement and who is precluded from doing so before the end of the vacation year by reason of sickness or injury, may defer unused vacation time into the next vacation year. Such deferred vacation time must be taken at a time to be decided by the Company which will endeavour by discussion with the employee to arrange the deferred vacation to suit the employee's wishes. Pay for such deferred vacation shall be the same as if taken in the original vacation year.
- (m) Employees will be allowed at their option to take one week of vacation off in single days. If vacation pay has not already been taken, vacation taken one day at a time in accordance with Article XII (4) (m) and Company policy, will be paid on the basis of one day at a time (to a maximum of 40 hours).
- (n) If an employee is required to work on his/her vacation after that vacation has been approved, the employee shall be paid overtime at the rate of time and one-half for the first day worked and his vacation will be rescheduled at a mutually agreeable time. If the vacation has already commenced, the return to work would be voluntary.

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/her "total wages earned" in the

previous year, such "total wages earned" shall include the amount of vacation pay the employee received in the previous year.

ARTICLE XIII - STATUTORY HOLIDAYS

Section I: Recognized Days

The following shall be the recognized Statutory Holidays:

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

Section 2: Adjustment in Hours

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

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

Section 3: Holiday Work

- (a) The Company will provide the Union with not less than 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 who wishes to be excused from working on a particular statutory holiday will be accommodated provided a request for leave is requested 7 days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him/her for the shift. If no trained volunteer is found, the employee will be required to work the shift.

- (c) Employees who work at Christmas shall be paid double time for work during that period identified in Clause (b).

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 the employee's straight time hourly rate. Such time off will be treated in the same manner as a special (personal) floating holiday and shall be taken prior to June 30 following the contract year in which the holiday occurred.
- (c) The time off and pay provided in (b) above replaces any time off and pay provisions in respect of the same statutory holiday work under current local arrangements.

Section 5: Qualifying Conditions

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

- (a) The employee must have been on the payroll for not less than the sixty (60) days just preceding the holiday and must have previously qualified for a statutory holiday as provided

in (d) below, and

- (b) The employee must have worked at least one (1) day during the sixty (60)-day qualifying period just preceding the holiday, and
- (c) The employee must have worked his/her scheduled work day before, and his/her scheduled work day after, such holiday, unless failure to work his/her scheduled work day before or after the holiday was due to any of the following events:
 - (i) When the employee is on his/her regular authorized paid vacation;
 - (ii) When the employee is unable to work by reason of an industrial accident as recognized by 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/her scheduled work day after, such holiday;
 - (iv) When a trade in shifts agreed upon between employees and approved in advance by the company results in a temporary change of the scheduled work day before, or

the scheduled work day after, the holiday, provided the employee works the shift agreed upon;

- v) When the employee is on a leave of absence authorized by the Company.
- (d) The employee who has been on the payroll for at least sixty (60) days but who has not previously qualified for a statutory holiday will qualify for the holiday if he/she has worked a minimum of one hundred 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/she 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/her working on such holiday.

ARTICLE XIV - SPECIAL (PERSONAL) FLOATING HOLIDAYS

Section 1: Floating Holidays

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

Effective May 1, 1998, employees on the compressed work week schedule shall be granted five (5), twelve (12) hour Special (Personal) Floating Holidays per contract year, as outlined in Bull Session Agreements – Compressed Work Week, Section 13.

Section 2: Qualifying Conditions

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

- (a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for his/her first Special (Personal) Floating Holiday and on the payroll for one hundred eighty (180) days to qualify for his/her second, third, fourth and fifth Special (Personal) Floating Holidays.
- (b) Employees will not qualify for Special (Personal) Floating

Holidays if on leave of absence of more than nine (9) months in the contract year except in the case of sickness or injury.

- (c) If an employee is required to work on any of these Special (Personal) Floating Holidays, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate of time and one-half. The employee will then be entitled to take 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 granting of Personal Floating Holidays. The employee shall receive written notice of the disposition of his/her request a minimum of seventy-two (72) hours prior to the requested Personal Floating Holiday.

ARTICLE XV - SUPPLEMENTARY SPECIAL (PERSONAL) FLOATING HOLIDAYS

Section 1: Five-Year Service

After completing five (5) years of continuous service with the Company, an employee shall, in addition to the Special (Personal) Floating Holidays to which he/she is entitled under Article XIII of the Agreement, be entitled to one (1) Special (Personal) Floating Holiday with pay, such special holidays to be arranged at a time suitable to the employee and the Company, and shall be taken prior to June 30 following the contract year in

which the holidays were granted, so that there will be no loss of production.

An employee may elect to take his Supplementary Special (Personal) Floating Holidays as a vacation after completing five (5) years of continuous service with the Company. If an employee wishes to elect this option, he/she must advise the Company in writing of his/her election in advance for that five (5) year period. If an employee elects to take his/her Supplementary Special (Personal) Floating Holidays as a vacation, it 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.

Transition

An employee who has taken single days as Supplementary Special (Personal) Floating Holidays under previous Joint Labour Agreements within his current five (5) year entitlement period, will receive Supplementary Vacation proportionate to his/her remaining entitlement within that period.

Section 2: Ten-Year Service

After completing ten (10) years of continuous service with the Company, an employee shall, in addition to the Special (Personal) Floating Holidays to which he/she is entitled under Article XIII of the Agreement, be entitled to two (2) Special (Personal) Floating Holidays with pay, such special holidays to be

arranged at a time suitable to the employee and the Company, and shall be taken prior to June 30 following the contract year in which the holidays were granted, so that there will be no loss of production.

An employee may elect to take his/her Supplementary Special (Personal) Floating Holidays as a vacation after completing ten (10) years of continuous service with the Company, and again on his fifteenth (15)-year of continuous service with the Company. If the employee wishes to elect this option, he/she must advise the Company in writing of his/her election in advance for that five (5) year period.

If an employee elects to take his/her Supplementary Special (Personal) Floating Holidays as a vacation, it 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.

Transition

An employee who has taken single days as Supplementary Special (Personal) Floating Holidays under previous Joint Labour Agreements within his current five (5)-year entitlement period, will receive Supplementary Vacation proportionate to his/her remaining entitlement within that period.

Section 3: Twenty-Year Service

- (a) After completing twenty (20) years of continuous service, employees shall be granted three (3) Special (Personal) Floating Holidays; after completing thirty (30) years of continuous service, employees shall be granted four (4) Special (Personal) Floating Holidays, and after completing forty (40) years of continuous service employees shall be granted five (5) Special (Personal) Floating Holidays, such special holidays to be arranged at a time suitable to the employee and the Company, and shall be taken prior to June 30 following the contract year in which the holidays were granted, so that there will be no loss of production.

- (b) After completing twenty (20) years of continuous service an employee may elect to take his/her Supplementary Special Floating Holidays in one, two, three, four or five-week periods, depending on entitlement. In order to do so the employee must advise the Company in writing of his/her election in advance for each five (5)-year period. He/she will be immediately entitled at the start of each five (5)-year period to the number of days that would normally accrue to his credit during the said five (5)-year period. If an employee elects to take his Supplementary Special Floating Holidays in full week periods they 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 Holiday shall be taken at a time to be agreed upon by the Company and the employee.

Section 4: Rate for Holiday Work

If an employee is required to work on the special holidays provided under Section 1, 2 and 3 above, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate specified in the Agreement.

Section 5: Holiday Pay

In addition to any other compensation earned, an employee entitled to the special holidays provided under Sections 1, 2 and 3 above will be granted eight (8) hours' pay on the straight time rate of his/her regular job for each such holiday.

Section 6: Credit for Time Lost

Time lost as the result of an accident as recognized by the Workers' Compensation Board, suffered during the course of employment, shall be considered as time worked for the purpose of qualifying for the special holidays provided under Sections 1, 2 and 3 above, it being understood that the employee will only be entitled to this credit for time while on Workers' Compensation for a period of up to but not exceeding one (1) year from the date of his accident or injury.

Section 7: Service Period

For the purpose of determining eligibility for the special holidays provided under Sections 1, 2 and 3 above, an employee's service shall be calculated from the date of his/her joining the Company.

Section 8: Partial Entitlement

At retirement or termination from the Company, an employee shall be entitled to pay for Supplementary Special (Personal) Floating Holidays earned by completion of one or more five (5) year periods of service, but not taken, and to that portion of Supplementary Special (Personal) Floating Holiday pay proportionate to the number of years of service completed subsequent to his/her last five (5) year entitlement period.

ARTICLE XVI - WELFARE PLAN

Section 1: Plan

It is agreed that a Health and Welfare Plan will be established based on the principles set out in this Article and Exhibit "B".

Section 2: Board of Trustees

A Board of Trustees will be constituted composed of two (2) members representing the Pulp, Paper and Woodworkers of Canada and two (2) members representing the companies, which are plan members, to be responsible for the selection of the underwriter or underwriters and the administration of the Plan.

Section 3: Interpretation

The Board of Trustees will decide all questions arising on matters of operation, administration and interpretation of the Plan and their decision will be binding on both parties.

Section 4: Umpire

Where a dispute cannot be resolved by the Board of Trustees, it shall be submitted to an umpire whose decision will be binding on both parties. The umpire shall be mutually acceptable and be experienced in the group insurance field.

Notwithstanding the above, an umpire shall not decide on matters affecting the overall cost of the Plan and benefits it provides, nor is he empowered to deal with matters properly handled through the Adjustment of Complaints Procedure of this agreement, or matters that are properly dealt with through collective bargaining.

Should any conflict arise between the terms of the contract or contracts issued by the underwriter or under-writers and the terms of the Plan, the terms of the Plan shall prevail.

Section 5: Portability

The Plan will be on an industry basis and coverage will be portable in all units covered by the Plan. There will be no further waiting period for qualified employees changing employers within those units covered by the Plan.

Section 6: Retiree Benefits

Extended health coverage with lifetime maximum of \$30,000.00.

ARTICLE XVII - PENSION PLAN

Section 1: The Plan

The Company agrees to contribute to a Pension Plan which will be established pursuant to the general principles set forth in the Pension Plan Summary dated December 6, 1975 and revised effective January 1, 1997.

Section 2: Contributions

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

Employee contributions will remain at 8% for the duration of the agreement.

Section 3: Board of Trustees

A Board of Trustees will be established pursuant to the Pension Plan Summary dated December 6, 1975, to administer the said Plan. Effective May 1, 2003, the Board will consist of three (3) elected trustees of the PPWC, three (3) appointed trustees of the CEP and three (3) appointed trustees of the member employers.

Section 4: Existing Plan

It is recognized that some employees may exercise the option to remain in the existing Pension Plan which was provided for in the 1973-74 Joint Labour Agreement as Article XVI and Exhibit "B".

This Plan will continue in respect of such employees and the Joint Union/Management Pension Committee provided for therein will continue to function as necessary.

Section 5: Term Annuity Benefit (Bridge)

There will be available a Term Annuity Benefit which will be funded by the Company in a manner of its own selection.

The benefit will be available to those employees who request it and who choose to retire early from active employment commencing at age 60 and up to, but not including, age 65. The benefit payable under this provision will be \$20.00/month/year of service and credited on the same basis as under the terms and conditions of the Pulp and Paper Industry Pension Plan.

Payments under this provision will cease at the end of the month immediately preceding the month in which the employee who selected to retire early under this provision attains age 65 or dies, whichever occurs first. Should an employee return to work after commencement of this provision, the payment will be handled on the same basis as the pension benefit is handled under the terms of Section 18 of the Plan Text.

Section 6: Delayed Bridge Benefit

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 XVIII - SENIORITY

Section 1: Principles

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

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

If an employee is moved out of a line of progression for any reason, the employer will not require retesting of the employee for him/her 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 local union.

Section 2: Probationary Period

Until an employee has been on the payroll of the company for forty-five (45) 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 XVIII with respect to seniority.

Section 3: Retention of Seniority

- (a) Any employee, other than a probationary employee, whose employment ceases through no fault of his/her own, shall retain seniority and shall be recalled on the following basis:
 - (i) An employee with less than one year's continuous service shall retain these rights for six (6) months from the date of lay-off.
 - (ii) An employee with one or more year's continuous service shall retain these rights for twelve (12) months from the date of lay off, plus two (2) additional months for each year's service up to an additional twenty-four (24) months.
- (b) Failure of the employee to report for work within one (1) week of notice by registered mail at his/her last address reported to and received by the mill shall result in his 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 one (1) day where the layoff is estimated to be in excess of 10 days.
- (b) Up to two (2) days where the layoff is estimated to be in excess of 21 days.
- (c) Up to five (5) days where the layoff is estimated to be in excess of thirty-five (35) days;
- (d) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the local union training provisions of up to fifteen (15) days;
- (e) Where a layoff results from a permanent partial plant closure or a temporary closure in excess of one hundred eighty (180) 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 limitations where special qualifications are required. Phasing in arrangements to implement the program will be discussed by the Company and the local union and shall not exceed three (3) months from the date of closure.

