



AGREEMENT

BETWEEN

**MacMILLAN BATHURST
PEMBROKE PLANT**

AND

**IWA CANADA
LOCAL 1000
(HOURLY)**

JANUARY 1, 1995 - DECEMBER 31, 1999

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JANUARY 1, 1995 - DECEMBER 31, 1999

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 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 Company 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:

On ratification

Graveyard Shift, 11:00 p.m. to 7:00 a.m -
70¢ per hour

Afternoon Shift, 3:00 pm. to 11:00 p.m. -
45¢ per hour

Effective January 1, 1997:

Graveyard Shift, 11:00 p.m. to 7:00 a.m. -
75¢ per hour

Afternoon Shift, 3:00 p.m. to 11:00 p.m. -
50¢ 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 shifts 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 - CONTINUOUS RUN - 7 DAY OPERATION

- 3.01 The Company will not implement a seven (7) day continuous run operation prior to January 1, 1996.
- 3.02 The Company may operate the plant or a portion of the plant on a seven (7) day basis once they have exhausted the normal hours available in a five (5) day operation (Monday to Friday) on the equipment being scheduled for seven (7) days.

- 3.03 Employees affected will receive a minimum of two weeks notice of the implementation of continuous run.

Once implemented an operation on continuous run will operate on the basis for a minimum of ninety (90) days. This period may be changed by mutual agreement between the Company and the Union.

- 3.04 The Company will meet with the Union in an attempt to reach a mutual agreement on shift schedules. If no agreement can be reached, the shift schedule will be based on twelve (12) hour shifts, seven (7) days a week. As an example, under such a schedule, an employee would be on the following fourteen (14) day cycle:

- Be off Monday and Tuesday
- Work twelve (12) hours per day on Wednesday and Thursday
- Be off Friday, Saturday and Sunday
- Work twelve (12) hours per day on Monday and Tuesday
- Be off Wednesday and Thursday
- Work twelve (12) hours per day on Friday, Saturday and Sunday

On this basis, the employee would have two, three day weekends off per month and would work not more than three twelve hour shifts in a row.

Carrying this example of twelve (12) hour shifts further, the following provisions would apply.

- 3.05 All scheduled hours worked will be paid at straight time rates with the exception of hours worked in excess of twelve (12) hours in a shift or a Sunday or holiday which will be paid at the rate of time and one half. An employee who voluntarily works on a Saturday or Sunday as a result of a replacement call-in will be paid overtime at the rates

prescribed by the Collective Agreement (i.e. time and one half for four hours on Saturday and double time for hours worked in excess of four and double time for Sunday (with maintenance exception).

Under normal circumstances, the Company would not operate the plant on paid holidays. Employees working on the seven (7) day operation basis will be paid for twelve **(12)** hours at straight time rate for the holiday. Any work performed on a paid holiday would be voluntary and paid at the rate of time and one half.

- 3.06 Employees will continue to be eligible for vacation selection on a seniority basis and will continue to be able to select vacations in prime time as currently in effect.
- 3.07 Rest periods will be discussed with scheduling of 7 days but no less than current contract provisions.

Weekly Indemnity will be amended to comply with the 7 day operation and will be no less than current provisions.

Shift premium - \$0.84 for the second 12 hour shift (nights)

ARTICLE 4 • OVERTIME • HOURS AND RATES

- 4.01 Overtime rates of one and one-half (1½) 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.
- 4.02 Overtime rates of double the regular rate will be paid for:
 - i) work performed on Sunday, Holidays as listed in Article 6.01, 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 6.01.
- 4.03 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.
- 4.04 It is understood that overtime is not compulsory and employees will be relieved from overtime work for reasonable excuses.
- 4.05 Where an employee has refused overtime, he will be considered as having worked overtime for record purposes only.
- 4.06 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.
- 4.07 If pre-scheduled overtime is required for the Friday midnight shift preference will be given to the employees working the midnight shift the preceding Thursday.

