

COLLECTIVE AGREEMENT

Between



Pulp Group

Smooth Rock Falls Division

And



COMMUNICATIONS, ENERGY &
PAPERWORKERS UNION
OF CANADA
LOCAL **32**

May 1st, 1998 to April 30th, 2004



COLLECTIVE AGREEMENT

BETWEEN

TEMBEC INC., PULP GROUP

SMOOTH ROCK FALLS DIVISION

AND

COMMUNICATIONS, ENERGY & PAPERWORKERS

UNION OF CANADA

LOCAL 32

May 1st, 1998 to April 30th, 2004

I N D E X

	Page NO.	
Absenteeism	35 - 36	
Apprenticeship Plan	34 - 78	(Appendix H)
Arbitration	34 - 35	
Benefits	30	
Bereavement Leave	15 & 29	
Contracting Out	5	
Day Off	16	
Dental Plan	63	(Appendix E)
Dependent Insurance(See Benefits)		
Electrician Promotion Plan	34 6 84	(Appendix I)
Emergency Shutdown	40	
Extended Health Care Plan	56	(Appendix D)
Flexibility of Tradesmen	34 & 67	(Appendix F)
Floating Holidays	22	
General	39	
Grievance	34	
Height Pay	16	
Holidays		
- Rules for Stat. Holidays	18	
- Rules for Floating Holidays	22	
- Rules for Vacation with Pay	23	
- List of Stat Holidays	18	
Hours of Work	10	
Injury on the Job	33	
Interruption of Work	6	
Insurance - Retirees	31 - 32- 33	
Job Classification Plan	40 & 88	(Appendix K)
Job Posting Procedure	87	(Appendix J)
Job Security	10	
Jurisdiction	5	
Jury Duty	29	
Lay-Offs	8	
Leave of Absence	29	
Life Insurance	31	
Local Adjustments	39	
Long Term Disability	53	(Appendix C)
Meals	33	

I N D E X

	<u>Page No.</u>	
Metrification	33	
Mill Rules	35	
Parties	4	
Pension Plan	32	
Period of Agreement	39	
Premium Pay	40	
Premium Pay - Day Workers	11	
Premium Pay - Tour Workers	12	
Promotions and Transfers	6	
Pulp Mill Schedule	10	
Purpose	4	
Recall Rights	8	
Rescheduling of Shifts		
Rest Pay	17	
Safety	33	
Schedules - Posting	16	
Severance Pay	8	
Shift Differential	38	
Statutory Holidays	18	
Subpoenaed Witness	29	
Technological Change	9	
Term of Agreement	39	
Trades Promotion Plan	34 & 68	(Appendix G)
Union Security	4	
Union Recognition	4	
Vacations With Pay	23	
Vision Care	31	
Wage Schedule	38 & 42	(Appendix A)
Weekly Indemnity	46	(Appendix B)
A Wage Schedule	42	
B Weekly Indemnity	46	
C Long Term Disability	53	
D Extended Health Care	56	
E Dental Plan	63	
F Flexibility of Tradesmen	67	
G Trades Promotion Plan	68	
H Apprenticeship Plan	78	
I Electrician Promotion Plan	84	
J Job Posting Procedure	87	
K Job Classification Plan	88	

1. PARTIES

This agreement is **between** Tembec Inc., Pulp Group, Smooth Rock Falls Division referred to herein as the Company, and the Communications, Energy & Paperworkers Union of Canada, C.L.C., and it's Local 32, referred to herein as the Union, covering the mill of the Company located at Smooth Rock Falls, Ontario.

2. PURPOSE

2.01

- (a) The general purpose of this agreement is to establish mutually satisfactory relations between the Company and its employees, to provide machinery for the prompt and equitable disposition of grievances, to establish and maintain **satisfactory** working conditions, hours and wages for the employees who are subject to the provisions of the agreement.

- (b) The mutual interest of employer and employee is recognized **by** this agreement for the operation of the entire plant under methods that will promote to the fullest extent, safety to the employee, economy of operation, quality and quantity of output, cleanliness of plant and protection of property; and it is recognized by this agreement to be the duty of the parties to this agreement and of all employees to cooperate fully, individually and collectively for the advancement of these conditions.

3. UNION RECOGNITION

3.01 Tembec Inc., Pulp Group, Smooth Rock Falls Division recognizes the Communications, Energy & Paperworkers Union of Canada, as the exclusive bargaining agent and representative for the employees under their jurisdiction at the Company's Smooth Rock Falls Division.

4. UNION SECURITY

- 4.01 The Company when hiring employees, shall give preference to members of the Local **Union**.

- 4.02 All employees whose rates are fixed by this agreement shall become **members** of their respective Local Union within fifteen (15) days after entering the Company's employ and shall be so instructed by the Human Resources Department and shall maintain membership in good standing, and shall upon hiring sign a Union deduction card for monthly dues at the Human

Resources Office for the respective Union concerned. The payroll deduction authorization for monthly dues will become effective fifteen (15) days after the employee starts to work.

- 4.03 In consideration of this deduction and forwarding service by the Company, the Union agrees to save the Company harmless against any claim or liability arising out of or resulting from tire collection and forwarding of these dues.
- 4.04 All new employees shall serve a probationary period of thirty (30) working days during which period the Union shall represent such employees in every capacity. However, it is understood and agreed that the Company may terminate a probationary employee in its discretion provided only that such discretion shall not be exercised in such a manner that is discriminatory or in bad faith.

5. JURISDICTION

- 5.01 No employee is to be required to become a member of more than one Union. Questions of jurisdiction shall conform to the regulations covering such matters as fixed by the Canadian Labour Congress, and the Company will not be asked to act upon any matters of jurisdiction between organizations. However, when the respective organizations are unable to agree on the Union a man is required to join, then the Company will specify the Union in which they will recognize him and shall consider him a member of that Union until such time as the respective organizations agree.
- 5.02 It is understood the Company will continue to recognize lines of demarcation of individual local jurisdictions that have been established over the years until notified in writing by the Local concerned there has been a change.

6. CONTRACTING OUT

- 6.01 The Company will not contract out repair and maintenance work which is regularly performed by the repair crew for which the mill concerned is equipped, for which crews are available and which employees are capable of doing. The Company will advise the Union of their intentions to contract out prior to the final agreement being reached with a contractor.

7. INTERRUPTION OF WORK

- 7.01 No strikes or lockouts shall occur during the life of this agreement.
- 7.02 Prior to a legal strike the parties shall meet to discuss procedures to ensure the essential services and complete security of the mill property and facilities. With implementation and continuance of the above, insurance benefits, excluding Weekly Indemnity and Long Term Disability Benefits, will be maintained subject to the employees or the Union paying the full cost of such coverage upon return to work. Weekly Indemnity and Long Term Disability Benefits being paid at the commencement of a strike, supported by proper medical evidence when requested, will be continued.

8. PROMOTIONS AND TRANSFERS

- 8.01 When vacancies occur in a department, then the Company shall post on bulletin boards throughout the mill a notice concerning the bottom job in the department affected. Such notice shall indicate the qualifications essential to promotion within that department. Such posting shall be for a period of ten (10) working days and the Company shall have the right to make a temporary appointment without penalty. In all cases of promotion the Company will give consideration to seniority, ability and qualifications. When the last trio factors are relatively equal, seniority will govern.
- 8.02 In cases of promotions, where the man to be promoted is not the senior man in the department concerned, the Company will present the alternative name to the Union, who will have the opportunity to discuss with the Company the qualifications of the senior man. The Company shall take such presentation into consideration in making its decision, which decision may be subject to the grievance procedure outlined in Article 35 of this agreement.
- 8.03 The Company will train employees to minimize the hiring of skilled men from outside the mill.

Permanent Relief:

- Each department will be provided with the applicable number of permanent relief.
- The number of permanent relief provided will be allocated on the basis to cover for vacations. The formula will be calculated based on the total number of vacation weeks divided by 51 with a minimum of 40 to justify one person.
- Any additional relief required will be provided by creating temporary job postings on the spare list.

- Those holding permanent relief will be guaranteed 40 hours per week in the department.
- Those holding temporary relief postings will revert to the spare list when not needed in the department. They will be reassigned for work elsewhere based on mill seniority and qualifications. The first temporary relief will be assigned to the department to fill the first available vacancy and the same will apply for subsequent vacancies.
- Those employees currently holding a permanent relief posting, but not successful in maintaining a permanent relief, will be granted the status of temporary relief on the spare list and will be granted the first right of refusal on the next available permanent relief posting in that department. If refused the position will be posted.
- A person cannot hold more than one relief posting, either temporary or permanent relief.
- Trades personnel are excluded from the above.
- Those holding temporary postings will book their holidays in the department where they have their postings.
- An employee holding a temporary posting will not have a right to the permanent relief postings that opens up as a result of a permanent opening in the line of progression.
- Those employees currently holding permanent relief postings who are reduced to holding a temporary posting, shall be provided with forty (40) hours of work in the mill.
- Those employees holding postings on the spare list will not be subject to the six month time limit as outlined in Appendix J.

8.04 RESCHEDULING OF SHIFTS

When a temporary vacancy occurs for any reason and qualified help is available, promotions will be made from among the men on the same shift in which the vacancy occurs. In cases of permanent promotions and determined absences of thirty (30) days or more in duration then the senior tour worker next in line for the job will be promoted, subject to efficiency and qualifications, with consequent promotions all down the line and securing the necessary help to fill the vacancy thus created in the lowest category job. If qualified help is not available on the shift then the following procedure will be followed: First, the vacancy will be filled at the bottom job position from the recall list. Second, employees on call on the classification where the vacancy exists shall be called. Third, other employees in that line of progression shall be called. The Company agrees to give twenty-four (24) hours notice to re-scheduling of shifts.

All promotions whether to fill temporary or permanent vacancies, must be accomplished in accordance with the established lines of progression.

If no relief is available on the same shift to relieve for banked statutory holidays and floating holidays on the day that is requested, then the next senior qualified relief will be asked to change shifts.

Note: Change of shift must be made without anyone working two (2) **consecutive** shifts. Those on their regular days off are not to be affected.

9. LAY-OFFS

- 9.01 In case of layoff, Union **members** will be given preference in employment, among equally efficient Union members, the older in point of service being given preference of employment.
- 9.02 In cases of lay-offs, plant wide seniority with due regard to jurisdiction of the Union shall apply. In making transfers under this rule it is understood and agreed that in **moving** between departments, the senior man must have the necessary qualifications to enter the department and shall have **access** only to the **bottom** job in the line of progression in the department to which he is being transferred. If the number of senior employees involved in a permanent lay-off exceeds the number of junior employees holding bottom jobs in the lines of progression, the Company, if requested by the Union, will locate other **job** openings in jobs held by junior employees above the **bottom** jobs so as to assure continued employment for senior employees. Training will be given if necessary to the senior employees.
- 9.03 When **employees** are laid off they shall be recalled in reverse order of their lay-off.
- 9.04 Recall rights will be three (3) years or length of service whichever is greatest. It is the responsibility of the employee to keep the employer informed of his address.

10. SEVERANCE PAY

- 10.01 A permanent employee with at least one (1) year's continuous service who is laid off due to job elimination **by** Management **decision** for such causes as more efficient operation, change or elimination of a process, lack of orders, shall be paid severance Pay. Severance Pay shall not be paid due to job elimination for such **causes** as fire, flood, explosion or "Act of God". Severance pay shall be paid in accordance with the following:

- (a) Severance Pay shall be one (1) week's pay for each year of an employee's last full period of service without interruption due to lack of work. Severance Pay will not be paid to employees who resign or are discharged. One half of this severance pay is payable after the employee has been laid off due to job elimination for a period of six (6) weeks. The second half of the Severance Pay is payable after the employee has been laid off a total of three (3) months.
- (b) If recalled to work before the Severance Pay payment is payable, no such payment will be made. Any employee refusing a recall shall forfeit his right to Severance Pay.
- (c) If an employee is recalled after having received all of the Severance Pay due him, he will, as of the date of return, commence a new period of accumulation which will be credited toward any future lay-off.
- (d) If a" employee is recalled after having received half of the Severance Pay due him, he will, upon return to work retain the right to the unpaid portion which will be added to any new accumulation of severance Pay.

11. TECHNOLOGICAL CHANGE

- 11.01 The Company undertakes to advise and to discuss with the Union in advance as far as possible (minimum three (3) months) of any technological changes which the Company has decided to introduce which will result in significant changes in the employment status of employees.
- 11.02 The Company agrees to discuss with the Union the effect of such technological changes on the employment status of employees and consider practical ways and means of minimizing the adverse effect on employees displaced by such changes. Such measures as early retirement, retraining and transfers to other existing jobs will be considered.
- 11.03 If a permanent employee with one (1) year's continuous employment is set back to a lower paid job due to job elimination under conditions set forth above he shall retain the rate of the permanent payroll position for an initial period of six (6) months. For an additional period of six (6) months an adjusted rate will be established midway between this rate and the rate for his new job for each work week. At the end of the twelve (12) month period the rate for the job to which he is assigned will apply. Seasonal or temporary employees are not covered by this clause.

- 11.04 A permanent employee with one (1) year's continuous service who will be laid off due to job elimination under conditions set forth above will be given notice of the impending change in employment status at the earliest possible time in keeping with the notification of the Union as set forth in 11.01 above

JOB SECURITY

- 11.05 The Company and the Union recognize that technological change, automation, changes in methods of process and reduction of workforce have an impact on employees. The Company is therefore prepared to make the following commitment. Immediately following a public announcement by the Company of its intentions to proceed with a major project or layoff (for reasons other than market conditions) affecting the employment status of permanent employees, the Company will meet with the Union involved to implement the following: Special early retirement provisions, freeze on the hiring of permanent employees, retraining, transfers to other job vacancies, exercise of the bumping provisions of the agreement, and attrition (death, retirement, voluntary resignation, discharge for cause).

12. PULP MILL SCHEDULE

- 12.01 The normal scheduled operation of the mill will be continuous for seven (7) days per week except for scheduled shutdown holidays as designated and such other shutdowns as considered necessary by the Company.

13. HOURS OF WORK

- 13.01 The term "Day Worker" shall include hourly rated Day Workers in the mill and hourly rated employees of the Mattagami Railroad.
- 13.02 Normal hours of employment for Day Workers shall not exceed forty (40) hours per week.
- 13.03 The regular hours of service for Day Workers shall be from 8:00 a.m. to 4:00 p.m., except as mutually agreed.
- 13.04 The Train Crew will be paid a minimum of eight (8) hours each week day excluding recognized holidays and the days upon which the mill is not operating, at the prevailing rates of pay and will do relative clerical work and any class of railroad work offered to fill out the full eight (8) hours.
- 13.05 Shifts shall be arranged to suit the running schedule of the mill and to avoid any interruptions in normal operations, it being agreed that in some cases it is necessary to effect an "average" work week. The word "average" shall mean the work

week schedule to be agreed upon and will result in some work weeks in excess of forty (40) hours.

- 13.06 The schedule of hours for Tour Workers and hours when tours shall change shall be from 7:00 a.m. to 7:00 p.m., 7:00 p.m. to 7:00 a.m., or as mutually agreed.
- 13.07 Tour workers in a department on less than a seven (7) day operation shall be on a 40 hour per week schedule.

14. PREMIUM PAY - DAY WORKERS

- 14.01 Time and one-half shall be paid for all hours worked between 8:00 a.m. Sunday and 8:00 a.m. Monday. Work done in excess of eight (8) hours on Sunday will be paid for at the rate of double time.
- 14.02 Work done in excess of eight (8) hours in any week day shall be paid for at the rate of time and one-half.
- 14.03 A Day Worker who, on the completion of a shift is called in during the hours from 4:00 p.m. to 7:00 a.m., shall be guaranteed a minimum of four (4) hours pay and shall perform only that emergency work that required the call-in. If upon completion of the emergency work that necessitated the call-in, the employee is required by the Company to perform any subsequent additional work, it shall be treated as an added call-in. When a Day Worker is called in on a breakdown before 7:00 a.m. and continues to work on that breakdown after his normal starting time, the time and one-half rate will apply to the completion of the job. If called in between 7:00 a.m. and 8:00 a.m. he shall receive time and one-half for the period worked. When the mill is on a run through, an employee called in shall receive a minimum of 6 hours pay at straight time or triple time for all hours worked whichever is the greater
- 14.04
- a. A Day Worker called in on his designated day off shall receive time and one-half for the hours worked with a minimum of four (4) hours pay for each call.
 - b. A Day Worker called in on Sunday or a Statutory Holiday shall receive time and one-half for the hours worked with a minimum of six (6) hours pay for each call.

- 14.05 A Day Worker who reports for duty at the beginning of his normal day and finds his work schedule has been changed and if he has not been contacted previously by telephone or messenger, shall receive two (2) hours pay and will be allowed to return home.
- 14.06 Overtime shall not be pyramided nor shall more than one (1) basis of calculating overtime be used to cover the same hours.
- 14.07 When a temporary vacancy occurs on the 7:00 a.m. to 7:00 p.m. day shift, and a qualified relief man is scheduled 8:00 a.m. to 4:00 p.m. days, the qualified relief man will be used to fill the vacancy at the applicable straight time rate. This applies to operation personnel and not mechanical crews.

15. PREMIUM PAY - TOUR WORKERS

- 15.01 Time and one-half shall be paid for all hours worked between 7:00 a.m. Sunday and 7:00 a.m. Monday. Work done in excess of twelve (12) hours on Sunday will be paid for at the rate of double time.
- 15.02 Tour Workers shall be paid at the rate of time and one-half for all work performed beyond their regular daily hours of work, with the following exceptions:
- (a) When such work is caused by the change of shifts
 - (b) Overtime work by special arrangement between a Tour Worker and his mate to exchange shifts with the approval of his Supervisor and when this can be accomplished without additional cost or penalty to the company.
 - (c) When required to replace an employee for tardiness up to two (2) hours.
- 15.03 Employees who fail to report for work or who in any way penalize their mates or the Company under this overtime arrangement will be subject to the applicable mill rules. Disciplinary action under these rules and regulations shall be subject to grievance procedure.
- 15.04
- (a) Except as noted above, Tour Workers called on duty after regular working hours or prior to the commencement of a regular shift, (except when reporting early as scheduled for start-up), or on their scheduled days off, shall receive time and one-

half for all overtime work and in no case shall they receive less than four (4) hours pay at regular rates for the work performed on each call. When the mill is on a run through, an employee called in shall receive a minimum of six (6) hours pay at straight time or triple time whichever is the greater.

(D) Tour Workers called in on Sundays or statutory Holidays shall not receive less than six (6) hours pay at regular rates for the work performed on each call.