Section 5: Lay-off and Vacation Entitlement

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

Section 6: Welfare Coverage

- (a) An employee with one (1) or more year's seniority may have his/her welfare coverage continued for six (6) months while on layoff.
- (b) An employee with more than four (4) months but less than one (1) year's seniority may have his/her welfare coverage continued for three (3) months while on lay-off.
- (c) An employee who elects to maintain coverage while laid off will be required to pay the employee portion of the premium in advance on a monthly basis.
- (d) An employee who has welfare coverage as provided for in paragraphs (a) and (b) above, will on return to work have his/her welfare coverage extended by one month for each month in which he/she 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/her 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 XIX - LEAVE OF ABSENCE

Section 1: Union and Public Office

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

An employee appointed or elected to full-time office in his union, or to Federal, Provincial, Municipal or Aboriginal office, shall be granted as much leave as is necessary during the term of such office.

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

Section 2: Bereavement Leave

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

the employee's spouse, mother, father, brothers, sisters, sons, daughters, step-children, mother-in-law, father-in-law, son-in-law, daughter-in-law, step-parents, grandparents, grandchildren and spouse's siblings.

- (c) Compensable hours under the terms of the section 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.

Section 3: Jury or Witness Duty

(a) Wage Compensation

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

(b) 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.

Section 4: Steam Plant Leave

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

Section 5: First Aid Certificates

First Aid Attendants who complete the required training for obtaining, renewing or upgrading a first aid ticket will be paid in accordance with item 15 of Exhibit "C" (Apprenticeship Training Program).

Section 6: 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.

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

Section 7: Other Leave

Granting of leave is a matter between the employees and the mill management. The Company will consider length of service and will endeavour to arrange leave of absence to suit the employee's wishes. Employees with ten (10) or more year's service will be given special consideration.

Section 8: Time of Application

An application for leave of absence shall be made by the employee as far in advance of the date requested as is reasonably possible under the circumstances.

ARTICLE XX - ENVIRONMENTAL PROTECTION

The Company agrees to establish a Labour/Management Environmental Protection Committee.

The purpose of this Committee will be to receive information, review problem areas and make appropriate suggestions regarding compliance.

ARTICLE XXI - JOB SECURITY

Section 1: Objective

In view of the interest and concern by the parties in the impact on manpower and conditions of employment resulting from

mechanization, technological changes and automation, it is recommended that the parties utilize to the best advantage of the Company and the employees all scientific improvements.

Section 2: Definition

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

Section 3: Joint Committee

A joint Committee on automation will be established which shall consist of three (3) persons representing the Company and three (3) persons representing the Union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the mill and to make such recommendations as are agreed upon, to the local 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 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 XVII - Seniority.
- (b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his/her regular job at the time of the set-back for a period of six (6) months, and for a further period of six (6) months he/she will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the set-back and the rate of his/her new regular job. At the end of this twelve (12) month period, the rate of his/her new regular job will apply. However, such employee will have the option of terminating his/her employment and accepting severance pay as outlined in Section 6(a) below, provided he/she 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/her employment and accepting severance pay as outlined in Section 6(a) below if the job should be proved to be unsuitable, provided he/she exercises his/her option within six (6) months of starting on the job.

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

Section 6: Severance Allowance

- (a) An employee with one (1) or more years of continuous service for whom no job is available because of mechanization, technological change or automation will, upon termination, receive a severance allowance calculated by one of the two following methods based on his/her last period of continuous service it being the choice of the affected employee as to which of such methods of calculation is used.

<u>Years of Employment</u>	<u>Severance Allowance</u>	
	<u>Weeks/Yr.* or % of Earnings</u>	
1st Twenty Years	2	4%
Subsequent	1	2%
MAXIMUM SEVERANCE ALLOWANCE	52 weeks	2080 hours

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

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

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

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

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

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

(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 XXII - 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 based on his/her years of employment during his/her last period of continuous service computed on the basis of forty (40) straight time hours at the employee's regular rate on the following basis:

Two (2) weeks pay per year of service to a maximum of sixty (60) weeks.

For employees with a minimum of one (1) year 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 XXI, Section 6, Job Security, or under Article XXIII, Section 5, Job Elimination.

ARTICLE XXIII - 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, however curtailments in excess of one (1) year will allow employees the option of taking severance.
- (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 XVIII - 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 XVII - Seniority,
or
- (2) Severance allowance as per section 5 below.

Such employee must elect his option within thirty (30) days of notification that his/her 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.

<u>Years of Employment</u>	<u>Severance Allowance</u>	
	<u>Weeks/yr.*</u>	<u>% of Earnings</u>
1st twenty 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 current regular rate.

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

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

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

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

ARTICLE XXIV - 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/her job category.
- (c) It is not the intent of the Company to replace its regular work force through the use of contract firms.

(d) The Intent to Contract form is shown in Exhibit "F".

For clarity it is agreed that:

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

ARTICLE XXV - 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 "C", 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 XXVIII - Adjustments 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 XXVI - COMPRESSED WORK WEEK

The company and union recognize the concept of the compressed workweek. It is further understood that the compressed workweek conditions will apply only to those departments that are on the compressed workweek.

ARTICLE XXVII - SAFETY

Section 1: Principle

Employees and the Signatory 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 condition without being subject to discipline.

Section 2: Joint Safety Committee

The Local Union and the Company shall co-operate in selecting one or more Safety Committees, which will meet at least once a month to consider all safety problems.

The parties to the Labour Agreement agree to cooperation and exchange of information with respect to health studies.

Section 3: Safety Education

The Signatory Union undertakes to promote safety education among its members in an effort to overcome accidents.

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 (2) delegates in attendance at the safety conference. The (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) PPWC Local Union member.
 - b) One (1) CEP 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 (\$0.03) 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 (\$200,000.000), 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.

ARTICLE XXVIII - DISCIPLINARY ACTION

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

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

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

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

ARTICLE XXIX - ADJUSTMENT OF COMPLAINTS

Section 1: Grievance Procedure

Preamble: It is mutually desired and intended by the parties that any dispute or complaint arising out of the interpretation of this agreement will be communicated by the employee to his/her

supervisor in order to provide an opportunity for discussion and timely resolution, prior to the issue becoming a grievance.

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

Section 1: Grievance Procedure

Step One In the event that a written grievance is submitted arising out of the operation of this Agreement, except in the cases of discharge or suspension, the employee shall continue to work as per the conditions existing prior to the time that the grievance arose, and any formal meeting to discuss the grievance shall be held in the presence of the shop steward. A reply will be given within five (5) days after the matter has been discussed by the parties.

Step Two If there is no satisfactory resolution at first 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 Committees will then have thirty (30) days to deal with, and answer the grievance.

Step Three If there is no satisfactory resolution at second step then the question may, within seven (7) days upon written request of either Standing Committee be referred to the President of the Local and the Senior Mill Manager will then have thirty(30) days to deal with, and answer the grievance. Either party may elect to involve outside help at this step such as a National Union

representative and/or a management representative from outside the mill site.

Step Four If there is not satisfactory resolution at third step then the matter may, within thirty (30) days, be referred to an Arbitrator.

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

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

Section 2: National Officer

It is understood that in all discussions concerning grievances, any National Officer may accompany the Union Standing Committee in their meetings 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 above, 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 will have the right to select one (1) member of this Arbitration Board and the Union shall select one (1) member, then the two (2) arbitrators thus named will choose a third Arbitrator who shall act as Chairman.
- (b) After the Board of Arbitration has been chosen by the foregoing procedure this Board shall meet and hear evidence of both sides and render a decision within fifteen (15) days after they have concluded their hearings, said decision to be final and binding upon all parties to this Agreement.
- (c) In the case of discharge or suspension which the Board of Arbitration has determined to have been unjust, the Board 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 Board, the Board may order all or part back pay as it deems fit.
- (d) Should the parties be unable to agree on a third arbitrator, either party may request the Minister of Labour to appoint one.
- (e) The parties may agree to submit the grievance to a sole arbitrator.

Section 5: Expedited Arbitration

- (a) 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 another arbitrator.

- (b) The unavailability of counsel shall not be a reason to delay an arbitration under this section.
- (c) The parties will endeavour to agree on a statement of material facts which may be submitted to the arbitrator in advance of the hearing.
- (d) The arbitrator will give his decision within one (1) week after the hearing. The reasons need not be given at the same time as the decision.
- (e) The provisions of Section 4(c) as they apply to discharge, shall apply to this section.

Section 6: Minutes

Approved minutes of Standing Committee meetings shall be signed by the Company and the Union. The company agrees to post and distribute, in an expeditious manner, jointly signed and approved minutes.

Section 7: Local Agreements

Disputes arising under signed local agreements, which are supplementary to the Labour Agreement, shall be subject to the grievance procedure contained herein.

ARTICLE XXX – FLEXIBLE WORK PRACTICES

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

ARTICLE XXXI – DURATION AND AMENDING PROCEDURE

Section 1: Term of Agreement

The Agreement will be in effect from midnight April 30, 2008, to midnight, April 30, 2012 subject to the conditions set out in Sections 2 to 5 which follow hereunder.

Section 2: Labour Relations Code

The parties agree that the operation of sub-section (2) of Section 50 of the Labour Code of British Columbia S.B.C. 1973, Chapter 122 and Amendments thereto, 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, 2012, but in any event, not later than midnight, April 30, 2012, 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 President (or Vice-President) of the Union, and similarly notices on behalf of the company shall be given by the General Manager, Celgar Pulp 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 Signatory Company being represented in such negotiations by a Bargaining Committee appointed by the Company, and the Signatory 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 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.

EXHIBIT 'A'

JOB CATEGORIES AND WAGE RATES

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

	May 1/08	May 1/09	May 1/10	May 1/11
MECHANICS				
Journeyman	34.390	35.250	36.130	37.215
Electrician, Equipment Mechanic, Instrument Mechanic, Machinist, Mason, Millwright, Painter, Pipefitter, Welder, Carpenter, Heat & Frost Insulator				
APPRENTICES				
5 th Year Apprentice	34.390	35.250	36.130	37.215
4 th Year Apprentice	31.880	32.675	33.490	34.495
3 rd Year Apprentice	29.290	30.020	30.770	31.695
2 nd Year Apprentice	28.075	28.775	29.495	30.380
1 st Year Apprentice	27.600	28.290	28.995	29.865
MAINTENANCE				
Group Leader	35.235	36.115	37.020	38.130
Maintenance Inspector	35.235	36.115	37.020	38.130
"B" Mechanic / Lub. Mech. after 36 months	31.880	32.675	33.490	34.495
Lubrication Mechanic – 25 – 36 months	29.335	30.070	30.820	31.745
Lubrication Mechanic – 13 – 24 months	28.390	29.100	29.830	30.725
Lubrication Mechanic – 3 – 12 months	27.450	28.135	28.840	29.705
Lubrication Mechanic – second month	25.645	26.285	26.940	27.750

	May 1/08	May 1/09	May 1/10	May 1/11
Lubrication Mechanic – first month	25.445	26.080	26.730	27.530
Maintenance Helper – 0 – 30 days	25.490	26.125	26.780	27.585
Maintenance Helper – next 5 months	25.660	26.300	26.960	27.770
Maintenance Helper – next 6 months	25.795	26.440	27.100	27.915
Maintenance Helper – next 12 months	25.920	26.570	27.235	28.050
LABOUR RATE	25.445	26.080	26.730	27.530
An additional eight (8) cents per hour will be paid when Sandblasting or using a spray gun.				
WOODROOM				
Debarker Operator	29.575	30.315	31.075	32.005
Field Technician/Grinder Technician	29.115	29.845	30.590	31.510
Log Hoist/Sorter Operator	28.390	29.100	29.830	30.725
Boat Operator	27.680	28.370	29.080	29.950
Woodroom Field Utility	26.510	27.175	27.855	28.690
Deck Man	26.280	26.935	27.610	28.440
Field Operator	25.645	26.285	26.940	27.750
CHIP UNLOADING				
Chip Unloading Operator	27.935	28.635	29.350	30.230
980 Loader Operator	27.680	28.370	29.080	29.950
D-7-H Cat Operator	27.680	28.370	29.080	29.950
Shift Equipment Operator	26.995	27.670	28.360	29.210
CHIP HANDLING				
Screen Room Operator	28.165	28.870	29.590	30.480
Field Operator	26.060	26.710	27.380	28.200
Conveyor Attendant	26.060	26.710	27.380	28.200
Relief/Utility	25.645	26.285	26.940	27.750
PULPING GROUP				
Pulping Group Leader	37.130	38.060	39.010	40.180
Panel Operator I	35.480	36.365	37.275	38.395
Panel Operator II	33.845	34.690	35.555	36.620
Field Technician I	30.520	31.285	32.065	33.025
Field Technician II	30.520	31.285	32.065	33.025