ARTICLE 5 - VACATIONS WITH PAY

5.01 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
25 full years' employment	-	6 weeks

Effective in the 1997 vacation year:

18 full years' employment - 5 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.

- 5.02 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 vacation 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.

5.03 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.

5.04 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.

5.05 Vacations cannot be accumulated for future years.

5.06 The Company will consult with the Union where other arrangements for vacations are deemed necessary.

5.07 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).

- 5.08 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.
- 5.09 Vacation pay will be paid on Thursday prior to the start of the employee's vacation.

5.10 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

This extra vacation may be taken in whole or in part in the vacation year and subject to paragraphs 5.03 and 5.04. If this supplementary vacation is not taken in its entirety during the year in which it is allowed, the money equivalent will be held as an accrual to be paid in one lump sum on retirement.

ARTICLE 6 - HOLIDAYS

- 6.01 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.

- 6.02 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.
- 6.03 Absence without leave, late arrival exceeding sixty (60) minutes, early quitting without prior permission, will disqualify an employee from receiving holiday pay.
- 6.04 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.
- 6.05 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.
- 6.06 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.
- 6.07 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.

ARTICLE 7 - MINIMUM RECOMPENSE

7.01 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.

7.02 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 8 - SENIORITY AND JOB POSTING

8.01 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.

8.02 Temporary Employees

An employee on being hired will be considered temporary and placed on probation until he or she has worked continuously for the Company for a period of sixty (60) calendar days or has accumulated forty (40) working days within one hundred and twenty (120) calendar days.

During this probationary period, an employee may be discharged at the discretion of the Company. At the completion of the probationary period, the employee will then become a regular employee and placed on seniority lists, with seniority back-dated to start date. A change of rate from starting rate will become effective at the beginning of the pay period following the completion of probationary period.

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

8.04 Students

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

8.05 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.

- 8.06 A laid off employee must provide the Employee Relations Department with written notice of a change in address or telephone number.
- 8.07 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.
- 8.08 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.
- 8.09 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.
- 8.10 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.

- 8.11 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.
- 8.12 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.
- 8.13 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.
- 8.14 The Company and the Union will form a small committee to determine reasonable length of training required for various job classifications.
- 8.15 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 9 - GRIEVANCE PROCEDURE

- 9.01 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 1000, shall represent the employees of the Company in matters pertaining to this Agreement. For stages one and two of the Grievance Procedure, the Chairperson, Vice-Chairperson 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 foremen an opportunity to adjust his complaint.
- 9.02 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.
- 9.03 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

- 9.04 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.

- 9.05 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.
- 9.06 This notice shall contain the name of the first party's appointee to an Arbitration Board.

- 9.07 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 appointment shall be made by the Minister of Labour for Ontario upon the request of either party.
- 9.08 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.
- 9.09 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.
- 9.10 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.
- 9.11 Nothing contained in this Article shall prevent the parties from mutually agreeing to a single arbitrator.
- 9.12 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 10 - UNION MEMBERSHIP

- 10.01** 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.
- 10.02** 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.

ARTICLE 11 - MANAGEMENT RIGHTS

- 11.01** 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 12 - NO STRIKE AND LOCK-OUT CLAUSE

- 12.01** 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.

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12.02 The Company agrees not to lockout its employees during the life of this Agreement.

ARTICLE 13 - BULLETIN BOARDS

13.01 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 14 - HEALTH AND SANITATION

14.01 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.

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

ARTICLE 15 - INSURANCE PLAN

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

15.02 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 \$450.00 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.

15.03 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. This amount will increase to \$5,000 for employees retiring after January 1, 1995.

15.04 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 type 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 per family member in any two consecutive calendar years. On ratification payments will be increased to \$100 and further increased to \$125 on January 1, 1997.

15.05 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.

15.06 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.

15.07 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".

15.08 Dental Care Plan:

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

ARTICLE 16 - GENERAL

16.01 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.

16.02 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.

16.03 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.

16.04 The Company is prepared to meet with the Union from time to time to discuss questions that may arise concerning the existing Pension Plan.