15.05 Overtime shall not be pyramided nor shall more than one (1) basis of calculating overtime be used to cover the same hours.

15.06 Tour Worker who reports for duty at the beginning of his normal shift or tour and finds his work schedule has been changed and if he has not been contacted previously by telephone or messenger, shall receive two (2) hours pay and will be allowed to return home.

16. TWELVE HOUR SHIFTS

16.01 STATUTORY HOLIDAYS

When an employee's scheduled days off and/or annual vacation period falls on a statutory holiday or the employee is scheduled to work on the statutory holiday:

He will be granted a day off with eight (8) hours pay as outlined in Article 21.10 at a mutually agreed upon later date. An employee may elect to be paid a further four (4) hours by requesting a half day's pay from any outstanding statutory or floater pay still remaining at the time of the day off in lieu is taken. A maximum of forty-eight (48) hours for statutory holidays will be paid to each employee in a calendar year (72 hours for tour workers when worked).

16.02 FLOATERS

A maximum of fifty-six (56) hours will be paid to each employee for floaters in a calendar year. Employee will be paid eight (8) hours pay as outlined in Article 22.03 for each floater. However, an employee may request twelve (12) hours pay and it will be recorded as the employee taking one and one-half floaters.

16.03 VACATION AND FLOATER REQUEST OR CANCELLATION

- (a) All late vacation and floater requests not covered by the vacation policy, must be submitted to the employee's foreman by 8:00 a.m. Tuesday for the following week.
- b) Cancellations or requests will not be allowed if it affects another employee's total weekly work schedule.

Ex. Cancellation or requests will not be permitted if:

- (a) Relief employee has worked thirty-six (36) hours and is scheduled eight (8) or **twelve** (12) hours but by granting this cancellation the employee cannot complete his forty (40) hours.
- (b) If a request or cancellation would compel an employee to work more than sixteen (16) hours consecutively.
- (c) **Emergency** requests will continue **to** be considered on an individual basis.

16.04 EXCHANGING DAYS OFF OR SHIFTS

Exchanging **days** off and shifts will not be permitted if employee **would** work more than twelve (12) consecutive hours as a result of the exchange.

16.05 HOT MEALS

- (a) **As** per labour and local agreements presently in effect.
- (b) It is understood that hot meals will not be paid to employees on regularly scheduled twelve (12) hour shifts.

16.06 SAFETY MEETINGS

Safety meetings will be as past practiced and any problems **occurring** will be dealt with by the Joint Health and Safety Committee.

16.07 TRAINING

- (a) A five (5) **day** week-long course will be from Monday to Friday inclusive, with Saturday and Sunday off. Hours of training will be from 8:00 a.m. to 4:00 p.m. each day. Employee will be paid his normal scheduled hours, from **Sunday to Saturday**, had he worked.

- (b) Training, less than a complete week. An employee scheduled to train on one (1) or more of his regularly scheduled days off will be scheduled an alternate day, off. All training will be paid at the employee's regular rate of pay.

16.08 MAINTENANCE SHUTDOWNS

Employees scheduled with tradesmen on a planned maintenance shutdown will continue to work on twelve (12) hour shifts and follow their regular days off. However, it may be necessary on some occasions to schedule some employees working twelve (12) hours on night shift to work twelve (12) hours on day shift or as mutually agreed.

16.09 RATE OF PAY

When a day worker is required to substitute for a tour worker and remains on tour schedule for more than one (1) shift, commencing on the second shift, tour workers overtime rules apply.

17. BEREAVEMENT LEAVE

- (a) When death occurs to those persons listed in Article 24.01 the employee will be granted a leave of absence of up to five (5) consecutive scheduled working days falling within the six (6) day period beginning with date of death. For each scheduled working day during which the employee is absent he will be paid for twelve (12) hours at his regular straight time rate, however the maximum funeral leave payment shall be forty-two (42) hours.
- (b) When death occurs to those persons listed in Article 24.02 of the collective agreement, the employee will be granted a leave of absence for up to three (3) consecutive scheduled working days lost within the six (6) day period beginning with date of death. However, the maximum funeral leave payment shall be twenty-four (24) hours.

18. HEIGHT PAY

- 18.01 Height pay will be paid at the rate of time and one-half for work performed in areas forty (40) feet or over above a solid floor. For work on Sundays, statutory Holidays, designated days off, and after eight (8) hours in any one day, the employee shall receive a further premium of fifty percent (50%) of his regular rate.

19. DAYS OFF; SCHEDULING, POSTING

- 19.01 Schedules shall be posted in each department not later than 3:00 p.m. Thursday each week showing the crews for the following week. If any changes are made to the schedule thereafter, the Company will attempt to notify the employees affected. Such schedules shall show the day or days off for each man in the crew.
- 19.02 When an employee wishes to change his scheduled or designated days off, he will notify his supervisor at least twenty-four (24) hours in advance and if such a change is mutually agreed upon by the employee and his supervisor, then the employee will work at straight time rates on the day or days originally scheduled as his scheduled or recognized days off. On the other hand, if he is required to work on the alternate days, mutually agreed upon as his days off, he shall be paid at the overtime rate.
- 19.03 In the event of a major breakdown, an employee may be required to work on his scheduled or designated day or days off for which he will be paid at straight time rates provided he has been given at least twenty-four (24) hours advance notice and granted another day or days off as mutually agreed upon for which he will be paid at the overtime rate if required to work on these days.
- 19.04 Any worker called in on Sunday who works eight (8) hours or more and was not scheduled to work on that day, shall not have to take a designated day off during the week, and shall work on his scheduled working day at time and one-half if he so desires.
- 19.05
- (a) If a relief employee works a twelve (12) hour shift on Sunday, he may be scheduled to work two (2) more twelve (12) hour shifts during the week to complete his week at straight time.

b) If a relief employee works a twelve (12) hour shift Sunday, and less than two (2) twelve (12) hour shifts during the week, he will work other days at straight time.

Example:

Sunday: twelve (12) hours
Monday: eight (8) hours
Tuesday: eight (8) hours
Wednesday: twelve (12) hours at straight time

Sunday: twelve (12) hours
Monday: eight (8) hours
Tuesday: eight (8) hours
Wednesday: eight (8) hours

c) If a relief employee does not work Sunday, he will work at straight time the shift that he attained forty (40) hours.

Example:

Four (4) twelve (12) hour shifts - all at straight time.
One (1) twelve (12) hour shift and four (4) eight (8) hour shifts.
Two (2) twelve (12) hour shifts and two (2) eight (8) hour shifts.
Three (3) twelve (12) hour shifts and one (1) eight (8) hour shift.
Five (5) eight (8) hour shifts.
Three (3) eight (8) hour shifts and two (2) twelve (12) hour shifts.

Above (a), (b) and (c) will be the result of days off during a week's schedule. An employee relieving for a week's vacation will follow the same schedule as the man he is replacing.

19.06 Where a paid Statutory Holiday falls during the week, it will be necessary for a man to take his scheduled day or days off in addition to the Statutory Holiday. If his day or one (1) of his days off should fall on the Statutory Holiday, he will not be required to take a day off in addition to the Statutory Holiday.

20. REST PAY

20.01 A day worker working in excess of sixteen (16) hours, lunch time included, in any twenty-four (24) hour period, provided he is scheduled to work the following day, shall receive time off with pay to the extent that such work exceeds sixteen (16) hours. This will not apply to excessive hours worked as a result of an arrangement between employees.

- 20.02 Any day worker called in after midnight, shall receive time off (at straight time) equal to the time worked between midnight and 8:00 a.m. provided he is scheduled to work at 8:00 a.m. the following day and reports at the deferred starting time.
- 20.03 Rest pay shall be paid at one and one-half an employee's regular rate provided the employee is scheduled to work that day and premium time would be applicable.

21. STATUTORY HOLIDAYS

21.01

Holidays shall be as follows:

CANADA DAY Twenty-four (24) hour shutdown from 7:00 a.m. of the holiday to 7:00 a.m. of the day following the holiday.

LABOUR DAY -- Twenty-four (24) hour shutdown from 7:00 a.m. of the holiday to 7:00 a.m. of the day following the holiday.

CHRISTMAS DAY -Forty-eight (48) hour shutdown from 7:00 a.m. on December 24th to 7:00 a.m. on December 26

NEW YEAR'S DAY -Forty-eight (48) hour shutdown from 7:00 a.m. on December 31st to 7:00 a.m. on January 2nd

21.02 The mill will operate on a continuous basis unless the Company notifies the Local Union of its intention to shut down. If the Company is unable to obtain sufficient number of volunteers to operate, production will not be scheduled for Labour Day and Christmas shut.

21.03

- (a) If the Company decides to shut down, the Company will give the Union thirty (30) days notice of intent.
- (b) Employees required to work on such day(s) will be scheduled by following the regular work schedule. The number of employees required to work will be limited to the minimum required to operate the mill efficiently.
- (c) Scheduled employees wishing to be excused from working a statutory holiday will apply in writing to the Human Resource Department twenty (20) calendar days prior to the commencement of the statutory holiday.

- (d) Vacancies on each shift resulting from these requests will be filled in a manner similar to the manner in which the vacancies created by floating holidays are normally filled, with move-ups conducted on each shift.
- (e) Vacancies remaining after these shift promotions will be filled by qualified employees on their scheduled day off. The Company will approach these employees in order of seniority with first choice to the senior qualified employee available at the job level of the vacancy.
- (f) Failure to identify qualified employees on their day off willing to work the statutory holiday will result in the requests of the junior scheduled employees being denied as outlined in (b) and therefore these employees will be required to work.

21.04 Employees scheduled to work on the above holidays will be paid as follows:

- (a) Double time for each hour worked during the **scheduled** mill holiday period;
- (b) And, an additional amount equal to one (1) hour of pay for each hour worked at the rate of the job performed during the holiday period;
- (c) Granted the option of eight (8) or twelve (12) hours pay as per Article 21.10 or a day off with pay at a later mutually agreed upon date.

Employees who are not required to work on statutory holidays will be paid statutory holiday pay as per Article 21.10.

21.05 Articles 21.03 and 21.04 do not apply to employees who must perform regular work during statutory holidays when the mill is not in operation.

21.06 On statutory holidays when the mill is to be shut down certain employees may be required to work up to two (2) additional hours at the beginning of the statutory holiday and two (2) additional hours at the end of the statutory holiday to perform shutdown and start-up procedures respectively.

On such holidays, employees volunteering for available repair work, clean-up or any other duties will be allowed to work and will be paid according to Article 21.09 of the Collective Agreement.

- 21.07 In the event of any disagreement as to the time of beginning and ending of a holiday period, where the hours are not specified in the agreement the decision of the Management shall govern.
- 21.08 For each of the two (2) Statutory Holidays, namely Canada Day and Labour Day, eight (8) hours' pay will be allowed to hourly paid workers when they do not work. For each of the Christmas and New Year's shutdown sixteen (16) hours' pay will be allowed to hourly paid workers when they do not work.
- 21.09 Employees who work on a Statutory Holiday, other than Articles 21.02 and 21.03, shall be, (1) paid at the **rate** of time and one-half (2) granted a day-off with pay at a later date, and (3) paid double time for any time worked in excess of eight (8) hours or twelve (12) hours (8 or 12 hour shift) on the Statutory Holidays.
- 21.10 Holiday pay shall be calculated at eight (8) times the regular hourly rate paid on the last day worked prior to the holiday or the rate of his permanent payroll position, whichever is greater. Employees on twelve (12) hour shifts who do work on a statutory holiday will receive holiday pay calculated at twelve (12) times the regular hourly rate paid on the last day worked prior to the holiday or the rate of his permanent payroll position whichever is the greater.
- 21.11 To be eligible for such paid holidays an employee must:
- (a) have been in the employ of the Company for a minimum of thirty (30) days. Such thirty (30) days may be accumulated within the immediately preceding twelve (12) months provided there is no break in service. A break in service for this purpose shall be defined as:
 - (i) voluntary separation
 - (ii) discharge for cause
 - (iii) a lay-off of more than four (4) months duration (time before and after a lesser lay-off may be counted).
 - (b) have been at work on his scheduled work day immediately preceding the holiday and must return to work as scheduled immediately following the holiday, unless excused as indicated below.

21.12 Employees may be relieved from the provision of paragraph 21.11(b) under the following conditions:

- (a) If away on vacation.
- (b) If laid up by accident or illness. Any employee if absent due to illness or accident must have been at work at some time within the ninety (90) day period previous to the holiday.
- (c) If work not available due to curtailed operation of the plant.
- (d) If he has applied for and received special official leave.
- (e) If rehired within thirty (30) days of date of termination, employees will be paid for statutory holidays falling within that thirty(30) day period.

21.13 Employees whose annual vacation period includes one (1) of these holidays shall be entitled to an extra day with pay as may be arranged.

21.14 Prior to a holiday shutdown, the parties will meet to discuss procedures to ensure the essential services and complete security of the mill property and facilities.

21.15 MAINTENANCE AND PROJECT WORK ON STATUTORY HOLIDAYS

The Company will have the option of scheduling repair and maintenance or project work during statutory holiday periods subject to the following conditions:

- (a) The Union will be informed in advance of the work to be accomplished during statutory holiday hours.
- (b) The Company will call for volunteers to provide the necessary complement of skills required for the planned jobs.
- (c) At Christmas, only volunteers will be scheduled. Except for the Christmas shutdown period, if sufficient tradesmen are not available on a voluntary basis, the Company will meet with the Local Union involved in an attempt to resolve the problem. Failing mutual agreement, the Company will have the right to schedule the additional employees required in the reverse order of seniority, not to exceed 40% of the crew affected.
- (d) Pay for tradesmen working on statutory holiday time when the mill is producing end product will be as for other employees. When the mill is not producing end product, Article 21.09 will apply.

22. FLOATING HOLIDAYS

- 22.01 Seven (7) day holidays with pay shall be allowed at a time **suitable to** the employee and the Company so that there will be no loss of production.
- 22.02 The wages will not be paid under this agreement unless i-he employee actually rakes the time off.
- 22.03 Holiday Pay shall be calculated at eight (8) times the regular hourly rate paid on the last day worked prior to the holiday or the rate of his permanent payroll position whichever is greater.
- 22.04 To **be eligible an** employee must have been in the employ of the Company for six (6) months or more. Temporary workers may accumulate this six (6) months service by adding broken time within the immediate preceding twelve (12) months.
- 22.05 To be eligible for such paid holidays, an employee must have been at work on the day preceding the holiday and must return to work as scheduled immediately following the holiday, unless excused as indicated below.
- 22.06 Employees may be relieved from provisions of paragraph 22.05 under the following conditions:
- (a) If away on vacation or a Statutory Holiday.
 - (b) If laid up by accident or illness. Any employee if absent due to illness or accident must have been at work some time within the ninety (90) day period previous to the holiday.
 - (c) If **work** is not available due to curtailed operations at the plant.
 - (d) If he has applied for and received special official leave.
- 22.07 If a man is required to work on any one (1) of his holidays after definite dates have been designated, he shall be paid **time** and one-half.
- 22.08 If after the Company has arranged to provide a relief man, these arrangements break down due to the absence of one (1) of the three (3) men scheduled to **work**, straight time will be paid except when the absence is due to a bona fide sickness.

21.19 Floaters (Twelve (12) Hour Shifts): A maximum of fifty-six (56) hours will be paid to each employee for floaters in a calendar year. Employee will be paid eight (8) hours pay as outlined in Article 22.03 for each floater. However, an employee may request twelve (12) hours pay as outlined in Article 16.02 for each floater and it will be recorded as the employee taking one and one-half floaters.

23. VACATIONS WITH PAY

- 23.01 All employees on permanent payroll positions shall be entitled to two (2) weeks vacation with pay following the completion of one (1) year of continuous service.
- 23.02 Employees with four (4) years or more of continuous service shall be entitled to three (3) weeks vacation with pay in each calendar year.
- 23.03 Employees with nine (9) years or more of continuous service shall be entitled to four (4) weeks vacation with pay in each calendar year.
- 23.04 Employees with eighteen (18) years or more of continuous service shall be entitled to five (5) weeks vacation with pay in each calendar year.
- 23.05 Employees with twenty-three (23) years or more of continuous service shall be entitled to six (6) weeks vacation with pay in each calendar year.
- 23.06 Supplementary Plan. Employees with twenty-five (25) years or more of continuous service shall receive the following additional vacation in the calendar year in which they attain:
- Age 60 - Additional one (1) week vacation
 - Age 61 - Additional two (2) weeks vacation
 - Age 62 - Additional three (3) weeks vacation
 - Age 63 - Additional four (4) weeks vacation
 - Age 64 - Additional five (5) weeks vacation
- 23.07 There will be three (3) Prime Time periods:
- (a) First Sunday of June to the second Saturday of September;
 - (b) Moose Hunting Season;
 - (c) Week of December 25th and week of January 1st.
- Floaters and holidays from the current year will apply for the January 1st week.
2. Senior men will have choice of two (2) out of three (3) Prime Time periods.

3. Mill seniority applies for booking of floaters and vacations up to and including March 31
- 4(a) If three (3), four (4), five (5) and/or six (6) weeks are taken at one time, they must be taken within the period from the second Sunday of September to first Saturday of June.
- 4(b) Vacations taken during the summer months, first Sunday of June to the second Saturday of September will be limited to two (2) weeks with the 3rd, 4th, 5th, and/or 6th week to be taken in the period of the second Sunday of September to the first Saturday of June.

Stage 1 - From December 1st to December 31st

Book only vacations and floaters to be taken prior to May 31st.

Stage 2 - From December 1st to February 1st

Book only Prime Time vacations. Vacation list to be removed from February 2nd to 15th to check and make necessary changes.

Example:

In Millwright Crew, 20% of employees allowed off per week. If more than the maximum **amount** of employees booked holidays for week, then the junior employee(s) would be contacted to select alternate weeks and they can bump more junior employees. If their first choice of weeks comes open due to cancellation, then the original employees would be contacted in order of seniority to be offered the opening.

Stage 3 - From February 16th to March 1st

Book all remaining vacations for remainder of year. All scheduled vacations will be completed and finalized by March 15th.

Stage 4 - From March 15th to 31st

Book all remaining floaters, selection based on mill seniority for floaters and vacations up to March 31st. After March 31st, floaters and vacations will be on a first come basis. Employees wishing to cancel vacation must do so by Monday of the previous week and at the same time select an alternative week without interfering with a previously booked floater. Forms will be provided in the departments for any vacation change request.

stage 5

Floaters and vacations for January of the next year must be booked between November 1st to December 1st and vacations have priority over floaters.

