AGREEMENT



CASCADES BOXBOARD GROUP - TORONTO A DIVISION OF CASCADES CANADA INC.





COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA LOCAL 1112

MAY 1, 2004 - APRIL 30, 2009

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Our Vision

"Be a safe & profitable operation that strives to involve employees while producing a quality product with the aim of maintaining & expanding the customer base."

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Wherever the masculine appears in this Collective Agreement, it shall deem to mean the feminine as well.

Article 1 PREAMBLE

Section 1 - Definition of Parties

The following are the details of the agreement between Cascades Boxboard Group – Toronto, a division of Cascades Canada Inc., (hereinafter referred to as "The Company")

- and -

The Communication, Energy and Paperworkers Union, Local 1112, (hereinafter referred to as "The Union") acting on its own behalf and as agent for the employees in the bargaining unit of the Company hereinafter defined.

Section 2 - Purpose and Intent

The purpose of this Agreement is to promote and improve industrial and economic relationships between the Company and the Union, to secure fair disposition of grievances, to eliminate interruption of work and to set forth certain arrangements regarding rates of pay, hours of work and other conditions of employment.

The parties will endeavour to meet on a regular basis to discuss issues such as: rules and regulations, financial and market conditions, safety and welfare of employees, economy of operations, quality and quantity of output, cleanliness and protection of property to the fullest extent possible.

Section 3 - Local Customs and Practices

Any local rule, regulation, custom, agreement or practice previously established which may be in conflict with the specific provisions of this Agreement is abolished.

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Article 2 BARGAINING UNIT

Section 1 - Bargaining Unit

The "bargaining unit" shall consist of all permanent employees within the jurisdiction of the Union at Cascades Boxboard Group – Toronto, save and except supervisors, persons above the rank of supervisor, regularly assigned watchpersons and all employees engaged in administration, sales, accounting, clerical, or other office work and probationary employees.

Section 2 – Supervisory Trainees

The Company Supervisory Training Program may make it necessary to give mill experience to persons for specialized training or education. Such trainees are not under the scope of this Agreement but may, during the course of training, perform work in any classification covered by the bargaining unit. An employee who would otherwise be working on the affectedjob will stand by during this training period.

Section 3 – Union Security

The Company recognizes the Union as the sole agency representing the members for the purpose of collective bargaining.

All employees of the Company within the bargaining unit must be members in good standing of the Union. Seven (7) days prior to the completion of a new employee's sixty (60) calendar day probationary period, the Company will notify the Union of his progress and if he is likely to be accepted as a permanent employee. The Company agrees that it will deduct from the pay of each permanent employee the monthly dues payable by him to the Union and will forthwith remit money so deducted to the Financial Secretary of the union specifying the employees from whose pay such deductions were made.

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Section 4 - Summer Help

Employees who are hired between April 1st and September 30th for special work such as vacation relief and other instances of a temporary or seasonal nature, have the status of summer help and are covered by the terms of this Agreement except Article 13, Group Insurance and Article 14, Pension Plan. Summer students will receive 90% of spare pool rate except when working in a line of progression job where the applicable rate will apply. Summer help may only be employed between April 1st and September 30th of the same calendar year. All summer help will be laid-off on September 30th at the latest.

Section 5 - Cessation of Work

The Union agrees to protect the Company against walkouts, strikes, slowdowns or boycotts. The Company agrees to protect the Union against lockouts by the Company.

The Union agrees that it will not involve the company in any controversy or dispute arising outside **of** this Agreement.

Prior to a legal strike, the parties shall meet to discuss procedures to ensure the essential services and complete security of the Mill property and facilities and to discuss the procedures relative to the status of the employees under **em**ployee benefit programs.

Section 6 - Authorized Representatives

At all meetings between representatives of the Union and the Company, the Union shall have one or more representatives present chosen from the bargaining unit and employed in the bargaining unit for at least two (2) years. All such representatives shall, if required, present written authority from the Local Office.

Section7 – Work by Non-BargainingUnit Personnel

Under normal operating conditions, persons whose regu-

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lar jobs are not in the bargaining unit will not work on any jobs for which rates are established by this Agreement, except for purposes of experimenting or in emergencies.

Article 3 MANAGEMENT RESPONSIBILITIES

Section 1 - Operating Control

It is the exclusive function and right of the Company to operate and manage its business in all respects, except where any right to do so has been specifically restricted by the terms of this Agreement.

Section 2 - Rules and Regulations

The Company reserves the right to formulate and publish, from time to time, rules and regulations regarding the use and operation of equipment and plant facilities and the conduct of employees in the plant. It is agreed that no formal disciplinary action will be taken against **an** employee without Union representation.

Article 4 HOURS OF WORK

Section 1 - Hours of Work

The purpose of this Article is to establish hours of work and shall not be construed **as** a guarantee or limitation of the hours of work per day or per week. *The* Mill will normally be operating on a seven (7) day schedule. When business conditions cannot sustain a seven (7) day schedule, the Company will give the Union and the employees ten (10) calendar days advance notice of any change in schedule of individual department and/or Mill operations.

For the purpose of payroll computation, employees who are on an eight (8) hour per day schedule, the normal work

week is from 7:00 a.m. Monday until 7:00 a.m. of the following Monday. The hours of work are from 7:00 a.m. to 3:30 p.m. with one half (1/2) hour unpaid for lunch. These hours of work may be changed to meet the operating needs of the Mill, when it is mutually agreed. A fourteen (14) calendar day period is required prior to the change.

It is understood that an employee may be moved from his shift to a vacant shift within the same department only if all other options have been exhausted (i.e. overtime and a voluntary move).

The normal operation of the Mill will be a seven (7) day schedule with four (4) crews. When business conditions cannot sustain a seven (7) day schedule, the Company will give the Union and the employeesten (10) calendar days advance notice of the return to a three (3) crew operation on a five (5) or six (6) day schedule. When returning to a seven (7) day, four (4) crew operation, the Company will give the Union and the employees seven (7) calendar days advance notice.

Section 2 - Scheduled Days Off

When on a five (5) day schedule, the normal days off for employees will be Saturday and Sunday, or as mutually agreed. When on a six (6) or seven (7) day schedule, employees may have scheduled days off other than Saturday or Sunday.

A rate of time and one half shall be paid for all hours worked on a normal day off or double time on a Sunday or the 24 hour Canada Day Holiday and the 96 hour Christmas Holiday.

An employee who works on a statutory holiday recognized in this agreement, when such holiday falls on a scheduled day off, shall receive time and one half on the next regular scheduled shift(s), for hours equal to the hours **worked** on the holiday, provided such employee works all of **his** regularly scheduled hours that week irrespective of the holiday.

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Section 3 – Successive Shifts

It is the responsibility of the employees in each job to keep that job manned for successive shifts. Each employee is to remain on the job until relieved by his mate or released by his supervisor. Employees shall not relieve their mates until they have changed into **their** work clothes and are prepared to take on the responsibility of the job at the workstation.

Employees shall not be required to work more than the prescribed number of hours in the Employment Standards Act. However, an employee may be requested to work overtime for an extended period of time per day, as per the ESA. An employee working this overtime must be away from the Mill property for the time prescribed by the ESA and shall not lose any pay, as long as there is no duplication of payment for the hours of work referred to in Article 6, Rates of Pay, Section 7, Call-in Pay.

The supervisor will make every effort to locate a suitable relief employee to lessen the need of employees working overtime, guided by the following principles:

- Should a qualified spare *person* be available he may be used to replace an absent employee.
- (2) It is agreed that an employee who is on training should not be considered as a spare person and cannot be utilized as a replacement while on training except when all other manning alternatives have been exhausted.

Section 4 – 12 Hour Shifts

Those working within a department on a seven (7) day, twenty-four (24) hour per day operation, will assume a twelve (12) hour shift schedule.

- Quality, production and safety must remain at acceptable levels during all shifts.
- 2. The 12-hour shift schedule will not be allowed to inter-

fere with the 8 hour shift schedules remaining in operation.

- 3. It is understood that should all avenues be exhausted in trying to replace workers who are absent, the shift may be moved up or down, depending on the operating needs of the Mill. Should a qualified spare pool employee be available he may be used to replace **an** absent employee.
- 4. Any and all amendments to the Collective Agreement resulting from the change to a 12-hour shift schedule must in no way cause additional monetary expense to the Company.
- 5. Vacation Scheduling

For those on 12-hour shifts, vacations will commence on a **Sunday** at 7am and will not be interrupted.

6. Holidays

The statutory holiday payment will be paid as per the normal scheduled hours of workers (i.e. 8 hours for 8-hour workers and 12 hours for 12-hour workers).

7. Hours of Work

The normal operation of the Mill will be seven (7)days per week. Hours of work for the 12-hour shift will be from 7 a.m. to 7 p.m. and from 7 p.m. to 7 a.m. For the purpose of the Agreement, a day shall be 24 consecutive running hours and the work week starts at 7 a.m. Sunday and finishes at 7 a.m. the following Sunday.

Normal relief will be between 6:30 and 7:00 o'clock. Employees who clock out prior to 6:30 or in after 7:00 will have their pay deducted accordingly unless they have been given permission to do so by their supervisor.

Each employee is to remain on the job until relieved by his mate or released by his supervisor. Employees shall not relieve their mates until they have changed into their work clothes and are prepared to take on the responsibilities of the job at the workstation.

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The shift worker on a 12 hour schedule shall remain at his post should he not be relieved to a maximum of one (1) hour past his regular shift, or 13 hours total in a 24 hour period. No employee will be required to work more **than** one (1) 13 hour shift per week.

8. Overtime

Overtime at time and one half will be paid for all hours in excess of 12 hours in any **one** day or hours in excess of the normal scheduled work week. All hours worked on a Sunday will be paid at the rate of double time.