16.05 Pay cheques will be issued for the day shift every second Thursday commencing at 3:00 p.m. For afternoon and night shifts every second Wednesday after 3:00 p.m.

- 16.06 In the event of lateness, pay will be reduced by the amount of time lost.
- 16.07 The Company will make payroll deductions for the employees to a single Credit Union to be chosen by the employees.
- 16.08 **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.
- 16.09 The Company agrees to pay the following allowance toward the purchase of protective footwear once a year for all permanent employees.
- | | | |
|-----------------|---|----------|
| On ratification | - | \$ 80.00 |
| January 1, 1998 | - | \$ 85.00 |
| January 1, 1999 | - | \$100.00 |
- 16.10 Specific smoking areas will be designated.
- 16.11 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).
- 16.12 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.
- 16.13 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.

- 16.14 The tool allowance for Mechanics who elect to use their own tools on the job is \$100.00.
- 16.15 The Company will pay medical certification fees by compensating an employee for the fee charged by a physician up to a maximum of twenty dollars (**\$20.00**) for the completion of a medical certificate of illness or injury, if such certificate is required by the Company to support an employee's claim for benefits under the Weekly Indemnity plan. Payment will be initiated upon production of a formal receipt from the attending physician.

ARTICLE 17 - PREGNANCY LEAVE

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

- 17.01 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.
- 17.02 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.

- 17.03 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.
- 17.04 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.
- 17.05 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.
- 17.06 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.
- 17.07 Circumstances arising from pregnancy leave that are not covered in this article will be administered under the terms of the Employment Standards Act.

ARTICLE 18 - JOB CLASSIFICATION AND WAGE RATES

- 18.01 The schedule of wage rates is attached hereto and forms part of this Agreement.
- 18.02 The starting rate for new employees shall be six (6) cents per hour below the base rate.

- 18.03 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.
- 18.04 A lead hand, when required, will be paid thirty-five (35) cents per hour on his base rate.

ARTICLE 19 - AUTOMATION

- 19.01 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.
- 19.02 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.

19.03 Recall procedures under this policy will be in accordance with Article 8 of this Agreement.

ARTICLE 20 - PLANT CLOSURE

- 20.01 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.
- 20.02 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.
- 20.03 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. *

- 20.04 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 21 - DURATION OF AGREEMENT

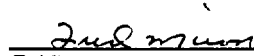
- 21.01 This Agreement shall remain in force and effect from January 1, 1995 until and including the 31st day of ~~December, 1999~~ and thereafter for one year unless written notice of contrary intention is given by either party to the other party.
- 21.02 **If** no agreement is reached at the expiration of this contract and negotiations are continued, the Agreement shall remain in force **up** to the time a subsequent agreement is reached.
- 21.03 Either party may begin negotiations for a new agreement thirty **(30)** days before expiry date as noted above.

Approved and signed, this 2ND day of FEBRUARY,
Nineteen Hundred and Ninety-six (1996) at Pembroke, Ontario.

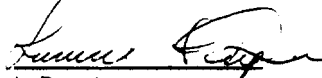
MacMillan Bathurst
Pembroke Plant
Pembroke, Ontario



R. Schroeder

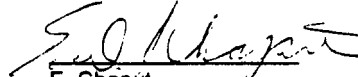
IWA Canada - on its own
behalf and on the behalf
of Local 1000 (Hourly)

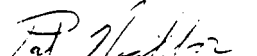

F. Miron
2nd Vice-president,
IWA Canada



D. Cecchini


L. Dupuis


R. M. Gruber


E. Chaput


P. Nighbor


D. Buske


M. McCarter, Representative
IWA Canada

SCHEDULE "A"

