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AGREEMENT

BETWEEN

MacMILLAN BATHURST

PEMBROKE PLANT

and

IWA CANADA

LOCAL 1-1000 (HOURLY)

JANUARY 1, 1992 - DECEMBER 31, 1994

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JANUARY 1, 1992 -DECEMBER 31, 1994

LABOUR AGREEMENT

BETWEEN

MacMILLAN BATHURST

PEMBROKE PLANT

hereinafter called the COMPANY

and

IWA CANADA

on its **own** behalf and on the behalf of the
Local **1-1000** (Hourly Employees)

hereinafter called the UNION

WHEREAS it is the intent and purpose of both the Company and the Union to **set** forth herein the basic agreement covering rates of pay, hours of work and conditions of employment to be observed between the parties hereto and **to** provide procedure for prompt, equitable adjustment of alleged grievances arising from the interpretation of this agreement and whereas it **is** understood that close cooperation between **the** Company and the Union towards the success of the **Com-pany** mutually benefits both parties.

NOW THEREFORE in consideration of the **mutual** covenants and agreements herein set forth the parties hereto mutually agree as follows:

Use of the masculine gender in **this** Agreement shall be considered also to include the feminine.

ARTICLE 1 - RECOGNITION

- 1.01** The Company recognizes the Union as the certified bargaining representatives on behalf of all hourly **rated** employees save **and** except foremen, those above the **rank** of foremen, office employees and factory clerks.
- 1.02** It is agreed by the Company **and** the Union that there shall be no **discrimination**, **restraint** or coercion by either party toward each other or by either party toward any employee for membership or non-membership in the Union.
- 1.03** There shall be no union activity engaged in during plant hours except **as** provided for in **this** Agreement or **as** authorized by the Company.
- 1.04** It is agreed that the Union Committee may consist of a maximum of four **(4)** representatives from the plant Union who shall represent the Union in any or all negotiations with the Company.
- 1.05** Members of the Bargaining **and/or** Grievance Committee shall be paid for lost time during negotiations **and/or** grievances but excluding arbitration. Pay will be at the committee **member(s)** regular straight time **rate**.

ARTICLE 2 - REGULAR WORK WEEK

- 2.01** The normal work week will consist of five consecutive days not including Saturday and Sunday. Each **normal** work day shall not exceed eight **(8)** hours.

2.02 . All hourly rated employees will be permitted to cease work for ~~two~~ 12-minute periods each working shift, for a rest period.

2.03 i) The regular shifts shall be ~~as~~ follows:

Graveyard Shift • 11:00 p.m. to 7:00 a.m.
Day Shift • 7:00 a.m. ~~to~~ 3:00 p.m.
Afternoon Shift • 3:00 p.m. to 11:00 p.m.

ii) The shifts will move anti-clockwise: Day Shift to Graveyard; Graveyard to Afternoon; Afternoon to Day.

2.04 The regular shifts for a one to ~~two~~ shift operation shall not commence before 7:00 a.m. ~~on~~ a first shift nor 3:00 pm. ~~on~~ a second shift. To provide for the lunch period on a one or two shift operation the shifts may be extended.

2.05 Before departing from any of these regular work schedules ~~the~~ Company will discuss mutually any change with the Union.

2.06 ~~Shift~~ premium will be ~~as~~ follows:

Graveyard Shift, 11:00 p.m. to 7:00 a.m. -
55¢ per hour

Afternoon Shift, 3:00 pm. ~~to~~ 11:00 p.m. -
40¢ per hour

Effective January 1, 1993:

Graveyard Shift, 11:00 p.m. to 7:00 a.m. -
60¢ per hour

Afternoon Shift, 3:00 p.m. to 11:00 p.m. -
40¢ per hour

- 2.07 On a two (2) shift operation, the next shift premium will apply after two (2) overtime hours in any one day.
- 2.08 i) Each employee except for the corrugator crew shall receive a paid twenty (20) minute lunch period at base rate.
- ii) The corrugator crew shall receive a paid twenty (20) minute lunch period at staggered times.
- 2.09 On a two (2) or three (3) shift operation the Company agrees that shift should be rotated every week as equally as possible.
- 2.10 The Company will notify an employee at least eight (8) hours before reporting to work when his shift has been changed. This condition will not apply when an employee is called in because of an emergency due to the illness or absenteeism of another employee.

ARTICLE 3 - OVERTIME - HOURS AND RATES

- 3.01 Overtime rates of one and one-half (1.5) times the regular base rate will be paid for work done in excess of eight (8) hours per day, or in excess of forty (40) hours per week.
- 3.02 Overtime rates of double the regular rate will be paid for:
- i) work performed on Sunday, Holidays as listed in Article 5.01, and in excess of four (4) hours on Saturday, except as noted below.
- ii) maintenance work performed on Sundays, Holidays and in excess of eight (8) hours on Saturday. However, when a complete production shift is scheduled on Saturday, and a maintenance man is required to cover the shift, he will receive double the regular rate after four (4) hours on Saturday.

iii) 'it is understood that these overtime rates for work performed on a holiday are in addition to holiday pay as outlined in Article 5.01.

3.03 If overtime work is required in the plant, the Company agrees that the employees normally doing the work shall be given equal opportunity to do this work providing that they are qualified and capable of doing **so**.

3.04 It is understood that overtime is not compulsory and employees will be relieved from overtime work for reasonable excuses.

3.05 Where an employee has refused overtime, he will be considered as having worked overtime for record purposes only.

3.06 All employees **required to** work **an** overtime period of more than **two (2)** hours after completing a **standard** shift of **eight (8)** hours will be given a meal ticket - maximum value \$5.25 in merchandise **to be** purchased in the cafeteria **as** the employee wishes. The meal ticket will be given to the employee **prior to** the overtime being worked.

3.07 If **prescheduled** overtime is required for the Friday midnight shift preference will be given to the employees working the midnight shift the preceding Thursday.

ARTICLE 4 - VACATIONS WITH PAY

4.01 Vacations with pay schedule shall **be** as follows:

1 full year's employment	-	2 weeks
4 full years' employment	-	3 weeks
9 full years' employment	-	4 weeks
20 full years' employment	-	5 weeks
27 full years' employment	-	6 weeks

Effective in the 1990 vacation year:

25 full years' employment • 6 weeks

An employee will be considered to have met the service requirement for vacation over two weeks upon reaching the anniversary date of **his** recognized seniority.