9. Meal Allowance

12 hour shift workers will receive a hot meal or a meal allowance (employee's choice) when working fourteen (14) hours or more. Anyone working on his day off not in a line of progression will qualify for a meal allowance after ten (10) hours.

10 <u>Shift Premium</u>

The premium will be one dollar (\$1.00) per hour upon ratification for employees on 7pm to 7am.

Article 5 OVERTIME

Section 1 – Overtime Premium

The normal hours of work per week for 8-hour workers covered by this Agreement shall be forty (40). A rate of time and one-half shall be paid to all permanent and temporary employees for all hours worked over eight (8) hours per day or forty (40)hours per week. Payment of overtime rates will not be duplicated for the same hours worked.

Section 2 – Meal Allowance

When an employee is requested to work ten (10) hours or more for eight (8) hour workers, a hot meal or meal allowance (employee's choice) of \$13.00 upon ratification, \$13.50 May 1st, 2006 and \$14.00 on May 1st, 2008, will be granted.

Section 3 - Change in Shift Schedule

If an employee's shift schedule, as posted the previous week, is changed by the Company, time and one-half shall be paid for all regular hours worked on the first shift outside of the posted schedule. **This** section will not apply in the event of a major breakdown or emergency outside of the control of the Company.

Section 4 - Assignment of Overtime

When the Company schedules overtime work, the Company and the Union agree that opportunities for overtime within a departmentshall be distributed as equitably as practicable amongst the employees who normally perform the work to be done.

The Company will be responsible for the administration of overtime for the operating replacement and non-operating overtime within departments.

In the event that overtime opportunities cannot be filled from within the department concerned, available employees qualified to do the work from outside the department will be called and the distribution rotated. Selection will be based on mill seniority and rotated.

Planned shutdownovertime work: Employees who volunteer to work on a planned shutdown will perform the duties assigned to them by the Company. Selection will be based on mill seniority and will be rotated.

Article 6 RATES OF PAY

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Section 1 – Classification Rates

"Wage Rates" records the rate for all classifications named but constitutes no guarantee of the continuance of such classifications.

Section 2 - New or Revised Classifications

If any new classifications are added or if existing classifications are substantially changed, the parties shall negotiate the rates for the new or revised classifications.

In the event that agreement on a satisfactory rate cannot be reached within a period of one month following the establishment of a new or revised job, the matter will be referred to the grievance procedure, and the date of the new rate will be effective from the date the new job is filled or revised.

Section3 – Rate Retention

If an employee is transferred to a lower rated job, he will retain his present rate for a period of eight (8) weeks, however there will be no rate retention in the following circumstances:

- (a) An employee is placed on a higher rated job for four (4) weeks or less.
- (b) An employee is transferred to a lower rated job at his own request, or is unsuccessful during a trial period as specified in Article 8 Section 1.
- (c) An employee is placed on a higher rated job replacing for sickness or approved leave of absence which does not exceed four (4) weeks.
- (d) An employee is placed in a higher rated job replacing for vacation.

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- (e) An employee demoted for refusal to fill a temporary vacancy.
- (f) **An** employee filling a position created through (a, b, c, or d).

Section 4 - Probationary Employee Rate

A rate of twenty-five cents (\$0.25) below the classification rate will be paid to new, inexperienced employees **dur**ing their probationary period.

Section 5 - Shift Premium

Effective May 1st, 2004, the shift premium for the second shift will be \$0.50 and the shift premium for the third shift will be \$0.80.

Section 6 - Report Pay

It is the responsibility of employees to supply the Company with specific instructions as to how they may be reached. The Company will not be responsible for giving notification to employees who are not at work and who fail to leave specific instruction as to how they may be reached or who cannot be reached after such instructions have been followed.

An employee reporting for work on his scheduled **shift**, unless otherwise instructed by the Company, shall receive not less than four **(4)** hours straight time pay at his current classified rate. This section shall not apply in the case of a major breakdown or other emergencies beyond the control of the Company.

Section 7 - Call In Pay

No employee who, after punching out, is called back on duty for repair or other work shall receive less than **six** (6) hours straight time pay. This shall only apply when an em-

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- (e) An employee demoted for refusal to fill a temporary vacancy.
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An employee reporting for work on his scheduled shift, unless otherwise instructed by the Company, shall receive not less than four **(4)**hours straight time pay at his current classified rate. This section shall not apply in the case of a major breakdown or other emergencies beyond the control of the Company.

Section 7 - Call In Pay

No employee who, after punching out, is called back on duty for repair or other work shall receive less than six (6) hours straight time pay. This shall only apply when an em-

ployee is called and punches in more than one (1) hour prior to the starting time of his regular shift.

A day maintenance employee who is called in and works between the hours of 11:00 p.m. and 6:00 a.m. will be entitled to time off at straight time pay equal to the actual hours worked between 11:00 p.m. and 7:00 a.m., to be taken at the start or end of the employees normal hours of work at **his** option.

When production or quality is significantly reduced in a part of the mill the Company may request that the employee remain for the balance of his normal hours. If the employee chooses to remain he will receive the appropriate rate of pay.

Section 8 - Temporary Transfer

Employees may be transferred from their department to another department when their department is on a reduced or non-operating situation and all other means to fill the vacancies have been exhausted. The Company agrees that the transfer will be temporary and will not be abused.

Employees may be transferred from their normal work to other work within their department to meet the necessary operating needs of the Mill, giving regard to the ability and experience of the employees. The Company agrees that the transfer will be temporary and will not be abused.

When an employee is being trained he will be paid a rate that is half the difference between the employee's own rate and the rate he is being trained on. This applies only to the hours when he trains in a higher position. If he is trained two moves up, the same procedure will apply for determination of hourly rate. Should an employee be pulled out of training for any reason, he will revert to his rate.

Machine crews and Beater Room crews will, under nor-

continuous employment is set back permanently to a lower paid job due to job elimination, he shall retain his classified rate for a period **of** six (6) months and for a further period of six (6) months he will be paid an adjusted rate which will be midway between the rate for his permanent job at the time of the set back and the rate for his new permanent job. At the end of the twelve (12) month period, the rate for the job to which he is assigned will apply.

Article 8 SERVICE

Section 1 – Promotions and Demotions

A) Promotions

Promotions and demotions shall be filled based on job seniority, department seniority and Mill seniority provided the senior applicant has the knowledge, skill, training and ability.

Job seniority shall accrue from the latest date of permanent entry into a job classification. An employee can only have job seniority in the job in which he currently holds.

Departmental seniority shall accrue from the latest date of permanent entry into a given department. An employee can only have department seniority in the department in which he currently works.

Mill seniority shall be determined by an employee's length of continuous service computed from his last date of hire.

When job seniority is equal, departmental seniority shall prevail and when departmental seniority is equal, Mill seniority shall prevail.

An employee who is promoted will be given a trial period of thirty (30) worked days to demonstrate his ability to perform the job. Approximately every ten (10) worked days the

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Company will review his progress with one member of the executive and the shop steward of the department concerned. If however, during the thirty (30) worked days the employee chooses not to remain in that position, he shall return to his previous position without loss of seniority. After the thirty (30) worked days if the Company judges him not suitable, he shall return to his previous position without loss of seniority.

B) Demotions

When a permanent or temporary vacancy is created in the line of progression, qualified employees **as** per the last paragraph of Article 8 Section 1 (A), must move up to fill this vacancy. If the employee refuses the promotion, he will do so in writing and will be demoted to the bottom job of that line of progression.

An employee who refuses to move up because of medical restrictions will be required to provide medical documentation addressing the specific limitationsjustifying his restriction to move up in the line of progression. The Company and the employee have the right, upon request from eitherparty, to have an independent medical assessment conducted by a qualified physician/specialist who will be mutually agreed to by both parties or by the physicians/specialists of both parties. The recommendations of the qualified physician/speccialist based on the result of his assessment will determine if the employee can move in the line of progression.

Section 2 - Lines of Progression

Vacancies at the bottom of the line of progression for each departmental group shall be posted for one (1) calendarweek and a copy of the posting shall be given to the Union. All interested employees must complete the required application forms and senior applicants will be given preference.

An employee who is promoted will be given a trial period of thirty (30) worked days to demonstrate his ability to perform the job. Approximately every ten (10) worked days the Company will review his progress with one member of the executive and the shop steward of the department concerned. If however during the thirty (30) worked days the employee chooses not to remain in that position, he shall return to his previous position without loss of seniority. After the thirty (30) worked days if the Company judges him not suitable, he shall return to his previous position without loss of seniority.

Employees who have satisfied the above trial period will not be eligible to bid for six (6) months from the date they entered the job. This will not apply to Maintenance Department job postings.

The Company will be required to train and these employees will be required to work in each job at each level as part of their progression. Promotion to a higher job in the line of progression will only occur after all the jobs at the lower levels have been worked and the promotion will be in accordance with Section 1.

Those employees who anticipate a job posting in their absence (i.e. vacation, leave of absence, etc.) may submit a standingjob bid with the Human Resources Department for the period of the absence.

Departmental seniority shall accrue from the latest date of selection into a department. The date of selection will be the date the Company officially notified the successful candidate(s) in writing of the job award. In the event that there is more than one successful candidate, the Company will ensure that all successful candidates are advised simultaneously.

Section 3 – Temporary Vacancy

A temporary vacancy occurs when an employee is absent from work for any reason except vacation and approved personal leave as per Article 9 Section 3.