Schedule of Wage Rates MacMILLAN BATHURST - PEMBROKE PLANT

	Hrly. Rate Effec. Jan. <u>1/96</u>	Hrly. Rate Effec. Jan. <u>1/97</u>	Hrly. Rate Effec. Jan. <u>1/98</u>	Hrly. Rate Effec. Jan. <u>1/99</u>
100 Corrugator Operator	18.11	18.38	18.75	19.31
101 Double Backer Operator	17.20	17.46	17.81	18.34
102 Cut-Off Operator	18.11	18.38	18.75	19.31
102A Ass. Double Cut-off Knife	17.20	17.46	17.81	18.34
103 Lift Truck Operator (roll storage)	17.22	17.48	17.83	18.36
105 Corrugator TakeOff	16.61	16.86	17.20	17.72
105A Stacker Operator	16.88	17.13	17.47	17.99
106 Printer Slotter Operator	18.11	18.38	18.75	19.31
107 Printer Slotter 2nd Man	17.34	17.60	17.95	18.49
111 Curtain Coater Operator	16.86	17.11	17.45	17.97
113 Slitter Scorer Operator	16.69	16.94	17.28	17.80
114 Partition Scorer Opr.	16.79	17.04	17.38	17.90
115 Eccentric Slotter Opr.	16.61	16.86	17.20	17.72
116 Stitcher Operator	16.69	16.94	17.28	17.80
116A Taper Operator	16.61	16.86	17.20	17.72
117 Stitch/Taper Piler	16.57	16.82	17.16	17.67
119 Curtain Coater 2nd Man	16.35	16.60	16.93	17.44
121 Partition Assemblers	16.28	16.52	16.85	17.36
124 Manual Stitcher Operator	16.69	16.94	17.28	17.80
128 Die Press 2nd Man	16.61	16.86	17.20	17.72
129 Laminator Operator	16.86	17.11	17.45	17.97
130A Misc. Head Bundler	16.43	16.68	17.01	17.52
131 Lunchroom Attendant	16.34	16.59	16.92	17.43
132 Janitor	16.34	16.59	16.92	17.43
133 Baler Operator	16.77	17.02	17.36	17.88
134 Shipping Lead Hand	17.64	17.90	18.26	18.81

	Hrly. Rate Effec. Jan. <u>1/96</u>	Hrly. Rate Effec. Jan. <u>1/97</u>	Hrly. Rate Effec. Jan. <u>1/98</u>	Hrly. Rate Effec. Jan. <u>1/99</u>
135 Shipping Asst Lead Hand	17.40	17.66	18.01	18.55
136 Shipping Checker (dock)	16.94	17.19	17.53	18.06
139 Adhesive Mixer Operator	16.79	17.04	17.38	17.90
140 Corrugator Trucker	16.79	17.04	17.38	17.90
140A Press & Fin. Trucker	16.79	17.04	17.38	17.90
142 Die Mounting Printer	17.49	17.75	18.11	18.65
143 Die Maintenance- Steel Rule	16.75	17.00	17.34	17.86
145 Pallet Strapper Operator	16.79	17.04	17.38	17.90
146 Pallet Maintenance	16.89	17.14	17.48	18.00
148 Engineer 4th Class	17.20	17.46	17.81	18.34
149 Factory Mechanic A	18.91	19.19	19.57	20.16
151 Maintenance Handyman	18.78	19.06	19.44	20.02
152 Electrician	19.45	19.74	20.13	20.73
154 Maintenance Lead Hand	19.31	19.60	19.99	20.59
155 Labourer	16.28	16.52	16.85	17.36
157 Lead Hand ***				
158 Slitter Tailer	16.35	16.60	16.93	17.44
159 Laminator Tailer	16.29	16.53	16.86	17.37
160 Partition Slotter Tailer	16.35	16.60	16.93	17.44
161 Rotary Flexo Die Press Operator	18.11	18.38	18.75	19.31
162 Rotary Flexo Die Press 2nd Man	17.34	17.60	17.95	18.49
163 Flexo Folder Gluer Operator	18.11	18.38	18.75	19.31
163A Large Flexo Operator	18.11	18.38	18.75	19.31
164 Flexo Folder Gluer 2nd Man	17.34	17.60	17.95	18.49
164A Large Flexo 2nd Man	17.34	17.60	17.95	18.49