GENERAL

VACATIONS

Vacation schedules for Maintenance Departments and Yard will contain on the top the number of employees allowed off on any given week and also the number of employees to be off on floaters. If the vacation allotment is not filled for a specific week, the Company may allow more than the designated number of employees off on floaters, it being understood that the necessities of operation must be given full consideration.

FLOATERS

Mechanical Crew

1. Any employee who wishes a floater should request it from his area Foreman or Supervisor as much in advance as possible.

2. From Monday to Friday

If a floater is required on short notice, the employee must contact his Foreman at the mill prior to the beginning of his scheduled shift. If the floater cannot be granted because of work load or lack of personnel, the employee must be prepared to be on the job at the normal starting time.

Saturday and Sunday

Employees are not permitted to call the Foreman at home during weekends. If for emergency reasons a floater is required on short notice, the employee must contact the Superintendent of his department.

3. Floaters should not be granted to employees who phone in late, unless it is due to an emergency.
4. A week's vacation may be granted in lieu of the floater allotment if no floaters are scheduled by the previous Friday noon.
5. Half Floaters

A half floater (four (4) hours) will be permitted on the following basis:

- a) Mutually agreed by both parties.
- b) Cannot be booked or scheduled in advance.
- c) Only be considered on a short notice basis.
- d) More than a two (2) hour leave of absence necessitates a floater.

Shift Workers and Day Crews

1. Employees should notify their foreman or supervisor as much in advance as possible.
2. Last minute requests for a floater may not be granted unless trained personnel is available.
3. Floaters should not be granted if the Company will be required to pay premium time unless there is a definite emergency involved.
4. Employees who are refused last minute floaters and do not report for work will be considered absent without permission.

Maximum allotment for mechanical crews:

Millwrights	24	5 off on vacation	2 off on floaters
Pipefitters	12	2 off on vacation	1 off on floaters
Machinists	3	1 off on vacation	1 off on floaters
Welders	10	2 off on vacation	1 off on floaters
Painter	1	1 off on vacation	
Electricians	15	3 off on vacation	1 off on floaters
Instrument	10	2 off on vacation	1 off on floaters
Mason	2	1 off on vacation	

Yard Crew: 20% off for vacation-one on floaters (whenever possible). Relief if required will come from the recall list

Miscellaneous

Once the vacation schedule is finalized, no pending vacations will be permitted.

(C) Necessities of operation must be given full consideration.

23.08 (a) Each week of vacation pay will be calculated at 2.4% of gross earnings in the previous calendar year, or forty (40) hours pay at the employee's regular rate, whichever is greater.

(b) An employee shall receive an additional four (4) hours pay at his regular rate for each week of vacation entitlement taken during the period of January 1 to April 30.

23.09 The Unions agree to cooperate with Management in scheduling vacations in such a manner that maximum production may be maintained.

23.10 Vacations with pay are intended to enable each employee to enjoy a respite from routine duty with no financial worry to distract from their benefits. Vacations are in no way considered a bonus.

- 23.11 The privilege of taking vacations must be confined to permanent employees employed upon standard payroll positions.
- 23.12 In drawing up the vacation schedule, Management will endeavour to meet the wishes of the individual employee. It must be understood, however, that the necessities of operation must be given full consideration. In cases where vacation periods requested conflict, preference will be given to the older employees in point of service and within departments.
- 23.13 Working on long shifts while men are away on vacation is to be avoided whenever possible.
- 23.14 Taking vacations is to be compulsory. Vacations cannot be accumulated but must be taken in the year when they are due.
- 23.15
- (a) To be eligible for vacations, employees must have worked at least two-thirds of the available time during the qualifying year, except that time lost due to mill accidents or sickness (such sickness to be limited to four (4) months in any one (1) year) does not count against employees' working time credits in the qualifying year.
 - (b) If an employee works a minimum of four (4) months in a calendar year and is sick for four (4) months or more in the same year, the employee is considered to have completed the minimum qualifying period to be eligible for vacation in the following year. If an employee works less than four (4) months in any one (1) calendar year in the following year his vacation pay will be calculated on the appropriate percentage of his earnings for the year in which the sickness occurred.
- 23.16 The qualifying year in determining eligibility for vacations in the first year shall be the twelve (12) months' period beginning with the date of employment; in subsequent years the qualifying year may be the calendar year. The main purpose in making the calendar year the qualifying year for the employee's second vacation is to enable an employee whose anniversary of employment comes in the late fall to have his vacation during the desirable vacation period, that is, during the summer months.
- 23.17 Tour and shift workers shall not be entitled to the shift differential while absent on vacation.

- 23.18 Employees with more than one (1) year's service who are laid off due to lack of work, or who Leave the Company's employ in good standing shall be entitled to vacation pay based on the following formula:
- (a) Full vacation credit based on service in the preceding calendar year, plus
 - (b) 4.8%, 7.2%, 9.6%, 12% or 14.4% of gross earnings (depending on whether the employee is entitled to two (2), three (3), four (4), five (5), or six (6) weeks vacation) calculated from January 1st in the current year to date of leaving. If vacation has been taken in the current year based on the preceding calendar year's employment, (b) only shall apply.
- 23.19 Employees with less than one (1) year of continuous service who are laid off for lack of work, or who leave the Company's employ in good standing shall be entitled to vacation pay at the rate of 4.8% of gross earnings from date of employment to date of separation.
- 23.20 Employees who leave the Company's employ without giving the required notice or who are discharged for cause shall be entitled to vacation pay based only on the formula set out in the Employment Standards Act. Notice of resignation during the last shift worked is considered adequate.
- 23.21 When a layoff due to lack of work is of more than four (4) months duration, continuity of service is broken until, after rehiring, an employee completes one (1) year of continuous service. After this time his length of service can be restored, counting the time before and after, but not during the layoff, and his vacation period started from the anniversary date of his returning. Such restoration of service, however, is contingent upon the man keeping the Company posted as to his current address and the man reporting back to work as soon as practical when recalled. His vacation pay would be granted on the basis of his restored length of service.
- 23.22 In the event of a maintenance shutdown during the prime vacation period, the Company agrees to reschedule cancelled vacations in such a way as to minimize disruption of the existing vacation schedule.

24. BEREAVEMENT LEAVE

- 24.01 When death occurs to an employee's spouse, child, adopted child, stepchild, mother or father, the employee will be granted leave of absence and will be paid for eight (8) hours at his regular straight time rate for up to five (5) consecutive scheduled working days lost in the eight (8) day period beginning with the date of death. (Spouse shall include common law spouse as previously declared on the forms provided for health coverage'.
- 24.02 When death occurs to an employee's foster parents, adoptive parents, brothers, sisters, mother-in-law, father-in-law, stepmother, stepfather, stepbrother, stepsister, grandfather, grandmother, grandchild, son-in-law, and daughter-in-law, the employee will be granted leave of absence and will be paid for eight (8) hours at his regular straight time rate for up to three (3) consecutive scheduled working days lost in the eight (8) day period beginning with the date of death.

25. JURY DUTY

- 25.01 An employee who is prevented from working his scheduled shift due to being on Jury Duty, reporting for Jury Roll-call or as a Subpoenaed Witness shall be paid the difference between the pay received for such Jury Duty or Subpoenaed Witness and eight (8) times (twelve (12) times for Tour Workers) the straight time hourly rate he would otherwise have received.
- 25.02 An employee scheduled to work the 7:00 p.m. to 7:00 a.m. shift or tour immediately prior to reporting for Jury Duty, Jury Roll-call or Subpoenaed Witness on that date will be **excised**, upon request, and the terms of this Article will be applied.
- 25.03 In making application for such payment, the employee is required to submit supporting documents as to days of service and fee received.

26. LEAVE OF ABSENCE

- 26.01.a) Leave of absence without pay, up to a maximum of three (3) months, may be granted at the discretion of Management for the following reasons:
- (1) Legitimate personal reasons.
 - (2) Official Union business.
 - (3) Candidacy for public office at the Federal or Provincial level. Such leave may be extended until seven (7) days have elapsed following the date of the election.
 - 4 Military Service.

(5) Duties of an elected Municipal Office.

- (b) Any leave of absence granted pursuant to Section (a) will not result in any loss of seniority.
 - (c) Leave of absence without pay may be granted at the discretion of Management, for service as an elected representative in the Federal or Provincial legislature. S&h leave, if granted, shall normally expire thirty (30) days following conclusion of the period of elected office, but in no case shall it be in excess of five (5) years.
 - (d) Any leave of absence granted pursuant to Section 0 will not cause a break in continuity of service but the period of absence shall not be counted in calculating any service-related benefit.
 - (e) Employees, when granted a leave of absence in excess of one (1) month, will be required to prepay the full premiums for group life insurance and all other insurance coverage in accordance with the provisions of the respective policies.
 - (f) All leaves of absence must be applied for in writing.
 - (g) The Company may require an employee to exhaust his normal vacation entitlement before commencing a leave of absence.
- 26.02(a) Time off with pay will be provided to employees writing qualifying examinations during scheduled working hours for certificates required in his occupation.
- (b) Such pay will be at his straight time rate and limited to eight (8) hours.

27. BENEFITS

- 27.01 The Company's contribution to employees insurance shall be applied first on account of those plans to which the employer's contribution is not taxable in the hands of the employee.
- 27.02 The Weekly Indemnity Plan forms part of this Agreement and is attached hereto as Appendix "B". The premium cost will be borne by the Company. The 5/12 of the U.I.C. premium reduction will continue to be retained by the Company.
- 27.03 The Long Term Disability Plan forms part of this Agreement and is attached hereto as Appendix "C". The premium cost will be borne by the Company.

- 27.04 The Company will pay the prevailing premium costs for the Extended Health Care Plan up to the rates in effect to April 30, 2004. This Plan forms part of this agreement and is attached hereto as Appendix "D".
- 27.05 The following vision care expenses Incurred by an employee and/or his covered dependents are covered when recommended by a physician or an optometrist. Frames, lenses, and the fitting of prescription glasses, including contact lenses up to a total of \$125.00 per family member, in any two (2) consecutive calendar years. The VisionCare forms part of the Extended Health Care Plan.
- 27.06 The Dental Care Plan forms part of this agreement and is attached hereto as Appendix "E". Effective June 1, 1999 the existing Dental Care Plan will be upgraded to provide coverage based on the 1998 Provincial Dental Association Schedule of Fees. Effective May 1, 2000, the 1999 Provincial Dental Association Schedule of Fees will apply. Effective May 1, 2001, the 2000 Provincial Dental Association Schedule of Fees will apply. Effective May 1, 2002, the 2001 Provincial Dental Association Schedule of Fees will apply. Effective May 1, 2003, the 2002 Provincial Dental Association Schedule of Fees will apply. Employees cost will remain at \$1.10 per month single and \$3.85 per month family. The Company will **absorb** the additional future premium increases for the Dental Care plan through to April 30th, 2004.
- 27.07 4 contributory Group Life Insurance Plan will be provided with a benefit of two and one-half (2 ½) times annual earnings with a maximum coverage of \$65,000. The Plan is subject to present regulations. The premium cost will be borne by the Company.
- 27.08
- (a) The Company will maintain \$4,000 Group Life Insurance for *retired* employees at no cost to the Pensioner provided he was covered by Group Life Insurance during his employment.
 - (b) The Company will provide dependent life insurance on the following basis:
 - i) Spouse - \$10,000.00
 - ii) Each unmarried child:
 - iii) Fourteen (14) days but less than one (1) year of age, \$5,000.00.
 - iv) One (1) year but less than nineteen (19) years (twenty-five (25) years when a student is full time), wholly dependent on the employee for support, \$5,000.00. The spouse's life insurance will be reduced to \$5,000.00 upon the employee's retirement and cancelled on his death

- 27.09 Changes in the level of a" employee's insurance benefits due to the application of the wage increases will become effective on the first of the month following ratification of the memorandum of agreement for all employees actively at work on that date. For employees who are not actively at work on that date the changes will become effective on the date he returns to active employment.
- 27.10 Insured employees who continue to be disabled for longer than twelve (12) months may continue their coverage in the Group Life Insurance and Dental Plans, at their option, until the expiration of the twenty-four month period commencing with the date of disability. Such employees may continue coverage in the Extended Health Care Plan, at their option, until the earlier of retirement or age 65. The full premium costs for the above extension of benefits will be borne by the employees.
- 27.11(a) The Tembec Inc., Pulp Group, Smooth Rock Falls Division, Pension Plan which is registered in the Province of Ontario, forms part of this Collective Agreement. The Pension Plan will not be subject to re-negotiation between the parties until the date of expiry of the Collective Agreement in force as of January 1, 2004. The Company commits to meet with senior union officials to organize pension information sessions and/or a pension committee where legislation requires.
- (b) Information - The Company agrees to furnish the signatory Unions with a" annual statement showing for the pension fund:
- (1) Income from investments.
 - (2) Company contributions.
 - (3) **Total** contributions.
 - (4) Total paid-up annuities purchased and total pension payments made.
 - (5) List of pensioners retiring each year, and amount of pension (five (5) year guarantee basis).
 - (6) Numbers and ages of separations and entries into the Plan.
 - (7) Amount of recoveries through terminations.
 - (8) Any other information necessary to properly evaluate the Retirement Income Fund (Plan) including a copy of any and all actuarial valuation made of the Plan.
- (c) Duration - Written request for changes to this Plan shall be filed no later than four (4) months prior to the expiry date.

27.12

(a) Joint Retirement Board - The membership of the Joint Retirement Board will include two (2) employee representatives and a third member who shall be a National Officer or his designee. Three (3) regular meetings will be scheduled each year, including a meeting at which the actuarial valuation and other financial and statistical reports will be presented. Urgent applications for early retirement, which cannot be held up for the regularly scheduled meetings, will be dealt with by a quorum after contacting the Union Representatives by telephone.

(b) The Company will arrange and pay transportation and hotel expenses (when necessary) plus \$25.00 a day to cover meals and incidental charges for the Union Retirement Board members who are employees. Scheduled days lost will be paid for on the basis of eight (8) hours per day at the employees' regular rates.

27.13 The Company agrees to allow retirees to continue the following benefit coverages:

Supplementary Health Care Plan
Dental Care Plan
Vision Care Plan
Dependent Life Insurance

at their own cost, between the ages of fifty-five (55) years and sixty-five (65) years.

27.14 The Company will provide a fully paid A.D.&D insurance in the amount of \$5,000.00.

28. MEALS

An employee who is required to work two (2) hours or more beyond the end of his regular shift will be provided with a hot meal or a voucher valued at \$11.00.

29. METRIFICATION

In those cases where an employee already owns a tool in Imperial measure and the Company requires him to own the equivalent tool in metric measure, the Company will pay for 50% of the cost of the required metric tool.

30. SAFETY

30.01 An employee losing time during his scheduled day or shift because of an injury occurring on the job will receive the normal pay he would have received for that day or shift.

30.02 The Company will pay \$90.00 effective January 1, 1999 and increasing to \$100.00 January 1, 2000 towards the purchase of protective footwear. (note: \$20.00 will be added for the year 1999 to reflect a total payment of \$90.00)

31. FLEXIBILITY OF TRADESMEN

Provisions regarding the flexibility of tradesmen are attached hereto as Appendix "F".

32. TRADES PROMOTION PLAN

The Trades Promotion Plan forms part of this agreement and is attached hereto as Appendix "G".

33. ELECTRICIANS PROMOTION PLAN

The Electricians Promotion Plan forms part of this agreement and is attached hereto as Appendix "I".

34. APPRENTICESHIP PLAN

34.01 The Trades Apprentice Plan and Electrical Apprenticeship Plan form part of this agreement and is attached hereto as Appendix "H".

34.02 The schedule of rates for apprentices appears in the main wage schedule.

35. GRIEVANCE/ARBITRATION

In cases of grievances arising in the mill, the parties to this collective agreement agree to the following dispute resolution system:

step 1:

Employee to discuss the matter with his immediate supervisor within twenty-four (24) hours of the infraction.

Step

Failing resolution, the matter is to be discussed with the employee, shop steward, supervisor and department superintendent within two (2) working days of the meeting with the supervisor.

Step 3

Failing resolution, the matter is to be directed to the Human Resources Manager in writing within five (5) working days of the meeting at stage two (2). A meeting will be held within five (5) days of forwarding the matter to the Human Resources Manager who will respond within three (3) days of the meeting.

Step

Failing resolution, the matter is to be directed in writing to the Mill Manager within three (3) days of the response from the Human Resources Manager or his designate for discussion with the National Representative, Local Union President, Human Resource Manager, Employee and Department Superintendent. A meeting will be arranged as soon as practical for review of the matter.

Step

Failing resolution, the matter is to be referred to arbitration within 90 days of the Stage 4 meeting. The parties may agree to waive the time limits as stipulated above.

36. MILL RULES

36.01(a) Starting and Stopping of Work of Other Than Tour Workers. Other than Tour Workers shall be at their respective places to begin work at the hour required for each individual department, and shall remain in their places until the corresponding hour for stopping in that particular department.

(b) One rest period of fifteen (15) minutes in the morning will be granted to all day workers.

36.02 STARTING AND STOPPING OF WORK OF TOUR WORKERS

(a) When a tour begins, each Tour Worker is required to be in his place. At the end of a shift, no Tour Worker shall leave his place to wash up and dress until his mate has changed his clothes and has reported to take responsibility of the position. If a Tour Worker does not report to take his place, his mate shall notify the Foreman. He shall then remain at his post until a substitute has been obtained.

(b) It is the duty of a tour worker to report for his regular shift unless he has already arranged with his foreman for a leave of absence. If unavoidably prevented from reporting, he must give notice to his foreman or at the office, as early as possible before the beginning of his tour, and the person receiving this notice must complete the standard report provided for recording such notice.

36.03(a) The Union undertakes to cooperate with Management in reducing absenteeism.

(c) If an employee has been absent from work without arrangement, or without notice under the preceding paragraph, he shall report to his superintendent for instruction before returning to work.

- (c) Should investigation of a case of absenteeism fail to disclose a bona fide reason, management shall discipline the absentee as follows:
1. First Case - Instruction and warning.
 2. Second Case - Instruction and up to three (3) day layoff.
 3. Third Case - Instruction and layoff subject to discharge.
- (d) It is understood that should an employee have a clear record for a full twelve (12) month period between steps 1 and 2 or steps 2 and 3, or after stage 3, his record shall be considered clear.
- (e) Should the unarranged absence of an employee be of sufficient length, or the reasons for the absence be of such a nature to indicate irresponsibility in the individual concerned, management may discipline the offending employee with a layoff subject to discharge.
- (f) All cases of unarranged absenteeism will be recorded on the employee's record by the employment supervisor who will be given a written report of each case by the superintendent concerned. A copy of this report will be sent to the individual and secretary of the **union** concerned.
- (g) If an employee has **been** absent from work a day or more he shall give adequate notice to his foreman or superintendent of his intention to return. This notice should **be** given twenty-four (24) hours in advance, if possible, but at least in sufficient time to make the necessary arrangements prior to the beginning of the regular work period in which he intends to resume duty. If the employee fails to give the Supervisor sufficient notice to enable him to adjust the shifts back to the original schedule, the Supervisor may send the returning employee home when he reports for work.