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The criterion and procedure to fill a temporary vacancy in the line of progression positions in Raw Stock **and** the Stores Department as well as any future day positions or any day **shift** position at the bottom of a line of progression is as follows:

- 1. If the employee is confirmed absent for more than sixteen (16) weeks (supporting documentation required), the senior Department employee (if applicable) will move to the vacant position and the most senior available spare pool employee who's trained will fill the bottom position until such time as a temporary posting is issued and filled after the above- mentioned confirmation of a sixteen (16) week absence.
- 2. If the absence is less than sixteen (16) weeks, the senior Department employee (if applicable) moves to the vacant position. The most senior available spare pool employee who's trained will fill the vacancy at the bottom of the affected line of progression and there will be no temporary posting. Should the employee be absent for more than sixteen (16) weeks, the above-mentioned procedure in item #1 will take place.

The criterion and procedure to fill a temporary vacancy in all other lines of progression positions is as follows:

- 3. If the employee is confirmed absent for less than twentysix (26) weeks (supporting documentation required), the shift will move up and the most senior available spare pool employee who's trained will fill the vacancy at the bottom of the affected line of progression and there will be no temporary posting. All the affected senior position holders will not move and will receive the higher rate of pay from the beginning of the third full week of the above-mentioned confirmation of absence.
- 4. If the absence is more than twenty-six (26) weeks, the senior position holders will move up and the most senior

available spare pool employee who's trained will fill the vacancy at the bottom of the affected line of progression and there will be no temporary posting. Should the employee be absent for less than twenty-six (26) weeks, the above-mentioned procedure in item #3 will take place.

 The move-ups by senior position holders mentioned in item #4 will not occur during the prime time vacation period of June, July and August.

Section 4 – Causes for Loss of Seniority and Continuous Service

An employee will lose all seniority and continuous service if such service is interrupted for any of the following reasons:

- a) He quits his employment.
- b) He is discharged.
- c) He is absent for three (3) consecutive working days unless excused for reasonable cause.
- d) He does not return to work within three (3) consecutive working days after being recalled by the Company by registered mail or telegram addressed to him at his address last known to the Company, unless excused for reasonable cause.
- e) He has been continuously unemployed by the Company for any reason for a period equal to his current period of consecutive employment with the Company, but in no event to exceed one (I) year.
- He does not report for work upon expiration of an authorized leave of absence unless excused for reasonable cause.

When an employee has lost his seniority rating and is subsequently rehired, his seniority shall be accumulated from the date of his rehire.

Section 5 – Maintenance Vacancies

It is agreed that an employee in the Maintenance department, desiring a review of **his** ability **and** qualifications for purposes of possible reclassification to a higher position, shall submit in writing to his supervisor, notice of **his** request. If the employee is dissatisfied with his supervisor's decision, the matter will be discussed between the Mill management and the Union Executive. It is not the intent of this clause to create job vacancies where they do not exist.

Maintenance vacancies will be posted for one (1) calendar week and will be filled by persons who possess the necessary skills, credentials and experience.

Section 6 - Transfer Outside Bargaining Unit

An employee transferred to a job outside of the bargaining unit will continue to accumulate service and seniority for up to a maximum of one (1) year **and** shall continue to pay Union dues.

When **an** employee re-enters the bargaining unit within 180 days of his transfer, he will return to his former function and all other movement, which occurred at the time of the transfer, will automatically revert with no loss in seniority.

If the employee re-enters the bargaining unit after 180 days, but less than one (1) year from the date of his transfer, he will return to a function mutually acceptable to the Company and the Union.

After one (1) year outside the bargaining unit, his return to the bargaining unit and his eligibility for any job must be mutually acceptable to the Company and the Union.

Section 7 – Displacements

Displacements shall be on a Mill seniority basis with the last person hired being the first displaced, providing the per-

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sons remaining have the qualifications and ability to do the job. Displaced employees shall be recalled to jobs in the reverse order of their displacements.

Employees displaced due to reduced operation or job elimination begin at the level where the change occurs. The employee having the least job seniority bumps into the next lowest job level until the lowest job in the progression is reached.

The employee displaced from the job in his line of progression displaces an employee with lesser mill seniority that is at the bottom of a line of progression.

Employees permanently displaced from their jobs will be provided with the opportunity for on the job training to enable them to fill jobs at the bottom of a line of progression provided they are entitled to do so on the basis of their seniority.

In the event that more than one job is reduced/eliminated all displacements as a result of the elimination will be deemed to happen at the same time and mill seniority will only apply to entry into a department, not how the department will be structured. The intent is **for** senior mill employees involved in the situation mentioned above to only exercise their seniority for the purposes of bumping at the bottom of a line of progression. Department seniority for all individuals involved in a series of displacements will accrue from the date of the first displacement. It is understood that all the employees affected by the displacements will be notified and must make their decision on where they wish to exercise their displacementsrights as soon as possible, no less than two weeks prior to the actual changes taking place.

Section8 - Lay-offs

Lay-offs shall be on a mill seniority basis with the last employee hired being the first laid-off, providing the em-

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ployees remaining have the qualifications to do the job. Laid off employees shall be recalled to jobs in the reverse order of their lay-offs.

An employee who is laid-off from the bottom job of a line of progression, or from any job not in a line of progression, must exercise **his** mill seniority to displace a junior employee in the mill, providing he is within the jurisdiction of CEP Local 1112.

If the employee displaced is not on the bottomjob in a line of progression, then the employees in the line of progression will promote as to create a vacancy in the bottom job, which would then be filled by the employee exercising his mill seniority. In order for this to occur the senior employee must be facing a layoff outside the mill.

Regular employees permanently laid off from their jobs will be provided with the opportunity for on the job training to enable them to fill jobs at the bottom of a job progression provided they are entitled to do so on the basis of their seniority.

Article 9 LEAVES OF ABSENCE

Section 1 - Bereavement Leave

The purpose of this bereavement leave is to reimburse **an** employee with a minimum of sixty (60) days continuous service for wages lost in the event of a family death as outlined below.

An employee will be paid at appropriate rate of pay for normally scheduled time lost up to but not exceeding five (5) days when such lost time is necessitated in the event of death of the employee's spouse, child, father or mother, stepmother, stepfather or stepchild.

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An employee will be paid at straight time for normally scheduled time lost up to but not exceeding three (3) days when such lost time is necessitated when death occurs in *the* employee's immediate family. Immediate family is limited to grandmother, grandfather, father-in-law, mother-in-law, brother, sister, stepbrother, stepsister, brother-in-law and sister-in-law.

Consistent with Article 4, section 4, item #4 herein bereavement leave for 12 hour shift worker will be three (3) days paid 40 hours where it indicates five (5) days for an 8 hour shift worker, and two (2) days paid 24 hours for 12 hour shift worker where it indicates three (3) days off for an 8 hour shift worker.

In the event that bereavement occurs during a vacation period, the employee may elect to take the applicable days in conjunction with the vacation, or at a later mutually agreeable date.

Section 2 – Jury Duty

Employees required to serve on jury duty or subpoenaed as a witness shall be paid the difference between the straight time rate they would have earned and the amount they so receive.

Section 3 – Personal Leave

An employee with at least one (1) year of continuous service may be granted a leave of absence without pay and without loss of seniority for a maximum period of thirty (30) calendar days. The employee shall submit in writing to the Company his request for a leave of absence. The Company shall approve this leave if it does not interfere with Mill operation. A leave of absence may be extended for one (1) additional thirty (30) calendar day period, providing the employee requests the extension in writing before the expiration of the first thirty (30) calendar day leave and the Company approves the reason for the extension.

Section 4 – Parental Leave

The Company and the Union agree that in the case of maternity leave and parental leave, the eligible employee will be granted a leave of absence in accordance with the Federal and/or Provincial laws.

Article 10 RECOGNIZED HOLIDAYS

Section 1 – Holidays					
DAY	TOTAL HOURS	TIME LIMITS			
Good Friday	24	7:00 am Friday to 7:00 am Saturday			
Victoria Day	24	7:00 am Monday to 7:00 am Tuesday			
Canada Day	24	July 1, 7:00 am to July 2, 7:00 am			
Civic Holiday	24	7:00 am Monday to 7:00 am Tuesday			
Labour Day	24	7:00 am Monday to 7:00 am Tuesday			
Thanksgiving	24	7:00 am Monday to 7:00 am Tuesday			
Christmas	96	December 24, 7:00 am to December 28, 7:00 am			

By mutual agreement, the Company and the Union may choose to celebrate any holiday on a day other than specified in the article.

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It is agreed that production will not be scheduled for the 96 hour Christmas Holiday and the 24 hour Canada Day Holiday. The remaining holidays, 24 hour Good Friday, 24 hour Victoria Day, 24 hour Civic Holiday, 24 hour Labour Day, 24 hour Thanksgiving, will be scheduled for production at the Company's discretion.

It is understood that when production is not scheduled on Good Friday, Victoria Day, Civic Holiday, Labour Day and Thanksgiving, above, no employees or contractors will work in the mill. The only exceptions will be:

- 1. 24 hour watchmen coverage
- Any emergency work to ensure the safety and security of the mill.

Any employee who is scheduled to work on the above listed statutory holidays and wishes not to do so may request the day off provided the request is made in writing 10 days prior to the scheduled statutory holiday. If the company is unable to secure a qualified replacement, the scheduled worker **is** required to work his shift.

When the Company chooses to schedule production, it is understood that only the regularly scheduled crews required *to* maintain normal production will be scheduled to work during the 24 hour period of the statutory holiday.

Anyone who works on any of the following holidays: Good Friday, Victoria Day, Civic Holiday, Labour Day and Thanksgiving Day will receive four times the rate for the job performed on the statutory holidays in addition to the applicable holiday pay set out in section 2 below. It is understood that the Company will endeavor to notify the Union as far in advance as possible but no less than ten (10) days in advance of their intention to run on any of the listed holidays above.

The July 1st and December 24, 25, 26 and 27 statutory holidays will be booked as per the following mechanism:

The selection of workers for work on the above statutory holidays will be according to availability **and** Mill seniority. A sign-up list will be posted and remain up until 7 days before the statutory holiday. Overtime will be rotated to provide each employee to have the opportunity to work overtime if he volunteers. Any employee who is available and does not volunteer will be **deemed** to have been available. The determination of which employee will work overtime will be made according to two criteria:

- Worker has not yet been available to work and wishes to volunteer to work.
- 2. Mill seniority.