	Hrly. Rate Effec. Jan. <u>1/96</u>	Hrly. Rate Effec. Jan. <u>1/97</u>	Hrly. Rate Effec. Jan. <u>1/98</u>	Hrly. Rate Effec. Jan. <u>1/99</u>
165 Flexo Folder Gluer 3rd Man	16.62	16.87	17.21	17.73
165A Large Flexo Feeder	16.79	17.04	17.38	17.90
166 Corrugator Helper	16.61	16.86	17.20	17.72
170 Rotary Flexo Die Press 3rd Man	16.62	16.87	17.21	17.73
171 Litho Laminator Operator	17.40	17.66	18.01	18.55
172 Litho Laminator 2nd Man	16.57	16.82	17.16	17.67
173 Students	12.63	12.82	13.08	13.47

*** Lead Hand (Article 18.04)

Wages

The Company will set rates for new jobs or rates applicable to new machines. The Company, where possible, will give the Union thirty (30) days advance notice in writing, to the commencement of the job classifications. After a period of thirty (30) days, any such rate or rates, not acceptable to the Union, may be discussed with management. Upon agreement of the applicable rate or rates they shall be integrated into the Wage Schedule and payment made retroactive (if necessary) after the thirty (30) day period. If no agreement is reached on the rate, the matter may be referred to the grievance procedure commencing at Step 3 of the procedure.

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, 1995	- \$1,500.00
January 1, 1998 for all claims commenced after January 1, 1998	- \$1,600.00

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

The regular straight time 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). Onethirtieth 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, not 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.

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. Effective January 1st of each year, the dental care plan will be payable on the basis of a one (1) year time lag on the Ontario Dental Association 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. Effective January 1, 1996 for orthodontic claims commenced after January 1, 1996, the maximum lifetime benefit will be increased to \$1,200. The Company will pay the premium **cost for** this benefit.

Coverage

In order to be eligible for coverage, employees must have completed four (4) 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.

PENSION PLAN

The terms and conditions of the pension plan applicable to employees represented by IWA - Canada Local (1000) at the Pembroke plant are described in Text C of the Pension Plan for Unionized Employees of MacMillan Bathurst (hereinafter referred to as the "Plan"), which is a pension plan registered with the appropriate federal and provincial government authorities.

The main provisions of Text C of the Plan, as amended as at January 1, 1995, are summarized in the following paragraphs. It is agreed and understood that any plan change introduced through the present collective agreement is subject to the approval of the government authorities responsible for the supervision of the plan.

It is also understood that the Plan, with amendments as agreed in the 1995 negotiations, shall not be subject to further modifications for the duration of the labour agreement reached with effect from January 1, 1995.

1. Eligibility and Participation in the Plan

- a) An employee hired after December 1, 1979 must, as a condition of employment, become a member of the Plan on the first day of the month next following his completion of twenty four (24) months of continuous employment with the Company.
- b) An employee hired before December 1, 1979, may become a member of the Plan on the first day of any month; however, an employee who elects to participate in the Plan may not discontinue his participation at a later date.

2. **Employee Contributions**

Each member must contribute to the Plan an amount equal to 4.7% of the portion of his earnings on which he makes contributions to the Canada Pension Plan, plus 6.5% of the remaining portion of his earnings.

For purposes of this paragraph, "earnings" mean all remuneration received for services with the Company, including basic earnings, overtime, regular incentives and special bonuses, but excluding taxable benefits, special payments or indemnities and reimbursement of expenses.

3. **Normal Retirement Date**

The normal retirement date of a member is the first day of the month coincident with or immediately following his attainment of age 65.