	May 1/08	May 1/09	May 1/10	May 1/11
Field Technician III	27.680	28.370	29.080	29.950
Relief/Utility	25.645	26.285	26.940	27.750
MACHINE ROM				
Machine Tender #2 (Lead Resp.)	34.540	35.405	36.290	37.380
Machine Tender #1	32.655	33.470	34.305	35.335
Senior Machine Specialist	31.690	32.480	33.290	34.290
Junior Machine Specialist	30.520	31.285	32.065	33.025
Baler	28.875	29.595	30.335	31.245
Trucker/Loader	27.680	28.370	29.080	29.950
Trucker	27.450	28.135	28.840	29.705
Field Operator	26.995	27.670	28.360	29.210
Relief/Utility	25.645	26.285	26.940	27.750
STEAM AND RECOVERY				
Assistant Shift Engineer	36.660	37.575	38.515	39.670
Recovery Control Room Engineer	36.660	37.575	38.515	39.670
Kiln/Recaust/Power Engineer	33.120	33.950	34.800	35.845
Recovery Field Engineer – 3 rd	31.925	32.725	33.545	34.550
Utilities Field Operator	30.045	30.795	31.565	32.510
#1 Field Operator – 4 th	29.130	29.860	30.605	31.525
#2 Field Operator – 4 th	27.935	28.635	29.350	30.230
#3 Field Operator – 4 th	27.450	28.135	28.840	29.705
#3 Field Operator – No Ticket	26.995	27.670	28.360	29.210
Relief/Utility	25.645	26.285	26.940	27.750
The following bonus system will be paid to employees in the Steam and Recovery Department who acquire steam tickets which are not required in their current position:				
4 th class ticket – ten (10) cents per hour over job rate.				
3 rd class ticket – twenty-five (25) cents per hour over job rate.				
2 nd class ticket – thirty (30) cents per hour over job rate.				
1 st class ticket – forty (40) cents per hour over job rate.				
Note: Only one of the above bonuses is applicable – no stacking.				
SERVICE CREW				
Yard Lead Hand	30.520	31.285	32.065	33.025

	May 1/08	May 1/09	May 1/10	May 1/11
Heavy Equipment Operator	29.805	30.550	31.315	32.255
Medium Equipment Operator	26.995	27.670	28.360	29.210
Light Equipment Operator	26.280	26.935	27.610	28.440
Senior Equipment Operator	30.295	31.050	31.825	32.780
Grove Crane Operator	28.165	28.870	29.590	30.480
D-6 Cat Operator	27.215	27.895	28.590	29.450
950 Loader Operator	26.995	27.670	28.360	29.210
9 T.M. Trackmobile Operator	26.995	27.670	28.360	29.210
Grader Operator	27.215	27.895	28.590	29.450
Fork Lift Operator	26.510	27.175	27.855	28.690
Truck Driver – Tandem	26.510	27.175	27.855	28.690
Pick-up Driver*	26.280	26.935	27.610	28.440
Small Front End Loader Operator	26.280	26.935	27.610	28.440
Trackman	26.060	26.710	27.380	28.200
Labourer (when switching)	26.060	26.710	27.380	28.200
Cleanup Man	25.445	26.080	26.730	27.530
Labourer	25.445	26.080	26.730	27.530
For operating – Jackhammer	26.060	26.710	27.380	28.200
For operating – Chainsaw	25.645	26.285	26.940	27.750
For operating – Lawn Tractor	25.520	26.160	26.815	27.620
*The Truck Driver will receive an additional ten (10) cents per hour when snowplowing and/or sanding.				
STORES				
Senior Receiver/Shipper	28.640	29.355	30.090	30.995
Receiver/Shipper	28.165	28.870	29.590	30.480
Tool Crib Attendant /Counterperson – over 18 months	27.680	28.370	29.080	29.950
Tool Crib Attendant/Counterperson – 13 – 18 months	27.215	27.895	28.590	29.450
Tool Crib Attendant/Counterperson – 0 – 12 months	26.995	27.670	28.360	29.210
Warehouse Person (after 1 year)	26.995	27.670	28.360	29.210
Warehouse Person (2 nd 6 months)	26.280	26.935	27.610	28.440
Warehouse Person (1 st 6 months)	25.855	26.500	27.165	27.980

	May 1/08	May 1/09	May 1/10	May 1/11
TECHNICAL				
Beater Tester	28.390	29.100	29.830	30.725
Machine Room Tester	26.995	27.670	28.360	29.210
Chip Tester	26.060	26.710	27.380	28.200
FIRST AID – STORES ATTENDANT				
The following bonuses shall be paid to employees who perform First Aid duties in addition to their regular duties (combination jobs):				
Level III ticket shall receive job rate plus eighty-five (85) cents.				
Level II ticket shall receive job rate plus fifty (50) cents.				
Or the First Aid Attendant rate for the appropriate level, whichever is greater.				
First Aid Attendant – Level III unrestricted	28.165	28.870	29.590	30.480
First Aid Attendant – Level III restricted	27.935	28.635	29.350	30.230
DIRTY MONEY				
While engaged in the following work, employees will be paid fifteen (15) cents per hour over base rate, or will be paid their regular rate, whichever is greater.				
1) Cleaning out inside of lime kiln and in drag conveyor.				
2) Cleaning out inside liquor tanks.				
3) Handling bagged quick lime.				
4) Cleaning out lime slaker.				
5) Cleaning out inside furnace and boiler.				
6) Cleaning out inside precipitator.				
METRIC TOOLS				
The Company will make available tradesmen's tools required upon the introduction of the metric system.				

The above Wage Scale reflects the following:

Mechanics' rate adjustment:

- \$0.70/hr. effective May 1, 2008.
- Applied before wage increases.
- To be paid on the same basis as flex payments were paid.

Wages:

- 2.0% effective May 1, 2008.
- 2.5% effective May 1, 2009.
- 2.5% effective May 1, 2010.
- 3.0% effective May 1, 2011.

EXHIBIT "B"

WELFARE PLAN

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

1. Compliance

The Board of Trustees will use its best efforts to provide coverage in accordance with its obligations set forth in Article XV and Exhibit "B" of this Agreement, subject to the limitations found in the contracts of the selected carrier or carriers.

2. Coverage 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.

The Company will provide the employees the opportunity to purchase optional life insurance for themselves and their dependents through payroll deduction.

(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.

Coverage for quadriplegia, paraplegia and hemiplegia will be 200% of the amount of the accidental death and dismemberment insurance.

Dismemberment 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

- i. The Welfare Plan will include Non-occupational Accident and Sickness Insurance in accordance with the Table. Weekly Indemnity benefits will be payable beginning with the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness which result in the claimant being hospitalized as a bed patient, and in those cases where surgery is performed which necessitates loss of time from work, the said Weekly Indemnity benefits will be payable beginning with the first day of sickness. Benefits will be payable for a maximum of fifty-two (52) weeks during any one period of disability. Payment of Weekly Indemnity benefits will be made directly from the local mill.

The Plan will provide benefits for loss of time as a result of attempted suicide under the Plan provisions covering

other mental illness. Coverage also includes injury, disability arising from attempted suicide.

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

- ii. Weekly indemnity benefits which begin prior to age sixty-five (65) will continue until the employee has received at least 15 weeks of benefits, or until the employee is no longer disabled or retires, whichever comes first.
- iii. Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, they must reimburse the Plan once they receive 100% of their loss. One hundred percent (100%) of their loss includes gross wages lost. Subrogation shall apply to the Weekly Indemnity Plan but not to the Long Term Disability Plan as documented in the Trustees Meeting Minutes dated January 21 and 22, 1999.
- iv. The premium structure for coverage of an employee over the age of 64 will be as follows:

First three months	75% of Normal Premium
Second three months	50% of Normal Premium
Third three months	25% of Normal Premium

Last three months No Premium

(d) **Medical-Surgical Coverage**

The Welfare Plan will include Medical-Surgical coverage as required by the B.C. Medical Commission and an Extended Health Benefit Plan equitable to the standard plan provided by the Medical Services Association, including Vision Care coverage for employees and eligible dependants. Effective July 1, 1984, the co-insurance rate for hospitalization will be incorporated into the Extended Health Benefit coverage to a maximum of \$8.50 per day.

The maximum payable amount on vision care will be increased to \$300 per person in any 24 calendar month period.

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

The maximum benefit payable of \$150 per member or dependent in any calendar year will apply to any professional licensed to perform acupuncture in British Columbia.

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

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

every three calendar years.

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

Effective January 1, 2000, the maximum payable amount on vision care will be increased to \$350 per person in any 24 calendar month period.

The Extended Health lifetime maximum will be \$300,000 per person.

(e) Table of Hourly Job Rate Brackets and Corresponding Coverages

	Group Term Life	A.D.& D.
May 1, 2008	\$90,985	\$90,985
May 1, 2009	\$93,263	\$93,263
May 1, 2010	\$95,590	\$95,590
May 1, 2011	\$98,460	\$98,460

The non-occupational weekly accident and sickness insurance benefit will be 60% of job rate with a cap as follows.

May 1, 2008	\$800
May 1, 2009	\$820
May 1, 2010	\$840
May 1, 2011	\$866

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

(f) Dental Care Plan

The Welfare Plan will include a Dental Care Plan which will reimburse members for expenses incurred on the following general principles:

- (i) Basic Dental Services (Plan A) – Plan pays 90% of approved schedule of fees.
- (ii) Prosthetics, crowns and bridges (Plan B) - Plan pays 50% of approved schedule of fees.
- (iii) Orthodontic (Plan C) - Plan pays 50% of approved schedule of fees. The maximum lifetime benefit is \$5,000 per person for all services provided by an Orthodontist.

The Plan will not duplicate benefits provided now or which may be provided in the future by any government programs.

(g) Long Term Disability Plan

The Welfare Plan will include a Long Term Disability Plan which will provide benefits of 50% of regular weekly earnings calculated at 40 times the disabled employee's hourly straight time job rate at date of onset of disability, plus any negotiated increases to that hourly straight time job rate which would take place during the Elimination Period. In any event, benefit payment will not be paid beyond age 65 and in all cases, will cease on recovery. Other

terms and conditions of the plan and conditions pertaining to its implementation will be established pursuant to the general principles set forth in the amended text of the Long Term Disability Plan dated July 1, 1988.

Long Term Disability benefits will be paid as follows:

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

(h) **Out-of-Province Travel Plan**

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 coverages and benefits set forth in this Exhibit as a condition of employment.

4. Union/Management Welfare Committee

A Union/Management Welfare Committee shall be established 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. The Union/Management Welfare Committee shall meet as necessary to deal with questions which may arise concerning the operation of the Welfare Plan and to perform any service required by the Trustees to ensure the smooth running of the Plan.

5. Changes in Classification

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

6. Costs

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

Group Term Life Insurance, Accidental Death or Dismemberment Insurance, Medical-Surgical Coverage and 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 agrees to reimburse employees for the costs of medical forms and specialist reports when required by the WI and LTD carriers. This is agreed on the basis that the Company will be reimbursed by the carrier.

7. Distribution of Surplus

Surplus accumulations must be disposed of within reasonable time limits.

It is agreed that the Union may use employee surpluses or increased employee contributions to improve benefits provided by the Health and Welfare Trust. Such funds must be pooled separately in such a way that the additional benefits paid for by employees do not impact on the present or future experience of the base plan such that the employer's present or future costs would be increased.

8. Disputes

No dispute arising out of the operation, administration or interpretation of any coverage contract between the Trustees and the Carrier shall be subject to the Adjustment of Complaints procedure of this Agreement. Any such dispute shall be adjudicated under the terms of such coverage contract.

9. 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.

10. 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.