The December 24, 25, 26 and 27 statutory holidays will be considered separate days and will be administered as such. The days will be booked as per the procedure mentioned above starting with the 24th and moving on to the next day until all needs have been booked. Each day will be fully booked before the next day is scheduled. An employee who volunteers is required to accept the day he is assigned to work. Should **an** employee volunteer and refuse to work the day he is assigned, he will deem to have been available.

Administration of overtime for these five statutory holidays is not to be associated or compared to in whole or in part to the overtime clause (Article 5, Sec. 4) of the Collective Agreement.

A representative from the Union and a representative from the Company will meet seven (7) days prior to the statutory holiday to review and agree upon the list of employees to work on the statutory holiday.

The parties agree that those scheduled to work on New Year's day will receive double time pay for all hours worked from January 1, 7:00 a.m. to January 2, 7:00 a.m. It is un-

derstood that only the regularly scheduled crews required to maintain normal production will be scheduled to work during **this** 24-hour period of time.

Section 2 - Holiday Pay

All permanent and summer help employees are eligible for holiday pay and will receive eight (8) hours of straight time pay for eight (8) hour workers and twelve (12) hours of straight time pay for twelve (12) hour workers, subject to the conditions outlined in this section. All statutory holidays shall be paid at the rate of the job performed during the week in which the statutory holiday occurs. This pay is in addition to any pay for work performed on any of the recognized statutory holidays listed in article 10 section 1.

An additional twenty four (24) hours pay at the straight time rate will be paid for the Christmas Day holiday. Holiday pay is conditional that the employee must have worked his last scheduled day preceding and first scheduled day following the holiday. If the employee works less than his scheduled hours on either of these days, he will receive holiday pay less the hours absent on these days unless such absence has been approved by management.

Other conditional requirements that must be met to receive holiday pay are as follows;

- (a) The employee must report for work on the holiday if so scheduled by posting on the bulletin board on the workday preceding the holiday.
- (b) The employee absent due to documented illness or a compensable injury must have worked sometime within the sixty (60) calendar day period immediately preceding the holiday.

Section 3 - Holiday During Vacation

If a paid holiday falls in a week when **an** employee is on paid vacation, he shall receive eight (8) hours straight time pay for the holiday in addition to his vacation pay, providing the employee works his full scheduled day both prior to and immediately following his vacation leave.

In the event that **a** recognized holiday falls during a vacation period the employee may elect to take the additional day in conjunction with the vacation or at a later mutually agreeabledate.

Article 11 VACATIONS

Section 1 - Vacation Entitlement

Employees shall receive an annual vacation with pay in accordance with the following schedule:

Less than one (1) year of service by May 1st. but hired prior to the previous November 1st, one (1) week vacation and 4.4% of earnings.

Less than one (1) year of service by May 1st but hired after the previous November 1st, 4.4% of earnings.

One (1) to three (3) years of service completed by May 1st; two (2) weeks vacation with eighty (80) hours pay at the employee's classified rate or 4.8% of the previous year's earnings, whichever is the greater.

Four (4) to eight (8) years of service completed by May 1st, three (3) weeks vacation with one hundred and twenty (120) hours pay at the employee's classified rate or 7.2% of the previous year's earnings, whichever is the greater.

Nine (9) to sixteen (16) years of service completed by May 1st; four (4) weeks vacation with one hundred and sixty (160) hours pay at the employee's classified rate, or 9.6% of the previous year's earnings, whichever is the greater.

Seventeen (17) to twenty-two (22) years of service completed by May 1st; five (5) weeks vacation with two hundred (200) hours pay at the employee's classified rate, or 12% of the previous year's earnings, whichever is the greater.

Twenty three (23) years or more of service completed by May 1st; six (6) weeks vacation with two hundred and forty (240) hours pay at the employee's classified rate, or 14.4% of the previous year's earnings, whichever is the greater.

Section 2 - Vacation Scheduling

Vacations will commence on a Monday for 8-hour workers and Sunday for 12-hour workers, and will not be interrupted. Employees must take a full week's vacation (Monday to Sunday and Sunday to Saturday).

Vacations *must* be taken in the vacation year applicable and cannot be accumulated.

When an employee's anniversary date qualifies him for additional vacation entitlement, this additional vacation can only be taken after his anniversary date.

Vacations of one (1) or two (2) weeks duration may be taken consecutively. Vacations of three (3) or more consecutive weeks will depend on the work schedule and are at the discretion of management.

By December 1st. of each year, the Company will post on the Mill bulletin boards a list indicating which employees have yet to select vacations in accordance with their entitlement under the Collective Agreement. Employees must schedule their vacation entitlement within two weeks of the December 1st posting. Employees who subsequently fail to indicate which weeks of vacation they desire will have their vacations scheduled for them by the Company. Employees will be given no less than 2 weeks notice regarding Company assigned vacation entitlement. Employees will be allowed to take 2 weeks vacation, consecutive or non-consecutive, during prime time vacation period in accordance with the vacation policy, provided their seniority allows them to do *so* and it does not adversely affect the manning **of** the Mill. The Company agrees to review the vacation policy in January of each year for the life of the Collective Agreement and make revisions as mutually agreed to. It is understood and agreed that all selections made will be subject **to** the established principles of vacation administrationand, where it is necessary to assign vacations, the Company's decision shall be final.

Section3 - Vacation Pay on Termination

On termination of employment, the employee shall be entitled to receive 4.4%, 4.8%, 7.2%, 9.6%, 12% or 14.4% of his earnings from the preceding May 1st. in accordance with his years of service on the date of termination.

Section4 – Length of Service

Years of service shall include all time worked without interruption of continuous service with the Company or its predecessors. Length of service shall not be broken **by** an approved leave of absence of up to six (6) months.

Section 5 - Vacation Pay

Vacation pay shall be computed in accordance with Section 1 and shall include any premium rate being paid. Any deductions normally taken from the employee's regular pay will also be deducted from vacation pay. Vacation pay will be given on the regular payday, during each week of vacation.

Vacation pay will not be paid in lieu of time off or vacation entitlement.

Section 6 - Vacation Administration

The Company and the Union will meet as far in advance as deemed necessary to draw up rules for the administration of the vacation plan. Vacations will be scheduled to the convenience of the employees whenever possible and practical. It is also agreed and understood that Mill seniority must apply in the selection of vacation dates.

Article 12 GRIEVANCE PROCEDURE AND ARBITRATION

Section 1 - Stewards

A member of each department chosen by the employees of that department shall be the recognized official representative of the Union provided, however, that he may have been a member of the bargaining unit for a period of at least two (2) years.

The Union Steward concerned with \mathbf{a} grievance shall be present at all meetings dealing with a grievance in his area of responsibility.

Section 2 - Definition

Any written dispute regarding the application, administration, interpretation or alleged violation of this Agreement shall be considered a grievance and shall be dealt with according to the following procedure.

Section 3 - Procedure

STEP1

When an employee has a dispute, he has three (3) working days from the date of the dispute in which to bring it to the attention of his supervisor. The supervisor then has an additional three (3) working days in which to resolve the dispute. If the dispute is not resolved, the employee may then initiate a grievance by putting the dispute in writing within two (2) working days of receiving the supervisor's decision and thereby enter step two of the grievance procedure.

STEP 2

A grievance submitted to this step shall be the subject of a meeting between the appropriate Superintendentor supervisor, the Human Resources Manager, the Department Steward and the Union President or his designate. This meeting will be held within seven (7) working days (excluding weekends and holidays) of the receipt of the grievance by the Human Resources Manager. Within five (5) working days (excluding weekends and holidays) after this meeting the Human Resources Manager will reply in writing. If the grievance is not settled, it may proceed to Step 3. Any grievances not responded to by the Company or the Union at Step 2 or beyond within the specified time limits or extension of time limits will be considered settled based on the written position taken by either party as a result of the last grievance meeting.

STEP3

A representative of the Union shall advise the Human Resources Manager in writing within fifteen (15)working days from the date of the superintendents' reply that the Union is appealing the decision. A grievance submitted to this step shall be the subject of a meeting between the parties. The meeting shall be scheduled within twenty (20) working days or other mutually satisfactory date following receipt of the representative's notification. Either party has the right to request the presence of persons who might add clarity to the issues that are raised during the meeting. The Company will give its reply in writing within seven (7) working days of the meeting.

If the grievance is not settled, it may proceed to Step 4.

STEP4

Within thirty (30) days of receiving the written answer of the Company's Human Resources Manager, the Union will advise the Human Resources Manager by letter of the decision to submit the matter to arbitration. The parties may agree upon a sole arbitrator within thirty (30) days of receipt of written notice, by either party, of their intention to refer **a** grievance to arbitration. Each party shall pay one half the remuneration and expenses of the Arbitrator.

No Arbitrator shall have authority to change or modify in any respect the terms of this agreement except in cases of disciplinary action if in the opinion of the Arbitrator a lesser penalty is justified, the Arbitrator shall have the authority to amend such penalty.

The decision of an Arbitrator shall be final and binding upon the Company and the Union and the employee or employees concerned.

By mutual agreement and for good cause, reasonable extensions of time will be given by either party in writing at any step in the Grievance Procedure. Any grievance that is not appealed to the next step within the specified time limits or extension of time limits will be considered settled on the basis of the last decision given.

Article 13 GROUP INSURANCE

The Company agrees to amend the group insurance plan in accordance with the Memorandum of Agreement dated October 6, 2005. A description of the Group Insurance Plan is included in a benefits booklet available and distributed to all employees covered under this collective agreement. The payment of benefits under this plan is subject to the terms and conditions of the Group Insurance contract between the Company and the insurance carrier.