36.04 INDIVIDUAL RESPONSIBILITY

Everything in **and** about the Plant must be kept clean and in **good order**, and each employee will be held responsible for the condition of that part of the Plant under his control as far as is humanly possible. He is required to see that his locker is kept clean and in neat condition.

36.05 CAUSES FOR DISCHARGE

Nothing contained in this agreement shall be deemed to restrain or limit the Company's right to formulate and issue reasonable rules necessary for the efficiency of the operation and which are not contrary to any of the terms and conditions of this Collective Agreement and to enforce these rules through discipline, up to and including discharge. It is understood that the reasonableness of these rules and the discipline flowing from the contravention of these rules will be subject to the terms of the Grievance Procedure.

36.06 LEAVING THE PLANT

No employee shall be permitted to leave the plant without the permission of the head of his department. This does not apply to employees who are specially instructed by the department head to go out for special reasons having to do with the job.

36.07 SAFETY

- (a) The Company intends that employees will be provided with a safe place to work and will be trained to perform their work in a safe manner. The employees will cooperate in ways that will obtain the proper results. The Company's Safety Rules shall be complied with at all times.
- (b)
 - i) Safety shoes must be worn at work.
 - ii) Hard hats must be worn, except in designated areas and will be supplied by the Company.
 - iii) Special protection clothing as the Company may designate as mandatory will be supplied by the Company.
 - iv) Hearing protection devices, as specified by the Company, must be worn by employees working in areas where the noise level is in excess of eighty-five (85) decibels.
- (c)
 - i) All employees will be given a hearing test as part of their pre-employment physical; this test will be repeated annually. An employee may request a re-test at anytime after six (6) months have expired from the date of the last test.
 - ii) The existing decibel levels will be posted in all areas of the mill above eighty-five (85) decibels. When temporary hazards are detected, a notice of such hazards will be posted on the bulletin boards.

iii) The Union will be supplied with technical Governmen releases on noise abatement.

(d) The Company will maintain suitable first-aid facilities and trained personnel to meet the requirements of the mill. Employees must report injuries, accidents and unsafe conditions to their Supervisor immediately.

(e) A **Joint Union Management Committee** will be established to make recommendations on all matters concerning safety, heat, noise and to investigate problems in these areas.

In cases of fire, all employees must assist in preventing destruction of Company property. Fire apparatus must not be removed from its place or used except in cases of fire or by permission of a Superintendent.

37. WAGE SCHEDULE

37.01 The attached schedule of wage rates (Appendix A) shall be effective under this agreement.

37.02 A shift differential of forty cents (40¢) per hour shall be paid for all hours worked on **tour** or shift occupations between the hours of 3:00 p.m. and 11:00 p.m. and a shift differential of sixty cents (60¢) per hour shall be paid for all hours worked on tour or shift occupations between the hours of 11:00 p.m. and 7:00 a.m. A shift differential of sixty-six cents (66¢) per hour shall be paid for all hours worked between 7:00 p.m. and 7:00 a.m. for all Tour Workers on twelve (12) hour shifts.

37.03 Tour and shift workers absent on Vacations, Holidays with pay, paid Sick Leave, Funeral Leave or Jury Duty shall not be entitled to the shift differential.

37.04 When equipment of a type new to the mill or a major change in the process system results in the creation of a new job or jobs, every effort will be made to determine a permanent rate for the job or jobs within three (3) months of the date at which the duties and responsibilities are definitely established.

37.05 It is the Company's responsibility to determine the need to replace a salaried foreman/superintendent. Should the Company elect to replace a salaried foreman/superintendent with an hourly rated employee, the employee will receive a minimum of seventy (70) cents above his card rate for **the hours worked.**

37.06 When a Journeyman 'A' is assigned the responsibility of a working supervisor in a crew of not less than five (5) men required to do maintenance or construction work, he will be designated by the Master Mechanic or Superintendent as a Lead Mechanic and shall be paid \$.34 per hour above the 'A' Journeyman rate during such time as he exercises this responsibility.

37.07 When additional supervision is required on a continuous basis, a Journeyman 'A' will be appointed a Lead Hand and will be paid \$.34 per hour above the 'A' Journeyman rate. Lead Hands assigned responsibility in the absence of a salaried foreman or superintendent shall receive a premium of \$.36 per hour while they are carrying such responsibility.

38. GENERAL

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

39. TERM OF AGREEMENT

39.01 The Company and the Union agree that they will abide by the articles of this agreement for a period of six (6) years from May 1, 1998 to April 30, 2004.

39.02 The Union shall have the right to discuss local adjustments with Management at divisional level prior to April 30, 1998, April 30, 1999, April 30, 2000, April 30, 2001, April 30, 2002, April 30, 2003 and prior to negotiations in 2004. All local adjustments must be submitted in writing by February 15th of each year for discussion and final settlement at local level prior to April 30, 1998, April 30, 1999, April 30, 2000, April 30, 2001, April 30, 2002, April 30, 2003 and prior to 2004 wage negotiations, and where granted will become effective May 1. It is understood that "local adjustments" are construed to mean the consideration of individual job rates in cases of gross inequality or major changes in job responsibility. Jobs included in the Job Classification Plan will not be subject to the "local adjustments" process.

39.03 In the event that an agreement regarding proposed changes is not reached prior to the end of one agreement year, the existing agreement shall continue in effect during the next agreement year until a decision is reached with respect to the proposed changes.

40. EMERGENCY AND MAINTENANCE SHUTDOWNS

40.01 During an emergency shutdown of twenty-four (24) hours or less (which includes the shift in which the shutdown occurs and the following shift) and during a scheduled normal maintenance shutdown, operating crews will be provided with work and will be paid at the rate of their regular occupations.

40.02 Employees will be expected to do work assigned. Tour Workers may be scheduled to work with day crews during these shutdowns and if so scheduled, will work day work hours.

41. JOB CLASSIFICATION PLAN

The Job Classification Plan forms part of the Agreement and is attached hereto as Appendix "K".

42. PREMIUM PAY

- (a) The Company agrees to pay premium pay of ten cents (10¢) per hour to employees for actual hours worked on the following:
 - (i) Cleaning out inside of Lime Kiln
 - (ii) Cleaning out inside of Liquor Tanks
 - (iii) Handling bagged quicklime
 - (iv) Cleaning out inside of Lime Slaker
 - (v) Cleaning out inside of Precipitator
 - (vi) While using white liquor, cleaning acids, etc. for cleaning purposes which are not part of routine operations.
 - (vii) Cleaning out recovery furnaces on shutdowns.
- (b) The Company will pay trainers designated by the Company a premium of twenty cents (20¢) per hour while assigned to training duties.

Signed at Smooth Rock Falls, Ontario, this 21st day of June, 1999.

Tembec Industries Inc. Pulp
Group Smooth Rock Falls Division

[Signature]
Y. Belletier

[Signature]
Y. Ouellette

[Signature]
R. Poulin

[Signature]
L. Kosciak

For Communications, Energy
and Paperworkers Union,
Local 53

[Signature]
R. Lamarche

[Signature]
S. Smith

[Signature]
M. Dubord

[Signature]
B. Larstone

[Signature]
G.L. Bernard

APPENDIX A
WAGE SCHEDULE

DEPARTMENT AND OCCUPATION

	J.C.P. CLASS	May-01 1999	May-01 2000	May-01 2001	May-01 2002	May-01 2003
<u>WOODROOM</u>						
Woodroom Operator	13	23.78	24.28	24.77	25.26	25.77
Woodroom Helper	5	21.47	21.97	22.41	22.86	23.31
Woodroom Operator (Clarifier)	7	21.99	22.49	22.94	23.40	23.87
<u>CHIP HANDLING</u>						
Reclaim Operator	8	22.27	22.77	23.23	23.69	24.16
Chip Unloader	6	21.71	22.21	22.65	23.11	23.57
<u>YARD</u>						
Crane Operator Certif.	12	23.46	23.96	24.44	24.93	25.43
Equipment Operator	7	21.99	22.49	22.94	23.40	23.87
Trucker Driver	4	21.17	21.67	22.10	22.55	23.00
Labourer	1	20.43	20.93	21.35	21.78	22.21
<u>RECOVERY AND STEAM PLANT</u>						
<u>Recovery -Line A</u>						
Recovery Foreman	30	29.90	30.40	31.01	31.63	32.26
Recovery Operator 1 st Class	20	26.54	27.04	27.58	28.13	28.70
Recovery Operator 2 nd Class	20	26.47	26.97	27.51	28.06	28.62
Recovery Operator 3 rd Class	20	26.23	26.73	27.26	27.81	28.37
Refuse Operator 1 st Class	18	25.76	26.26	26.79	27.32	27.87
Refuse Operator 2 nd Class	18	25.71	26.21	26.73	27.27	27.81
Refuse Operator 3 rd Class	18	25.48	25.98	26.50	27.03	27.57
Recovery Helper 1 st Class	14	24.23	24.73	25.22	25.73	26.24
Recovery Helper 2 nd Class	14	24.17	24.67	25.16	25.67	26.18
Recovery Helper 3 rd Class	14	24.11	24.61	25.10	25.60	26.12
Refuse Helper 1 st Class	12	23.74	24.24	24.72	25.22	25.72
Refuse Helper 2 nd Class	12	23.69	24.19	24.67	25.17	25.67
Refuse Helper 3 rd Class	12	23.63	24.13	24.61	25.10	25.61
Refuse Helper 4 th Class	12	23.46	23.96	24.44	24.93	25.43
Sputman 1 st Class	10	23.03	23.53	24.00	24.48	24.97
Sputman 2 nd Class	10	22.97	23.47	23.94	24.42	24.91
Sputman 3 rd Class	10	22.91	23.41	23.88	24.36	24.84
Sputman 4 th Class	10	22.86	23.36	23.83	24.30	24.79
Utility 4 th Class	8	22.27	22.77	23.23	23.69	24.16

To receive premium(s) higher than the job ticketed requirement, the employee must be prepared to accept a promotion. \$0.60 premium for Relief Recovery Foreman

	J.C.P. CLASS	May-01 1999	May-01 2000	May-01 2001	May-01 2002	May-01 2003
<u>Recovery - Line B</u>						
Water Tender	10	22.86	23.36	23.83	24.30	24.79
Vaporator Operator	8	22.27	22.77	23.23	23.69	24.16
<u>DIGESTER</u>						
digester Operator	19	25.89	26.39	26.92	27.46	28.01
Drawn Stock Operator	12	23.46	23.96	24.44	24.93	25.43
Pulp Mill Utility	10	22.86	23.36	23.83	24.30	24.79
<u>BLEACH PLANT</u>						
Bleach Plant Operator	19	25.89	26.39	26.92	27.46	28.01
Chemical Plant Operator	14	24.11	24.61	25.10	25.60	26.12
Asst. Bleach Plant Operator	11	23.18	23.68	24.15	24.64	25.13
<u>MACHINE ROOM</u>						
Machine Tender	19	25.89	26.39	26.92	27.46	28.01
Backtender	11	23.18	23.68	24.15	24.64	25.13
Trucker	7	21.99	22.49	22.94	23.40	23.87
Utility	5	21.47	21.97	22.41	22.86	23.31
Weigher & Sampler	8	22.27	22.77	23.23	23.69	24.16
Weigher & Sampler do not form part of line of progression directly						
<u>RECAUST</u>						
Recast Operator	10	22.86	23.36	23.83	24.30	24.79
Lime Kiln Operator	7	21.99	22.49	22.94	23.40	23.87
<u>TECHNICAL DEPARTMENT</u>						
Senior Day Tester	10	22.86	23.36	23.83	24.30	24.79
Day Tester	9	22.51	23.01	23.47	23.94	24.42
Junior Tester Such a man hired for training, casual work, etc., to be paid base rate.						
<u>MILL STORES</u>						
Senior Stores Man	6	21.71	22.21	22.65	23.11	23.57
Stores Man	5	21.47	21.97	22.41	22.86	23.31
Tool Crib Attendant	5	21.47	21.97	22.41	22.86	23.31
Stores Labourer	3	20.92	21.42	21.85	22.29	22.73

	J.C.P. CLASS	May-01 1999	May-01 2000	May-01 2001	May-01 2002	May-01 2003
<u>Powerhouse</u>						
Powerhouse Operator	19	25.89	26.39	26.92	27.46	28.01
Powerhouse Floorman	10	22.86	23.36	23.83	24.30	24.79
<u>MATTAGAMI RAILROAD</u>						
Diesel Engineer	14	24.11	24.61	25.10	25.60	26.12
Conductor	10	22.86	23.36	23.83	24.30	24.79
Track Foreman	8	22.27	22.77	23.23	23.69	24.16
Trackman A*	2	20.71	21.21	21.63	22.07	22.51
Track Labourer	1	20.43	20.93	21.35	21.78	22.21
*Effective after one (1) year's experience as Track Labourer. When Trackman is used for snow-plowing, he will be paid Brakeman rate						
<u>Miscellaneous</u>						
Fire Inspector	10	22.86	23.36	23.83	24.30	24.79
Chemical Unloader	6	21.71	22.21	22.65	23.11	23.57
Cleaner	1	20.43	20.93	21.35	21.78	22.21
Labour Pool Labourer	1	20.43	20.93	21.35	21.78	22.21
Knife Grinder	9	22.51	23.01	23.47	23.94	24.42

SCHEDULE OF MECHANICAL RATES

Applying to such Journeyman positions as Electricians, Millwrights, Machinists, Mechanics, Pipetitters, Masons, Steam Plant Repairmen, Welders, Meter Mechanics, Tinsmith, Painters, Heating and Ventilating Man, Saw Filer and their Helpers

	May-01 1999	May-01 2000	May-01 2001	May-01 2002	May-01 2003
Journeyman Class "A"	25.90	26.40	26.93	27.47	28.02
Journeyman Class "ACC"	26.60	27.10	27.64	28.19	28.76
Journeyman Class "ABC"	27.05	27.55	28.10	28.66	29.24
Journeyman Class "ABB"	27.50	28.00	28.56	29.13	29.71
Journeyman Helper "A"	21.46	21.96	22.40	22.85	23.30
Journeyman Helper "B"	21.14	21.64	22.07	22.51	22.96
Journeyman Helper "C"	20.81	21.31	21.74	22.17	22.61
Painter "A"	24.86	25.36	25.87	26.38	26.91
Painter Helper "A"	21.14	21.64	22.07	22.51	22.96
Oiler Mechanic	22.60	23.10	23.56	24.03	24.51
Helper Pool	20.97	21.47	21.90	22.34	22.78
After one (1) year	21.48	21.98	22.42	22.87	23.33

May-01 1999	May-01 2000	May-01 2001	May-01 2002	May-01 2003
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APPRENTICE RATES

1 st Year - 1 st half Base Rate	20.43	20.93	21.35	21.78	22.21
1 st Year - 2 nd half Base Rate	20.43	20.93	21.35	21.78	22.21
2 nd Year - 1 st half	21.03	21.53	21.96	22.40	22.85
2 nd Year - 2 nd half	21.64	22.14	22.58	23.03	23.50
3 rd Year - 1 st half	22.25	22.75	23.21	23.67	24.14
3 rd Year - 2 nd half	22.86	23.36	23.83	24.30	24.79
4 th Year - 1 st half	23.47	23.97	24.45	24.94	25.44
4 th Year - 2 nd half	24.08	24.58	25.07	25.57	26.08
5 th Year - 1 st half	24.69	25.19	25.69	26.21	26.73
5 th Year - 2 nd half	25.30	25.80	26.32	26.84	27.38
6 th Year - 100% Journeymen	25.90	26.40	26.93	27.47	28.02

The Apprentice Rates are calculated on the difference between the Base Rate and the Journeymen "A" Rate divided in nine steps

The step formula rates will be updated to reflect changes whenever the effective 'Base Rate end/or effective Journeymen "A" rate' are changed

APPENDIX "B"

Tembec Inc., Pulp Group Smooth Rock Falls Division

WEEKLY INDEMNITY PLAN

1. DEFINITIONS

In this plan, unless otherwise specifically provided,

- (a) "Accident" is a bodily injury caused by external, violent means;
- (b) "Disability" is a disability preventing an employee from pursuing any gainful occupation arising from any mental infirmity, bodily disorder, or bodily injury, verified to the satisfaction of the Company and/or insurer, and not otherwise excluded by this plan;
- (c) "Employee" means an employee in the active employment of the Company, who participates in this plan;
- (d) "Insurer" means the insurance company or carrier appointed by the Company;
- (e) "Plan" means the Tembec Inc., Pulp Group, Smooth Rock Falls Division Weekly Indemnity Plan;
- (f) "Wage" means an employee's regular weekly wage, based on forty (40) times his straight time average rate for the forty (40) hours worked prior to the start of disability, excluding any overtime premium or shift bonus. Employees who are regularly scheduled to work a forty-two (42) hour work week will have their benefits calculated on that basis.

2. PARTICIPATION

- (a) All employees of the Company listed on the attached participation schedule shall be eligible to participate in this Plan, in accordance with the provisions listed herein.
- (b) Participation in this Plan is limited to eligible employees who have completed three (3) months of continuous employment with the Company.

3. AMOUNT OF DISABILITY BENEFITS

- (a) The amount of disability benefits shall be 70% of an employee's wage, as defined in Section 1 if), immediately preceding the date of disability with no maximum.

b. Change in Benefits

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.

cc) A daily rate of payment for each calendar day of absence that qualifies for payment shall be one-seventh (1/7) the weekly amount of disability benefit under Section (a) hereof.

4. ELIGIBILITY FOR PAYMENT

a) i) Except in the case of disability arising out of an accident or illness requiring hospitalization, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding fifty-two (52) weeks for any illness, beginning after three (3) consecutive days of continuance of the disability. In case of day surgery, the three (3) day waiting period will be waived and the employee will be covered upon the first day upon proof thereof.

ii) In the case of a disability arising out of an accident or illness requiring hospitalization, an employee shall be eligible to receive an amount of disability benefit in accordance with Section three (3) hereof, for a period not exceeding fifty-two (52) weeks for any one (1) accident or such sickness commencing from the date of the accident or first day of hospitalization.

b) An employee absent from work and in receipt of an amount of disability benefit, shall continue to receive such benefit, even though a work shortage develops which would have resulted in his being laid off had he been at work, provided that the employee remains disabled and continues to furnish evidence satisfactory to the Company and/or insurer, and verifies the continuance of disability.

c) An employee shall not be eligible for an amount of disability benefit under this plan unless he is actively employed by the Company at the date that he becomes eligible or until he subsequently returns to active employment.