11. Leave of Absence - Full-Time Union Employees

Employees on leave of absence for the purpose of fulfilling duties assigned to them by the Pulp, Paper and Woodworkers of Canada or any of the Local Unions shall have their respective

Welfare Plan coverages maintained at the mill from which they are on leave.

The coverage premium for these employees is to be paid by the National Office or the Local Union as applicable. The Company will submit an invoice monthly to the appropriate office.

12. Notice of Employees Receiving Benefits

The Company will periodically provide the Local Union and Trustees the names of those employees receiving Non-occupational Accident and Sickness Insurance, Long Term Disability Plan benefits and Workers' Compensation Board Benefits.

13. Interpretation of "Company" and "Employees"

For the purposes of the Welfare Plan "Employees" includes qualified employees of the Pulp, Paper and Woodworkers of Canada or any local thereof which is a party to the Labour Agreement and "Company" includes the union employer of such employees.

14. Surviving Spouse and Dependent Coverage

Where a surviving spouse and dependants 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 following the death.

15. Welfare Plan Survivor Benefits for Work-Related Death

In the event of a work-related death (as defined by the W.C.B.), the Company will continue the extended health benefits for all registered dependents until they reach the age of majority.

**PULP AND PAPER INDUSTRY
LONG TERM DISABILITY PLAN SUMMARY**

1. ELIGIBILITY

- a) All hourly employees who are working full-time for full pay will be eligible for coverage. Minimum hours worked must be no less than thirty (30) per week.
- b) Coverage will commence after thirty (30) days of service.
- c) Employees must be actively at work, full-time and for full pay on the date coverage commences.

2. LEVEL OF BENEFITS

Fifty percent 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.

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. MAXIMUM DURATION OF LTD BENEFIT PAYMENTS

- a) There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.
- b) Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) months service with the member pulp and paper company up to the date of onset of disability.
- c) For those who are either on WI or LTD effective July 1, 1988 and continue to be disabled, benefits will be paid at age sixty (60) as a minimum if the employee does not have sufficient service to carry him/her further under (b) above. At the point that he/she runs out of LTD benefit, he/she can elect to either retire early or go on disability pension benefit until age sixty-five (65) at which time he/she will retire.
- d) For new claims that commence after July 1, 1988, benefit will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him/her further under (b) above. At the point when he/she runs out of LTD benefit, he/she 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/her own occupation for the first eighteen (18) months of LTD disability payments and thereafter his/her inability to perform the duties of any occupation for which he/she 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 basic wage at date of disability.

All other disability income will include: CPP/QPP 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.

- b) Increases in CPP/QPP 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.

- c) In the event that all other disability income reduces the payment from this plan below \$25 per month, this plan will nevertheless pay a minimum of \$25 per month from the date disability income commences.

7. BENEFIT ADJUSTMENT

- a) Effective May 1, 1994 an employee who is under 60 years of age and has previously reached his/her 10 year anniversary on long term disability, will have his future disability benefit recalculated using the greater of his/her existing long term disability benefit or a recalculation using the base rate effective on May 1, 1994.

An employee who reaches his/her 10 year anniversary on long term disability on May 1, 1994 or later, and is under 60 years of age at this time, will have his/her future disability benefit recalculated using the greater of his/her existing long term disability benefit or a recalculation using the base rate effective on the date of that 10th anniversary.

- b) 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 base rate in effect at the time of recalculation.

8. 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 LTD 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 of 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 LTD plan.
- c) Rehabilitative employment will be deemed to continue until such time as the employee's earnings from rehabilitative employment exceed 75% of his/her straight time earnings at date of disability but in no event for more than twenty-four (24) months from the date rehabilitative employment commences.

9. 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 complication following termination of pregnancy will however be covered.

10. PRE-EXISTING CONDITIONS

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

11. 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 LTD 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.

12. TERMINATION

Coverage will cease:

- a) On termination of employment.
- b) On a date fifty-two (52) weeks prior to an employee's 65th birth date.
- c) On the date leave of absence commences except as provided for in the collective agreement.

- d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with Section 6 of Article XVII – Seniority 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.

13. CONTRIBUTION WAIVER

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

14. LETTER OF UNDERSTANDING – LONG TERM DISABILITY

Recalculation will be done annually on the job rate. The job rate will be tied to yearly wage increases.

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 base rate in effect at the time of the recalculation.

CONDITIONS FOR IMPLEMENTING THE PLAN

1. The LTD plan is payment in kind of the employee's share of the reduction in the EI premium resulting from the qualification of the WI plan under the EI regulations. The full EI 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 he or she will be paid any outstanding entitlement with respect to vacations, supplementary vacations, statutory holidays, special (personal) floating holidays, and any half-time portion of banked overtime.
3. Upon commencement of LTD benefits, all terms and conditions of the collective agreements 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 LTD benefits.
 - b) Employees in receipt of LTD 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/her employer's medical, extended health and dental plans. Coverage under the

employer's Group Life and AD&D plans will also continue in accordance with the conditions of those plans.

- d) An employee returning to work from an LTD claim will return to a job his/her seniority, qualifications and ability to perform the work properly entitle him/her to.
- e) Active claims as referred to in Section 10 of Exhibit "B" of the Labour Agreement will be defined as that period of time during which an employee is in receipt of WI payments only.

EXHIBIT "C"

APPRENTICESHIP TRAINING PROGRAM

1. The purpose of the program is to provide tradesmen of the highest calibre.
2. The Apprenticeship Training Program will cover the trade where applicable as set forth below:

Electrician	Machinist
Pipefitter	Carpenter
Instrument Mechanic	Welder
Millwright	Painter/Mason
Refrigeration Mechanic	
Heavy Duty Mechanic	
Heat and Frost Insulator	

General Principles

3. The period of Apprenticeship Training will be as defined by the Apprenticeship Branch for each trade. The apprentice will receive the journeyman's rate on successful completion of his apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that he completes his full term of training. If the apprentice refuses to continue his training, he will be removed from the program with no standing as a journeyman in his trade.
4. Training syllabus for each trade to be designed to meet the

requirements of the particular trade involved.

5. All provisions of the appropriate labour agreements in effect at the mill concerned shall be applicable to Apprentices in the program.

6. Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Apprenticeship Branch.

7. Under the program, apprentices will receive rates as per Exhibit "A" of the Collective Agreement.

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

Joint Union-Management Apprenticeship Committee

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

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

(a) The Company to establish in-plant-training programs to support the training syllabus as developed by the Apprenticeship

Branch of the Department of Labour for each trade involved. Supervision of the established program shall be the responsibility of the Joint Committee.

(b) Set standards for entry into the Apprenticeship Program that is not inconsistent with the standards recommended by the Apprenticeship Branch.

(c) Carry out periodic reviews of the training programs at intervals of not more than three (3) months.

(d) See that the required practical tests are carried out in co-operation with the Apprenticeship Branch.

(e) Determine the tool requirements by years of training.

(f) Joint Committee to review any case of lost time from the program because of sickness, accident, etc. and to determine the amount of additional time necessary before an employee meets his requirements of time served.

Central Advisory Committee

9. There shall be established a Central Advisory Committee of representatives of labour and management, for the purpose of considering policy questions and possible necessary amendments from time to time. This committee to be composed of equal representation from labour and management not to exceed, in total, three (3) from each group.

Entry to Program - New Apprentices

10. Selection for entry into the program of persons who have no previous training in the trade will be made by the Company provided that the standards for acceptance established by the Joint Union/Management Apprenticeship Committee and the Apprentice-ship Branch are applied and that first consideration is given to members of the bargaining unit.

Schedule of Training for Apprentices

11. Upon completion of each period of training in an approved Vocational School, an apprentice will be required to pass examinations set by the Apprenticeship Branch. Practical examinations shall be confined to the area of training received.

In the event of failure to pass examinations, the apprentice shall be required to undergo a period of re-training on subject material specified by the Apprenticeship Branch authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in a review of his position by the Joint Apprenticeship Committee and could result in his removal from the program. Employees who are removed from the program will be offered an entry job in keeping with their plant seniority.

12.

(a) Successful applicants will be assigned to a specific trade as a probationer for a two (2) month period. During the probationary period he shall receive the first year apprentice rate.

(b) During each year of Apprenticeship, he shall work at the trade

and attend vocational school as required by the regulations pursuant to the Apprenticeship Act.

(c) Upon the successful completion of his term of Apprenticeship and receipt of his Certificate of Apprenticeship, issued by the Provincial Apprenticeship Committee, the Apprentice shall be designated as a certified journeyman at the regular hourly rate for "A" Mechanics.

(d) If any of the aforementioned work periods are exceeded due to the unavailability of vocational school facilities, such extra time will be credited to the apprentice in succeeding training requirements. Also, the apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing he successfully passes the examinations. Retroactivity will not apply where re-testing is necessary.

e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the vocational school, and having spent twelve (12) months as a fourth year apprentice, he shall be reclassified and paid the fifth year apprentice rate which is equivalent to the "A" mechanic rate for the following twelve (12) months. On completion of the final period at the vocational school the fifth year apprentice shall write his final examination set by the Apprenticeship Branch and, upon becoming certified, shall be designated as a certified journey-man 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 text books specified by the Apprenticeship Branch. The apprentice will keep these books as his personal property.

Allowances and Wage Make-up

15.

- i. On successful completion of the required period of vocational school training, the Company will reimburse out-of-town expenses to a maximum of two (2) hours pay per day at the first year apprentice rate on a seven (7) day basis while in attendance at school. The reimbursement will also apply to Steam Plant personnel. This allowance will be paid for the duration of vocational training, regardless of whether the employee remains at school or commutes to and from school during the period of training. This allowance provided by the employer will not apply to any periods of retraining as specified in Item #11.
- ii. The payment of this allowance is in addition to the payment of the employee's regular straight time rate, based on a forty (40) hour workweek.
- iii. The Company will reimburse for the costs of tuition and student fees.

General

16.

(a) The Company agrees to develop and provide a program of on-the-job training for each trade, which shall include doing jobs of gradually increasing skills consistent with the apprentice's training and ability.

(b) Apprentices will be required to acquire and build a kit of tools progressively throughout the program, as specified by the Apprenticeship Branch and the Joint Union-Management Apprenticeship Committee.

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

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

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

17. Testing of existing "A" and "A+" Mechanics for a certificate of competency shall be at the employee's option. Failure to have obtained a trade qualification certificate shall not prejudice the status of a journeyman within the pulp and paper industry. Should he desire to enter the program, it will be for the purpose of additional training only, without reduction in rate of pay.

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

EXHIBIT "D"
LEAVE OF ABSENCE FOR STEAM
PLANT PERSONNEL ATTENDING VOCATIONAL SCHOOL

1. 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 the Vancouver 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 (2) 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. 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 the Vancouver Vocational School to complete the course and write the examination for the Third Class Stationary Steam Engineering Certificate.

During his first week at the school the employee will be evaluated by the school authorities to determine his knowledge of the subject, and if the evaluation is favourable he will continue his studies at the school during the following four (4) 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 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 prescribed Third Class Certificate examination.

3. 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 the Vancouver 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. 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. 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. The Company will bear the cost of the prescribed examination and tuition fees, if any, required of candidates writing for stationary engineering certificates.

7. The Company will grant transportation allowance to steam plant personnel attending vocational school on the same basis that transportation allowance is being granted at the time by the Apprenticeship Branch to apprentices attending an approved vocational school.

8. Leaves of absence will be granted at a time suitable to management, bearing in mind the Vocational School curriculum.

9. Normally it will not be possible to grant leave of absence to more than one (1) steam plant employee at a time. However, if relief is available this limit may, at the discretion of management, be exceeded.

10. 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.

11. 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 "C".

12. The Company will pay 100% of the cost of text books 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.

EXHIBIT “E” 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 Appendix “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 Pulp Paper and Woodworkers of Canada (PPWC) and one (1) representative of the Pulp and Paper Employee Relations Forum.
- (ii) It shall be the duty of the Job Evaluation Directors:
 - a) To direct and supervisor the functioning of the Job Evaluation Plan in accordance with the policies and procedures adopted by the parties to the Agreement through the Administrative Committee comprised of the Job Evaluation directors, 3 designated representatives from the PPWC Local Unions and 3 designated representatives of the companies using the plan.
 - b) To receive reports from the 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 the Administrative Committee for consideration. Only in the Administrative Committee is vested the power to amend, add to, or subtract from, the Plan.
- g) When the Directors are unable to resolve, within sixty (60) days, matters referred to them under (c) or (d) above, the matter may be referred by either Director or the Union or Company members of the Plant Evaluation Committees to the Independent Review Officer as provided for under paragraph 3(d) below.