The Company will pay 100% of the Group Insurance Plan Premiums as outlined in the schedule of benefits, including OHIP, for the term of the agreement. Laid-off employees will continue to be covered for the following benefits: Supplementary Health, Dental, Vision Care, Hospital Expenses, AD & D and Life Insurance for the first 90 days of lay-off at which time all coverage will cease. Should an employee be recalled, he will reacquire all previously discontinuedbenefits.

The reduction or the elimination of **any** of the following benefits: Supplementary Health, Dental, Vision Care and Hospital Expenses will be subject to the grievance procedure. The current Insurance Benefit Plan Text will apply.

Article 14 PENSION PLAN

The Company agrees to incorporate the provisions of the Pension Plan as amended by the Memorandum of Agreement dated October 6, 2005 into a pension agreement *to* be signed by the parties, which will be outlined in a separate booklet along with an easy to read explanation of the Plan.

Article 15 SEVERANCE ALLOWANCE

For the purpose of *this* article, the Company is Cascades Boxboard Group – Toronto, a division of Cascades Canada Inc.

Permanent Layoff

In the event of a permanent paper machine, department or mill closure, the maximum amount of severance pay will be one and one-half (1.5) weeks of pay per year of continuous service.

Layoff - 12 consecutive months

If the duration of a layoff exceeds twelve (12) consecutive months, one-half (0.5) week of pay will be paid per year of continuous service in addition to the current provisions.

The total amount of severance pay that an employee may receive will not exceed one and one-half (1.5) weeks of pay per year of continuous service, for any reason, for any time.

The number of continuous years of service shall be calculated from the last lay-off period for which the employee received severance pay.

This is effective the first day of the month following ratification of the collective agreement.

A week's severance pay shall be determined by calculating the employee's posted straight time pay rate for a fortytwo (42) hour workweek to a maximum of twenty-six (26) weeks. The above severance pay will be paid to the employee in a lump sum at the time of termination.

Acceptance of severance pay by the employee will terminate his status as an employee and the Company will cease any further obligation to the employee.

In no event will the Company or its affiliates pay severance pay more **than** once *to* an employee.

Article 16 DISCIPLINE

An employee's record of discipline measures, except for those involving suspension or discharge, will be cleared if after twelve (12) consecutive months there are no further such discipline measures. Discipline measures involving suspension or discharge, will be cleared if after twenty-four (24) consecutive months there are no further disciplinary measures of any nature.

Article 17 EMERGENCY SHUTDOWN

The Company will notify the Union President or his designate of an emergency shutdown and the reasons for it if such shutdown may affect the operating work force.

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Article 18 EXTENDED MAINTENANCE SHUTDOWN

The Company and the Union shall meet as far in advance as possible to discuss the procedures to be taken on an extended maintenance shutdown. If extra work is required, it will be made available on the basis of seniority to employees who apply.

Article 19 UNION BUSINESS

The President or his designate shall be entitled to leave **his** work during working hours in order to conduct legitimate Union business. Permission to leave his work for such **pur**poses shall first be obtained from his immediate supervisor. Such permission will not be unreasonably withheld.

Article 20 CONTRACTING OUT

The Company will not normally contract out on site repair and maintenance work for which employees are available and capable of performing. Should the Company deem it necessary to engage outside contractors to perform such work, all options in the Agreement will be discussed and considered with the Union president or delegate before the contractors come on site.

In the event of an emergency requiring a contractor, the Union will be notified in accordance with the provisions of Article 17.

Article 21 SAFETY FOOTWEAR

The Company will pay one hundred and twenty-five dollars (\$125.00) for one pair of shoes per calendar year to each employee upon presentation of a receipt by an employee

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who purchased safety footwear effective on ratification, one hundred and thirty dollars (\$130.00) effective May 1, 2007 and one hundred and thirty-five dollars (\$135.00) effective May 1, 2008.

Article 22 HEALTH AND SAFETY

The Company and the Union agree to cooperate in maintaining proper standards of health and safety procedures in the Mill and the compliance of such as required by the existing legislation.

Article 23 TOOL REPLACEMENT

The Company will continue its practice of replacing tools owned by employees which become worn or damaged or are lost when being used in the normal performance of the employee's duties for the Company.

Article 24 COMMON-LAW RELATIONSHIPS

Common-law relationships will be considered under the applicable articles in the Collective Agreement when the common-law relationship has been previously registered with the personnel department and the employee automatically relinquishes their previous husband or wife relationship. There will be no duplication of any type of benefits due to an in-law situation. Coverage will be extended *to* same sex relationships under the above conditions.

Article 25 DURATION

The Agreement will remain in effect until April 30, 2009 and will be automatically renewed thereafter for successive

periods of twelve (12)months. Either party may request revisions in the Agreement by giving written notice to the other party no less than ninety (90) days prior to the expiry date of this Agreement or any succeeding anniversary thereafter.

If either party shall notify the other of the desired for revision or renewal in accordance with the preceding paragraph, the parties shall meet within sixty (60) days and attempt to reach agreement upon the changes proposed.

In witness thereof, the parties have signed this on the 9th day of December, 2005, in Toronto, Ontario.

FOR CASCADES BOXBOARD GROUP -- TORONTO, A DIVISION OF CASCADES CANADA INC

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K. Emerson	Kal

FOR THE COMMUNICATIONS, ENERGY & PAPERWORKERS' UNION OF CANADA AND ITS AFFILIATED LOCAL 1112

R W. Bowman - President	1-umen
L.T. Caster - Financial Secretary	_mallaster
J. Charlesworth - Recording Secretary	. ames Chalin Th
A.J. Hill-Vice President	AWill
F.G Hunt - Treasurer	El Hunt
B. Smart - National Representative	Rebert Are t

MEMORANDUM OF AGR 11 NT TRADES APPRENTICESI PLAN

This Me d of A is made at er t п the 9th day of January 1981. And between C. Borboard Group - Toronto, a division of Cascades Canada Inc. 1. Energ and lape w kers Union Ы C: its' affiliated. Local 1112 and confirm h agreements а reached with respect to the introduction of a Trades Apprenticeship Plan.

PREAMBLE:

- Apprentices are subject to the provisions of the Collective Agreement governing lay-off and recall and seniority.
- 2. If either party to this Agreement decides to suspend **this** Plan in respect to the selection of future apprentices, they must give the other party a minimum of six (6) months prior notice. Upon such suspension, the previous practice of selecting helpers and tradesmen will be re-instituted.
- 3. If the program is suspended any time after six (6) months, the apprentice will bump into the bottom of a line of progression.

1. APPRENTICESHIP ADVISORY COMMITTEE:

- A. The Apprenticeship Advisory Committee normally will consist of two (2) members of Local 1112, two (2) Company representatives and the Human Resources Manager who will act as Secretary-Chairperson. This Committee will deal with such things as checking on course coverage, progress of apprentices and solving of problems that may arise.
- **B**. The final selection of an apprentice shall be done by the Company after consultation with the Apprenticeship Advisory Committee.

C. The Committee will meet regularly at not more than six (6) month intervals and, in any event, when an apprentice moves from one half period to another.

2. REQUIREMENTS:

- A. Applicants for apprenticeship in the Electrical and Instrument Trades must have graduated from Grade 1 as a minimum requirement. A minimum of Grade 10 will be required for all other trades.
- B Applicants will be required to successfully complete an appropriate mechanical aptitude test as reviewed and recommended by the Apprenticeship Advisory Committee and approved by the Company.

The aptitude test results, the applicant's Mill seniority, work performance, previous work experience and interview results will be supplied to the Apprenticeship Advisory Committee

C. Applicants will also be expected to show interest and/or aptitude and/or experience related to the field in which they have applied.

3. TERMS OF APPRENTICESHIP:

- A. The period of apprenticeship will be that as specified by the Ontario Ministry of Colleges and Universities, Manpower Training Branch.
- B. During the first six (6) month period, the apprentices entering the Electrical and Instrument trades will immediately start in the appropriate field. Apprentices entering trades in the Mechanical field will rotate on a six (6) week basis through the following trades: Pipefitter, Welder, Millwright, Machinist and Preventive Maintenance.

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4. TRADE SCHOOL ATTENDANCE:

When an apprentice is attending a trade-training course at a Government Trade School, the following pay arrangement will apply:

- A. While the apprentice is receiving a weekly training allowance from the Ontario Ministry of Colleges and Universities or the Federal Manpower Office and he is attending school, the Company will supplement this allowance to provide the apprentice with a total weekly income equal to forty (40) times his regular hourly rate of pay.
- B. Payment of supplementary pay will be made on regular paydays. To receive this pay, the apprentice must maintain satisfactory attendance and performance records at school during his training course.
- C. An apprentice's entitlement to vacation with pay, statutory holiday pay, Weekly Indemnity or funeral leave will not be affected by his attendance at Trade School nor will his participation in any of the employee benefits plans under which he is covered. Permission of the school authorities must be obtained for all absences.

5. LOSS OF WORKING TIME:

Any apprentice may lose up to a maximum of five (5) scheduled working days due to sickness or accident during any six (6) month period of apprenticeship without having to serve additional time. Extension of the term of apprenticeship will be considered by the Apprenticeship Advisory Committee in the event that an apprentice loses more than a total of fifty (50) working days. Any lost time over fifty (50) working days may be allowed if the Apprenticeship Advisory Committee agrees that the employee is absent with a bonafide reason and his absence has not detracted from his progress as an apprentice.

6. ADVANCEMENT:

A. The first six (6) months shall be considered entirely a

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probationary period and the apprentice's continuance in the program depends upon ability, progress **and** performance as demonstrated during the **trial** period. If dropped from the Apprenticeship Program, he returns to his former job without loss of seniority.