- 4.02** i) Vacation pay for employees with less than one year's continuous employment shall **be** computed **as 4%** of total earnings.
- ii) The computation of pay for two week's vacations shall be **4%** of previous year's total **earnings**; for three weeks' vacation shall be **6%**; for four weeks' vacation shall be **8%**; for five weeks' vacation shall be **10%**; for **six** weeks' vacation shall be **12%**.
- iii) Notwithstanding the above, where an employee is absent due to sickness or accident for a continuous **period** of **two** weeks or more, **his earnings** for the twelve months ending December 31st, previous calendar year, will be computed by applying his average weekly pay for the remainder of the twelve months to cover the period of absence due to his sickness or accident up to a maximum of four **(4)** months.

4.03 Scheduling of Vacations

Employees who desire any definite vacation period shall **so** notify the Company in writing before April 1. Choice of such definite vacation **period** shall **go** to the Senior employees **among** those applying, if all those applying cannot be released by the company at the same time. Vacation periods shall not be **permitted** to interfere with plant operations. Final vacation lists will be **posted** by May 1.

- 4.04** a) Employees who ~~so~~ qualify may take two weeks vacation during the ~~period~~ June 15th to September 15th.
- b) Employees who qualify for more than two weeks may take the additional vacation between January 1st ~~and~~ June 15th; and September 15th and December 31st.
- c) In arranging the vacation schedule, management must give full consideration to the necessities of full operation.
- d) Where vacation requests conflict, preference will be given to the ~~senior~~ employee and within departments.
- e) In the event that a planned plant shutdown is carried out to cover vacations, all employees must take their vacations during or straddling the shutdown.
- 4.05** Vacations cannot be accumulated for ~~future~~ years.
- 4.06** The Company will consult with ~~the~~ Union where other arrangements for vacations ~~are~~ deemed necessary.
- 4.07** The vacation with pay year will commence January 1st and end the following December 31st. All calculations pertaining to vacation with pay will be based on this period. (~~T-4~~ earnings of previous year less taxable benefits and allowances).
- 4.08** All employees are required to complete their vacations by December 31 of the current vacation with pay year. However, an employee with layoff ~~periods~~ will be free to elect to take his full vacation entitlements or reduce his vacation up to the number of weeks of layoff.
- 4.09** Vacation pay will be paid on Thursday prior to the ~~start~~ of the employee's vacation.

4.10 Supplementary Vacation

Regular employees who have completed twenty five (25) or more years of service will be granted additional vacation with pay the year in which they attain:

- Age 60 • 1 additional week
- Age 61 • 2 additional weeks
- Age 62 • 3 additional weeks
- Age 63 • 4 additional weeks
- Age 64 • 5 additional weeks

ARTICLE - 5 HOLIDAYS

- 5.01** **Regardless of the day a holiday may fall on, the Company agrees to pay and grant time off for twelve (12) holidays, being: the day preceding New Year's Day, New Year's Day, January 2nd; Good Friday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; the day preceding Christmas Day; Christmas Day; Boxing Day. Holiday pay will be calculated by multiplying the regular base rate by eight (8) hours.**
- 5.02** **To qualify for holiday pay, as above, an employee must have completed his probationary period. To qualify for holiday pay an employee must work his or her last scheduled shift immediately prior and his or her scheduled shift immediately after the holiday.**
- 5.03** **Absence without leave, late arrival exceeding sixty (60) minutes, early quitting without prior permission, will disqualify an employee from receiving holiday pay.**
- 5.04** **Consistent with production requirements and efficient operation of equipment, permission to be absent will not be unduly withheld. Request for permission to be absent must be presented forty eight (48) hours prior to the start of the shift before the holiday.**

- 5.05** An employee who is on the seniority list and who does not work the shifts immediately prior and after a holiday by reason of certified illness or a lay-off would qualify for holiday pay provided:
- i) illness, certified by a doctor's certificate, commence not more than fifteen **(15)** working days prior to the said holiday.
 - ii) a lay-off commences not more than fifteen (15) working days before the said holiday.
- 5.06** If the day of observance of a holiday falls within the period of vacation of an employee he shall be paid for such a holiday in addition to his vacation pay.
- 5.07** Should an employee decide to have a day off in lieu of the holiday he may do so at a time that is satisfactory to both the employee and the Company.
- 5.08** Employees on the seniority list with more than two years of service as of October 31 in each year and who have worked up to October 31st in each year shall receive payment for all holidays occurring during the Christmas and New Year's period.

ARTICLE 6 - MINIMUM RECOMPENSE

- 6.01** Employees who report for work on time on a regularly scheduled working day or shift and for whom the Company is unable to provide either their regular work or any other work because of a change in plans, will receive pay for four **(4)** hours at their **base rate** if supervision has failed to make reasonable effort to advise the employees of this situation, unless such conditions are beyond the control of the Company.

6.02 Emergency Calls

If an employee is called to the plant after he has completed his regular day of work, he shall be paid at the **rate** of time and one-half with a **minimum** of four (4) hours pay at his regular **rate**. The application of **this** section does not apply to pre-scheduled overtime.

ARTICLE 7 - SENIORITY AND JOB POSTING

7.01 All cases of lay-offs and reinstatements due to varying employment conditions, **as well as cases** of promotion and demotion within the employee group **as distinguished** from supervisory work, shall **be** according to length of service **as set forth** herein except when in the judgement of the Company an employee does not have the **required** skill and ability. Where skill and ability **are** relatively equal, seniority shall be the governing factor. This judgement shall not **be** exercised in an arbitrary or discriminatory manner but may be subject to grievance procedure. In order to properly implement the provisions outlined above, the following procedure will be used

- 1) In the event that there is no work on an employee's regular job, the Company will **assign** the employee to other work for the remainder **of** that week. The employee will maintain his regular **rate** or the **rate** for the **job** he is assigned to whichever is the highest. At the end of the above **period** such employee then has the right to exercise plant wide **seniority** provided he **has** more **than six** months **seniority**.
- 2) In the event of a reduction of shifts the following rules will govern:
 - a) Reduction from a three (3) shift level of operation to a **two (2)** shift level **of** operation.

- Jobs will be discontinued based on an employee's job seniority in the classification.
- Any employee whose job is thereby discontinued would return to the job he held prior to posting to third shift or employee may elect to revert to the labour pool, providing labour pool work is available and the employee has sufficient seniority to perform this work.

b) Reduction of shifts below a two (2) shift level of operation.