In the event of a lay-off an employee shall be considered as still employed for purposes of this benefit up to the end of the policy month next following the policy month in which the employee was laid off.

- (d) A" employee making a claim for a" amount of disability benefit after lay-off or termination of employment, for disability established to the satisfaction of the Company and/or insurer as having occurred prior to his lay-off or termination, shall be eligible for an amount of disability benefit provided such disability was accompanied by a continuance of absence that commenced prior to actual lay-off or termination.
- (e) Successive periods of disability separated by less than four (4) consecutive weeks shall be considered one (1) period of disability, unless the subsequent disability is due to an accident or illness entirely **unrelated** to the previous disability and commences after return to active employment on a full time basis.
- (f) A" amount of disability benefit under this plan shall not be paid in the event the absence is a result of,
 - i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
 - ii) Any injury or illness entitling the employee to compensation under any **workmen's** Compensation or **similar** legislation, or
 - iii) Self-destruction or any self-inflicted injury, while sane or insane, or
 - iv) Any injury or illness resulting from insurrection or war, whether war be declared or not, or from participation in riot or civil commotion, or
 - v) Disability for which the employee is not under the treatment of a physician except that authorization for benefits by a chiropractor shall be permitted for up to four (4) weeks per insured person per calendar year, or
 - vi) Alcoholism or Drug Addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.

- (g) An amount of disability benefit will not be payable following the normal retirement date of an employee, other than retirement under the total and permanent disability provision of the Company pension plan.
- (h) An amount of disability benefit will not be payable following the early retirement date of an employee, if early retirement was approved prior to the onset of disability.
- (i) An amount of disability benefit will not be payable for those days for which the employee receives holiday pay, vacation pay, or more than one-half day's regular pay, from the Company.
- (j) An employee on Weekly Indemnity who is determined as being fit for "light duty" by a licensed physician and if no "light duty" work is available, he shall remain on Weekly Indemnity Benefits in line with Section 4(a) (i).
- (k)
 - i) An amount of disability benefit under the plan shall not be paid in the event the absence is a result of pregnancy-related disabilities when an employee is on pregnancy leave of absence or could be placed on such leave by the Company, in accordance with the pregnancy leave provisions of any relevant provincial or federal legislation.
 - ii) For employees who fail to qualify for pregnancy leave of absence because of failure to meet the length of service requirements in the relevant provincial or federal law, any leave of absence agreed upon by the employer and employee will be considered a normal leave of absence for legitimate personal reasons.
- (a) In computing the amount of disability benefits, disability will be considered as starting from the first day of disability; however, in the event of absence due to illness, an employee must be certified by a physician for the disability within the first three (3) days of disability. In the event that the employee is not certified within the first three (3) days, disability will be considered as starting two (2) complete days prior to the day that the employee is actually certified by a physician.

When an employee becomes ill on a Friday, the three (3) day waiting period will be extended to the Monday. However, if the employee in this instance fails to see his doctor on the Monday immediately following the Friday, the grace period will revert to three (3) days only.

6. MISCELLANEOUS PROVISIONS

- (a) An employee who is absent due to disability or on an authorized leave of absence, on the date he was to become eligible under this plan, and is unable to return to active employment when eligible because of a disability, shall, upon the date of his return to active employment, be eligible to participate in this plan;
- (b) An employee absent on an authorized leave of absence on the date he was to become eligible under this plan, shall, upon the date of his return to active employment, be eligible to participate in this plan;
- (c) If an employee who has been covered under the terms of this plan is granted an authorized leave of absence, such employee shall be considered as still covered under the terms of this plan, but not beyond the end of the policy month next following the policy month in which such employee ceased work.
- (d) If requested, the Company may make advance payments after receipt of formal claim, at normal pay intervals until the claim is processed.

The Company will be reimbursed by the claimant for any advance payments made prior to the Company's receipt of notification of the adjudication of the claim.

If the claim is denied, advance payments not repaid by the claimant within thirty (30) days following receipt of notification by the Company's of such denial, will be recovered by the Company from the claimant's normal pay.

7. GOVERNMENT DISABILITY PLANS

- (a) The amount of disability benefit under this plan will be reduced by the amount for which an employee and/or the employee's dependent up to the age of eighteen is eligible under the disability benefit provision of the Canada or Quebec Pension Plan or similar provisions in any other Government plans for disability, for which the employee is receiving an amount of disability benefit under this plan, except for War Disability Pensions and Workmen's Compensation Disability Pensions.

- (b) The Company and/or insurer may require certification or verification of the amount of income from the Canada or Quebec Pension Plan or such other Government Plans;
- (c) The amount of disability benefit in excess of the amount which should have been paid may be deducted from the amount of any future disability benefit, or repaid by the employee to the Company and/or insurer, as the case may be, through some other mutually satisfactory arrangement

8. COMPANY PENSION PLAN DISABILITY BENEFITS

The amount of disability benefit under this plan will be reduced by the amount of pension for which the employee is eligible under the total and permanent disability provision of the Company pension plan.

9. PHYSICAL EXAMINATIONS

The Company and/or insurer reserves the right to require periodic physical examinations throughout the duration of the employee absence due to disability. Such examinations shall be conducted by a physician or physicians designated by the Company and/or insurer.

Cost of physical examinations, transportation and reasonable out-of-pocket expenses related thereto will be paid by the insurer.

In cases where there is a dispute as to the validity of a claim or the continuance of a claim and where the physicians of the employee and the employer fail to reach agreement after consultation, the dispute will be referred to a mutually agreed practicing specialist who will render a final and binding decision.

Weekly Indemnity payments will continue until a final decision is reached.

10. ADMINISTRATION

- a It shall be the obligation of the employee to notify immediately the Company of his absence due to disability, following which the Company will issue the necessary initial claim forms to him.
- (b) Completed claim forms will be checked by the Company to determine whether or not an employee is a participant in the plan, and the Company will forward the claim forms to the insurer for adjudication and processing.

- (c) To assist the insurer in the proper adjudication and processing of claims, the Company and/or the insurer may establish claims control procedures.
- (d)
 - i) A Claims Committee will be established at each mill consisting of a union representative of each participating local and representatives of management, having a representative of management as Chairman, the purpose of which will be to discuss any problems relating to the administration of the plan, and to review claims experience. To assist in the function of the Claims Committee, a representative of the insurer will attend meetings periodically, and claims experience will be made available.
 - ii) The Claims Committee may assist in the establishment of claims control procedures which may be required from time to time.
 - iii) The Claims Committee will not seek, directly or indirectly, to abridge, modify, add to, or subtract from, the terms of this Plan, nor to secure benefits not payable under the terms of this Plan.
 - iv) All of the foregoing provisions of this plan shall be subject to the Grievance Procedure.

APPENDIX "C"

Tembec Inc., Pulp Group Smooth Rock Falls Division

LONG TERM DISABILITY PLAN

The Long Term Disability Plan shall be administered in accordance with the terms of an insurance policy and shall contain the following governing provisions.

1. ELIGIBILITY

The Long Term Disability Benefit Plan shall be compulsory for all employees, who are participants in, and who are covered under the terms of the Weekly Indemnity Plan.

2. EFFECTIVE DATE OF COVERAGE

An eligible employee is entitled to benefits provided he is actively at work on the first day the Long Term Disability Benefit Plan becomes effective.

An eligible employee absent from work due to sickness or accident at the effective date of the plan, shall only be eligible for Long Term Disability Plan benefits at the return to continuous active full-time employment over a thirty (30) calendar day period. An eligible employee absent from work due to lay-off at the effective date of the plan, shall be entitled to Long Term Disability Plan benefits upon recall on reporting to work. The Company shall have the right to give medical examinations to employees returning from such lay-off to determine their eligibility under the plan.

3. QUALIFYING PERIOD

An insured employee shall be eligible to receive an amount of Long Term Disability Benefit after fifty-two (52) weeks of benefit entitlement for the same disability under the Weekly Indemnity Plan.

4. DEFINITION OF DISABILITY

"Disability" shall mean an insured employee who has received fifty-two (52) weeks of benefits under the Weekly Indemnity Plan and who for up to the next ensuing twelve (12) months is unable because of disease or injury to work at his regular occupation, and thereafter is unable to perform any and every duty of every occupation in the field for which he is reasonably fitted by education, training or experience.

5. AMOUNT OF BENEFIT

- (a) 55% of the regular straight time hourly rate, multiplied by 2,080 hours and divided by twelve (12) up to a maximum monthly payment of \$2,300. Effective May 1, 2002, the maximum benefit under the Long Term Disability Plan will increase to \$2,400 per month for any eligible employee who is actively at work on that date.
- (b) The amount of benefit shall be reduced by any payments on behalf of the employee made under any Government disability plan (except increases in such amounts occurring twelve (12) months or more after disablement), Workmen's Compensation, or any other non-private disability income plan.

6. DURATION OF BENEFITS

Benefits shall cease upon the occurrence of any one (1) of the following:

- (a) On the date the employee ceases to be disabled; or

(NOTE: If there is a recurrence of the same disability within four (4) months of return to work, a new qualifying period will not be required, and the disabled employee will be eligible for any balance of Long Term Disability benefit payments. This provision shall take precedence over any recurrent disability provision under the Tembec Inc., Pulp Group, Smooth Rock Falls Division Weekly Indemnity Plan).

- (b) On death, or

- (c) On the earlier of retirement or age 65.

7. CONTINUATION OF GROUP LIFE INSURANCE DURING DISABILITY

An insured employee receiving Long Term Disability Plan Benefits, who was a participant in the Company Group Life Insurance Plan at the commencement of his disability, will continue to enjoy Group Life Insurance coverage **at** no premium cost to him.

8. EXCLUSIONS

- (a) Benefits under the Long Term Disability Plan will not be payable for claims resulting from:

- i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
 - ii) Any injury or illness entitling the employee to compensation under any Workmen's Compensation or similar legislation, or
 - iii) Self-destruction or any self-inflicted injury, while sane or insane, or
 - iv) Disability for which the employee is not under the treatment of a physician, or
 - v) Alcoholism or drug addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.
- b) i) An amount of disability benefit under this plan shall not be paid in the event the absence is a result of pregnancy-related disabilities when an employee is on pregnancy leave of absence or could be placed on such leave by the Company, in accordance with the pregnancy leave provisions of any relevant provincial or federal legislation.
- ii) For employees who fail to qualify for pregnancy leave of absence because of failure to meet the length of service requirements in the relevant provincial or federal law, any leave of absence agreed upon by the employer and employee will be considered a normal leave of absence for legitimate personal reasons.

9. REHABILITATION

An employee receiving an amount of Long Term Disability Benefit may be asked to undergo reasonable rehabilitation measures which have been the subject of prior consultation with the employee's doctor, at no cost to the employee. If such employee refuses to undertake such rehabilitation, he may be declared not eligible for an amount of Disability benefits.

APPENDIX 'D'

Tembec Inc., Pulp Group Smooth Rock Falls Division

SUPPLEMENTARY HEALTH CARE PLAN

This description outlines the principal features of the Supplementary Health Care Group Insurance Plan. Insurance policies applicable to this coverage are held for Tembec Inc., Pulp Group Smooth Rock Falls Division employees.

ELIGIBILITY

Employees

All employees are eligible upon completion of ninety (90) working days.

Dependents

For purposes of dependents' coverage provided under the plan, eligible dependents include the wife or husband and unmarried children from birth to their twenty-first (21st) birthday. Also unmarried children twenty-one (21) years of age and over who are full-time students attending a certified education institution and depend upon the employee for support are eligible dependents until their twenty-fifth (25th) birthday.

No person may be eligible for benefits both as an employee and as a dependent, or as a dependent of more than one employee.

Dependents become eligible on the same date as you do, or if acquired later, on the date they first become eligible dependents.

DESCRIPTION OF BENEFIT

If you incur Class I Covered Expenses the plan will pay 100% of such expenses with no deductible.

If you incur Class II Covered Expenses in excess of your Deductible in any calendar year, this plan pays you 100% of such excess expenses.

The Deductible applies only once in any calendar year. The amount of your annual deductible is \$10.00 per insured individual with a maximum family deductible of \$20.00.

Effective January 1, 1999, the maximum lifetime benefit will be increased to \$25,000 for each insured family member.

On January 1st of each year, up to \$1,000 of the maximum lifetime benefit previously utilized, will be automatically restored. For example, if you receive \$1,700.00 in benefit payments in one calendar year, your maximum benefit will automatically be restored by \$1,000.00 on the next January 1st, making your new maximum \$24,300.00. The next January 1st, your maximum will be restored to \$25,000 provided benefits paid in that year were \$300.00 or less.

COVERED EXPENSES

Covered Expenses included under the plan are the charges which you are required to pay for the following services and supplies received while you are insured, for the treatment of non-occupational injuries, diseases or for pregnancy.

Class I Expenses

HOSPITAL BOARD AND ROOM AND OTHER NECESSARY SERVICES AND SUPPLIES up to the difference between the hospital's daily charge for ward and average semi-private accommodations.

Class II Expenses

Note: Any **dollar limits** referred to in the list of Class II Expenses are the charges recognized by the plan and not the benefits payable since these charges are subject to the Deductible as stated earlier.

DRUGS AND MEDICINES obtainable only upon physician's prescription and dispensed through a registered pharmacist.

PROFESSIONAL AMBULANCE SERVICE when used to transport the individual from the place where he is injured by an accident or stricken by a disease to the first hospital where treatment is given, or from a hospital to a convalescent hospital. No other expenses in connection with travel are included.

OUT-PATIENT HOSPITAL SERVICES AND SUPPLIES in connection with

- use of examination or operating room,
- drugs, dressings or casts,
- anaesthesia in connection with the performance of a surgical procedure but not charges made by a resident physician or intern of a hospital.

REGISTERED GRADUATE NURSE (R.N.) other than a nurse who ordinarily resides in your home, or who is a member of your or your spouse's family, provided such services have been ordered by a physician.

CONVALESCENT HOSPITAL BOARD AND ROOM AND OTHER NECESSARY SERVICES AND SUPPLIES up to the difference between the hospital's daily charge for ward and average semi-private accommodations for as many as one hundred and twenty (120) days during any one period of disability provided the individual is admitted to the convalescent hospital within fourteen (14) days following confinement in a hospital. All confinements in a convalescent hospital will be considered as one period of disability unless confinements are separated by at least ninety (90) days.

TREATMENT BY A PROVINCIALLY LICENSED OSTEOPATH, NATUROPATH, OR PODIATRIST up to \$7.00 per treatment and up to \$25.00 per disability for X-rays but not more than thirty (30) visits in any calendar year for each type of such practitioner. However, no benefit will be paid for any charges in excess of \$7.00 per treatment and no benefit will be paid while the individual is entitled to similar benefits under any provincial health plan.

PHYSIOTHERAPY by a person duly qualified and registered and legally engaged in the practice of physiotherapy, provided such services, by duration and type, have been prescribed by a physician.

TREATMENT BY A PROVINCIALLY LICENSED CHIROPRACTOR up to \$15.00 per visit and up to \$25.00 per disability for X-rays, subject to a maximum of \$300.00 per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.

TREATMENT BY A PERSON DULY QUALIFIED AND REGISTERED AND LEGALLY ENGAGED IN THE PRACTICE OF PSYCHOLOGY on the written recommendation of a physician up to \$25.00 for the first visit and \$10.00 for each additional visit but not more than thirty (30) visits in any calendar year.

TREATMENT BY A PERSON DULY QUALIFIED AND REGISTERED AND LEGALLY ENGAGED IN THE PRACTICE OF ACUPUNCTURE FOR NOT MORE THAN \$7.00 PER VISIT, AND NOT MORE THAN THIRTY (30) VISITS PER YEAR.

TREATMENTS BY A MASSEUR who is duly qualified and registered and legally engaged in the practice of massage provided such services, by duration and type, have been prescribed by a physician but not more than \$7.00 per visit, and not more than thirty (30) visits in any calendar year.

SPEECH THERAPY by a person duly qualified and registered and legally engaged in the practice of speech therapy provided such services, by duration and type, have been prescribed by a physician but not more than thirty (30) visits in any calendar year.

PSYCHCANALYSIS - Physician charges in connection with Psychcanalysis treatment are a covered expense where permitted by law

OUT-OF-PROVINCE EMERGENCY TREATMENT as described in (1) and (2) below incurred in connection with emergency treatment while the individual is outside the province in which he normally resides or outside the country.

- (1) Charges by a general practitioner or specialist in excess of the amount allowed under the Provincial Hospital and Medical Plans in the individual's normal province of residence, provided such charges are reasonable and customary in the area in which they were incurred.
- (2) Up to \$50.00 per day for charges for hospital confinement in excess of the allowance for ward accommodation payable by the Provincial Hospital Plan in the individual's normal province of residence. No charges will be considered unless all or part of the daily charge is payable under such Provincial Hospital Plan, nor for any type of accommodation for which the individual would not have been covered under this Plan had he been hospitalized in his normal province of residence.

RENTAL OF IRON LUNG, WHEELCHAIR OR OTHER DURABLE MEDICAL OR SURGICAL EQUIPMENT.

CASTS, TRUSSES AND BRACES when prescribed or ordered by the attending physician.

ARTIFICIAL LIMBS AND EYES, CRUTCHES, SPLINTS, ORTHOPAEDIC SHOES, one (1) pair per year when prescribed by the attending physician subject to a maximum payment of \$50.00.

EMERGENCY DENTAL WORK OR COSMETIC SURGERY performed by a physician or dentist for the prompt repair of natural teeth or other body tissue and required as a result of a non-occupational accident.

ANAESTHESIA, OXYGEN, BLOOD AND BLOOD PRODUCTS.

ILEOSTOMY, COLOSTOMY AND DIABETIC SUPPLIES.

DIAGNOSTIC LABORATORY AND X-RAY EXPENSES.

GENERAL DEFINITIONS

Definitions

Definitions relating to this Plan shall be those set out by Clarica Insurance Company.

Continuation of Supplementary Health Care Benefits for Incapacitate Children:

If your child is incapable of earning his own living because of mental retardation or physical handicap, and is dependent on you for support, coverage may be continued beyond age twenty-one (21). Proof of incapacity must be submitted to the insurance company within thirty-one (31) days after the child has reached age twenty-one (21).