(b) Joint Job Evaluation Board

- (i) The Joint Job Evaluation Board shall consist of one

(1) representative of the National Union and one (1) representative of Pulp and Paper Employee Relations Forum.

(ii) It shall be the duty of the Joint Job Evaluation Board to evaluate and set the rate for any job presented for evaluation in accordance with this Plan. It shall also be the duty of the Board to develop, revise and maintain in an up-to-date manner the tables necessary to the functioning of the Job Evaluation Plan. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

(c) Plant Evaluation Committee

(i) The 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 Plant 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.

(a) Independent Review Officer

(i) The Pulp Paper and Woodworkers of Canada and the Pulp and Paper Employee Relations Forum shall

appoint an Independent Review Officer for the term of the Collective Agreement.

- (ii) The Independent Review Officer shall neither be an employee of the Union, Company, nor their agencies.
- (iii) The Independent Review Officer shall have the authority to render decisions on matters that have been referred to him, which are appropriate under the Plan.
- (iv) The Pulp and Paper Employee Relations Forum and the Pulp, Paper and Woodworkers of Canada shall each pay one-half of the fees and expenses of the Independent Review Officer incurred in the adjudication of disputes.

4. General Policies

- (a) The evaluated job rate arrived at through official evaluation by the Joint Job Evaluation Board will be final and binding upon both parties to the Labour Agreement unless review has been requested as provided in Section 3(a)(ii)(c) or 3(a)(ii)(g). In case of such review the decision of the Job Evaluation Directors or, where appropriate the Independent Review Officer shall be final and binding upon both parties. Where a number of appeals indicate a problem within a job field, the Directors shall refer such problems to the Administrative Committee for final determination.

- (b) Where an official evaluation indicates an upward adjustment in the rate for a job the adjustment will be retroactive to the date agreed upon by the Plant Evaluation Committee which is entered on, and a part of, the application for evaluation provided for in Section 3(c)(ii)(a) setting forth the duties of the Plant Evaluation Committee.
- (c) Where a new job has been created, the Plant Evaluation Committee of the mill will make application to the Joint Job Evaluation Board for a temporary rate for the new job. An evaluated rate will be established by the Job Evaluation board before a period of twelve (12) months has expired following the start of the new job except in those cases where a specific request is made by the Plant Evaluation Committee to the Job evaluation Directors to retain the temporary rate beyond twelve (12) months, and the request is approved by the Directors. It will be the duty of the Plant Evaluation Committee to agree on a date on which the job became sufficiently stabilized to permit evaluation, and any increase resulting from the evaluated rate will be paid retroactively to the agreed-upon start-up date of the new equipment or the commencement of the job.
- (d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant Evaluation Committee and to

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

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

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

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

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

NOTE:

JOB EVALUATION – POWER ENGINEERS (2008)

The parties agree to the recommendations made by the Job Evaluation Administrative Committee that the education credits for Steam and Power Certificate be changed as follows:

Applied before wage increases.

2nd Class Certificate from 6 steps to 10 steps.

3rd Class Certificate from 4.5 steps to 8 steps.

4th Class Certificate from 2 steps to 4 steps.

The Job Evaluation Directors have confirmed that a Job Field Survey will be conducted for Steam and Recovery jobs.

EXHIBIT "F"

NOTICE OF INTENTION TO CONTRACT

DATE: _____

To: _____ From: _____ REA No: _____	COPIES TO: PPWC <input type="checkbox"/> General Manager <input type="checkbox"/> Technical Manager <input type="checkbox"/> Production Manager <input type="checkbox"/> Maintenance Manager <input type="checkbox"/>	Safety Coordinator <input type="checkbox"/> Fire & Security <input type="checkbox"/> Technical Secretary <input type="checkbox"/> Originator <input type="checkbox"/>
---	--	--

THE FOLLOWING WORK IS BEING CONSIDERED FOR CONTRACTING OUT:			
<input type="checkbox"/> Scope of Work Attached	<input type="checkbox"/> Tie Ins?	<input type="checkbox"/> Mill Trades Needed to Assist and/or Commission?	<input type="checkbox"/> Mill-wide Shutdown work
Work Duration Estimate:	Start Date:	Completion Date:	

THE REASONS FOR CONTRACTING OUT

- | | |
|---|---|
| <input type="checkbox"/> Work not normally performed by the Local | <input type="checkbox"/> Emergency |
| <input type="checkbox"/> Specialized Work | <input type="checkbox"/> Warranty |
| <input type="checkbox"/> Manpower not Available | <input type="checkbox"/> Equipment not appropriate for the work |
| <input type="checkbox"/> Other (Specify) | |

TRADE/CREW MAN HOUR ESTMINATE

Trade or Crew	Number of Men	Total Man Hours	Union Affiliation

SUBCONTRACTOR TRADE/CREW MAN HOUR ESTIMATE

Trade or Crew	Number of Men	Total Man Hours	Union Affiliation

THIS WORK WAS DISCUSSED WITH:

Trade or Crew	Trade or Crew Member	Date

This work will be contracted out as described <input type="checkbox"/> Yes <input type="checkbox"/> No			
Name of Union Member of the Contracting Out Committee	Name of Staff Member of the Contracting Out Committee	Signature of Staff Member	Date

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

STATEMENTS OF POLICY

1945 - 1992

JOINT LABOUR AGREEMENT

Taken from the Transcripts of Negotiations for Contract Years

1945 - 1952 Inclusive

and from Memoranda issued during subsequent Wage Conferences

* * * * *

PULP, PAPER AND WOODWORKERS OF CANADA LOCAL UNION NO. 1

* * * * *

Celgar Pulp Company
Castlegar, B.C.

FOREWORD

The Statements of Policy contained in this booklet have been re-worded for the sake of brevity and clarity, and have been agreed to by both labour and management representatives. They are intended as a supplemental guide in the interpretation of the Agreement 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 Joint 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 Agreement 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 a 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

Computation of Overtime for Sunday and Holiday Work. (Statement by Manufacturers on June 1, 1962, in reply to Union Agenda Item No. 7 requesting that the terms and conditions of the letter of October 18, 1946, commonly referred to as the "Sunday Letter", be extended to apply to all mills, parties to the Joint Labour Agreement).

It is hereby agreed by the companies party to the Joint Labour Agreement that:

(i) The hours worked on Sundays and on the recognized paid Statutory Holidays provided for in the above referred to Joint 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 workweek 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 (1) 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 workweek shall start at 8:00 a.m. (or at the regular hour of changing shifts nearest to 8:00 a.m.) Sunday.

Those mills which are presently working on a forty-two (42) hour per 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 Joint 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 1:00 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 Agreement 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 forty (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)

Management 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) Clarification of "Breakdown". (Statement of Manufacturers, 1959 Wage Conference)

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.

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 management, report directly to the job without punching his time card and his foreman shall be responsible for having his time recorded.

ARTICLE VIII - 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.

ARTICLE IX - 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 management.

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

(i) Section 1(d) relating to the payment of Call Time to tour workers, the phrase "after he has completed his 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 2(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 2. 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 XI - VACATIONS

(a) Application of 4-Week Vacation Clause.

The provisions of Section 4 shall not be made inoperative due to the fact that the Joint Labour Agreement has not been in operation for fifteen (15) years.

(b) Allotment of Vacation Time. (Statement by Companies, 1959 Wage Conference)

Companies will endeavour, by discussion with the employees or their representatives, to arrange vacations to suit the employees' wishes.

(c) 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 XII - 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 workweek (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 Joint 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(d). (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 Management in each Mill in each case.

ARTICLE XVIII - LEAVE OF ABSENCE

Section 2: Bereavement Leave

Bereavement Leave Clause Does Not Affect Changing of Days Off. (Statement agreed upon 1964 Wage Conference)

That in the application of the Bereavement Leave clause, days off may only be changed in accordance with the provisions of Article VI of the Joint Labour Agreement.

Section 3: Jury or Witness Duty

Jury or Witness Duty Clause Does Not Affect Changing of Days Off. (Statement agreed upon 1964 Wage Conference)

That in the application of the Jury or Witness Duty clause, days off may only be changed in accordance with the provisions of Article VI of the Joint Labour Agreement.

ARTICLE XXVI - SAFETY

Unsafe Working Conditions. (Page 136, 1947 Transcript)

It is not the policy of management to require an employee to work under unsafe conditions. It is admitted by the union and management 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 XXVII - DISCIPLINARY ACTION

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

Wherever practical, Management 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.

- (b) Neglect of Duty. (Page 75 et seq., 1946 Transcript)

It is recognized by both management and the union that a mutual problem exists on the question of neglect of duty and the union undertakes to do everything possible to see that its members live up to the spirit and intent of the agreement.

- (c) Definition of "Gambling" and "Mill Premises". ((i) Page 307;
(ii) Page 97, 1950 Transcript)

(i) Definition of gambling will be in accordance with local mill rules.

(ii) Mill premises is defined as the actual mill area and is not to include the townsite, or bunkhouses.

ARTICLE XXVIII - ADJUSTMENT OF COMPLAINTS

Standing Committee Can Call in Members for Discussion of Grievances with Management. (Page 261, 1946 Transcript)

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

EXHIBIT "A"

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

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

MISCELLANEOUS

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

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

(b) Status of Employees Refusing to Work in Excess of Eight (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 cooperation from their employees.

(c) Leave of Absence

The manufacturers are of the opinion that granting of leave is a matter between the employees and the mill concerned. The companies will, however, consider length of service and will endeavour to arrange leaves of absence to suit the employee's wishes. Employees who have ten (10) or more years of service will be given special consideration.

September 19, 2008

Mr. Bob Brommeland
Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 - 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Dear Bob:

**LETTER OF UNDERSTANDING
CODE OF ETHICS – CONTRACTORS**

This is to confirm the agreement between the Company and the Union respecting the conditions that would apply to contractors coming onto the mill site to perform construction work or perform maintenance and repair work of a nature normally performed by employees in the bargaining unit. This agreement will prevail for the duration of the Collective Agreement. In entering into this agreement, the Union acknowledges that, subject to contracting Article XXIII, the Company retains the right to select contractors as it deems appropriate.

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

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

1. Minimum Wages

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

2. Contributions to the Pulp and Paper Industry Pension Plan

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

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

3. Remittance to the Local Union

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

4. Adherence to Safety Regulations

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

5. Honouring of Picket Lines

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

The Company will honour the commitments made in this letter for

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

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

Letter of Understanding – Flexible Work Practices

1. The introduction of flexible work practices is designed to improve productivity, improve product quality, reduce down time and lower costs while ensuring that the work is completed in a safe manner. The efficiencies that result from flexible work practices are also intended to assist in fulfilling the intention of Article XXIII of the Collective 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 as defined by the business areas.
8. The parties recognize that the acquisition of new skills that facilitate the implementation of flexible work practices is an ongoing process and will continue over time to support the changing needs of the business.
9. The following payments will be made for flexible work practices:

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

to be implemented as follows:

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

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

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

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

on the basis of mill seniority.

15. The Company commits to maintain apprenticeship agreements.
16. For the term of the renewed Collective Agreement, the Company and the local union agree to establish and participate in an Executive Council, which will meet quarterly to discuss issues related to productivity, morale, profitability, work opportunities, market conditions, any alleged discrimination, the ongoing effectiveness of flexible work practices and any other problems related to flexible work practices.
17. The Executive Council shall be comprised of the:
 - Senior Management of Celgar
 - National President PPWC and/or designates
 - President PPWC Local 1
 - Members of the local union as designated by the union
 - Members of mill management as designated by the employer.

The Company will pay all reasonable expenses to attend the Executive Council meetings.

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

Clarification of the Letter of Understanding – Flexible Work Practices

1. The Company and the Union will work together, collectively and individually, to identify and seize the benefits full flexibility is intended to provide. By so doing we will enhance the viability of Celgar Pulp Company and this should improve employment security.
2. The Company and the Union are committed to implement flexible work practices in a safe and common sense manner.
3. Upon ratification of this agreement each employee will utilize all of their existing skills as well as:
 - 3.1 Those which have been taught in the apprenticeship program and have been restricted by past practice, recognizing that some of these skills may require refresher training.
 - 3.2 Those which can be passed on by hands on instruction and those which can be developed without extensive training.
 - 3.3 Those skills acquired while assisting each other, regardless of department or occupation.
 - 3.4 Employees having multi TQ's will be expected to utilize all skills of their qualifications while respecting the

individuals core trade.