- Jobs will be discontinued based on an employee's plant seniority in the classification.
- Any employee whose job is thereby discontinued may exercise his/her seniority rights to obtain another position providing he/she has the required skill and ability to fully perform the duties of the other job.

Note: the above rules outlined in b) above, will not replace the present procedure for employees whose jobs are not totally discontinued on a 1_ shift level of operation.

In a) and b) above spare operator status would be maintained. Also, employees affected will move back up to either their two shift or three shift level job, as applicable, when shifts are increased.

- 3) In the event of a lay-off, the Company will notify any employee affected thereby not later than the start of his or her last full shift immediately preceding the lay-off.

7.02 An employee shall be considered a permanent employee after thirty (30) continuous work days of employment or seventy five (75) days whichever comes first.

7.03 Seniority shall continue to accrue to permanent employees who may be absent from work for reasons of certified sickness or injury.

7.04 Students

The following contract language is to be added to the labour agreements of each of the plants where appropriate:

Students hired as vacation replacements during the period May 1 to September 30 each year will be considered as temporary employees for the full duration of their employment. At the time of hire, students will sign a declaration to the fact that they are being employed only as temporary help and will resign from the employ of the Company by September 30 at the latest of each year. In the event a student should wish to apply for permanent employment with the Company as a regular employee, they must re-apply after their resignation. In the event the Company decides to hire them for consideration as a regular full-time employee, the student must then complete a probationary period. Students are to be paid the hourly wage found in the wage schedule under "Students" of this Agreement for the duration of their employment. They are also excluded from the following monetary provisions of the Labour Agreement:

- Holidays (except as provided for by Provincial legislation)
- Bereavement Leave
- Health and Welfare and Pension Plans

7.05' An employee ceases to be rated for seniority, if he:

- i) quits voluntarily
- ii) is absent without permission for three (3) consecutive days. This will result in warning and for the second offense dismissal. However, in the case of accident or certified illness, a warning will not be issued unless an employee has been absent five (5) working days without reporting and in this event a warning will be issued followed by dismissal for the second offense;
- iii) is dismissed for cause;
- iv) does not return to work within five (5) calendar days after he receives notification of recall by messenger or registered mail;
- v) if period of lay-off exceeds twelve (12) months. Employee with five (5) years service - twenty four (24) months.

7.06 A laid off employee must provide the Employee Relations Department with written notice of a change in address or telephone number.

7.07 Any employee who has been transferred by the Company from the bargaining unit to a supervisory or clerical job outside of the bargaining unit may be transferred back into the bargaining unit with the seniority held at the time of the original transfer for up to a two (2) year period from the date of transfer to the job outside the bargaining unit.

After a trial **period** not exceeding six (6) months, if an employee is returned to the bargaining unit he may assume his job held immediately prior to the transfer. If the employee

is returned to the bargaining unit after six (6) months he must return to the classification of General Labour.

7.08 Any employee who voluntarily accepts transfer to another Company plant shall retain his seniority for a period not to exceed twelve (12) months during which time such employee will be working at another location. Should such employee not elect to remain at the other plant, he can then return to his previous job in Pembroke without any loss of seniority. Should the employee not return before the twelve (12) month transfer clause elapses, this will constitute a break in service at the Pembroke plant and all seniority rating at Pembroke shall be lost.

7.09 An employee who is temporarily transferred to another classification shall be paid as follows:

- i) Each employee will be paid for the type of work performed each day with the exception wherein an employee works at several positions he will be paid at the rate for the job at which he spent the most hours. However, he shall not receive a rate lower than his regular classified rate.
- ii) Where an employee works four (4) hours at one job and four (4) hours at another job, the highest base rate will apply for all eight (8) hours. When for the convenience of the company a worker is transferred to a lower rated job, he will maintain his hourly rate while so transferred.
- iii) Should an employee be transferred to a lower rated job classification, he shall receive the rate of his regular classified job for up to five (5) days. This shall not apply when the employee moves to a lower rated classified job for reasons of lack of work on his regular classified job, or when the move is brought on by

personal request for such a move. In cases where the employee's rate has been reduced after five (5) days and he is returned to his regular classified job his rate will be increased immediately.

- 7.10** Notice of vacancies, new jobs or temporary jobs within the scope of this Agreement and which command a contract and wage rate in excess of the general basic labour rated jobs and which are of more than two (2) weeks' duration, will be posted for forty-eight (48) hours on the plant bulletin board. (When it is known that a vacancy is going to be more than two weeks, then the job should be posted immediately). Interested employees must sign an application form for the posted job during this forty-eight (48) hour period. In the event that qualifications and ability of employees applying are relatively equal, seniority shall be the deciding factor. Should a qualified candidate not be secured through the Job Posting Procedure, the Company may consider employees who have not applied. Failing this, the Company can then go outside for candidates. In the event that an employee feels that a job posting selection has been discriminatory it may be the subject of grievance under the grievance procedure as outlined in this Agreement.
- 7.11** It is agreed that successful applicants of the Job Posting Procedure will not be permitted to reapply for other postings more often than two (2) times during a twelve (12) month period from the first posting. This procedure shall not apply when employees alternate between their regular and the same temporary job. It is understood one posting shall be used in such cases.
- 7.12** Spare operators will be trained. When a permanent vacancy becomes open, the spare operator will step into the vacancy automatically. The Company will post for another spare operator for that classified job. The classified jobs of Die Mounting Printing, Die Maintenance (steel-rule), Adhesive Mixer Operator, Shipping Assistant Lead Hand, Shipper

Checker (dock) have spares designated to replace the incumbent on a temporary basis. When a vacancy occurs, the designated spares will automatically step into the vacancy and the Company will post for another spare for the position which has become vacant. When an operator has been displaced (by a senior man exercising his seniority rights), the displaced employee will become the 1st Spare. Any incumbent spare would become 2nd Spare.

- 7.13 A trainee will be paid his regular classified job rate or the rate for the classification on which he is training, whichever is lower, until he is qualified. The training period would be from one (1) to four (4) weeks.
- 7.14 The Company and the Union will form a small committee to determine reasonable length of training required for various job classifications up to four (4) weeks.
- 7.15 An apprentice will be able to return to the regular job he held prior to accepting an apprenticeship position up to the time he completes his first school term. If he fails to complete the apprenticeship program after completing his first school term, he will assume a general labour position.
- 7.16 After an employee's job has been significantly revised, such employee may be permitted, providing there is mutual agreement between the plant committee and divisional management, to exercise his/her seniority rights. Every aspect of this clause is subject to the grievance procedure.