EXCLUSIONS

Your Supplementary Health Care Plan does not cover:

- (1) Medical or other expenses in connection with periodic health check-ups or examinations, travel for health or cosmetic surgery.
- (2) Dental services unless treatment is the result of a non-occupational accident. Service for accidental dental claim must be rendered within six (6) months of the accident.
- (3) Any expenses for which a covered individual is not required to pay.
- (4) Any charges which are not permitted to be insured under legislation.
- (5) Any injury or sickness for which the insured is entitled to indemnity or compensation under any Workmen's Compensation legislation.
- (6) Charges which are "or recommended and approved by the attending physician.
- (7) Any injury or disease which results from a "act of war or hostilities of any kind.

COORDINATION OF BENEFITS

This plan will pay either its regular benefits in full, or a reduced amount which, when added to the benefits available under the other plan, or plans, will equal 100% of covered expenses. 'Plan' means any plan under which medical or dental benefits or services are provided by:

- 1) Group insurance or any other arrangement of coverage for individuals in a group whether or not insured, or
- (2) Any prepayment arrangement, or

13 Any coverage for students which is sponsored or provided through a school or other educational institutions.

TERMINATION OF BENEFITS

Termination of Employment:

In the event of termination of employment for any reason, benefits will cease on the date of termination of employment.

Workmen's Compensation:

Disabled employees on Workmen's Compensation will be eligible for benefits for up to twelve (12) months after the date of disability.

Weekly Indemnity:

Disabled employees on Weekly Indemnity will be eligible for benefits for up to twelve (12) months after the date of disability.

Leave of Absence:

If you are on Leave of Absence, your insurance will be continued until the end of the month following the policy month in which the Leave of Absence starts.

Lay-Off:

If you are laid off, your insurance will be continued until the end of the policy month following the policy month in which the lay-off starts.

Retirees:

Optional coverage will be available to Retirees between the ages of fifty-five (55) and sixty-five (65). The cost of such coverage shall be borne by the Retiree.

Changes to Report:

It is necessary to notify your employer of any change in the number of dependents which will result in a change from one to another of the following classifications:

- (1) Employee without dependents.
- (2) Employee with dependents.

This information is necessary so that the Insurance Company can adjust your coverage accordingly.

Payment of Claims:

Your employer has the forms for submitting proof. When the form has been completed, return it to your employer. Benefits will be paid promptly upon receipt of required proofs.

APPENDIX 'E'

Tembec Inc., Pulp Group Smooth Rock Falls Division

DENTAL CARE PLAN

ELIGIBILITY

You, your spouse and your unmarried dependent children from birth to their twenty-first (21st) birthday. Also unmarried children twenty-one (21) years of age and over who are regularly attending school and depend upon you for support are eligible as dependents until their twenty-fifth (25th) birthday.

EFFECTIVE DATE OF BENEFITS

Employee:

Your benefits are effective on the day following continuous employment for ninety (90) working days, provided you are not absent from work due to disability, leave of absence or lay-off. If you are away from work because of disability, leave of absence or lay-off on the date that coverage would otherwise become effective, benefits will not start until you return to work.

Dependent:

- a. Benefits for your dependents are effective on the same date as your own. If you are single and later acquire a dependent, please notify your Employer immediately, in order that your coverage may be changed.

If you already have dependent coverage under the Plan, any additional dependents will be automatically covered from birth.

- b. Any mentally retarded or physically handicapped child who was covered up to the maximum age shall remain covered beyond such age, provided the child upon reaching the maximum age and thereafter, is incapable of self-sustaining employment and relies upon the employee for support and maintenance.

THE PLAN

The Plan provides you and your eligible dependents with reimbursement of:

- a. 100% of the cost of Class I covered expenses, and

- (b) 50% of the cost of Class II and Class III covered expenses based on the 1997 Ontario Dental Association Schedule of Fees. (Effective May 1, 1998; the 1997 Provincial Dental Association Schedule of Fees; effective May 1, 1999, the 1998 Provincial Dental Association Schedule of Fees, effective May 1, 2000, the 1999 Provincial Dental Association Schedule of Fees, effective May 1, 2001, the 2000 Provincial Dental Association Schedule of Fees, effective May 1, 2002, the 2001 Provincial Dental Association Schedule of Fees, effective May 1, 2003, the 2002 Provincial Dental Association Schedule of Fees).

The maximum benefit per calendar year is \$1,500 per insured family member for Class I and II covered expenses. The lifetime maximum benefit is \$1,500 per insured family member for Class III covered expenses.

COVERED EXPENSES

Class I Procedures:

- Oral examinations, including scaling and cleaning of teeth.
- Topical application of sodium or stannous fluoride.
- Oral hygiene instruction.
- Dental x-rays.
- Extractions
- Oral surgery, including excision of impacted teeth.
- Amalgam, silicate and plastic composite fillings.
- Anaesthetics administered in connection with oral surgery or other covered dental services.
- Injections of antibiotic drugs by the attending dentist.
- Treatment of periodontal and other diseases of the gums and tissues of the mouth.
- Endodontics treatment, including root canal therapy.

Class II Procedures:

- Initial installation (including adjustments after three (3) months following original insertion) of partial or full removable dentures to replace one or more natural teeth.
- Replacement of an existing partial or full removable denture or the addition of teeth to an existing partial or full removable denture to replace extracted natural teeth, but only if evidence satisfactory to the Insurance Company is presented that the existing denture cannot be made serviceable.
- Repair or relining of dentures.

Class III Procedures:

• Orthodontic treatment, including correction of malocclusion. Services and supplies, in the case of each Dental Expense, must have been rendered and dispensed by a legally qualified dentist except that:

- (i) cleaning or scaling of teeth may be performed by a licensed dental hygienist if such treatment is rendered under the supervision and direction of such dentist, and
- (ii) installation, adjustments, repairs and relining of complete dentures may be made by a dental mechanic or denturist legally practicing within the scope of his license, but any charges in excess of the amount specified for such services and supplies in the dental mechanics' or denturists tariff of the Province where such services and supplies are received will be disregarded.

PRE-DETERMINATION OF BENEFITS

Usually, before starting extensive dental work, your dentist will tell you what he intends to do and the charge. If the cost of a course of treatment planned by the dentist for a covered family member is expected to exceed \$200.00, the proposed course of treatment must be filed with, and approved by, the Insurance Company prior to the commencement of treatment. The necessary forms are available from your Employer. After reviewing the proposed course of treatment, the Insurance Company will notify both you and your dentist of the estimated payment under the Plan.

Because of the difficulty of determining the necessity for the types of services involved after treatment has been received, failure to file and obtain approval may result in benefits of a lesser amount than would otherwise have been payable. Occasionally a patient may select a more expensive procedure rather than a suitable alternate procedure. In such cases, reimbursement will be based on the least-expensive procedure which, as determined by the Insurance Company, will produce a professionally adequate result.

EXCLUSIONS

The Plan does not cover:

- Dental Services not listed under "Covered Expenses".
Services not performed by a licensed dentist.
Any eligible expenses for which coverage is provided or available (or would be if the Plan was not in effect): under any insurance or other Contract, plan or law.
Treatments received before the effective date of your benefits, or which commenced after lay-off or termination of employment.
Dental services performed primarily for cosmetic purposes.
Travel expenses to and from the place of treatment.

• Treatment brought about by conditions arising from war, riot or insurrection, or while serving in the armed forces of any country.

TERMINATION OF BENEFIT:

Termination of Employment:

In the event of termination of employment for any reason, benefits will cease on the date of termination of employment.

Workmen's Compensation:

Disabled employees on Workmen's Compensation will be eligible for benefits for up to twelve (12) months after the date of disability.

Weekly Indemnity:

Disabled employees on Weekly Indemnity will be eligible for benefits up to twelve (12) months after the date of disability.

Leave of Absence:

Employees on authorized Leave of Absence will be eligible for benefits for one (1) month.

Employees may continue their average after one (1) month by paying the monthly premium

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.

HOW TO CLAIM

After you or one of your dependents have made an appointment with the dentist, obtain a claim form from your Employer. The completed claim form should be returned to your Employer, as soon as possible, for submission to the Insurance Company for processing.

In the event that the dentist demands payment from the claimant upon completion of treatment, it will be the claimant's responsibility to pay the dentist and then claim reimbursement from the Insurance Company. It will be necessary for the claimant to secure a completed claim form from the dentist.

APPENDIX "F"

FLEXIBILITY OF TRADESMEN

Mutual Help - Day Workers

Tradesmen are normally assigned tasks that are related to their basic trade. However, employees of different trades that are organized as a group to perform a specific task help each other while doing their respective work in order to reduce lost time incurred when tradesmen have to wait before and/or after performing tasks directly related to their trade.

With respect to the above-mentioned proposal, the Company proposes the following adjustments, effective February 17, 1991:

Tradesmen - Class A and above: fifty cents (50¢) per hour.

Flexibility - Tradesmen on Shift

A tradesman or shift working alone or as part of a group performs any work for which he has the ability, regardless of his trade. The Company will provide the necessary training, so that the proposed changes will be implemented progressively and safely.

The tradesman's primary task is to deal with emergencies occurring during the shift and to perform the tasks scheduled by the department superintendent, regardless of the department in the mill.

The preceding text replaces all existing agreements and/or practices in the mill which would be in conflict with it.

Effective with the implementation of the proposed changes, tradesmen on shift will receive an adjustment of fifty cents (50¢) per hour over and above their job class.

The maintenanceshift tradesmen involved are: Shift Electrician, Shift Millwright, Shift Pipefitter and Shift Oiler Mechanic.

The Company and the Union will meet on a regular basis to discuss any problems or concerns which may arise as a result of the implementation of trades flexibility.

APPENDIX 'G'

Tembec Inc., Pulp Group Smooth Rock Falls Division

TRADES PROMOTION PLAN

1. TRADES AND CLASSIFICATIONS

- (a) There shall be two (2) rates of pay for painters, 'B' and 'A'.
- (b) There shall be three (3) rates of pay for mechanics' helpers, 'C', 'B', and 'A' except in the case of Painters' Helpers for whom there shall be one (1) rate, 'A'.
- (c) It is the sole right and responsibility of Management to determine the number of mechanics and mechanic helpers required to take care of mill repair and maintenance requirements satisfactorily.
- (d) The Company agrees to promote qualified personnel from within before consideration is given to hiring tradesmen from the outside.

2. SCHEDULE OF RATES

- (a) The schedule of rates for journeyman and helpers appears in the main wage schedule.
- (b) No differential in rates between skills will be paid. A journeyman machinist will be paid the same rate as a journeyman electrician. A journeyman electrician will be paid the same rate as a journeyman millwright, etc.

3. PROMOTION AND DEMOTION

- (a) Helper: who enter the maintenance departments after the signing of this agreement must have a minimum number of credit: equivalent to Grade X technical or academic education, pass a mechanical aptitude test and must enter the departments through job postings.
- (b) A helper will remain at the 'C' rate of pay for a period not exceeding six (6) months. During this period, his progress will be reviewed to determine if he can progress satisfactorily in the trade in which he is employed and if his progress is unsatisfactory he will be taken out of the maintenance department. If retained as a helper, he will be paid the 'B' rate of pay for the following eighteen (18) months.

- (c) 1) After serving for eighteen (18) months at the 'B' rate of pay, the mechanic helper will be paid the 'A' rate of pay during the remainder of the time he is employed as a mechanic helper.
 - 11) When a helper, who has qualified as a journeyman and is waiting for promotion, is directed to do the work of a journeyman on a temporary basis he will be paid the journeyman rate while doing such work.
 - 111) When a helper, who has not qualified as a journeyman, is directed to do the work of a journeyman on a temporary basis he will be paid the rate of the job or which the employee is substituting while doing such work. Helpers will be promoted to 'A' journeyman when qualified and openings exist.
 - iv) The Company agrees to promote either the helper or the apprentice who has been first to qualify for the promotion in that trade.
 - v) If it is understood in all cases of temporary promotion that the senior helper, who has previously qualified or who is actively studying and progressing, in a particular trade, will be promoted.
- id: Effective the date on which the agreement on the Tradesman Promotion Plan is signed, the accumulation of service as helper may be built up through temporary employment as helper, counting all periods of temporary employment. Effective May 1, 1975, all service as a helper will be accumulated.
- (e) A helper may become a journeyman by:
 - 1) Successful completion of the Apprentice Training Program, or
 - 11) Proving proficiency in his trade to the satisfaction of the Evaluation Committee after serving a minimum of seven (7) years in the particular trade. All of this service must have been with Tembec Inc., Pulp Group, Smooth Rock Falls Division. He must also have successfully completed a correspondence course equivalent to that presently being taken by apprentices and have passed all examinations set and marked by the correspondence school. The Company will supply a signed Certificate to each helper who meets these requirements.
 - iii) A helper must have accumulated the tools for his trade, at yearly intervals as specified in the "Trade

Apprenticeship" Plan, after he reaches the 'A' helper rate of pay. In addition, he must use these tools as necessary to perform his work.

- iv) During the last twelve (12) months spent in the helper period the helper shall be periodically assigned jobs in his own trade, for a total time not to exceed ninety (90) working days.
- v) A Committee consisting of the Mill Manager or his designated representative, the employee's superintendent and foreman will be established to evaluate the performance of each helper who has met the requirements outlined in Section e(i) to e(iv) above.

The Human Resources Superintendent will be present at Committee meetings to record the minutes of proceedings and to certify that the helper has fulfilled the time and technical training requirements for his trade, as outlined in Section e.(ii).

Two representatives of the Union to which the employee belongs may be present during the evaluation meeting and may offer to the Committee any appropriate comments or assistance. In addition, the employee who is being evaluated may offer comments to the Union representatives.

The function of this Committee will be to assess the helper's performance on the job and to advise him if he is qualified for promotion to journeyman status. If he is not qualified for promotion, the reason will be explained at this time. In the event of disagreement, grievance procedure will apply.

The Committee will meet semi-annually about May 1st and November 1st. It is understood that a helper will be promoted to journeyman only when and if a vacancy exists. Once qualified for promotion a helper will not be evaluated again. Helpers who fail to qualify for promotion will be evaluated semi-annually.

- vi) Correspondence courses for helpers will be purchased under the Tembec Inc., Pulp Group Smooth Rock Falls Division Educational Assistance Plan but in the case of helpers the refund will be 100% of the net cost on successful completion of the course, providing the helper is enrolled after having completed his probationary period.

vii: The Company will provide study time with pay to Helpers under the following conditions:

- Helpers must be enrolled in the full I.C.S. Apprentice Course approved for their trade.
 - Helpers must have satisfactorily completed 50% of the course on their own time and passed I.C.S. progress tests.
 - Four (4) hours study time per week with pay will be provided for a maximum of twelve (12) months for each of the last two sections of the course, each section amounting to 25% of the total number of lessons.
- (f) Upon promotion to journeyman status, a helper will be paid the 'A' journeyman rate of pay. Upon promotion to the Painter classification, a Painter helper will be paid the 'A' Painter rate. Painter Helpers will be paid the 'B' rate when spray painting.
- (g) Notwithstanding Article 4.04, if the Company hires a journeyman mechanic, he may be terminated at any time in the first six (6) months of employment as a journeyman if he is not considered sufficiently qualified for advancement in his trade. Journeyman hired from outside the mill may be paid 'A' journeyman rate or paid probationary rates equal to the fifth year, first or second half, apprentice rates. If hired at the first half fifth year probationary rate, they must be promoted to the second half fifth year rate after six (6) months and to the 'A' journeyman rate after one year.
- (h) In any case where a journeyman has not been promoted to Class 'A', he will remain at a rate equal to either the fifth year, first or second half, apprentice rate, until the reason for his not having been promoted has been removed. An immediate review of the journeyman involved will be carried out to make sure that the reason is valid under the Tradesman Promotion Plan.

1. NOTES

- 3 **Fares** for leading hands, assistant foremen and foremen will have to be determined after examining the effect of the new rate schedule of 1948 on the earnings of the men who they supervise.

(b) This Committee cannot appraise the degree of mechanical skill required or repair work done by the various operators across the Company but can only recommend that those occupations which are listed in the consolidated rate sheets of 1948 for the entire Company on page 4, sections headed Crane and Locos and Steam Operation and page 5 Miscellaneous be examined according to the following formula for electricians:

- i) The Electricians who work shifts are known as Motor Tenders, Motor Maintenance Men, Drive operators, Tour Electricians, Shift Electricians, Sub-Station operators. Such men must fall into two classifications Maintenance Men or Operators.
- ii) Shift men to qualify as Mechanics must be able to do all repair work in a minor breakdown without supervision during their shift.
- iii) Shift men whose **duties are** that of oiling, inspection and minor adjustments are to be classed as operators, and their rates are not to be considered in the Tradesmen Promotion Plan.
- iv) Mechanics employed in the following occupations on a full time basis will be classified and paid according to the class in which they fall in the new mechanics rate schedule:

Drill Hand	saw Filer
Roll Grinder	Babbitt Man
Blacksmith	Bricklayer or Mason
Tinsmith	Head Oiler
Motor Mechanic	Fire Inspector
Tool Room Man	

5. The qualifications for helpers in the mechanical **trades shall** be as follows:

(a) Instrument Helper Class 'C'

Minimum educational requirement for this job shall be High School Graduation or equivalent. A helper will be in this class a maximum of six (6) months, on probation, to determine if he has the qualifications for advancement and is a safe **worker**. If satisfactory, this man will be promoted to a Class 'B' helper; if not satisfactory, the man will be removed from this class.

(b) Instrument Helper Class 'B'

A helper class 'B' **must** be physically fit to carry out his duties effectively, and shall be expected to have sufficient mechanical aptitude for his trade and to have sufficient ability **and** educational background to pursue successfully a program of instruction that will qualify him eventually as a journeyman Class 'A'. A Class 'B' helper must be willing to undertake some kind of instruction or training to obtain proficiency in his work and to have started to accumulate a number of tools required for his trade. A Class 'B' helper shall be expected to carry out routine jobs such as changing charts, cleaning pens, etc.

(c) Instrument Helper Class 'A'

A helper Class 'A' shall be expected to have a minimum of eighteen (18) months experience as a Class 'B' helper; to have followed the requirements of Class 'B' helper and to have demonstrated to his superiors that he has the potential ability to become a journeyman Class 'A', and must have accumulated a number of tools required for his trade. He should know nut and bolt sizes, tubing and fitting sizes, be able to check simple level, temperature and pressure recorders.

(d) Mechanic Helper Class 'C'

A helper will be in this class a maximum of six (6) months, on probation to determine if he has the qualifications for advancement, and is a safe worker. If satisfactory, this man will be promoted to a Class 'B' helper; if not satisfactory, the man will be removed from this class.