- B. To be eligible for advancement at the end of any six (6) month period, an apprentice must have completed his shop work to the satisfaction of management, his technical training to the satisfaction of the Trade School or in the case of a correspondence or similar course, he must have completed an acceptable number of lesson assignments and have satisfactory grades on those completed.
- C. Following the completion of his six (6) month probationary period, an apprentice who does not qualify for advancement at the end of any six (6) month period, shall be considered as continuing on a trial basis and shall be notified as to the nature of his unsatisfactory work by his supervisor. If he does not qualify, after three (3) additional months, he shall be dropped from the apprenticeship course. In such a case, the apprentice will bump into the bottom of a line of progression.
- D. Apprentices will have their own line of progression and will be members of the Machine Shop.
- E. Upon successful completion of his program, an apprentice's job seniority in the Maintenance Department will be retroactive to the time he entered the Apprenticeship Program.

7. WAGES:

"Wage Rates" records the wage progression schedule for trades apprentices.

An apprentice will be eligible for a rate increase at the end of every six (6) month period until completion of Apprenticeship Program. This increase shall be granted on the first of the month nearest the anniversary date.

Whenever there is a change in the Apprenticeship Wage Progression Schedule and/or the Tradesperson Class " A rate, the apprenticeship rate will be updated to reflect such changes.

Upon successful completion of the eighth (8th) period of apprenticeship the employee will be eligible to become a certified Journeyperson.

8. TOOLS:

At the time of completion of the Apprenticeship Program the Apprentice must have accumulated all tools as prescribed by the Company, in consultation with the Advisory Committee.

9. WORKING CONDITIONS:

In general, an apprentice will not be asked to work on shifts except in exceptional cases. Even then, he will not be left on the job alone. A Journeyperson in the same trade will work with him.

WAGE RATES

CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70 \$0.40 ⁽¹⁾	May 1, 2005 2.5%	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
Machine					
Machine Tender	27.94	28.64	29.24	29.82	30.42
Back Tender	26.67	27.34	27.94	28.50	29.10
3rd Hand	26.24	26.90	27.50	28.05	28.65
4th Hand	25.05	25.68	26.28	26.80	27.41
5th Hand	24.25	24.86	25.46	25.97	26.57
CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70 \$0.35 ⁽²⁾	May 1, 2005 2.5% \$0.20 ⁽³⁾	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
Stock Preparation	<i>Q0155</i>	\$01.40			
Quality Assurance Coordinator	27.07	27.75	28.35	28.91	29.51
Stock Prep. Processor Class I	26.50	27.16	27.76	28.32	28.92
Stock Prep. Processor Class II	25.97	26.62	27.22	27.76	28.36
Quality Control					
Sr. Chief Inspector#1	26.25	26.91	27.51	28.06	28.66
Sr. Chief Inspector#2 – 8 hour	25.87	26.52	27.12	27.66	28.26
Sr. Chief Inspector #2 – 12 hour	25.87	26.52	27.12	27.66	28.26
Dry End Tester	24.45	25.06	25.66	26.17	26.77
Clay Mixer	24.07	24.88	25.48	25.99	26.59
	WAGE INCREASES Machine Machine Tender Back Tender 3rd Hand 4th Hand 5th Hand CLASSIFICATIONS WAGE INCREASES Stock Preparation Quality Assurance Coordinator Stock Prep. Processor Class I Stock Prep. Processor Class I Stock Prep. Processor Class I Quality Control Sr. Chief Inspector#1 Sr. Chief Inspector#2 – 8 hour Sr. Chief Inspector#2 – 12 hour Dry End Tester	WAGE INCREASES \$0,70 \$0,40 ⁽¹⁾ Machine Machine Tender 27,94 Back Tender 26,67 3rd Hand 26,24 4th Hand 25,05 5th Hand 24,25 CLASSIFICATIONS WAGE INCREASES May 1, 2004 \$0,35 ⁽²⁾ Stock Preparation Quality Assurance Coordinator 27,07 Stock Prep. Processor Class I 26,50 Stock Prep. Processor Class I 25,87 Sr. Chief Inspector#1 26,25 Sr. Chief Inspector#2 - 8 hour Sr. Chief Inspector#2 - 12 hour 25,87 Dry End Tester 24,45	WAGE INCREASES $\$0.70$ $$2.5\%$ Machine $\$0.40^{(1)}$ Machine Machine Tender 27.94 28.64 Back Tender 26.67 27.34 3rd Hand 26.24 26.90 4th Hand 25.05 25.68 5th Hand 24.25 24.86 CLASSIFICATIONS May 1, 2004 May 1, 2005 WAGE INCREASES $\$0.70$ 2.5% Stock Preparation Quality Assurance Coordinator 27.07 27.75 Stock Prep. Processor Class I 26.50 27.16 $50.20^{(3)}$ Stock Prep. Processor Class II 25.97 26.62 $20^{(3)}$ Stock Prep. Processor Class II 25.97 26.62 $20^{(3)}$ Stock Prep. Processor Class II 25.97 26.62 26.91 Sr. Chief Inspector#1 26.25 26.91 $5r$. Chief Inspector#2 – 8 hour 25.87 26.52 Sr. Chief Inspector#2 – 12 hour 25.87 26.52 25.97 26.52 Dry End Tester	WAGE INCREASES $\$0.70$ $$2.5\%$ $\$0.60$ Machine $\$0.40^{(1)}$ $$2.5\%$ $\$0.60$ Machine Tender 27.94 28.64 29.24 Back Tender 26.67 27.34 27.94 3rd Hand 26.24 26.90 27.50 4th Hand 25.05 25.68 26.28 5th Hand 24.25 24.86 25.46 CLASSIFICATIONSWAGE INCREASES $\$0.70$ $$2.5\%$ $\$0.35^{(2)}$ $\$0.203$ $\$0.203$ Stock PreparationQuality Assurance Coordinator 27.07 27.75 28.35 Stock Prep. Processor Class I 26.50 27.16 27.76 Stock Prep. Processor Class II 25.97 26.62 27.22 Quality Control $$7. Chief Inspector#1$ 26.25 26.91 27.51 Sr. Chief Inspector#2 - 8 hour 25.87 26.52 27.12 Sr. Chief Inspector#2 - 12 hour 25.87 26.52 27.12 Dry End Tester 24.45 25.06 25.66	WAGE INCREASES $\$0.70$ $\$0.40^{(1)}$ 2.5% $\$0.60$ 2% MachineMachine $\$0.40^{(1)}$ $\$0.40^{(1)}$ $\$0.40^{(1)}$ $\$0.60$ 2% Machine Tender 27.94 28.64 29.24 29.82 Back Tender 26.67 27.34 27.94 28.50 3rd Hand 26.24 26.90 27.50 28.05 4th Hand 25.05 25.68 26.28 26.80 5th Hand 24.25 24.86 25.46 25.97 CLASSIFICATIONS WAGE INCREASESMay 1, 2004 $\$0.70$ May 1, 2005 $$0.20^{(3)}$ May 1, 2006 $\$0.60$ May 1, 2007 2% Stock Preparation Quality Assurance Coordinator 27.07 27.75 28.35 28.91 Stock Prep. Processor Class I 26.50 27.16 27.76 28.32 Stock Prep. Processor Class II 25.97 26.62 27.22 27.76 Quality Control $Sr.$ Chief Inspector#1 26.25 26.91 27.51 28.06 Sr. Chief Inspector#2 - 8 hour 25.87 26.52 27.12 27.66 Sr. Chief Inspector#2 - 12 hour 25.87 26.52 27.12 27.66 Dry End Tester 24.45 25.06 25.66 26.17

	CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70 \$0.50 ⁽⁴⁾ \$0.30 ⁽⁵⁾	May 1, 2005 2.5%	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
	Shipping					
	Shipper #I	25.57	26.21	26.81	27.35	27.95
	Shipper #2	25.29	25.92	26.52	27.05	27.65
	Shipper #3	24.84	25.46	26.06	26.58	27.18
	Raw Stock					
	Scale Person	24.84	25.46	26.06	26.58	27.18
1	Receiver	24.72	25.34	25.94	26.46	27.06
Į,	Mill Services					
4	Janitor	23.59	24.18	24.78	25.28	25.88
	Lead Hand Stores	26.02	26.67	27.27	27.82	28.42
	Stores Keeper	24.96	25.58	26.18	26.71	27.31
	Base Rate					
	Spare Pool Employees	23.13	23.71	24.31	24.79	25.39
	CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70	May 1, 2005 2.5% \$0.45 ⁽⁶⁾	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
	Maintenance					
	Group Leader Mechanical	30.54	31.76	32,36	33.01	33.61
	Lead Hand Mechanic	29.23	30.42	31.02	31.64	32.24
	Certified Journey Person Mechani	c 28.54	29.71	30.31	30.92	31.52

	CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70	May 1, 2005 2.5% \$0.45 ⁽⁶⁾	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
	Maintenance (continued)					
	Lead Hand Welder	29.23	30.42	31.02	31.64	32.24
	Certified Journey Person Welder	28.54	29.71	30.31	30.92	31.52
	Lead Hand Pipefitter	29.23	30.42	31.02	31.64	32,24
	Certified Journey Person Pipefitte		29.71	30.31	30.92	31.52
	Group Leader Electrical	30.44	31.66	32.26	32.91	33.51
	Lead Hand Electrical	29.23	30.42	31.02	31.64	32.24
1	Certified Journey Person Electrica		29.71	30.31	30.92	31.52
45	Lead Hand Instrumentation	29.23	30.42	31.02	31.64	32.24
U U	Certified Journey Person					
l	Instrumentation	28.54	29.71	30.31	30.92	31.52
	Technical Specialist	30.02	31.23	31.83	32.47	33.07
	Lead Hand Tow Motor Mechanic	29.23	30.42	31.02	31.64	32.24
	Certified Tow Motor Mechanic	28.54	29.71	30.31	30.92	31.52
	Oiler	28.54	29.71	30.31	30.92	31.52
	CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70 \$0.70 ⁽⁷⁾	May 1, 2005 2.5%	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
	Shift Certified Journey Person					
	Mechanic	27.95	28.65	29.25	29.83	30.43
	Repairperson	26.14	26.79	27.39	27.94	28.54