4. Employees will learn and utilize new skills to enhance their effectiveness. New skills will be acquired through the delivery of Module training and ongoing training. It is the responsibility of the Company to provide the training. The Company and Union should work together in the identification, development and delivery of the training material.

5. The Company will endeavour to deliver Module 1 training within twelve months of ratification and the second maintenance module within twenty-four months of ratification. Should the Company fail to provide an employee's training for reasons beyond the employee's control, the flexibility compensation for that module will be paid after the 12th or 24th month, as applicable. Employees failing to complete the training for reasons outside the Company's control (e.g. illness, earned time off, failure to demonstrate competency, etc.) will not receive flexibility compensation until training has been completed. Special cases may be referred to the Executive Council. Should an employee be unable to attend a scheduled module training session for reasons beyond his/her control the Company will make every effort to reschedule the employee for training upon the employee's return to work. If for reasons outside the Company's control, at the end of the 12th or 24th month period as applicable, an employee has not completed the training module, his/her particular circumstances will be brought for discussion at the Executive Council.

- 5.1 Wherever possible, module based training will be assigned by seniority.
- 5.2 The premium associated with each module will be paid upon successful completion of the module by that individual. Successful completion will be determined by demonstrating competency and ensuring that the employee understands the materials taught. Skills acquired in the modules will not be utilized until the whole module is completed and/or the module premium is paid on an individual employee basis.
- 5.3 At the end of the modular training all rates within a given classification will be the same.
6. Lines of progression and seniority rights will be respected unless they impede the implementation of flexibility.
7. In operations, an operator can be assigned work outside his/her line of progression while his/her equipment is operating if it makes good common sense and business sense. Under normal circumstances, for work outside the line of progression, the junior person will be assigned the task.
8. It is anticipated that the productivity and efficiency improvements that are expected with the implementation of flexible work practices will reduce the need for the contracting out of work.

9. The introduction of flexible work practices will not have an impact on the mill's existing call-in procedures unless they impede the implementation of flexibility.

LETTER OF UNDERSTANDING

Commitment to Employment

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

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

1. The Company and the Union will establish a joint committee on apprenticeship and employment opportunities. The joint committee will be made up of PPWC local and National representatives and Mill Management 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 these issues.
3. The joint committee will make recommendations to the parties on enhanced employment opportunities and make recommendations no later than March 31, 2004.
4. Both parties undertake to give active consideration to all

recommendations and vigorously work towards implementation of recommendations where agreement is reached.

Letter of Understanding Job Security and Job Elimination

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

LETTER OF UNDERSTANDING

Trades Qualifications Letter

British Columbia is facing a skills shortage and the pulp and paper industry is not exempt from the impending crisis. PPWC and Celgar Pulp Company both clearly recognize the critical nature of apprenticeship training and certified trades qualifications mechanisms, and to this end will work toward 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 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. and as such agree to the establishment of a committee comprised of equal representation from Celgar Pulp Company and the Pulp, Paper and Woodworkers of Canada.

The parties also agree that all recommendations from this committee will be communicated collectively to the provincial government.

Letter of Understanding

Scope of Agreement

In the event of a separation of business the master agreement shall be applied as a master agreement to each business except in respect to permanent vacancies and layoffs.

Further, in the event of a change in common employer status, employees directly impacted by a permanent layoff will be allowed to exercise their seniority rights to transfer between the different legal entities.

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

* * * * *

19th day of September, 2008

**ZELLSTOFF CELGAR LIMITED PARTNERSHIP,
CASTLEGAR, B.C.**

by:

A. Hitzroth
D. Cargill
M. Espenhain

**PULP, PAPER AND WOODWORKERS OF CANADA,
LOCAL NO. 1**

by:

D. Nursey
R. Brommeland
M. Hatlen
S. Ozeroff
P. Donohue
D. Pilla

* * * * *

2008 - 2012

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The following is a list of Bull Session items of a continuing nature, which have been agreed to by the Company and the Union and are currently in effect.

1. BY-PASSES

It is recognized that voluntary bypasses are not desirable and every effort will be made by the union and the company to keep them to an absolute minimum.

The following system is designed to meet this objective and its continuation is dependent upon its success in meeting this objective to the Company's satisfaction.

BYPASSES -- This system shall apply to permanent promotions only.

(a) If a permanent promotion within a line of progression is available to an employee and he/she does not wish to take the promotion he/she shall be required to sign a by-pass form which will show that he/she had been given the opportunity of taking such promotion and has declined.

(b) No employee will be allowed to by-pass until the circumstances of his/her case have been discussed with him/herself, the Department Supervisor, Human Resources Department, Chairman Union Standing Committee and Shop Steward.

(c) A copy of the completed by-pass form shall be sent to

the Union office. If an employee withdraws his/her by-pass form, a copy of the cancellation shall be sent to the Union office.

(d) If an employee elects to by-pass a permanent promotion he/she will not be allowed to withdraw his/her by-pass until there has been one permanent promotion to that position.

Clarification:

If an employee on bypass applies to withdraw the bypass but no permanent “promotion” has taken place, he/she will be allowed to make temporary move-ups immediately. Of course, the next permanent “promotion” goes to the employee junior to him/her.

An employee, while on bypass, does not advance within the job category. If the employee is in the 2nd, 3rd, or 4th position in the job category, that is where he/she remains.

An employee going onto bypass will be frozen in his/her present job category as well as at his/her seniority position in the department. He/she will not be eligible for temporary move-ups.

When the first permanent move-up takes place, the employee junior to him/her will jump over him/her in departmental seniority, although this may be within the same job category. This will be considered the first permanent “promotion” and

the bypass can be withdrawn anytime after that.

2. SUMMER STUDENTS

(a) Any student hired for the sole purpose of providing summer vacation relief shall be designated as Relief Pool - Summer Student and shall have seniority rights only as he/she relates to the other Summer Students.

(b) This system shall apply to students hired during the period April 15 - September 15.

(c) A Relief Pool - Summer Student will be terminated at the end of the above period without retention of seniority rights. He/she can then apply for a permanent position in the Relief Pool if he/she so desires.

(d) The Company's policy of giving first consideration to employees' children for such vacancies will continue.

(e) All Relief Pool - Summer Students will receive a copy of this agreement and agree to abide by this practice.

(f) All Relief Pool - Summer Students shall be subject to Article IV - Union Security of the Labour Agreement.

3. EMERGENCY CREWS

(a) Additional life insurance of \$50,000 will be provided for

each employee designated as a member of the Emergency Response Team.

(b) A replacement of clothing to members of the Emergency Response Team will be made in cases where loss is directly attributed to work as a member of that crew.

(c) The Company will pay each member of the Emergency Response Team \$.25 per hour for all hours worked.

(d) Each member of the Emergency Response Team will be entitled to a \$200.00 bonus at each year-end if attending every training session during that year.

4. STATUTORY HOLIDAYS

(a) When a Statutory Holiday falls on an employee's regular day off, or on a day of his/her vacation, he/she may, if he/she elects to, take a deferred day off within the contract year - according to the following provisions.

(i) The deferred day off will be scheduled in relation to the shift schedule to minimize the relief requirement.

(ii) The employee must apply in writing prior to the Statutory Holiday.

(iii) The Statutory Holiday pay shall be deferred until the day off.

(iv) The employee shall receive only eight hours pay for any one Statutory Holiday period.

(b) Subject to compliance with conditions set forth in the Labour Agreement, Statutory Holiday pay will be at the straight time rate of the job the employee performed on the day worked prior to the holiday.

5. REPORTS TO UNION ON MANPOWER CHANGES

That the Company supply the Union with a weekly list of hires, transfers and terminations. The latter to be specified by cause, lack of work or quit.

The Company will provide the Union every sixty (60) days with a list of all overtime hours worked.

6. SHIFT RELIEF

The following is agreed to regarding shift relief:

(a) Vacation relief will be on a shift basis.

(b) In the case of illness, accident, or other leaves of absence, the vacant position will be filled by shift relief for a period of up to four (4) tours, and on the basis of job seniority if the absence extends beyond that period. The vacancy will be filled on the basis of job seniority when it is apparent that the absence will extend beyond the four tour limit. It is agreed that when the promotion is on the basis of job seniority, it is to be implemented as soon as possible

without involving double shifting, short changing or other apparent hardship and that employees have a responsibility to be as definite as possible about the date of their return to work.

(c) In case of “Short Term” vacancy occurring on a shift – e.g.: vacancy caused by an employee failing to report for work, or due to situations as outlined in (b), Departmental Relief policies will be followed.

7. JOB BID SYSTEM

Job notices will be posted for permanent jobs only.

Temporary positions will be limited to a period of three (3) months, or less, at which time the job will be posted or a date set specifying when the job will become redundant.

All job notices for permanent jobs will be posted for fifteen (15) days.

8. CALLS OUT AFTER MIDNIGHT

Any day worker called out after midnight will have the choice of:

(a) Going home and returning the same calendar day to work an 8 hr. shift.

(b) If required to work after 4:00 a.m., completing 8 hours of work and then going home. Upon completion of the original call-in work, additional work will be assigned by Department Supervision for balance of the eight hour period. Overtime rate will cease at 8:00 a.m.

9. REST PERIOD

For Day Workers called out for mill emergency work when they are scheduled to work the next day, they will in addition to overtime and call time provisions be entitled to one hour pay for each hour worked during the period from 12:00 a.m. to 8:00 a.m. Employees at their option may delay the start of their next scheduled shift by the number of hours worked after 12:00 a.m. This article will not apply to employees beginning work at 4:00 a.m. or later.

10. REPLACEMENT OF SPECTACLES

When legitimate breakage or loss of spectacles, other than by negligence, occurs on the job, or when spectacles become unserviceable from unavoidable welding splatter, or unavoidable work related damage, the Company will replace or repair the spectacles subject to the following conditions.

(a) The employee concerned shall contact his/her supervisor and advise him/her of the circumstances pertaining to the breakage or loss.

(b) The Supervisor concerned shall make his/or recommendation to the Department Superintendent and if a favourable decision is reached, the spectacles will be replaced or repaired at Company expense.

(c) Replacement or repair of spectacles from splatter damage will be limited to one pair per year. (If not covered by a W.C.B. claim).

(d) In all cases the employee must first utilize whatever benefits are available from the W.C.B.

(e) The Company will not assume any cost of an eye examination, which may be necessary to obtain a prescription for spectacles.

11. PURCHASE POLICIES

(a) **Tools** -- The Company will set up a system whereby Mechanics will be enabled to purchase, through the Company and Company cost price, tools which appear on the various "Mechanic's Lists." Other tools of the Trade can be purchased under this system, on the approval of the Maintenance Superintendent.

(b) **Personal Safety Footwear** -- Policy will be changed to increase subsidy to 80% to a maximum of 2 pairs per year.

12. TOOL REPLACEMENT POLICY

When legitimate loss or breakage of mechanics personal tools, other than by theft or negligence occurs on the job, the Company will replace such tools subject to the following conditions:

(a) The Mechanic concerned shall contact his/her Supervisor and advise him/her of the circumstances pertaining to the loss or breakage.

(b) The Supervisor concerned shall then make his/her recommendations to the Maintenance Superintendent who will consider the recommendation and, if a favourable decision is reached the tool or tools will be replaced with a comparable tool or tools, the cost of which shall be borne by the Company.

13. POSTING OF SCHEDULES

Weekly schedules will be posted in all departments and adhered to in so far as it is possible and practical to do so. In addition, a roster will be maintained in the Maintenance Department from which people will be placed in scheduled shifts.

Relief Pool Schedule to be posted weekly.

14. TEMPORARY HIRING

Cases of temporary hiring known to be in excess of 45 days would be discussed in Standing Committee before the hiring is undertaken. Where evaluation of a newly hired employee is not definite within 45 days after hiring, an extension of the probationary period will be requested rather than laying off and rehiring.

15. SUNDAY LETTER EXEMPTION

The provisions of the Industry letter of October 18, 1946 commonly referred to as the Sunday Letter will apply to the mill operating schedule. Due to the varying straight time hours worked each week within the mill operating schedule the following will apply for the purposes of calculating overtime.

Hours worked on Sundays and on recognized paid Statutory Holidays will be used in the computation of the scheduled work week.

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 then be reduced by (8) hours for each such paid Statutory Holiday:

For example:

(i) In a forty-eight (48) hour work week in which one (1) paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of forty (40). Should it happen that two (2) recognized paid Statutory Holidays occur in one (1) week, then overtime will be paid for hours worked in excess of thirty-two (32) of that particular week.