ARTICLE 8 - GRIEVANCE PROCEDURE

- 8.01 i) The Company agrees that the time limits in this Article will refer to working days only and Saturdays, Sundays and Holidays shall not be included in any time limits.

- ii) . The Grievance Committee consisting of the Union steward from each department of which there ~~are~~ six **(6)** and, if needed, a representative of the National Union ~~and/or~~ of Local 1-1000, shall represent the employees of the Company in matters pertaining to this Agreement. For stages one and two of the Grievance Procedure, the Chairman, Vice-Chairman and Steward involved will attend. ~~For~~ stage three, the Grievance Committee consisting of not more than four **(4)** employees may attend if necessary.
- iii) An employee will give his foreman an opportunity to adjust his complaint.

8.02 Should an employee or group of employees feel that any of the provisions of this Agreement have not been complied with, he or she shall have the right either personally or through ~~the~~ steward in which department the grievance occurs, or through the Grievance Committee, to appeal in writing. The grievance shall not ~~be~~ considered after thirty **(30)** days from when the grievance occurred. The grievance shall:

- i) ~~be~~ referred to the Department Head who will render a decision within forty eight **(48)** hours of receiving the complaint. If the solution is not satisfactory to the employee he must, within forty eight **(48)** hours;
- ii) refer the matter to the Superintendent who will render a decision within forty eight **(48)** hours. If the solution is not satisfactory the matter must be referred, within five **(5)** working days to stage 3.
- iii) Failing satisfactory settlement at stage 2, the matter may then be referred to the Production Manager, or his designated representative. within ten **(10)** working days.

- 8.03** If a solution at stage 3 is not found, then either party may, within the following fifteen (15) working days refer the matter to arbitration.

Policy Grievance

- 8.04** Should the Company feel that any of the provisions of this Agreement have not been complied with, the Company has the right to call for a meeting with the Grievance **Committee** to discuss any such alleged complaint.

Should the Grievance Committee feel that any of the provisions of this Agreement have not been complied with, the Grievance **Committee** has the right to call for a meeting with the Company to discuss any such alleged complaint.

If the complaint is not resolved at said meeting the matter may be dealt with as a grievance commencing at Stage 3 of the grievance procedure.

- 8.05** Where a difference arises between the parties relating to the interpretation, application, or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the parties may, after exhausting any grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to Arbitration.

- 8.06** This notice shall contain the name of the first party's appointee to an Arbitration **Board**.

- 8.07** The recipient of the notice shall within five (5) days advise the other party of the name of its appointee to the Arbitration Board. The two appointees so selected shall within five (5) days of the appointment of the second of them appoint a third person who shall be the Chairman. If the recipient of the notice

fails to appoint an Arbitrator or if the two appointees fail to agree upon a Chairman within the time limit stated herein, the appointments shall be made by the Minister of Labour for Ontario upon the request of either party.

- 8.08** The Arbitration Board shall hear and determine the difference or allegation and shall issue a decision. This decision shall be final and binding upon the parties and any employee affected by it. The decision of a majority shall be the decision of the Arbitration Board but if there is no majority the decision of the Chairman shall govern.
- 8.09** It is understood that the function of the Arbitration Board shall be to interpret and apply this Agreement and that it shall deal only with specific questions as submitted and shall have no power to alter add to or amend this Agreement.
- 8.10** Each party to the Agreement shall pay the expenses of the member of the Arbitration Board selected by it or by the Minister of **Labour** and shall share equally in the fees and expenses of the third member of the Board.
- 8.11** Nothing contained in this Article shall prevent the parties from mutually agreeing to a single arbitrator.
- 8.12** It is the intent of this Agreement that grievances be dealt with promptly. Where a department steward requires to discuss a problem or grievance with the foreman or production supervisor, he may be joined by the Union Chairman and Vice-chairman. Both parties will seek convenient times for such discussion.

ARTICLE 9 - UNION MEMBERSHIP

- 9.01** All employees must pay monthly Union dues after being employed fifteen (15) days as a condition of employment.

All new employees must pay initiation fees after being employed fifteen days as a condition of employment.

- 9.02** The Company will deduct the regular monthly Union dues and authorized initiation fees and assessments from the first pay period of each month, and remit the amount by cheque to the Financial Secretary of the Local Union by the end of the same month, accompanied by a listing of the employees and their deductions.

10 • IANA • IENT RIGHTS

10.01 It is agreed that the Company has the right to:

- i)** direct the work of the employees, maintain order, discipline and efficiency;
- ii)** hire, discharge or suspend employees, demote them or transfer for proper cause, assign them to shifts with due regard to seniority, determine the standard amount of work required, lay-off due to lack of work in accordance with other provisions within this Agreement.
- iii)** It is further agreed that the Company has the right to govern and control all processes, procurements and methods of manufacturing and work planning.

ARTICLE 11 • NO STRIKE AND LOCK-OUT CLAUSE

11.01 The Union agrees that it shall not call or authorize and that no officer or agent of the Union will counsel or procure support or encourage an unlawful strike.

11.02 The Company agrees not to lock out its employees during the life of this Agreement.

ARTICLE 12 - BULLETIN BOARDS

12.01 The Company agrees to provide bulletin boards for posting and displaying Union notices. It is further agreed that all such notices shall first be submitted duly signed by the authorized Union Chairman or his designate to the Production Manager or his designate.

ARTICLE 13 - HEALTH AND SANITATION

13.01 The Company shall make reasonable provision for the safety and health of the employees during the hours of their employment. Cleanliness and privacy in washrooms and toilets **are to** be maintained at all times. Protective equipment, first aid equipment and the service of competent attendants **are** to be provided by the Company which it is expected the employees will **use**.

13.02 **Employees shall cooperate in every** way to keep lunch and rest **rooms** clean and tidy and in **good** repair.

ARTICLE 14 - INSURANCE PLAN

14.01 The Company agrees **to** pay the prevailing premiums during the life of this Agreement for Weekly Indemnity, Group Life Insurance and O.H.I.P.