CLASSIFICATIONS WAGE INCREASES	May 1, 2004 \$0.70	May 1, 2005 2.5% \$0.15 ⁽⁸⁾	May 1, 2006 \$0.60	May 1, 2007 2%	May 1, 2008 \$0.60
Apprentices					
Upon Certification	26.69	27.51	28.11	28.67	29.27
Period 8	26.21	26.87	27.47	28.01	28,61
Period I	25.78	26.58	27.18	27.72	28.32
Period 6	25.35	25.98	26.58	27.12	27.72
Period 5	24,91	25,53	26.13	26.66	27.26
Period 4	24.48	25.25	25.85	26.36	26.96
Period 3	24.04	24.64	25.24	25.75	26.35
Period 2	23.63	24.22	24.82	25.32	25.92

- R NOTES
 - (1) Adjustment added to Machine Tender, 3rd Hand and 4th Hand, retroactive on all hours paid back until Nov. 2, 2003.
 - (2) Adjustment added to Stock Prep. Processor Class I, retroactive on all hours paid hack until Nov. 2, 2003.
 - (3) Adjustment added to the base rate of Clay Mixer effective on ratification of the Collective Agreement.
 - (4) Adjustment added to Shipper #1 and Shipper #2 retroactive on all hours paid back until Nov. 2, 2003.
 - (5) Adjustment added to Shipper #3, Scale Person and Receiver retroactive on all hours paid back until Nov. 2, 2003.
 - (6) Adjustment added to the base rate of eight (8) hour day maintenance workers effective on ratification of the Collective Agreement.
 - (7) Adjustment added to Shift Mechanics and Repairpersons retroactive on all hours paid back until May 2, 2004.
 - (8) Adjustment added to the base rate of Apprentices at periods 4, 7 and Upon Certification effective on ratification of the Collective Agreement.

Adjustments

All retroactive payments will be based on hours paid.

The Company agrees to pay the current apprentice, Robert Doiron, a 0.30 adjustment upon ratification and a 0.15adjustment upon certification.

The company agrees to pay Andy Callan the rate of pay of Lead Hand Instrumentation. He will receive this rate retroactive to January 1st, 2004.

When a day shift mechanic is working as a **shift** mechanic or repairperson, they shall receive a \$0.25 adjustment to their base rate **of** pay in view of the electrical duties **to** be performed in **this** position. This does, in no way, preclude the obligation of the day shift mechanics performing appropriate electrical work while on their regular day shifts at their regular base rate.

Effective November 2nd 2003, Machine Tender, 3rd Hand, and 4th Hand received a \$0.40 increase to their base hourly rates. Stock Processor 1 received a \$0.35 increase, while Raw stock Scale Person, Raw Stock Receiver and Shipper #3 received a \$0.30 increase to their base hourly rates.

Effective May 2nd 2004, Repairpersons and Shift Mechanics received a \$0.70 increase to their base hourly rate.

Effective October 6th 2005, Clay Mixer received an increase of \$0.20 to their base hourly rate. All tradesmen received a \$0.45 increase to their base hourly rate. Future Apprentices will receive a \$0.15 increase at Period 4, Period 7 and Upon Certification.

APPENDIX "A" MAINTENANCE DEPARTMENT

Maintenance - There shall be:

one (1) Group Leader - Mechanical

one (1) Group Leader - Electrical

Lead Hands will work in their own trades on assigned jobs giving direction to ensure proper completion of the job. Group Leaders and Lead Hands shall not act in a supervisory capacity or maintain discipline.

In the event that the one Group Leader – Mechanical or Electrical is absent, then the designated certified journeyperson (Lead Hand) will take over and receive the applicable rate of pay.

In addition to their normal group leader tasks, the Group Leaders Mechanical and Electrical will perform maintenance work as required.

Flexibility:

It is expected that every employee perform those tasks which will keep the Mill in good physical condition at all times. The Company proposes that all trades people perform all required tasks to the fullest extent of their capacity without regards to traditional trades lines. Traditional trade lines will be defined by the Ontario Ministry of Colleges and Universities, Manpower Training Branch. Personnel in a given trade assigned to work not required to support the immediate needs of the Mill shall be utilized before employees from other trades are assigned to help and assist in a given trade. This will not restrict the day-to-day help between trades people.

Scheduling:

The Maintenance Department workers will operate on a Monday to Friday schedule. During the week prior to the

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weekend they are on duty for eight (8) hours on Saturday and Sunday, they will work Monday, Tuesday and Wednesday with Thursday and Friday off. **This** requires each **person** to work seven consecutive days. On the weekend they are scheduled to work, Saturday will be straight time.

Lines of progression for Maintenance Department:

This records the recognized lines of progression in the Maintenance Department and the jobs that compose them. This does not constitute a guarantee of the continuance of such lines of progression or any of the jobs that compose them.

Maintenance Department: Group Leader Mechanical Lead Hand Mechanic Certified Journeyperson Mechanic Shift-Certified Journeyperson Mechanic Repairperson

Lead Hand Welder Certified Journeyperson Welder

Lead Hand Pipefitter Certified Journeyperson Pipefitter

Lead Hand Tow Motor Mechanic Certified Tow Motor Mechanic

Journeyperson Oiler

Group Leader Electrical Lead Hand Electrical Certified Journeyperson Electrical

Lead Hand Instrumentation Certified Journeyperson Instrumentation

Technical Specialists

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The lines of progression in the Maintenance Departmentwill be subject only to the provisions outlined in Article 8: SER-VICE, of the Collective Agreement. In addition, it is understood that it is not the intent of the parties to create overtime opportunities as a result of lines of progression in the maintenance department. Therefore, there shall be no additional overtime or monetary expense to the Company as a result of lines of progression in the Maintenance Department.

APPENDIX "B" LINES OF PROGRESSION

This records the recognized lines of progression in the Mill and the jobs that compose them. This does not constitute a guarantee of the continuance of such lines of progression or any of the jobs that compose them.

Machine Room

Machine Tender Back Tender Third Hand Fourth Hand Fifth Hand

Stock Preparation

Quality Assurance Coordinator Stock Processor Class I Stock Processor Class II

Technical Services

Senior Chief Inspector 1 Senior Chief Inspector 2 – 8 hour shift Senior Chief Inspector 2 – 12 hour shift Dry End Tester Clay Mixer

Shipping

Shipper#1 Shipper#2 Shipper#3

Raw Stock & Receiving

Scale Person Receiver

Mill Services

There will be two separate lines of progression

1 Line: Stores Store Keeper lead hand Store Keeper

#2 Line: Janitorial Janitors

The Company will make every effort to maintain all twelve (12) hour shift lines of progression filled. This includes the quality control line of progression.

APPENDIX "C" LETTERS OF UNDERSTANDING

Any existing letter of understanding or past memorandum of agreement that is not included in Appendix "C" is not valid from the ratification of this new collective agreement forward.

> Letter **a** Understanding Between CEP Local 1112 And Cascades Boxboard Group – Toronto

Re: Position of Janitor

This letter shall serve to confirm our mutual understanding that the position of Janitor is a non-bumpable position, provided that no one is permanently laid off from the mill. In the event of a permanent lay off, the provisions of Article 8, Service – Section 8 will apply.

Notwithstanding the previous paragraph, the position of janitor is subject to all other articles of the present collective agreement.

When either or both of the current position holders (i.e. Andreas Samanis and Brian Trainor) leave for any reason, the vacancy(ies) will be considered reserved for workers who require accommodation due to permanentrestrictions(medical documentation is required for the potential incumbents and such documentation may be reviewed by a Company doctor and if necessary to an independent mutually agreed to third party).

Agreed on October6, 2005.

CEP Local 1112

Cascades Boxboard Group - Toronto

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Letter of Agreement Between CEP/Local 1112 And Cascades Boxboard Group – Toronto

Re: Hours of work and scheduling of spare persons

It is agreed that the Company will endeavor to schedule spare persons in such a manner as to cause minimal disruption to the individual, while ensuring that the needs of operating the mill are met. The Company will endeavor to rotate spare pool persons on all jobs and shifts when practical to ensure that they are trained for all the bottom jobs.

Agreed on October 6, 2005.

CEP Local 1112	Cascades Boxboard Group
	-Toronto

Re: Letter of agreement for the New Mill services department.

The parties agree on the creation of a Mill services department which will define the conditions for stores and janitors under the following terms:

A) There will be two separate lines of progression

Mill Services

#1 Line: Stores Store Keeper lead hand Store Keeper

#2 Line: Janitorial Janitors

B) This records the recognized lines of progression for the Mill Services department and the jobs that compose them. This does not constitute a guarantee of the continuance of such lines of progression or any of the jobs that compose them.

C) Their schedule of work will be a two week rotation **as** follows:

Week #1

- Work: Monday, Tuesday, Wednesday, Thursday, Friday,
- Off: Saturday, Sunday

Week #2

Work: Monday, Tuesday, Wednesday, Saturday, Sunday Off: Thursday, Friday

5, 5

Employee Assistance Program

The Company and the Union recognize the great benefit to the welfare of employeesin having the Employee Assistance Program to help people deal with the problems they may be experiencing with issues such as drug and alcohol dependency and other personal problems. Both the Company and the Union will work to jointly administer the Employee **As**sistance **Program** and ensure that it provides the best service possible to employees. The program will be fully funded by the Company.