(e) Mechanic Helper Class 'B'

A helper in Class 'B' must be physically fit to carry out his duties effectively, and shall be expected to have sufficient mechanical aptitude for his trade, and to have sufficient **a b i l i t y** and educational background to successfully pursue a program of instruction that will qualify him eventually as a journeyman Class 'A'. A Class 'B' helper must be willing to undertake some kind of instruction or training to obtain proficiency in his work and to have started to accumulate a number of tools required for his trade.

(f) Mechanic Helper Class 'A'

A helper Class 'A' shall be expected to have a minimum of eighteen (18) months' experience as a Class 'B' helper; to have followed the requirements of Class 'B' helper and have demonstrated to his superiors that he has the potential ability to become a journeyman Class 'A', and must have accumulated the number of tools required for his trade.

(g) Painter Helper

A painter helper shall be expected to be physically fit, to be able to climb and to work safely high above floors or ground, to use cleaning equipment such as wire brushes, air hammers, electric hammers, hydro silica gun, etc., and to brush on paint as instructed.

6. The qualifications for mechanics shall be as follows:

(a) Machinist Class 'A'

A machinist Class 'A' shall be expected to have had a minimum of five (5) years' practical machine shop experience; to understand and to read drawings without supervision; to turn out satisfactory and efficient work on any standard type of machine shop machine tool; to grind and sharpen all classes of tools; to know from practical experience what fits are required for various uses; and to be first class bench hand.

(b) Millwright, Class 'A'

A millwright, Class 'A', shall be expected to have had a minimum of five (5) years practical experience; to erect, line up and level any machinery normally used in the mill; to undertake the dismantling, repair and reassembly of equipment, including equipment requiring accurate workmanship and to have specialized knowledge and experience of at least one class of equipment which will enable him to detect and locate any incipient trouble and recommend corrections; to have a general knowledge of the functions of plant machinery and be able to detect and repair defects which develop; and he must understand thoroughly, the safe methods of handling heavy objects and be able to use safe types and sizes of slings or other equipment for lifting them; to read and understand drawings without supervision; to know from practical experience what fits are required for various uses, including anti-friction bearings; to understand and to be responsible for provision of proper oil distribution and sealing in bearings and other moving parts; and to be capable of leading other millwrights in repair or installation work under the general supervision

of a Foreman

(c) Carpenter, Class 'A'

A carpenter Class 'A.'; shall be expected to have a minimum of five (5) years' practical experience; to use, sharpen and care for the tools of his trade; to set up and operate woodworking machine tools in the shop and to sharpen the cutters for these tools; to identify the different species of wood and know their normal uses and characteristics; to be able to use substitutes for ordinary wood; to be able to fabricate all forms and any objects made from wood and normally required for the paper manufacturing process; to be able to build scaffolds in accordance with the Provincial Labour Code; to be able to do every kind of cabinet making required in the mill; to read and understand drawings without supervision and to be capable of leading other carpenters in repair or installation work.

(d) Tinsmith, Class 'A'

A tinsmith Class 'A' shall be expected to have a minimum of five (5) years' experience; to read and understand drawings without supervision; to lay out and develop surfaces and patterns; to use all the tools of his trade in an efficient and accurate manner and to form all types of sheet metal to the working limits of the equipment provided in the shop; to have a working knowledge of the principles of design for heating and ventilating ductwork; and to be capable of leading other tinsmiths.

(e) Pipefitter, Class 'A'

A pipefitter Class 'A' shall be expected to have a minimum of five (5) years' practical experience; to use all the tools of his trade in an efficient and effective manner; to perform skillfully all operations required in the installation and maintenance of any pipe system normally required in a paper mill so as to ensure reliability of service and economy of materials; to have a working knowledge of pumps, syphons, injectors, automatic valves and gauges; and to understand thoroughly the safe methods of handling heavy objects and be able to use safe types and sizes of slings of other equipment for lifting them; to have a good working knowledge of the services and locations of the pipe lines in the mill so as to be able to isolate quickly any broken or leaking pipes; to understand and read drawings without supervision; to undertake any job himself; and to be capable of leading other pipefitters under the general supervision of a Foreman.

(f) Painter, Class 'B'

A painter, Class 'B' shall be expected to have a minimum of two (2) years' experience as a helper or as a painter in an outside organization; to be able to rig staging; to have a fair knowledge of ropes, knots and tackle; to use paint guns effectively and do brush work; to care for all the tools of his trade, such as brushes, guns, hoses, hammers, etc., to conserve their life; to understand and be able to use paint removers, primers, fixatives, protective coatings for mill work; and to be able to glaze windows.

(g) Painters, Class 'A'

In addition to fulfilling all the requirements of painter, Class 'B', a painter Class 'A' shall be expected to have had a minimum of four (4) years' practical experience; to be able to do all types of interior decorating in offices or houses; to have a working knowledge of pigments, vehicles, oil thinners, dryers, mixing paints and colours, theory of paint colour, formulas for paint covering, capacities, graining, staining, sanding, painted work, calcimining, fuming, filling, varnishing or wash finishing; and to be capable of leading other painters under the general supervision of a Foreman.

(h) Welder, Class 'A'

A welder, Class 'A', shall be expected to have completed a recognized training course and to have had a minimum of five (5) years' practical experience; to have a thorough knowledge of the principle of making a good weld; to have a working knowledge of the welding code; to recognize different metals and select the right procedure for welding each of them; to plan and carry out each job with the least possible expenditure of time and material; to secure good fusion and thorough penetration on every weld; to test his own work, recognize defects and overcome them; to read working drawings and work to specifications called for; to do electric arc as well as acetylene welding and burning, lead burning, sweating, brazing, hard-surfacing, etc., vertical overhead or in any position; and to hold a certificate or license for electric welding and/or oxyacetylene welding under prevailing Provincial Regulations or the equivalent permitting him to carry out welding on pressure vessels and piping up to pressure levels required for mill equipment.

(i) Instrument Mechanic, Class 'A'

An instrument mechanic, Class 'A', shall be expected to have had a minimum of five (5) **y e a r s** experience in instrument work. He must be able to dismantle, repair and assemble all common types of instruments, including pneumatic, electric and electronic and other such types as may be used for indicating, recording, or controlling process variables; to be able to adjust recording and/or controlling instruments to give optimum results; to own such tools as are necessary for this work. He must be capable of leading other instrument mechanics, helpers and apprentices in instrument preventive maintenance, calibration, repair and installation; to read working drawings without supervision and wiring diagrams after details have been explained; to teach junior men the skills and knowledge of the **trade**; to be familiar with new instruments as installed in the mill; to follow planned schedules of inspection and maintenance of all meters and instruments; to be a safe worker and to perform such other related duties as may be assigned from time to time

APPENDIX 'H'

Tembec Inc., Pulp Group Smooth Rock Falls Division

APPRENTICESHIP PLAN

Tembec Inc., Pulp Group Smooth Rock Falls Division as part of its employee development program, has established an apprenticeship system. In it, a carefully selected man, interested in one of the trades practiced in our mills, is given work experience by varied shop and mill assignments, and must complete a suitable course of instruction in drafting, blueprint reading and related theory. By so developing tradesmen, Tembec Inc., Pulp Group Smooth Rock Falls Division prepares replacements for future retirement of its skilled older journeyman, while offering to some of its employees an opportunity to develop and increase their skill and knowledge by learning a trade. By being thus assured of an adequate supply of skilled tradesmen, the Company is better enabled to maintain its equipment in proper shape for efficient production.

2. REQUIREMENTS

- (a) An applicant for apprenticeship must be at least eighteen (18) years of age. Individuals employed by the Company as Mechanic Helpers will be considered for apprentice training provided they meet all the other requirements.
- (b) An applicant for apprenticeship must have a secondary school graduation diploma and must successfully complete a series of aptitude tests related to the trade being apprenticed.

In the E/I department, the applicant for apprenticeship must have one (1) year of post-secondary education in related trade.
- (c) A graduate of a four (4) year Science, Trades and Technology course (who has specialized in the trade in which he is to be apprenticed) shall be granted one year's standing on his term of apprenticeship.
- (d) A graduate of a three (3) year course at a College of Applied Arts and Technology or similar institution (who has specialized in the trade in which he is to be apprenticed) shall be granted two (2) years standing on his term of apprenticeship.
- (e) Time allowances for completion of various Government trade school courses or combination of courses will be six (6) to twenty-four (24) months depending on agreements reached with and approval of Provincial Apprenticeship Boards and Trade School authorities.

- (f) Preference will be given to present employees who desire to become apprentices and meet the above-listed requirements.

3. SELECTION

- (a) All applications for apprenticeship are to be sent to the Human Resources Superintendent.
- (b) Senior applicants meeting the minimum requirement under the provisions of the Plan will be given preference.
- (c) Prior to commencing the trade apprenticeship, the successful applicant will be thoroughly familiarized as to the Terms of Apprenticeship. He will then be required to sign an Apprenticeship Indenture certifying that he has read, understands, and agrees to all the terms and conditions of the Trade Apprenticeship of Tembec Inc., Smooth Rock Falls Division.

4. TERMS OF APPRENTICESHIP

- (a) The period of Apprenticeship will be four (4) years, divided into eight (8) periods, each of six (6) months duration. After graduation, if retained, an apprentice will automatically proceed over a one (1) year period to journeyman status, as indicated in the Apprentice "Rates of Pay".
- (b) Technical training pertaining to the trade will be provided through attendance at government trade schools. In such cases the number of hours of technical training an apprentice receives shall be determined by the authorities in charge of the trade school.
- (c) The first period shall be considered entirely a probationary period and his continuance as an apprentice depends upon ability, progress and attitude as demonstrated during this trial period.
- (d) To be eligible for advancement at the end of any (6) six month period, an apprentice must have completed his shop work to the satisfaction of the shop management and his technical training to the satisfaction of the trade school.
- (e) An apprentice who does not qualify for advancement at the end of any six (6) month period shall be considered as re-entering upon a trial period, and shall be notified as to the nature of his unsatisfactory work by his immediate supervisor. If he does not qualify after three (3) additional months, he shall be dropped from the apprentice course.

- (f) A helper may apply for entry into the apprentice plan. If he is accepted into the plan, an assessment of his skill and knowledge shall be made by the Apprentice Committee for which he may be given credit towards the apprenticeship time to be served. This credited time shall not exceed fifty percent of the applicant's service as a helper in the respective trade, and in no case shall it exceed two years. When a helper enters the plan he shall be paid the apprentice rate stipulated for that particular period in which he enters. When a helper on the payroll at April 30, 1963, enters the plan with an hourly rate in excess of that paid for the apprentice period for which he has been accepted, his rate will not be reduced nor will an increase be granted until his apprentice period rate catches up.
- (g) Tools are essential for tradesmen. At the twelve (12), twenty-four (24), thirty-six (36) and forty-eight (48) month completion points of the training program the apprentice will be required to submit proof to the Apprentice Committee that he owns and has in his possession a pre-determined list of tools. Before graduation from the training program the complete list of tools will be checked against the tools owned. Tools may be purchased through the Company at cost using normal company procedure.
- (h) Rotation in the various trades for apprentices must be completed prior to the commencement of the last six (6) months an apprentice spends in the plan.
- (i) During the last six (6) months of his apprenticeship period the apprentice will be periodically assigned jobs in his own trade.
- (j) The Smooth Rock Falls Division does not guarantee employment upon completion of apprenticeship, but will endeavour to place the graduates in tradesmen's jobs.
- (k) The Company will reimburse apprentices who attend a government trade school for the full cost to the employee (ie. less any contribution made by a government agency) of required text books, upon successful completion of the course.
- (l) For those apprentices who must live away from home to attend a government trade school, the Company will provide a living allowance supplement of \$100.00 per week less any comparable allowance from any government agencies.

5. GENERAL

(a) Helpers

The accepted way to become a tradesman will be by the apprentice route; however, the alternative route outlined in the Tradesmen Promotion Plan may be followed.

- (b) Apprentice training does not mean the replacement of helpers as they will always be needed as such, but it does mean that the main source of our future tradesmen will be through apprenticeship.

6. APPRENTICE COMMITTEE

1a: An Apprentice Committee will be formed in each mill composed of the Manager or his representative, and appointed representatives from the following; engineering department, electrical department, mechanical department, personnel department and the Unions or Union concerned. This Committee will deal with such things as: checking on course coverage, progress of apprentices and solving of **problems** that may arise. The Unions will be advised how many management representatives will **attend** each meeting and the Unions will be entitled to an equal number of representatives in total.

- (b) The final selection of an apprentice shall be done by the Apprentice Committee. The Union representatives on this Committee while it is selecting an apprentice may offer any appropriate comments or suggestions.

7. RATIO OF APPRENTICES TO MECHANICS

During the next ten (10) years the ratio of apprentices to mechanics retiring will depend on the work load of the mill. Mechanics will continue to come from both helpers and apprentices.

8. WORKING CONDITIONS

In general, an apprentice will not be asked to work overtime except in exceptional cases and then he will not be left on the job alone; a journeyman will work along with him. An apprentice must comply with all the rules and regulations applicable to the department in which he serves.

9. SPECIAL WORKS

When a special job comes up, the apprentice in the department concerned will be given an opportunity to work wherever possible with the crew on the job.

10. CERTIFICATE

Certificates will be supplied by the Provincial Department of Labour.

11. SENIORITY

When a man transfers from some other job to the status of an apprentice in one of the mechanical trades, he shall maintain his seniority in the job from which he transferred for a period of six (6) months of actual mill work, exclusive of time spent on block release education courses. Following such probationary period, his seniority shall develop exclusively within the mechanical group to which he transferred. If, when the period of apprenticeship (four (4) years) is served there is a vacancy for a journeyman in the trade for which the apprentice is qualified, he will be retained and will be granted two (2) years seniority as a journeyman and will become eligible for promotion in accordance with the Tradesmen Promotion Plan.

12. RATES OF PAY

- (a) The schedule of rates for apprentices appears in the main wage schedule.
- (b) When an apprentice is attending a trade training course at a Government Trade School, the following pay arrangements will apply:
 - i) The apprentice may receive a weekly training allowance from the Provincial Department of Labour or the Federal Manpower Office while attending school. The Company will supplement this allowance to provide the apprentice with a total weekly income equal to forty (40) times his regular hourly rate of pay. Calculation of the Company's portion will be based on the Government allowance for an apprentice who is able to live at home while attending the Trade School.
 - ii) If the apprentice is required to live away from home in order to attend a trade training course, he will receive the Company pay supplement referred to above, in addition to any increased allowance paid by the Department of Labour to a trade trainee living away from home.
 - iii) Payment of supplementary pay will be made on regular pay days. To receive this pay the apprentice must maintain satisfactory attendance and performance records at school during his trade training course.

- iv) The Company will provide for foregoing weekly pay supplement for the number of weeks normally required to complete trades training courses. Should an apprentice be required to spend more than the normal number of weeks to complete a course he will not receive Company pay during the additional time in school.
- v) An apprentice's entitlement to Vacation with Pay, Statutory Holiday Pay, Sick Leave and Funeral Leave will not be affected by his attendance at a Trade School, nor will his participation in any employee welfare plans in which he is enrolled. Permission of the school authorities must be obtained for all absences.

13. LOSS OF WORKING TIME

An apprentice may lose up to a maximum of thirty (30) scheduled working days due to sickness or accident, during his four (4) year term of apprenticeship, without having to serve additional time. Extension of the term of apprenticeship will be considered by the Apprentice Committee in the event that an apprentice loses more than thirty (30) working days.

APPENDIX 'I'
ELECTRICIAN PROMOTION PLAN

1. Trades and Classifications

- (1) When a journeyman is assigned the responsibility of a working supervisor in a crew of not less than five (5) men required to do maintenance or construction work, he will be designated by the Electrical Superintendent or Foreman as a Lead Hand and shall be paid thirty-four cents (34¢) per hour above the "A" rate during such time as he exercises this responsibility.
- (2) When additional supervision is required on a continuous basis a journeyman will be appointed as Lead Hand and will be paid thirty-four cents (34¢) per hour above the "A" Journeyman rate. Lead Hands assigned responsibility in the absence of a salaried Foreman or Superintendent shall receive a premium of thirty-six cents (36¢) per hour while they are carrying such responsibility.
- (3) It is the sole right and responsibility of management to determine the number of electricians required to take care of mill repair and maintenance requirements satisfactorily.

2. Schedule of Rates

The schedule of rates for journeymen and helpers appears in the main wage schedule.

3. Promotion and Demotion

- (1) If the Company hires an electrician, he may be discharged at any time in the first six (6) months of employment as a journeyman if he is not considered sufficiently qualified for advancement in his trade. Journeymen hired from outside the mill may be paid the "A" journeyman rate or paid probationary rates equal to the fifth year, first or second half, apprentice rates. If hired at the first half fifth year probationary rate, they must be promoted to the second half fifth year rate after six (6) months and to the "A" journeyman rate after one (1) year.
- (2) In any case where a journeyman has not been promoted to class "A", he will remain at a rate equal to either the fifth year, first or second half, apprentice rate, until the reason for his not having been promoted has been removed. An immediate review of the journeyman involved will be carried out to make sure that the reason is valid under the Electrician Promotion Plan.

- 3) When through completion of the approved course or through diagnostic tests a member of the Electrical/Instrumentation Department meets the established standards, he will receive a premium of twenty-five cents (25¢) per hour in addition to his regular rate, however an apprentice will not receive this premium until he has been classified as an "A" journeyman.
- 4) The diagnostic test referred to above will be supplied and marked by the school which supplies the approved electronic course and will evaluate the extent of the employee's knowledge of the course content.

4. Notes

Rates for leading hands, assistant foremen and foremen will have to be determined after examining the effect of the new rate schedule of 1948 on the earnings of the men whom they supervise.

This Committee cannot appraise the degree of mechanical skill required or repair work done by the various operators across the Company but only recommend that those occupations which are listed in the consolidated rate sheets of 1948 for the entire Company on page 4, sections headed Crane and Locos and Steam Operation and page 5 Miscellaneous be examined according to the following formula for electricians:

The electricians who work shifts are known as Motor Tenders, Motor Maintenance Men, Drive Operators, Tour Electricians, Shift Electricians and Substation Operators. Such men must fall into two classifications - Maintenance Men or Operators.

Shift Men to qualify as mechanics must be able to do all repair work in a minor breakdown without supervision during their shift.

Shift Men whose duties are that of oiling, inspection and minor adjustments are to be classed as Operators, and their rates are not to be considered in the Tradesmen Promotion Plan.

Mechanics employed in the following occupations on a full time basis will be classified and paid according to the class in which they fall in the new mechanics rate schedule:

Drill Hand	Saw Filer
Roll Grinder	Babbitt Man
Blacksmith	Bricklayer or Mason
Tinsmith	Head Oiler
Motor Mechanic	Fire Inspector
Tool Room Man	

The above list will be modified at each Division to conform to the list in the present agreement at that Division.