14.02 Weekly Indemnity Insurance

- i) Effective the first of the month following date of ratification the company will maintain a benefit level **of 70%** of the employee's base rate times 40 hours per week with a maximum benefit of \$426.00 per week or the U.I.C. maximum, whichever is greater, for a period not exceeding **fifty two (52)** weeks.

NOTE: Improvements in the first year will not apply to employees off on weekly indemnity prior to the first of the month following date of ratification.

- ii) Should this improvement provide for a premium reduction under the Unemployment Insurance Act, the Company will retain the **5/12** employee portion,

14.03 Group Life and Accidental Death and Dismemberment Insurance:

- i) The Group Life and AD&D Insurance coverage **will** provide a flat benefit amount of **\$65,000** for all employees actively at work on August **1, 1992**. Employees not actively at work will **be** covered for **\$30,000 life insurance only**. This amount will increase to **\$65,000** upon their **return** to active duty. AD&D (new) will be activated upon the employees **return** to active duty.
- ii) The Company will maintain **\$2,000** Group Life Insurance for all employees retiring under the terms of the Company Pension Plan after April **1, 1976** at no **cost** to the employee.

14.04 London Life Drug Plan:

- i) The Company agrees to pay the prevailing premiums during the life of the Agreement for the London Life Drug Plan or a **drug plan** providing the same benefits with **\$10.00-\$15.00** deductible. New employees will **be eligible for coverage after three months of continuous** employment, or 90 days of service.
- ii) **Semi-Private Hospital Coverage:**
The Company agrees to pay the prevailing premiums

for a London Life semi-private hospital coverage plan. New employees will be eligible for coverage after three (3) months continuous employment, or 90 days of service.

iii) Vision Care

Effective January 1, 1990, a Vision Care Plan will be implemented for all employees actively at work. Vision Care expenses incurred by an employee and/or his covered dependents are eligible when recommended by a physician or an optometrist as follows:

Frames, lenses and the fitting of prescription glasses, including contact lenses up to a total payment of \$75.00 per family member in any two consecutive calendar years.

14.05 Change in Benefits:

i) Any employee not actively at work on the effective date or dates of the changes in benefits will not be eligible for the increase in benefits until the date of his return to active employment.

ii) Any changes in benefit level as a result of the contract renewal will take place on the 1st of the month following date of ratification.

14.06 Provided that the employee pays in advance for Insurance Plan or Pension Plan and provided the carriers will extend the Plan without cost to the Company to cover one employee on leave of absence for Union business the Company would agree for a period not exceeding eighteen (18) months.

14.07 Long Term Disability:

A Long Term Disability Plan for non-industrial accident or illness will be put into effect in accordance with the provisions outlined in Appendix "B".

14.08 Dental Care Plan:

The Company will provide a dental plan in accordance with the provisions outlined in Schedule "C".

ARTICLE 15 - GENERAL

15.01 All rights and privileges shall continue in respect to:

- i) The sale and drinking of milk during rest periods.
- ii) Smoking in specified areas hitherto observed.

15.02 The Company will grant leave without pay to any member elected as delegate to attend Union conventions or other important Union business provided that not more than two from any one department are required to be absent at any one time and provided it does not affect the efficiency of a department.

- 15.03 i) Leave of absence without pay for legitimate personal reasons, may, at the discretion of management, be granted up to six (6) months without loss of seniority provided that application is made in writing and the reasons stated. An exception to this procedure will only be as follows:

Employees who are elected or appointed to a position in the IWA Canada will be allowed, on request, a leave of absence of up to 24 months on the basis that it may be renewed annually thereafter.

- ii) Employees when granted Leave of Absence will be required to prepay premiums of various insurances/welfare plans for that period of leave that extends beyond four weeks subject to the terms of various insurance policies. Vacation pay credits may be used for this purpose if available and the employee so desires.

15.04 When death occurs to a member of an employee's immediate family as described in iii) below the employee will be granted a paid leave of absence of not more than three (3) scheduled working days. These three (3) days must be taken within seven (7) calendar days, starting from the day of death.

When death occurs to an employee's wife, husband, son, daughter, stepson, stepdaughter or common-law spouse, the employee will be granted leave of absence with pay, up to five (5) consecutive scheduled working days. These five (5) days must be taken within seven (7) calendar days starting from the day of death.

In both these instances, payment will be made provided

- i) Pay will be at employee's straight time occupational rate even though one or more of the days of the funeral leave occur on Saturday, Sunday or a paid holiday.

The regular standard occupational rate means the straight time occupational rate of the job which the employee would have worked had the employee not been on funeral leave.

- ii) The employee attends the funeral where physically possible.
- iii) Members of the immediate family are the employee's mother, father, brothers, sisters, stepmother, stepfather,

mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, grandparents and grandchildren.

- 15.05 The Company is prepared to meet with the Union from time to time to discuss questions that may arise concerning the existing Pension Plan.
- 15.06 Pay cheques will be issued every second Thursday commencing at 3:00 p.m.
- 15.07 In the event of lateness, pay will be reduced by the amount of time lost.
- 15.08 The Company will make payroll deductions for the employees to a single Credit Union to be chosen by the employees.
- 15.09 An employee who experiences a lost-time industrial accident, accepted by the Workers' Compensation Board, will be paid at his basic rate for the balance of his regular day or shift on which the accident occurred.
- 15.10 The Company agrees to pay the following allowance toward the purchase of protective footwear once a year for all employees.
- | | | |
|-----------------|---|---------|
| January 1, 1992 | - | \$52.00 |
| January 1, 1993 | - | \$62.00 |
| January 1, 1994 | - | \$72.00 |
- 15.11 Specific smoking areas will be designated.
- 15.12 All signed local letters of intent will form part of the Collective Agreement provided both parties have agreed to the inclusion of each specific letter. Such letters will be placed after the signature page, in the Agreement, and will again be subject to mutual agreement for the inclusion in any subsequent agreement(s).

- 15.13 In taking disciplinary action, local management shall not consider any previous action involving the employee provided that a 12 month period has elapsed from the date of the last infraction.
- 15.14 Employees required to serve on Jury Duty or as a subpoenaed witness shall be paid the difference between their basic rate they would have earned and the amount they receive for Jury or Witness Duty. To secure payment, proof of attendance, including amount received from the Court, will be required.
- 15.15 The tool allowance for Mechanics who elect to use their own tools on the job is \$100.00.

ARTICLE 16 • PREGNANCY LEAVE

The Employment Standards Act provides for a flexible 17 week unpaid leave of absence for employees having the necessary length of service.