4. **Pension at Normal Retirement Date**

- a) The annual pension payable to a member who retires on his normal retirement date is equal to the sum of
 - i) \$2.00 for every \$4.00 the member has contributed to the Plan before January 1, 1986, plus
 - ii) Effective January 1, 1989, 50% of the pension credits earned for service before January 1, 1986, plus
 - iii) Effective January 1, 1995, 25% of the pension credits earned for service before January 1, 1986, plus

- iv) The sum of:
- 1) Seven eighth of one percent (7/8%) of the portion of his Final Average Earnings up to the Final MPE, multiplied by his number of years of Credited Service after January 1, 1986, plus
 - 2) One and one-half percent (1½%) of the portion of his Final Average Earnings in excess of the Final MPE, multiplied by his number of years of Credited Service after January 1, 1986.
- b) Notwithstanding the above, the annual pension payable to a member who retires during the period from January 1, 1995 to December 31, 1999, with respect to his Credited Service after January 1, 1989, shall at least be equal to:
- i) 1.65% of the member's Final Average Earnings times his years of Credited Service after January 1, 1989, less
 - ii) 1/35 of the C/QPP Pension times **his** years of Credited Service after January 1, 1989, up to a maximum of 21 years.

For purposes of paragraphs a) and b), the following terms are defined as follows:

“Final Average Earnings” means the average of the member’s earnings during the five calendar years, within the ten calendar years of continuous employment preceding his retirement, during which such earnings were the highest; **for** purposes of this definition, “earnings” are those on which contributions have been deducted.

In the case of an employee who was absent from work for one or more months during one of the years considered when

calculating Final Average Earnings, the earnings shall be annualized; this provision shall apply only if the employee has worked for at least three months during the year under consideration.

“Final MPE” means the average of the Maximum Pensionable Earnings as defined in the Canada Pension Plan, in the year of retirement and in the two preceding years.

“C/QPP Pension” means the maximum pension payable under the Canada Pension Plan in the year of the member’s retirement.

5. Early Retirement

- a) A member may elect early retirement on the first day of any month after his attainment of age **55**. The annual early retirement pension then payable shall be equal to a percentage of the pension calculated in accordance with the formulas described in paragraph 4 above, such percentage being determined from the following table:

Age at early retirement	<u>Member has completed</u>	
	At least 20 years of continuous employment	Less than 20 years of continuous employment
64	100%	94%
63	100%	88%
62	100%	82%
61	100%	76%
60	100%	70%
59	100%	64%
58	100%	58%
57	94%	52%
56	88%	46%
55	82%	40%

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- b) A member who elects early retirement after having completed at least 20 years of continuous employment, shall receive a bridging supplement commencing on his early retirement date and ending on the earlier of the first day of the month following his attainment of age 65 or the first day of the month following the date of his death.

The amount of the bridging supplement shall be calculated as follows:

- i) For a member who retires after attainment of age 60, the bridging supplement shall be equal to \$15.00 per month times the number of years of allowable service not exceeding 30, with proportional allowance for completed months.
- ii) For a member who retires on or before attainment of age 60, the bridging supplement shall be equal to \$28.00 per month times the number of years of allowable service not exceeding 30, with proportional allowance for completed months; as of the first day of the month following his 60th birthday, the bridging supplement shall reduce to \$15.00 per month times such service.

The amount of \$28.00 referred to above will increase to \$30.00 in the case of a member who retires on or after January 1, 1998.

- iii) For a member who retires before attainment of age 58, the bridging supplement is equal to a percentage of the amounts determined in b) ii) above; the percentage is equal to 100% less 8% for each year prior to age 58.

For purposes of this paragraph b), the years of allowable service is equal to the years of credited service in respect of which a pension is payable under the terms of the Plan as in effect on December 31, 1994.

6. Forms of Pension

a) Normal form of pension:

Under the normal form, the pension is payable monthly for as long as the member lives after retirement, with the guarantee that should he die before he has received 60 monthly payments, the payments shall continue to be made to his designated beneficiary until 60 monthly payments in all shall have been made.

b) Automatic form of pension:

A member who has a spouse and who is not living separate and apart from his or her spouse on the date of his retirement shall be deemed to have elected a joint and survivorship pension providing for the continuation of at least 60% of his pension to his spouse after his death, unless both the member and his spouse sign a form waiving the election of such option. The amount of the pension payable under this automatic form of pension shall be adjusted so as to represent the actuarial equivalent value of the pension payable under the normal form of pension described in paragraph a) above.

c) Optional form of pension:

A member who does not have a spouse or who is living separate and apart from his or her spouse on the date of his retirement or a member who has a spouse on the date of his retirement but has waived, jointly with his spouse, the automatic form of pension described in paragraph b) above, may elect to receive his pension under one of the following optional forms of pension.