(ii) In a forty (40) hour work week in which one (1) 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) of that particular week.

(iii) In a thirty-two (32) hour work week in which one (1) paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of twenty-four (24). 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 sixteen (16) of that particular week.

16. SHORT CHANGES OF SHIFTS

The Company realizes that short changes of shifts can be upsetting to an employee's normal routine and every effort will be made to schedule the work in such a way as to minimize the inconvenience to the employee.

In endeavouring to comply with the above statement, consideration will be given by Supervision to allowing an employee to:

- (a) Complete the week by continuing on a shift.
- (b) Work on the Saturday where a day off is taken following his/her shift work.
- (c) Return to day shift by working a designated shift, e.g.: commencing at noon the following day.
- (d) Take short change of shift.

17. SENIORITY

(a) **Transfer on Job Bid** -- There shall be a probationary period of 30 days for any employee who is transferred to another department as a result of a successful job bid. The employee may return, at either his/her own election or the Company's, to the job he/she left at any time during this probationary period without loss of seniority rights on that job. The period of 30 days may be extended by mutual agreement between the Company and the local Union.

(b) **Department Cutback** -- In the event of a cutback in a department, the personnel so affected will maintain their seniority in that department until called back or accept permanent positions in some other department.

(c) **Promotion to Position Outside Bargaining Unit** - Any employee promoted to a position within the Company over

which the Union has no jurisdiction, may be returned by the company or at his/her own request, to his/her former position within three (3) months or an extension thereof by mutual consent of the Parties and shall have all his/her former standings re-established providing he/she remained in good standing with the Union during his/her period of promotion.

(d) Lay-off from Relief Pool

(i) An employee laid off from the Relief Pool may exercise mill seniority to replace the most junior employee in the mill, subject to the conditions of Article XVIII....Seniority of the Labour Agreement.

(ii) When the most junior employee being displaced is not in the entry job in the line of progression of the department concerned, that entry job shall be made vacant by moving up the regular employees of the department to fill the vacancy created by the displaced employee.

(iii) Departmental entrance standards must be met.

(e) Short Term Shutdowns -- During a short term Department or Mill shutdown the regular schedule of days off will remain in effect for seven (7) days, exclusive of recognized paid Statutory Holidays. Available work in a department will be assigned to the senior qualified employees scheduled to work on each particular day. After seven (7) days the available work will be assigned on the basis of departmental seniority.

f) Layoffs – Should layoffs during a shutdown be required, the following definitions and rules shall apply.

For resumption of normal operations employees will return by their assigned schedule.

i. **Definitions:**

Mill Seniority – the period of time in which an employee is continuously employed within the bargaining unit, subject to the provisions of Article XVIII - Seniority of the labour agreement.

Department Seniority – the time that an employee has been continuously employed within a department from the date of permanent classification into that department.

Job Seniority – the period of time that an employee has been classified and employed in a particular job, except where the classification is on a temporary basis due to temporary vacancies.

ii. **Rules of Layoffs and Recall:**

Subject to Article XVIII – Seniority – mill layoffs and mill recall only occur from the Relief Pool.

Employees no longer required in their department will first apply job seniority, then department seniority before leaving

the department. They will then go to the Relief Pool and any layoff will be by mill seniority.

The most senior, qualified mill employee who has the ability, will be recalled first to the Relief Pool, then vacancies in a department will be filled from the Relief Pool using departmental seniority.

18. DEPARTMENTAL TRAINING PROGRAMMES

It is recognized that an appropriate operating training programme is a continuing requirement in all departments.

The Company will ensure that adequate training opportunity is provided for all employees.

Training needs will be established through discussion between the employee and their supervisor. Where the needs are unclear the Departmental Superintendent may be involved.

19. COVERALLS

(a) The Company will supply two pairs of coveralls to all permanent maintenance employees as personal issue and will clean one pair per week. Coveralls will be replaced, to a maximum of three pairs per year, when worn out coveralls are turned in, accompanied by a Supervisor's written authorization. Paper coveralls will be issued to personnel

engaged in fibre-glassing.

(b) Coveralls to be supplied to the Knife Grinder.

(c) The Company will supply two pairs of coveralls to all permanent mill employees, with the exception of those already covered in paragraph (a). The employees will be responsible for cleaning and repairing their coveralls. After the first year coveralls will be supplied to a maximum of two pairs per year. When worn out coveralls are turned in they are accompanied by a Supervisor's written authorization.

(d) The present practice of supplying insulated coveralls as required will be continued.

20. UNION SAFETY REPRESENTATIVE

It is recognized that the reduction of accidents and injuries to employees is a mutual objective of the Union and the Company. The Union Safety Representative, through the Human Resources Office, will be involved in any accident prevention activities, which will contribute to meeting this objective.

The Union Safety Representative will be invited to attend investigations as covered in the Company's Accident Investigation Procedure.

A meeting between the Union Safety Representative and the

W.C.B. Inspector will be arranged prior to tours. The Union will provide the Company with a list of alternates.

21. PAY CHEQUES

The Company will offer direct deposit of pay cheques for hourly employees.

Pay cheques will be deposited in only one account at a financial institution of their choice.

Pay stubs will be mailed to the employee's home address.

Direct deposit of pay cheques is mandatory for all new permanent employees.

For employees who decline direct deposit, pay cheques will be available from 6 a.m. - 7 a.m. to tour workers working on the 7 p.m. - 7 a.m. (Night) shift on the Wednesday before the regular pay day. It is understood that there could be occasions when for unforeseen reasons the pay cheques will not be ready until the normal time on Thursday.

22. EMPLOYMENT DURING MILL SHUTDOWNS

(a) In the event of mill shutdowns, the Company will endeavour to ensure that as many employees as possible are provided with employment. A list of laid off employees will be given to any contractor requiring labourers from the local

area.

(b) Any Production worker who works outside his/her department during a scheduled Maintenance Shutdown will be paid the rate of his/her regular job. It will remain management's right as to whether an employee is a day worker or a tour worker.

23. PAY FOR EMPLOYEE INJURED ON THE JOB

When an employee is injured on the job and, on the advice of a doctor, does not return to work, he/she will receive pay for a full shift on which he/she was injured to a maximum of 8 hours at his/her regular rate of pay.

24. SAFETY SHOE REQUISITIONS - CAULK BOOTS

The safety shoe purchase policy would apply to caulk boots and consideration will be given to compensation in cases where unusual and irreparable damage is incurred to caulk boots, as long as negligence is not a factor.

25. LEAVES OF ABSENCE

The Company's policy on granting leaves of absence will be based on length of service, reason for request, and ability of the Company to release the employee without penalty.

26. DISCIPLINARY ACTION RECORDS

Warning Notices involving disciplinary action other than suspension will be removed from an employee's record after one year has elapsed from the date of issue.

27. LINES OF PROGRESSION

Wherever possible the schedule of rates in the Agreement will indicate lines of progression.

28. FORTY HOUR WEEK RELIEF CATEGORIES

Employees in the Steam and Recovery, Fibreline, Machine room, and Chip Handling areas that are utilized in the 40 hour week relief category are to have their rates adjusted so as not to suffer any loss of take home pay.

29. YARD LEADHAND

The Yard Leadhand position will be filled full-time on the basis that he/she is a working leadhand.

30. MEETINGS

(a) It is recognized that wherever possible, starting times for meetings of the Standing Committee and Labour Management Safety Committee should be set to allow sufficient time for completion of the agendas. The present

starting time of 3:30 p.m. will, therefore, be varied at the discretion of the Union and Company chairmen of these committees.

(b) Meetings between the Apprentices and the Joint Union Management Apprenticeship Committee can be arranged when items for discussion at these meetings will be submitted in advance to the Joint Committee.

31. MAINTENANCE GROUP LEADER

When a regular Maintenance Group Leader is absent, a temporary promotion will be made to fill the position. The work to be done by the Group Leader will be decided by his/her Supervisor.

32. WOODROOM - TEMPORARY REDUCTIONS

It is recognized that in order to keep the Mill's Chip Inventory in balance, the Company may have to make temporary reductions from time to time in the number of operating shifts in the Woodroom.

When Management decides to make such a temporary reduction any classified member of the Woodroom, who consequently is required to work at a rate of pay lower than his/her classified rate, will receive the rate of his/her classified job for a period of three (3) months and for a further period of three (3) months he/she will be paid an

adjusted rate which will be mid-way between his/her classified rate at the time of the setback and the rate of his/her new regular job. At the end of this six (6) month period, the rate of his/her new regular job will apply.

This provision will not apply to: scheduled maintenance shutdowns; shutdowns caused by breakdown of Mill equipment or pulp market curtailments or to those employees who accept a permanent position in another Department.

33. WEEKEND MAINTENANCE COVERAGE

It is the policy of the Company to maintain the principle of the 8:00 - 4:30 day maintenance shift schedule, allowing one-half hour free for lunch.

However, a maintenance employee working the 8:00 - 4:30 shift who is not free during his/her regular lunch period because he/she is required to be available for Company purposes, will be entitled to leave work one-half hour early, that is, at 4:00 p.m. If he/she is required to work after 4 p.m., such time worked will be paid at time and one-half.

All special weekend maintenance coverage is required to be available for Company purposes throughout the regular lunch period.

34. RAIN GEAR

(a) Two sets of rain gear will be supplied for use by the log pond crew.

(b) Two raincoats will be supplied for use by log deck men/women.

35. YARD SMOCKS

Smocks will be provided for Yard employees to use while servicing equipment.

36. MEDICAL TRAVEL BENEFITS PLAN

(Extract from Plan Text -- Oct. 10, 1986)

Benefits

Employees of Celgar Pulp Company, while enrolled as Members under Extended Health Benefits Group E2256, and their Dependants while registered under said Group E2256, shall be entitled to Benefits payable at 100% for the following Medical Travel Expenses.

(1) Transportation for a Member and/or his/her Dependants by scheduled air or rail to and from the nearest locale equipped to provide the treatment required, when ordered by the attending Physician and Surgeon because, in his opinion,

adequate treatment is not available locally. Said transportation must be within two months of referral and will not be provided to points beyond Vancouver, B.C. This may include a major city outside B.C. but closer than Vancouver. "Locally" shall include adjoining communities such as Nelson, Trail, etc. Therefore, Benefits will not be paid when referred to these communities.

(2) Transportation of an attendant for the patient being transported under (1) above, when ordered by the attending Physician and Surgeon.

(3) Accommodation in a commercial facility for the patient and/or the attendant, before and after medical treatment to a maximum of (\$90.00) per day for a total of **seven** days, in cases where transportation has been provided under (1) above.

(4) Where a Member and/or his registered Dependent(s) is referred for treatment to a location accessible only by private automobile transportation, automobile transportation expenses will be reimbursed on the basis of the equivalent cost of a return bus ticket.

(5) Where, in the opinion of the attending Physician or Dentist treating a Member and/or his registered Dependent(s), adequate oral surgery treatment, involving teeth extraction, gum or bone material, is not available locally, the above transportation provision will apply when

referred to an Oral Surgeon.

Payment of Benefits

It is a condition for payment of Benefits under this Agreement that the Member shall submit a completed claim form, receipts and a referral card from the attending Physician and Surgeon or Dentist in respect of all Eligible Expenses, within 90 days of the date on which the Expense was incurred.

Failure to submit claims within the 90 day period shall not invalidate any claim has been filed as soon as reasonably possible.

No action may be brought against MSA for any claim hereunder unless brought within one year from the date the liability was incurred.

Procedures

(1) The Human Resources Department shall review with the employee the limitations of the programme 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.

(2) Actual claim for reimbursement must be reviewed and approved by the Human Resources Department prior to its submission to the carrier. Any questions raised by these

claims will be further reviewed by the Human Resources Department.

(3) Claims submitted subsequent to obtaining medical treatment will not be accepted under the scheme.

Cost Sharing

Net costs of the coverages and benefits made available under the Medical Travel Benefits plan will be shared by the Company and the employee on a 70/30 basis.

NOTE: The terms and limitations of the Plan as provided by the Carrier will apply and the Plan will not be subject to the Adjustment of Complaints Article of the Labour Agreement.

37. WEEKLY INDEMNITY

Where employees have been on temporary move-up for a period in excess of 90 consecutive days, weekly indemnity will be based on the rate for that temporary position.

38. MAINTENANCE HELPER-RELIEF OILER

The Maintenance Helper-Relief Oiler will be reclassified to Oiler when he/she is doing oiling duties.