- 16.01 On presentation of a medical certificate, an employee with at least one year of service may be granted Pregnancy Leave at any time within eleven weeks of the expected date of birth. The Company may initiate the leave of absence at an earlier date if, in the judgement of the Company, she cannot manage her normal work load adequately.
- 16.02 The employee must give two weeks notice in writing of the date she intends to begin her leave and such notice must include a medical certificate indicating her expected date of birth. The two weeks notice period is a minimum time. It is agreed that the mutual interest of the Company and the Employee would be better served where the employee provides as much advance notice as is possible and practical considering the circumstances.

- 16.03 The employee is entitled to a fixed minimum post-natal leave of **six** weeks after the **actual** date of the **birth** or ending after no more than **17** weeks from the beginning of the leave, whichever is the later.
- 16.04 If the employee wishes to return to work less than **6** weeks after the **birth**, she must provide the Company with a medical certificate stating that she is fit to resume work, along with one week's notice of her intention to return.
- 16.05 An employee who has stated her intention of returning to work after her pregnancy leave, and who does not do so within **six** weeks after the **birth has occurred**, shall be terminated. However, **post** natal leave may be extended beyond **six weeks** if arrangements satisfactory to the Company **are** made.
- 16.06 Pregnancy Leave will be without pay and the following will **apply**:
- a) Service will **accrue** during **the** normal pregnancy leave.
 - b) Upon her **return** to work after pregnancy leave **as** set out in Item iii) above, the employee will be reinstated in her former position or a comparable one in terms of remuneration in line with her seniority.
- 16.07 Circumstances arising from pregnancy leave that **are** not covered in this article will be administered under the terms of the Employment Standards Act.

ARTICLE 17 -JOB CLASSIFICATIONAND WAGE RATES

- 17.01** The schedule of wage rates is attached hereto and forms part of this Agreement.
- 17.02** The starting rate for new employees shall be six (6) cents per hour below the base rate.
- 17.03** It is agreed that foremen and persons excluded from the bargaining unit shall not ~~perform~~ work usually performed by employees in the bargaining unit ~~except in cases of emergency~~.
- 17.04** A lead hand, when required, will be paid thirty-five (35) cents per hour ~~on his~~ base rate.

ARTICLE 18 - AUTOMATION

- 18.01** The Company will **discuss** with the Union the effect of such changes on ~~the~~ working conditions of employees **and** consider ways and means of providing alternate employment opportunities within ~~the~~ Company for employees displaced by ~~those~~ changes.
- 18.02** In the event that the Company is unable **to** offer alternate employment opportunities within ~~the~~ Company and employees **are** laid off **as** a direct result of technological changes and automation, severance pay will be provided **to** such eligible employees, **as** follows:
- i)** Regular employees with five **(5)** or more years of service will be entitled to a severance allowance on the basis of forty **(40)** hours pay for each year of service **at** the employee's current hourly rate, up **to a** maximum of 1,040 hours. One half of the amount so calculated will be paid after the employee **has** been laid off for a **period** of two **(2)** months. The second half of the severance allowance will be paid after the employee

has been laid off for four **(4)** months. It shall be the responsibility of the employee **to** apply for severance **pay**.

- ii) If an employee is recalled to work **before** any severance pay is due, no severance payment will **be** made. Any employee who **refuses** or is not available for recall (except for reasons of sickness or accident) shall forfeit **all** rights to severance pay and recall.
- iii) Any employee who **has** received **a** partial severance payment who is recalled and accepts such **recall**, prior **to receiving** final severance payment, shall **retain full** seniority **rights** but **will be entitled to only** the unpaid portion of **his severance** pay allowance added to any new accumulation of severance pay, commencing on **his return** to employment. **in case** of a subsequent lay-off due **to** technological change and automation.
- iv) An employee who has received full severance pay and who is subsequently rehired will be considered **as** a new employee in **all respects**.
- v) Employees eligible for severance pay **as** provided by Government legislation will receive either Government legislated provision or the company severance pay provision, whichever is greater.

18.03 Recall procedures under this policy will be in accordance with Article 7 of **this** Agreement.

ARTICLE 19 - PLANT CLOSURE

19.01 In the event of the planned closure of the entire plant, the Company will notify the Union **as soon as** possible of such plans but in any case not less **than two (2)** months prior to the closing **date**,



19.02 Eligible employees with three (3) or more years of service, terminated **as** a result of the plant closure, will receive forty (40) hours pay for each year of service at the employee's current hourly rate to a maximum of one thousand and forty (1,040) hours total severance pay.

19.03 In order to be eligible for severance pay under this Article, employees must be on payroll at the time of the announcement of plant closure, have three or more years of service, and remain in the employ of the company until the closing of the plant, or until the employee's services **are** no longer required. Employees eligible for any **early retirement** benefits proposed by **the Company** will be entitled to either the early retirement benefit or the severance pay.

19.04 Employees eligible for severance pay as provided by Government legislation will receive either the Government legislated provision or **the Company** severance pay, whichever is greater.

ARTICLE 20 - DURATION OF AGREEMENT

20.01 This Agreement shall remain in force and effect from January ~~1, 1992~~ until **and including the 31st day of December, 1994** and thereafter for one year unless written notice of contrary intention is given by either party to the other party.

20.02 If no agreement is reached at the expiration of this contract and negotiations are continued, the Agreement shall remain in force up **to** the time a subsequent agreement is reached.


20.03 Either party may begin negotiations for a new agreement thirty (30) days before expiry date as noted above.


Approved and signed, this 4 day of FEB., Nineteen Hundred and
Ninety-three (1993) at Pembroke, Ontario.