WORK ON RECOGNIZEDHOLIDAYS

Shutdown and Start-ups

When a holiday shutdown is scheduled, it is understood that production will continue until the commencement of the holiday. Necessary work will then be performed by voluntary crews to a maximum of one (1) hour on shutdown, and a skeleton start-upcrew may be brought in one (1) hour before the end of the holiday to ready the mill for operation.

HUMANITY FUND

During the term of the 2004-2009 collective agreement, the Company will match each employee's annual contribution

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to the Humanity Fund up to a maximum of \$20 per year per employee.

Upon request of employees, the Company agrees to administer required pay deduction

The deductions will **be** made in November of each year **and** will **be** transferred to the National union thirty (30) days following the deduction.

Benefits

The Company and the Union agree that the Group Insurance shall include the following coverage:

- Basic life insurance for the members: \$75,000
- Supplementary life insurance for the member (paid by the member): up to \$200,000;

90 days after the ratification date, optional life insurance, fully paid by the employee, will be made available to employees less than 65 years old.

This optional life insurance will be available to a maximum of 200,000 in increments of 25,000. With notification to the Human Resources Department, employees will be permitted once a year to amend their level of coverage. Formal notification of such change must be made by November 30^{th} of the preceding year to be effective January 1^{st} of the following year or later, upon acceptance from the Insurance Carrier following proof of good health.

Coverage premiums will be determined by the insurance provider and based on sex, age and smoker or non-smoker status; restrictions and exclusions will be subject to the insurance provider's plan policies. Associated premium costs will be administered through payroll deductions. Coverage will end at termination of employment or upon retirement.

• Basic life insurance for spouse: \$15,000;

• Hasic life insurance for children: \$7,500;

Retirees will be provided with paid-life insurance of \$6,000. This will be effective for all retirees from the date of Martinesson forward.

 Accidental Death and Dismemberment insurance for the member: Effective the first day of the month following ratification of the collective agreement, Accidental Death and Dismemberment Insurance will increase to \$50,000 ...for all cligible employees:

SUPPLEMENTARY HEALTH CARE PLAN

Drug Insurance

- The existing drug card currently in effect remains in effect for the life of the collective bargaining agreement.
- The existing lifetime limit of **\$25000** maximum is eliminated.
- Brand name prescription drugs reimbursed at 80% when generic is available.
- Generic prescription drugs reimbursed at 100%.
- Brand name drugs reimbursed at 100% if generic equivalent is not medically recommended.

Dental Plan

Maintain current provisions as outlined in Benefit Plan Text. The applicable dental fee schedule will be the previous year's schedule.

Supplementary Health Care Insurance

Chiropractor annual maximum increased from \$300.00 to \$400.00. Minimum \$15.00 per visit.

Other paramedical practitioners currently covered ie. (Osteopaths, Naturopath, Chiropodists, Podiatrists etc.) increase from \$6.00 to \$15.00 a visit minimum. Increase annual maximum from \$180.00 to \$400.00 per year.

Physiotherapy, the annual maximum will be \$600 per year.

The lifetime \$25000 maximum is removed

Eye Coverage

Increase current coverage from \$125.00 per 24 months to \$150.00 per 24 months.

WEEKLY INDEMNITY DISPUTE RESOLUTION MECHANISM

The following weekly indemnity dispute mechanism will apply conditional to:

-The employee has submitted the required claims forms properly filled; and

-The employee has given authorization to the Company and/or the insurer to have access to the information they require to adjudicate the claim.

- a) If requested by the employee, the Company will make advance payments at normal pay intervals until the claim is processed. The employee will sign a promissory note stating that he will reimburse the Company for any advance payments received.
- b) The Company and/or insurer reserves the right to demand physical examinations throughout the duration of the employee's absence due to disability.

Such examinations shall be conducted by physicians designated by the Company and/or Insurer.

Cost of physical examinations and reasonable out of pocket expenses related thereto will be reimbursed.

Regardless of b) above, if there is a medical dispute as to the validity of a claim and/or the continuance of a claim and if the physicians of the employee and the Company or insurance carrier fail to reach an agreement, the dispute will be referred to a mutually agreed upon practicing specialist, picked from a list established yearly, who will render a final and binding decision. Payments will continue until that final and binding decision is rendered.

The Company will pay \$30 for any doctor's note required by the insurance carrier or the Company.

Long Term Disability

The existing maximum monthly benefits will increase by \$200 (\$2,600) for employees actively at work on or after the first day of the month following ratification of the collective agreement and by another \$100 (\$2,700) effective May 1, 2007.

The monthly benefits will cease at the earliest of the following occurrences:

- a) The date at which the disability ceases,
- b) The date at which the employee is eligible for an unreduced pension,
- c) The date at which the employee reaches 65 years of age,
- d) The death of the employee.

Employees who are currently receiving LTD benefits will not be affected by item B. From the date of ratification forward, future LTD beneficiaries will be subject to the new provisions.

Disability - Definition

An insured employee is considered totally disabled if, after having completed benefits under the Weekly Indemnity Plan, he is unable because of disease or injury to perform the duties of his regular occupation, for the ensuing twenty-four **(24)** months and thereafter he is unable to perform any and every duty of every occupation in the Power Plant for which he is reasonably fitted by education, training or experience.

Children with Disabilities

Insured children suffering from a physical or mental disability will continue to be covered beyond the maximum age as long as they are dependents of employees.

Laid-off Employees- Benefits

Laid-off employees will continue to be covered for the following benefits: Supplementary Health, Dental, Vision Care, Hospital Expenses, AD & D and Life Insurance for the first 90 days of lay-off at which time all coverage will cease. Should an employee be recalled, he will reacquire all previously discontinued benefits.

The reduction or the elimination of any of the following benefits: supplementary health, dental, vision care and hospital expenses will be subject to the grievance procedure. The current Insurance Benefits Plan Text (subject to review) will apply.

SPECIAL WINDOW FOR POST RETIREMENT BENEFITS

Individual coverage (employee only) for post retirement Supplementary Health, Vision and Dental Benefits, and Drug

coverage only for their spouse, will be offered to those employees who will be eligible during the life of the present Collective Agreement to unreduced early retirement as per the Pension Plan text. To be eligible for these post retirement benefits employees must retire prior to April 30th, 2009. Any employee who does not retire prior to April 30th, 2009 will not be eligible for these post retirement benefits.

The cost of premiums associated to these post retirement benefits will be paid 100% by the Company. These benefits will terminate at the earliest of age 65 or death of the employee. If the employee has a spouse at the time of his death and he has not reached age 65 at the time of his death, his spouse may keep the drug coverage only, if she pays the associated premium. These spousal benefits for drug coverage only will be available until the date that the employee would have been age 65. No lifetime maximum will be applicable for the post-retirement benefits.

Pension Plan

The Company agrees to increase the flat benefit per year of credited service by \$2.08 on May 1st, 2005 & \$2.08 on May 1st, 2009. The employees' required contributions are as outlined in the attached contribution chart.

10 year agreement, Year #1 May 1, 2004 to Year #10 April 30, 2014.

Note: the Union and the Company agree that all improvements made from May 1, 2009 forward will be filed to the FSCO under *a* separate Pension Plan amendment.

2005

Effective May 1,2005: \$57.58 flat benefit per year of credited service Effective January 1,2005: Post retirement indexation, CPI ***50%** max. **5%**

2007

Effective January 1,2007: Post retirement indexation, CPI *50% max. 5%.

2009

Effective May 1,2009: \$59.66 flat benefit per year of credited service.

Effective January 1,2009: Post retirement indexation, CPI *50% max. 5%

Effective May 1,2009: Early retirement age 57 & 25, subject to the minimum reductions imposed under the regulation of the Income Tax Act (i.e. Rule of 80). The existing bridging provisions for early retirement at age 58 and 25 years *af* service will be amended to reflect the new provisions for early retirement at age 57 and 25 years of service.

2011 & 2013

Effective January 1: Post retirement indexation, CPI *50% max. 5%.

Note: The pension adjustment formula is based on the Consumer Price Index for the 12-month period ending in October of the preceding year (rounded to the nearest tenth of one percent), subject to **a** maximum **5**% adjustment. For calculation purposes, the Consumer Price Index means the all-items Index (1992=100) published by Statistics Canada.

In addition, an employee who is actively at work or on vacation will pay the weekly contributions **as** outlined in the attached table. The credited service will be determined as outlined in the pension plan text.

Period Covered	Weekly Required Contribution
Before May 2005	n/a
May 1, 2005 to April 30, 2006	\$ 8.77
May 1, 2006 to April 30, 2007	\$ 8.77
May 1, 2007 to April 30, 2008	\$ 12.97
May 1, 2008 to April 30, 2009	\$ 16.98
May 1, 2009 forward	\$ 21.18

Joint Request to Government Authorities

Should pension legislation be amended to allow for extended amortization period of solvency deficit payments, the union and the company will jointly approach the government authorities with the objective of getting permission to access such extend amortization period of solvency deficit payments.

The above bargained changes to the Pension and Benefit Plan will be incorporated into a separate booklet subject to the terms and conditions *of* the Collective Agreement.

In witness thereof, the parties have signed this on the <u>9</u>^{tt} day of <u>DECEMBER</u> 2005, in Toronto, Ontario.

FOX CASCADES BOXBOARD GROUP- TORONTO, A DVISION OF CASCADES CANADA INC.

A. Dubuc M. Boucher K. Emerson

FOR THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA AND IIIS LOCAL 1112

R.W. Bowman - President	RuBouman
L,T, Caster - Financial Secretary	Moher. Cater
J. Charlesworth - Recording Secretary	James CharlentoR
A.J. Hill - Vice President	Albill
F.G. Hunt - Treasurer	Il Hunt
B. Smart - National Representative	Kehent friend

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