39. RELIEF/UTILITY

The Company will classify a number of regular Relief/Utility in the Chip Handling, Pulping Group, Machine Room/Shipping, Steam & Recovery, Yard, Technical and First Aid/Stores Departments provided it is understood that in the event of a move up or absence, the spare position will not be filled.

40. MEAL TICKETS

The value of a meal ticket will be 75% of the base rate rounded up to the nearest \$.25. Meal tickets will be usable to pay for meals in those Castlegar, Nelson and Trail restaurants, which accept them. The practice known as deferred meals will be discontinued.

41. LOCKERS

The new mill will have adequate locker facilities for each mill employee.

42. WELDER'S CAPS

Good quality welding caps will be supplied to Journeymen Welders.

43. SCHEDULING - RELIEF POOL

Scheduling long tours for Relief Pool employees will be

avoided whenever practical. There will be occasions, due to relief requirements, where this is unavailable. The Relief Pool Schedule to be posted weekly and be based on a six (6) week average period.

44. GRIEVANCE PROCEDURE

The Company is committed to improving the effectiveness of the Joint Labour Agreement grievance procedure. To that end we will consider the options that emphasize focus on the front end of the present grievance procedure.

45. ENVIRONMENT COMMITTEE

The environment is one of our mill's six priorities and therefore the Joint Environment Committee will meet once per month.

46. BLOCK HEATERS

Block heater outlets will be provided in the new permanent parking lot.

47. CAR WASH

A car wash will be provided in the new permanent parking lot.

48. TRAINING

Employees qualified for a given position who are required to upgrade on new equipment for the position will be paid their classified rate or the rate of the position whichever is higher.

49. SHOWERS

Provisions for showers will be provided in Chip Handling, Yard, Woodroom, Maintenance, Fibreline, Machine Room, Recovery, and Steam Plant, for on shift emergency requirements.

50. HEALTH & WELFARE

The Union Health and Welfare Chairman will be invited to the pre-retirement counselling seminars.

51. MEDICAL FOR PENSIONERS

The Company will provide Medical Services Plan and current Extended Health Benefits Plan coverage for Celgar pensioners as per present Company policy.

52. TIE-INS

Tie-ins to existing mill equipment will normally be performed by mill employees. Article XXIII - Contracting will apply to work performed by others.

53. COMPRESSED WORK WEEK

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

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

2. The implementation of the compressed work week will be on the conditions that there will be no extra cost to the Company and that the efficiency of any department or departments will not decrease.

3. It is clearly understood by both parties that replacements must be available for relief purposes when required and that most of these replacements will come from employees on their scheduled days off. In the event that adequate relief is not available, a departmental Shop Steward will be informed immediately. The Shop Steward will assist the Supervisor in obtaining adequate relief by explaining the serious nature of the problem to the relief employees being called.

4. 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 (e.g. for relief purposes) will not be paid over time for hours in

excess of forty (40) in a week. Such employees will have time off arranged on the basis of working forty (40) hours per week over the averaging period. Any employee entering the 12-hour shift schedule will be paid the overtime premium for hours worked in excess of eight (8) hours on the first 12 hour shift, unless notification of entry was given during the first eight (8) hours of his last shift preceding the new 12 hour shift.

5. Employees will give as much notice as they possibly can on requests for leave, so that they can be replaced at straight time. Otherwise the necessity to work employees on their days off will effectively negate the benefits gained from the additional days free from work in the compressed work week.

6. 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 except:

(i) When such work in excess of twelve (12) hours is caused by the change of shifts.

7. Tour Workers 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 have the option of receiving the overtime premium on the basis of Article VI of the Labour Agreement or of receiving straight time for hours in excess of twelve (12) or eight (8)

consecutive hours respectively, and taking equivalent time off 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. If equivalent time off is not taken by the end of 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.

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

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

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

10. 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.

11. Employees on the compressed work week schedule shall be granted five (5), twelve (12) hour special (personal) floating holidays per contract year.

Determining Eligibility for 12-hour Personal Floating Holidays.

Regular Tour Workers Entitlement for the Contract Year

Employees filling posted positions that work a compressed work week schedule will be credited with 60 hours in their Personal Floating Holiday bank at the start of each contract year (May 1).

It is expected that the vast majority of “tour” employees will remain in these positions throughout the contract year and will therefore schedule their 5 personal floating holidays as desired and receive 12 hours pay for each holiday.

Moving Off a Compressed Work Week

Employees who move off a compressed work week schedule and onto another schedule will no longer be eligible for 12 hour floaters. If this change occurs prior to October 31 of any year, the employee will have their eligibility for 12 hour

personal floating holidays prorated for that contract year.

For example, if an employee posts into a position that works a day schedule on July 1, he/she would receive 2/12ths of the additional 20 hours of holiday pay, rounded up to the nearest hour. In this example, it would be calculated as 40 hours plus $(20 \times 2/12)$ for a total of 44 hours pay. He/she would still be entitled to only 5 personal floating holidays.

If the change in schedules occurs on November 1 or later of the contract year, the employee will retain his/her eligibility for 60 hours of personal floating holiday pay, but still only be eligible for 5 days off. If the employee has hours remaining in the bank after taking all 5 floaters, these excess hours will be paid to him/her.

Moving Onto a Compressed Work Week

Employees who post into positions that follow a compressed work week prior to November 1 of the contract year will become eligible for 5 personal floating holidays at 12 hours per holiday. If an employee had already used some of these floaters prior to assuming his/her new position, the extra 4 hours pay for each floater taken would be paid to him/her on request.

Employees who move into compressed work week positions on or after November 1 of a contract year will have their eligibility for 12 hour personal floating holidays prorated.

For example, an employee posts from a “day” position to a “tour” position on February 1. In this situation, he/she would be entitled to 40 hours of pay plus 3/12ths of the additional 20 hours entitlement (rounded up to the nearest hour). This would equate to $40 + (20 \times 3/12)$ for a total of 45 hours. He/she is still entitled to a total of 5 personal floating holidays in the contract year. If he/she has taken all of his/her floaters on his/her former 8 hour schedule, he/she will be owed 5 hours pay.

Relief Employees

Employees who work 12 hour shifts on a relief basis will become eligible for 12 hour personal floating holidays based on the number of 12 hour shifts worked during the contract year. The employee becomes eligible for a 12 hour floater for every thirty (30) 12 hour shifts worked in the contract year.

Relief employees will begin the contract year with a credit of 40 hours in their personal floating holiday bank. For every 30 twelve hour shifts worked, an additional 4 hours will be added to this bank to a maximum of 20 additional hours, or 60 hours in total. The employee would still only be eligible for 5 floaters and would schedule them as per usual practice. If the employee has hours remaining in the bank after taking all 5 floaters, these excess hours will be paid to him/her.

14. For the purposes of the twelve (12) hour shift schedule, entitlement to Supplementary Floating Holidays will be calculated on the basis of the number of days for which the employee has qualified multiplied by eight (8) hours, subject to all other conditions of Article XIV of the Labour Agreement.

15. TAKING OF SPECIAL AND SUPPLEMENTARY SPECIAL (PERSONAL) FLOATING HOLIDAYS, BANKED OVERTIME AND DEFERRED STATUTORY HOLIDAYS.

The following rules will apply:

(a) Floating Holidays, Banked overtime and deferred Statutory Holidays can only be taken off in twelve (12) hour units.

(b) Employees will be permitted to group Floating Holidays, Banked overtime and deferred Statutory Holidays to facilitate taking them off in twelve (12) hour units.

(c) At the end of the Contract Year, hours not taken or hours less than twelve (12) will be paid to the employee, (in the case of Banked Overtime, the deferred half time will be paid), except that an employee who has four (4) or more but less twelve (12) hours remaining will have the option of taking a twelve (12) hour shift off and be paid the number of hours remaining. An employee may choose to carry over Banked Overtime for purposes of taking equivalent time off, under

the terms and conditions in the Labour Agreement for the Banking of Overtime.

(d) 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). This concept will not apply to Floating Holiday hours.

(e) 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.

(f) A minimum of four (4) hours must be used when taking Floating Holiday time out of the grouped hours.

(g) With the above exceptions and those elsewhere in this Memorandum of Agreement, all other conditions of the Labour Agreement will apply to the matters covered in this Item No. 15.

16. When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted an appropriate leave of absence and he/she shall be compensated at this regular straight time hourly rate for hours lost from his/her regular schedule for a maximum of twenty-four (24) hours, according to the provisions of Article XVIII, Section 2 of the Labour Agreement.

16. Any regular full-time employee who is required to perform

Jury Duty, or who is subpoenaed to serve as a witness in a Court action or Coroner's Inquest, save and except actions involving the Company or Trade Unions, unless subpoenaed by the Crown, on a day on which he/she would normally have worked, will be reimbursed by the Company for the difference between the pay received for such duty and his/her regular straight time hourly rate of pay for his/her regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of twelve (12) hours per day or forty (40) hours per week, less pay received for such duty. The employee will be required to furnish proof of performing such service and such duty pay received.

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

18. When an employee is injured on the job and, on the advice of a doctor, does not return to work, he/her will receive pay for the full shift on which he/she was injured to a maximum of twelve (12) hours at this regular rate of pay.

19. For purposes of calculating overtime, the scheduled work in the compressed 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 then be reduced by eight (8) hours for each paid

Statutory holiday.

For example:

(i) In a forty-eight (48) hour 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 Holiday occur in one week, then overtime will be paid for hours worked in excess of thirty-two (32) of the particular week.

(ii) In a thirty-six (36) hour work week in which one (1) paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of twenty-eight (28). Should it happen that two (2) recognized paid Statutory Holidays occur in one (1) week, then overtime will be paid for hours worked in excess of twenty (20) of that particular week.

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

20. When a statutory holiday falls on an employee's regular day off, he/she may, if he/she elects to, take an alternate day off within the contract year according to the provisions of Bull Session Agreement #4(a).

21. The twelve (12) hour shift times of 7 a.m. to 7 p.m. and 7 p.m. to 7 a.m. will define a DAY as a period of twenty-four

(24) hours beginning at 7:00 a.m. and a WEEK as a period of seven (7) calendar days beginning at 7:00 a.m. Sunday.

22. Weekly Indemnity benefits will continue to be calculated on the basis of seven (7) calendar days and that loss of income has occurred.

23. All hours worked on Sunday will be used in the calculation of the scheduled work week.

September 19, 2008

Mr. Bob Brommeland
President,
Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Dear Bob:

Re: Letter of Understanding - 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 in order of their previous mill seniority, providing:

- a) Their recall rights under Section 3 of Article XVIII – Seniority have expired.
- b) They have a current application on file.

- c) They have the qualifications and ability to perform the work properly.

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

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

Yours very truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Mr. Bob Brommeland
President,
Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Dear Bob:

LETTER OF INTENT

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

Yours very truly,

Alan Hitzroth
Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Mr. Bob Brommeland
Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Dear Bob:

**Letter of Understanding
Rehabilitation and Re-integration Program**

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

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

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

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

employment at the mill.

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Attn: Mr. Bob Brommeland

Dear Bob:

Re: Statement of Policy – Janitorial Service

The following policy will be renewed for the term of 2008 – 2012 contract:

The Company will provide janitorial service seven (7) days per week. This coverage will be provided by a bargaining unit employee.

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Attn: Mr. Bob Brommeland

Dear Bob:

Re: Training

The Company will review departmental training programs to ensure that adequate training opportunities are provided to all employees.

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 2320 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Attn: Mr. Bob Brommeland

Dear Bob:

Re: Redundant Language

The Company commits to working with the Union to remove redundant language from the Collective Agreement.

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

September 19, 2008

Pulp, Paper & Woodworkers of Canada
Castlegar Local No. 1
#1 – 23290 Columbia Avenue
Castlegar, B.C.
V1N 2X1

Attn: Mr. Bob Brommeland

Dear Bob:

Re: Letter of Understanding – Statutory Holidays

It is the Company's intent to operate on all Statutory Holidays as per current practice. The Union will be advised in advance if it is the Company's intent to not operate on any of the Statutory Holidays covered by the Labour Agreement.

Yours truly,

Alan Hitzroth
General Mill Manager
Zellstoff Celgar Limited Partnership

PULP, PAPER AND WOODWORKERS OF CANADA

Denis Nursey

Bob Brommeland

Mark Hatlen

Stan Ozeroff

Pat Donohue

Darren Pilla

ZELLSTOFF CELGAR LIMITED PARTNERSHIP

Alan Hitzroth

Doug Cargill

Mike Espenhain