MacMillan Bathurst
Pembroke Plant
Pembroke, Ontario

IWA Canada - on its own
behalf and on the behalf
of Local 1-1000 (Hourly)

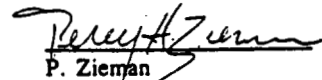

R. Schroeder

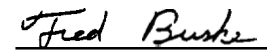

F. Miron
2nd Vice-president,
IWA Canada



R. M. Gruber


L. Dupuis


E. Chaput


P. Zieman


F. Buske


M. McCarter, Representative
IWA Canada

SCHEDULE "A"

Schedule of Wage Rates
MacMILLAN BATHURST - PEMBROKE PLANT

	Hrly. Rate	Hrly. Rate	Hrly. Rate
	Effec.	Effec.	Effec.
	Jan.	Jan.	Jan.
	<u>1/92</u>	<u>1/93</u>	<u>1/94</u>
100 Corrugator Operator	16.99	17.51	17.93
101 Double Backer Operator	16.13	16.63	17.03
102 Cut-Off Operator	16.99	17.51	17.93
102A Ass. Double Cut-off Knife	16.13	16.63	17.03
103 Lift Truck Operator (roll storage)	16.15	16.65	17.05
105 Cormgator Takeoff	15.58	16.07	16.45
105A Stacker Operator	15.82	16.32	16.71
106 Printer Slotter Operator	16.99	17.51	17.93
107 Printer Slotter 2nd Man	16.26	16.77	17.17
111 Curtain Coater Operator	15.80	16.30	16.69
112 Die Press Operator	16.12	16.62	17.02
113 Slitter Scorer Operator	15.65	16.14	16.52
114 Partition Scorer Opr.	15.75	16.24	16.62
115 Eccentric Slotter Opr.	15.58	16.07	16.45
116 Stitcher Operator	15.65	16.14	16.52
116A Taper Operator	15.58	16.07	16.45
117 Stitch/Taper Piler	15.54	16.03	16.41
119 Curtain Coater 2nd Man	15.34	15.82	16.19
121 Partition Assemblers	15.27	15.75	16.12
124 Manual Stitcher Operator	15.65	16.14	16.52
125 Die Press Shipping	15.34	15.82	16.19
128 Die Press 2nd Man	15.58	16.07	16.45
129 Laminator Operator	15.80	16.30	16.69
130 Bundler	15.27	15.75	16.12
130A Misc. Head Bundler	15.41	15.90	16.27
131 Lunchroom Attendant	15.33	15.81	16.18

		Hrly. Rate Effec. Jan. <u>1/92</u>	Hrly. Rate Effec. Jan. <u>1/93</u>	Hrly. Rate Effec. Jan. <u>1/94</u>
132	Janitor	15.33	15.81	16.18
133	Baler Operator	15.73	16.22	16.60
134	Shipping Lead Hand	16.55	17.06	17.47
135	Shipping Asst Lead Hand	16.32	16.83	17.23
136	Shipping Checker (dock)	15.88	16.38	16.77
139	Adhesive Mixer Operator	15.75	16.24	16.62
140	Corrugator Trucker	15.75	16.24	16.62
140A	Press & Fin. Trucker	15.75	16.24	16.62
142	Die Mounting Printer	16.41	16.92	17.32
143	Die Maintenance- Steel Rule	15.71	16.20	16.58
145	Pallet Strapper Operator	15.75	16.24	16.62
146	Pallet Maintenance	15.83	16.33	16.72
148	Engineer 4th Class	16.13	16.63	17.03
149	Factory Mechanic A	17.73	18.27	18.72
151	Maintenance Handyman	17.61	18.15	18.59
152	Electrician	18.24	18.80	19.26
154	Maintenance Lead Hand	18.11	18.66	19.12
155	Labourer	15.27	15.75	16.12
157	Lead Hand ***			
158	Slitter Tailer	15.34	15.82	16.19
159	Laminator Tailer	15.28	15.76	16.13
160	Partition Slotter Tailer	15.34	15.82	16.19
161	Rotary Flexo Die Press Operator	16.99	17.51	17.93
162	Rotary Flexo Die Press 2nd Man	16.26	16.77	17.17
163	Flexo Folder Gluer Operator	16.99	17.51	17.93
164	Flexo Folder Gluer 2nd Man	16.26	16.77	17.17

		Hrly. Rate Effec. Jan. <u>1/92</u>	Hrly. Rate Effec. Jan. <u>1/93</u>	Hrly. Rate Effec. Jan. <u>1/94</u>
165	Flexo Folder Gluer 3rd Man	15.59	16.08	16.46
166	Corrugator Helper	15.58	16.07	16.45
170	Rotary Flexo Die Press 3rd Man	15.59	16.08	16.46
171	Litho Laminator Operator	16.32	16.83	17.23
172	Litho Laminator 2nd Man	15.54	16.03	16.41
173	Students		12.25	12.50

*** Lead ~~Hand~~ (Article 17.04)

NOTE: Due to adjustment of five cents (5¢) made to the base labour rate, the protected list for males with seniority of June 25, 1963 or better ~~makes~~ this protected differential change from 14 cents (14¢) to 9 cents (9¢) per hour.

APPENDIX "B"

LONG TERM DISABILITY PLAN

As of April 1, 1982, a Long Term Disability Plan for non-industrial accident or illness will be put into effect.

Monthly Income Benefit

The indemnity provided for qualified employees shall be 50% of the basic hourly rate of the employee as of March 1st prior to the onset of disability, multiplied by 2080 and divided by 12. The maximum payment will be as follows:

January 1st, 1987 - \$1,300.00
1st of the month following ratification - \$1,500.00

For all non-occupational illnesses or accidents commencing after July 13, 1992, the amount of benefit will be amended as follows:

The regular straighttime hourly rate shall be the rate of the job which the employee was scheduled to perform on the date of non-occupational illness or accident commenced. For the employee in receipt of Long Term Disability Benefit, the initial hourly rate used will be adjusted on January 1, of each year by the percentage or amount (cents/hour) of the negotiated general wage increase until the benefit reaches the maximum monthly payment specified in the labour agreement in force when the non-occupational illness or accident commenced. The maximum monthly payment remains unchanged for the entire disability period.

The 50% formula remains the same.

Co-ordination of Benefits

The amount of benefit shall be reduced by any payments made under any government plans (federal or provincial), Workers' Compensation payments, any other group or commercial disability plans or any other Company benefits or pension plan.

Benefit Period

The duration of the benefit period will equal the number of months of continuous service of the employee claimant up to the date he commenced to draw benefits under the weekly indemnity plan, or until retirement under the Company Pension Plan, or age 65, (whichever comes first). One thirtieth of the Monthly Income Benefit will account for each day of any period not constituting a full month. The Monthly Income Benefit shall not commence during a period of lay-off or strike, until termination of such lay-off or strike.

An employee drawing Long Term Disability Benefits will accumulate pension service credit under the company Pension Plan. The pension benefit will be based on earnings* prior to the onset of the weekly indemnity payments.