- i) a life pension with a guarantee of 10 years;

- ii) a life pension continuing at a rate of 50% or 100% to his spouse;
- iii) a life pension integrated with the Old Age Security pension.

The amount of the pension payable to a member who elects one of the optional forms of pension described above shall be adjusted to represent the actuarial equivalent value of the pension payable under the normal form. The election of an optional form of pension must be in writing, on the form prescribed by the Company, and must be filed with the Company at least two months before commencement of the pension payments.

7. Termination of employment

A member who terminates his employment prior to retirement shall be entitled to the following benefits:

- a) If the member has completed less than 2 years of membership in the Plan as at the date of his termination of employment, he shall receive a refund of his accumulated contributions with interest to the date of his termination.
- b) If the member has completed at least 2 years of membership in the Plan as at the date of his termination of employment, he shall receive a refund of his contributions made before January 1, 1987, with credited interest, and he shall also be entitled to a deferred pension commencing on his normal retirement date, equal to his pension accrued in respect of service on ~~or~~ after January 1, 1987, as determined in accordance with the formulas described in paragraph 4 a) above.

However, **if** the member has completed at least five years of continuous employment with the Company, he may elect to receive, in lieu of the refund of his contributions made before January 1, 1987, a deferred pension commencing on his normal retirement date equal to:

- i) the pension which **is** of actuarial equivalent value to the member's contributions made prior to January 1, 1987, with credited interest, plus
- ii) a percentage of the excess of his pension for service prior to January 1, 1987 over the amount in i) above, such percentage being determined in accordance with the following table:

Years of Service	Percentage
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

- c) If the member has completed at least 10 years of continuous employment and **has** attained the age of 45 as at his date of termination of employment, he shall be entitled to a deferred pension commencing on his normal retirement date; the pension accrued is calculated as at the date **of** termination of employment in accordance with the formulas described in paragraph 4 a) above.

A member who terminates his employment before age 55 and who is entitled to a deferred pension, may elect to transfer the commuted value of such pension to a locked-in RRSP. Furthermore, the portion, if any, by which the employee contributions made after January 1, 1987,

accumulated with interest, exceed 50% of the commuted value of the vested pension in respect of service after January 1, 1987, shall be refunded to the member.

8. Death benefits

- a) If a member dies before the commencement of his pension, his designated beneficiary (or his estate, if there is no designated beneficiary), shall receive a refund of his contributions with credited interest. However, if the member had completed at least two years of membership in the Plan at the date of his death, the refund payable in respect of contributions made on ~~or~~ after January 1, 1987, shall be at least equal to the commuted value of the pension accrued in respect of such service ~~plus~~ the portion, if any, by which the contributions made by the member after January 1, 1987, with interest, exceed 50% of such commuted value, ~~less~~ any other employer-paid death benefit payable to the recipient of the refund; the recipient of such refund shall be the spouse of the member or, if there is no spouse, his designated beneficiary, or, if there is no designated beneficiary, his estate.
- b) If a member dies after the commencement of his pension, the benefits payable, if any, shall be determined in accordance with the form of pension elected by the member prior to his retirement.

It is understood that this appendix is only a summary of the main provisions of the Plan and that the actual administration of the benefits payable shall, at all times, be governed by the official text of the Plan.

This appendix "D" is included in the Labour Agreement.

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 arrangements 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, 1995 - December 31, 1999 Agreement, between MacMillan Bathurst, Pembroke Plant and IWA Canada, Local 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 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 formula 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 Plant

R. Schroeder
Production Manager

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