* As calculated under Pension Plan Formula

Definition of Disability

An employee is eligible for Long Term Disability Benefits, when after April 1, 1982, he has completed fifty-two (52) weeks of weekly indemnity payments and continues to be incapacitated. He will be considered to be disabled if he is incapable, due to non-industrial accident or sickness, of working at his regular occupation for a period of up to fifty-two weeks; and thereafter for the balance of his qualifying period, is incapable of performing any work for which he is qualified by education, training or experience.

Eligibility

Eligibility for coverage will be at the first of the month following ~~three~~ (3) months of continuous employment or ninety (90) days of service. An eligible employee is entitled **to** coverage if actively at work on the effective date, otherwise on **return** to active work.

Exclusions

Exclusions from entitlement to benefit **are**: self-inflicted injury, war, **riot** and other exclusions normal **to** long **term** disability insurance policies.

Premium Payment

The premium for **this** long **term** **disability** policy will be paid by the Company. During the life of **this** Agreement should either the Federal or Provincial Governments introduce legislation **to** provide benefits **already** covered by **this** plan, the Company will have the right **to** fully integrate the benefits.

APPENDIX "C"

DENTAL CARE PLAN

The Company will provide a dental plan on the following basis for all employees:

i) Diagnostic Services

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

- Oral Examination
- Consultations
- X-Rays (complete mouth x-rays will be covered once in a two year period)

ii) Preventative Services

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

- Cleaning and Scaling
- Topical application of fluoride
- Space maintainers

iii) Surgical Services

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

iv) All necessary procedures for filling teeth with amalgams, synthetic porcelain, and stainless steel crowns.

v) Endodontics

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

vi) Periodontics

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

vii) Prosthetic Repairs

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

viii) Prosthetic Appliances and Crown & Bridge Procedures

a) Crowns and Bridges:

Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restoration.

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

Co-Insurance - Deductibles

\$25.00 individual and \$50.00 family deductible per calendar year. With respect to benefit i) to vii), the Plan will provide reimbursement of 100% of eligible expenses.

Benefit viii) will be subject to 50% co-insurance.

Maximum annual benefit per individual is **\$1,000.00**, based on the following **Ontario Dental Fee** Schedule:

Effective July **13, 1992** -
1991 Provincial Schedule of **Fees**

Effective January **1, 1993** -
1992 Provincial Schedule of **Fees**

Effective January **1, 1994** -
1993 Provincial Schedule of **Fees**

The Dental Plan ~~shall~~ incorporate orthodontic benefits on the basis of **no** deductible at **50%** cost coverage with a lifetime maximum benefit of **\$1,000**. The Company will pay the premium cost for this benefit.

Coverage

In order to be eligible for coverage, employees must have completed **six (6)** months of continuous service. Employees must be actively at work **on** the date the Plan comes into effect. If not actively at work, coverage will commence when the employee **returns** to full-time work.

Lay-Off: Benefits will cease upon lay-off. In the event that **an** employee has a course of treatment approved by the insurance company prior to the lay-off, that course of treatment will be covered under the Plan.

The above is a summary of the features of the Dental Plan. In the event of any conflict between the information in this summary and the provisions of the Group Dental Policy, the policy will prevail.

LETTER OF INTENT

RE: UPGRADING INCUMBENT MECHANICS TO
MILLWRIGHTS

If an existing member of the maintenance department or an employee who has worked ~~as~~ a tradesman in the maintenance department, requests to improve ~~his~~ qualifications, the Company will make ~~ar-~~rangements with the Ministry of Colleges and Universities to permit the employee to ~~obtain~~ the academic training that may ~~be~~ required. If the Ministry of Colleges and Universities, after examining the ~~status~~ of ~~such~~ an employee, decides he ~~requires~~ more experience in the trade, (he has not worked sufficient time) the Company will provide the employee with the opportunity ~~to~~ work in the maintenance department ~~until~~ he has achieved the required time.

We would restrict such training to one employee (who is not regularly employed in the maintenance department at any one time).

R. Schroeder
Production Manager

LETTER OF INTENT

Mr. L. Dupuis
Chairman
IWA Canada
Local 1-1000
Pembroke, Ontario

RE: ARTICLE XIV • INSURANCE PLAN

~~Dear~~ Mr. Dupuis:

Group Insurance covered by this Article will **be** administered **as** follows during the **January 1, 1992 - December 31, 1994** Agreement, between MacMillan Bathurst, Pembroke Plant and IWA Canada, **Local 1-1000**.

Employees may participate in the following Group Insurance subject **to** the policy participation clauses.

1. O.H.I.P. • New employees will be enrolled after **14** days of work. **The Company will pay the prevailing premiums during the life of this Agreement.**
2. London Life Insurance • Group Life and Weekly Indemnity • New Employees **are** eligible to participate after **3** months of continuous employment or 90 days of service.

An employee who is absent from work due **to** a bona-fide sickness or compensable injury may continue to participate in these group insurances. The Company will continue to pay the prevailing premiums **at the start of sickness or injury** for the **period** of the sickness or injury not exceeding **12** months.

An employee who has been participating in these group insurances may upon lay-off continue **to** participate in these group insurances with the exception of Weekly Indemnity Insurance with the following formulae applying in each lay-off instance:

1. A permanent employee who has worked less than 12 months would have continuing coverage for one month after the month in which he is laid off.
2. A permanent employee who **has** worked more than 12 months but less than 36 months would have continuing coverage for ~~three~~ months after ~~the~~ month in which he is laid off.
3. A permanent employee whose **service** exceeds 36 months would have continuing coverage for **six** months after the month in which he is laid off.
4. Continuing coverage **as** outlined in Items 1, 2 **and** 3, is subject to the following:

Employees who have continuing coverage will forfeit the coverage for any month they accept employment elsewhere in excess of that allowed by the U.I.C. This does not affect any months of continuing coverage wherein the employee does not work in excess of that allowed by U.I.C.

Employees will also forfeit continuing coverage if they do not return **to** work on recall or if they otherwise disqualify themselves.

An employee who has been on lay-off in excess of the above periods or who did not elect to participate in the Group Insurances during lay-off will, when recalled, **be** considered, for group insurance purposes, a new employee.

All employees both male and female, are now eligible for all insurance coverage.

Would you please acknowledge the above by returning a signed copy of this letter.

Yours very truly,

MacMillan Bathurst
Pembroke Elart

R. Schroeder
Production Manager

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