5. The qualifications for Electricians are as follows:

Electrician, Class "A"

An Electrician, Class "A", shall be expected to have a minimum of five years practical experience and to be able to work directly from electrical drawings and install equipment in accordance with government standards and regulations. He must be a safe worker as to electrical methods and practices and in working from scaffolds and ladders.

He must have specialized knowledge of some particular class or classes of electrical equipment, such as transformers (power distribution), oil circuit breakers (above 200-A), cable splicing to 800,000 C.M. 30-2300-V, batteries and battery charging, electric trucks, motors and generator (A.C. or D.C.), bus bonding and erection, signals, elevators, conduit bending one-half (1/2) inch to four (4) inch, lighting series and multiple, air circuit breakers (A.C. and D.C.), and cable training; to diagnose and repair common troubles, such as hot bearings, over-heated motors.

He must understand the fundamental working of common electrical equipment; to recognize dangerous practices; potential shorts and grounds, and to be able to test and locate grounds by usual methods.

He shall be expected to be able to rewind simple motors; to repair common types of electrical equipment; to have knowledge of winding coils for given service; to have knowledge of different characteristics and classes of motor windings; and to be able to take off own data from original windings; to have knowledge of telephones and auto calls and to have knowledge of magnet wire sizes and shapes and uses thereof; to be a solderman.

He must have a **good** knowledge of various types and grades of oils and greases and the uses thereof; to have a basic knowledge of industrial electronic circuits such as: photo electric relays, simple amplifiers, etc.; to recognize common electrical phenomena such as eddy currents, hysteresis, capacity, induction, resistance, etc.

He must be aware of local regulations regarding protection, mounting heights of switches, pole sizes, safety regulations, etc.; to be able to adjust and carry out minor repairs to common meters; to have a sound knowledge of meters and instruments, relay and instrument transformers; to be able to figure out voltage drops; to be able to cut out a motor coil on A.C. or D.C. machines and to distinguish between A.C. and D.C. resistance effects; to take usual tests with volt meter, ammeter and watt meter, and to make proper connections to each; to recognize the effects of reactance, inductance and capacitance and to know the common relations between H.P., K.W., K.V.A., K.W.H., amps, volts, ohms, etc.; to turn out satisfactory work on any type of electrical equipment encountered in the Company's mills; to be able to direct the work, teach and keep fully employed up to four other workers.

APPENDIX 'J'

JOB POSTING PROCEDURES

Any successful applicant will be on trial for a period not to exceed sixty (60) working days at work on his new job. If the employee proves satisfactory he will then be confirmed in his new position. If the employee proves unsatisfactory during the trial period, or asks to be returned to his former classification during the trial period, he will be returned to his former classification and department at his former rate of pay, as will others who were transferred or promoted by reason of the employee's successful application.

Employee(s) affected by return to his (their) classification will retain full departmental seniority.

Employees accepted on a job posting cannot apply for another posted job until the completion of six (6) months in the job awarded, with the exception of any Tradesman's Apprenticeship or Helper postings. An employee who is returned from a job posting to his former classification cannot apply for another posted job until completion of sixty (60) working days after date of return to his former classification. An employee who asks to be returned cannot apply for another posted job for six (6) months from the starting date of his previous successful application.

A successful applicant is an employee who applied but not an employee who is delegated by the Company for the job.

Any Tradesman's Apprenticeship or helper postings will be excluded in regard to time limits as described above.

Those employees holding temporary postings on the spare list will not be subject to the 6 month time limit as outlined above.

APPENDIX 'K'

JOB CLASSIFICATION PLAN

It is agreed that all jobs under the jurisdiction of the Communications, Energy & Paperworkers Union of Canada, except jobs in the mechanical trades and related occupations, clerical jobs, and supervisory jobs, will be classified using the Pulp and Paper Manufacturers Job Classification Plan, Explanatory Booklet dated June 1, 1974, as amended.

1. IMPLEMENTATION

(a) The Job Classification Plan is the basis for determining the job class applicable to any existing jobs, any newly created jobs or any jobs which have changed.

(b) The Wage Rate Structure established for the various job classifications is set forth in the "Schedule of Wage Rates", which forms part of this agreement.

(c) i) In the event that new jobs are created or significant changes occur in existing jobs, the employee or employer may request through the Mill Committee, the preparation of a new job description for submission to the Joint Classification Committee for evaluation.

ii) The Joint Classification Committee will evaluate the job and inform the Mill Committee of the applicable job class.

iii) In the event that agreement on the evaluation cannot be reached by the Joint Classification Committee, the question shall be referred for final resolution to the Senior Committee.

iv) The incumbent of a job will receive the rate applicable to the job class, determined as outlined above. An upward rate adjustment, if applicable, will be effective from the date the new job was created or the date that a revised job description was requested pursuant to c(i). A downward rate adjustment, if applicable, will be effective from the beginning of the next weekly pay period following notification to the Mill Committee by the Joint Classification Committee.

When a job covered by the Job Classification Program is evaluated or re-evaluated downward, incumbents will continue to receive their high rate until they bid successfully for another job, or separate from service with the Company. Red-circled employees will continue to be eligible for negotiated increases appropriate to their former labour grade.

- (d) The Job Classification Plan will be implemented and upward adjustment will be effective on May 1, 1980 for the Smooth Rock Falls Division.
- (e) Upon initial implementation of the Job Classification Plan where the evaluation resulted in a rate lower than that in effect prior to the dates applicable in (d) above, the rate will be maintained as a "Red Circle" rate and will be applicable only to the incumbent on that date and employees who were used as replacements during the twelve month period prior to the date of implementation of the Plan at each location. Employees hired, transferred, or posted to another department after the dates referred to in (d) above will receive the class rate of the occupation they are hired for, transferred to, or accept through job posting. Red circles will disappear with attrition and promotion.
- (f) General increases will apply to all occupations.
- (g) Adjustments to the scale will not apply to employees whose rates are red-circled except in the case where the difference between the "red-circled" rate and the "class" rate is less than the total adjustment. In such a case, the difference will be applied and the "Red Circle" will be discontinued.
- (h) Incentive rates presently allowed to the employees of the Steam Plant will continue to apply.
- i The Mill Committee will meet as required.
- (j) The Joint Classification Committee will meet as required.
- (k) As a condition of continued participation in the plan by Tembec Inc. Pulp Group, Smooth Rock Falls Division, and in consideration of the Company's agreement to adhere to the general principles of the Job Classification Plan, the Union agrees that it will not cause or be party to the modification of any essential element of Job Classification Plan in any other pulp and paper company in the Eastern Canadian industry to which the Union is a party, unless such modification is agreed to by all participating companies.

- (1) On the principle that, in implementing the Job evaluation Plan, no employee will receive less favourable treatment on any job than he did at any time prior to April 30, 1980, the following will apply:
 - ii) If movement occurs downwards through lines of progression because of curtailment, Individuals affected will revert to the rates they formerly enjoyed on the lower jobs to which they are transferred or the evaluated rate for the job at that particular time, whichever is the higher.
 - iii) Conversely, in the case of reverting to a higher level of operation, when individuals move back up through their lines of progression they will be paid the rates they formerly enjoyed on the higher jobs to which they are transferred, or the evaluated rate for the job at that particular time, whichever is the higher.

JOB CLASSIFICATION PLAN SCALE

<u>CLASS</u>	<u>May-01</u> <u>1999</u>	<u>May-01</u> <u>2000</u>	<u>May-01</u> <u>2001</u>	<u>May-01</u> <u>2002</u>	<u>May-01</u> <u>2003</u>
	20.43	20.93	21.35	21.78	22.21
2	20.71	21.21	21.63	22.07	22.51
3	20.92	21.42	21.85	22.29	22.73
	21.17	21.67	22.10	22.55	23.00
5	21.47	21.97	22.41	22.86	23.31
6	21.71	22.21	22.65	23.11	23.57
	21.99	22.49	22.94	23.40	23.87
8	22.27	22.77	23.23	23.69	24.16
9	22.51	23.01	23.47	23.94	24.42
10	22.86	23.36	23.83	24.30	24.79
	23.18	23.68	24.15	24.64	25.13
12	23.46	23.96	24.44	24.93	25.43
13	23.78	24.28	24.77	25.26	25.77
14	24.11	24.61	25.10	25.60	26.12
15	24.43	24.93	25.43	25.94	26.46
16	24.80	25.30	25.81	26.32	26.85
17	25.16	25.66	26.17	26.70	27.23
18	25.48	25.98	26.50	27.03	27.57
19	25.89	26.39	26.92	27.46	28.01
20	26.23	26.73	27.26	27.81	28.37
21	26.61	27.11	27.65	28.21	28.77
22	26.96	27.46	28.01	28.57	29.14
23	27.33	27.83	28.39	28.95	29.53
24	27.69	28.19	28.75	29.33	29.92
25	28.06	28.56	29.13	29.71	30.31
26	28.41	28.91	29.49	30.08	30.68
27	28.80	29.30	29.89	30.48	31.09
28	29.15	29.65	30.24	30.85	31.46
29	29.52	30.02	30.62	31.23	31.86
30	29.90	30.40	31.01	31.63	32.26
31	30.24	30.74	31.35	31.98	32.62

Memorandum
of
Understanding
Between
MKPP and CEP
Local 32

A-B-B PROGRAM

12/04/98

PREAMBLE

The parties to this agreement recognize that training forms an essential part of the program in order to ensure that an employee is capable of performing the work, the company will provide the necessary training

An employee will therefore be capable of performing any work for which he has the necessary skills, training, and is capable of performing the work safely. No employee will be asked to perform work for which he has not received the appropriate training. In the event that an employee does not feel comfortable in performing a task, the employee will be provided with the training, evaluated and will then be required to perform the work.

1. Job title:

The job titles for the affected positions will be as follows:

- A-B Millwright
- A-B Pipefitter
- A-B Machinist
- A-B Welder
- A-B Shift Pipefitter
- A-B Shift Millwright

It is recognized that the crews will remain in their present shop.

2. Qualifications:

Must be a class "A" journeyman in one of the following trades.

- Millwright
- Pipefitter
- Welder
- Machinist
- Painter
- Tinsmith
- Mason

3. The A-B-B journeyman performs all work associated with his core trade and the related trade to the level of qualifications attained.
4. The related trade is defined as a minimum C level and up to a B level in one of the following trades:
 - Millwright
 - Pipefitter
 - Welder

It is further understood that a person who elects to participate in the program may elect to remain at any level between A-CC and A-B-B levels. (Excludes shift personnel). "Normal hours of employment for day workers shall not exceed 40 hours per week. The regular hours of service for day workers shall be from 8:00 a.m. to 4:00 p.m except as mutual agreed.."

Note: The company will not place day workers on shift in accordance with the **Burkett** award unless mutually agreed to and nothing herein shall be construed as in any way affecting, altering or abrogating the **Burkett** award.

5. The present number of trades will be reduced to 4 core trades which will be defined as follows:
 - **A-B-B** Millwright
 - **A-B-B** Pipefitter
 - **A-B-B** Welder
 - **A-B-B** Machinist

6 The present flex amount will be absorbed into the A-B-B amount and will receive \$26.10 to reflect the A-C-C rate as per the wage scale in #9. Beginning January 1, 1999, those employees on shift will be compensated at the A-C-C level and will be required to progress to the A-B-B level once the training program is developed (if developed during the shift term). For those groups subsequent to the 1999 group, shift tradesmen will be required to be qualified at the A-B-B level in order to qualify for shift. The following trades groups will be eligible for shift work:

- Millwright
- Pipefitter

It is understood that the junior tradesmen inclusive of the 'A' tradesmen will relieve in the job category where the vacancy occurs. For example the junior millwright will relieve the A-B-B millwright on shift. Similarly, the same principle will apply for the A-B-B pipefitter.

With respect to shift work, the successful applicant shall be the most senior qualified person for the position at the time of the vacancy or at the bi-annual rotation.

7. Qualifications for the various levels are attached. It is understood that they will be used as guidelines.

8. Trades shall be offered the program on a volunteer basis. Each trades person, once they signify their intent to participate in the program, shall be granted the "C" level in two (2) related trades and compensated accordingly. Each person shall perform any tasks associated with his level of qualifications. Should training be required at the C level, the company will provide the necessary training.

Those enrolled in the Welders program will be required to pass a Tackers Ticket as developed locally.

The company will not ask a journeyman to perform work for which he has not received the appropriate training. However, trades personnel who have not been assigned work to their core trade may be asked to help other trades personnel in carrying out their functions.

9. The compensation for each level of qualifications shall be as follows:

- . 'A' Journeyman: \$25.40
- A-C-C Journeyman: \$26.10
- A-B-C Journeyman: \$26.55
- . A-B-B Journeyman: \$27.00

(Note: The additional compensation shall be considered as pensionable earnings for the purpose of the retirement income plan.)

Tradesmen on shift shall receive the premium as outlined above and the shift premium. Work assignments shall continue to be performed in accordance with Appendix F-Tradesmen on shift for shift personnel.

Appendix F will be applicable in the event that an 'A' journeyman remains an 'A' and Kill also work on shift under the Appendix F.

10. The company proposes to create a committee of equal representation of union and management to review the development of the program in all aspects of the mechanical trades group. The company agrees to meet with the union in an attempt to resolve any issues that may arise during the course of the program.

The recommendations of the joint committee shall be subject to approval by both the local union and management. In the event that no agreement is reached on the recommendations, the matter may be resolved through the grievance procedure as outlined in the collective agreement.

11. Seniority as it relates to the crew ranking for the purposes of vacation, work force reduction and other seniority related issues shall not be affected by the A-B-B program.

- . Employees assigned work resulting in overtime required to complete the job, shall remain on the job until completion regardless of the trade. However, such employees, if they cannot remain shall seek out a replacement starting with the core trade as per our present procedure.
- . Employees asked to start work on a job at the end of the work day which will be done on overtime, the core trade shall be assigned the work. If none of the core trades want to work, those in the secondary trades shall be asked to work using their shop seniority as a basis per our present collective agreement
- . In the event that capital projects are performed by mill crews, the present practice shall be used to solicit volunteers for the project
- An "A" shall continue to be eligible for such projects and shall continue to work under the same conditions as presently exists.
- A journeyman hired from outside shall be required to pass a series of written and practical exams as developed by the joint committee and be graded by the joint committee. Once the journeyman has passed the exams, he will be paid at the appropriate levels and be required to perform the work
- . A-B-B does not provide in any shape or form a greater seniority ranking whatsoever.
- . Seniority shall always prevail. For example, if a senior tradesperson decides not to pursue any A-B-B qualifications immediately, but does so a few years later, if they decide to go on shift, their seniority will be the deciding factor over classification. In other words, the Senior tradesperson will go on shift even if the junior person has had their A-B-B status longer. Shop seniority will remain the same as it is by today's standards. An A-B-B tradesperson on shift will not be protected by an A-B-B qualification, only his "A" trades seniority status. The "A" journeyman will be required to pursue the A-B-B qualification within a prescribed timeframe otherwise he will not be eligible for shift

12. Training shall be conducted as follows:

- Any studying required to progress from one level to the next shall be conducted on the employee's own time.
- Writing of exams shall be conducted on company time
- . Radical tests/exams shall be conducted on company time
- Should tutoring be required it shall be supplied by the company and conducted on the employee's own time. The company will consider the needs of the employee and endeavour to accommodate those needs as they arise.
- . However, if certain tools are required for the employee to practice on, these shall be available for the employee.

- Comes such as welding which require the use of special tools shall be conducted at the mill using mill equipment during his normal working hours
- The company will supply the books for studying purposes(i.e. per Termiscaming mill).
- Tickets required by the company shall be reimbursed by the company
- **The** company will provide an interest free loan up to a maximum of \$1000.00 to those employees who participate in the program for the purchase of the additional tools required. The sub-committee will develop a predetermined list of tools for each level. The employee will reimburse the company through a payroll deduction system.

13. Helpers shall work under the A-B-B concept when working along with the trades group. Although the program is on a volunteer basis for the trades group, the present mason helper (R Marchand) will have to become qualified to the A-C-C level on the retirement of the Mason. However, he may elect to participate sooner

If a helper is working on overtime the "A" journeyman or A-B-B Tradesperson of that trade can displace the helper

(Note. The program will be extended to D. Berube at the outset of the program.)

14. The Utility Trades will be handled as follows?

- Painter shall be classified as a millwright. His secondary trades will be Welding and Pipefitting.
- Machinist will retain their classification. Their secondary trades will be that of Millwright and Welder.
- Oilers; the company is suggesting no change to this group for the time being. However, the company is prepared to entertain suggestions from the local union
- Mason is classified as a Millwright. His secondary trades will be that of Welding and Pipefitting
- Tinsmith will be classified as a Millwright. His secondary trades will be that of Pipefitting and Welder.
- For vacation purposes, the Utility trades will remain under the present structure and will not be added to the other crews. This clause will apply to D. Berube and R. Marchand upon the retirement of the present tinsmith and mason. (should D. Berube revert to the shop)

Note: At the end of the one year period, the parties will review the concept of opening the machinist trade to the other trades in the program.

15. The joint-committee will review the guidelines with respect to such matters as overtime, evaluation of employee progress (per ticket committee) etc. and develop recommendations to both union and management on such matters

16. The A-B-B program shall not cause a tradesmen from the present crews (list attached) to be displaced. Any future reductions shall be accomplished through attrition.
17. Future tradesmen/apprentices will be required to pursue the A-B-B program and/or will be hired with the required qualifications as a condition of selection and continued employment.
18. The model number is a guide to use under normal operating conditions. However if circumstances warrant the number may be adjusted upward or downward depending on the circumstances. The model number in no way guarantees employment security.

Given the above, the model number by which we will be guided for normal operating conditions shall be 47 mechanical trades personnel within the following groups.

A-B-B MW

A-B-B P/F

A-B-B Welders

A-B-B Machinist

Either party may cancel the terms and conditions of this agreement by providing written notice to the other party within 30 days upon the completion of one year trial period. The parties also agree to meet quarterly during the year to review progress on the development and implementation of the program.

The company agrees to include A. Dubord and G. Lavoie to the Millwright list attached.

At no time does this agreement interfere with the terms of the negotiated conditions that will result as of the contract opening up May 1, 1998. The contents of this A-B-B program will be subject to all negotiated changes that may impact any portions of this agreement.

If any part of this A-B-B program affects our collective/local agreements there will be a joint meeting in order to determine how the conflict of language will be dealt with in order for consistency in the agreements.

List of present trades' personnel

The following is a list of the present employees in the various crews, which is referred to in the A-B-B memorandum of understanding:

Millwrights:

- 1 R.Gravel
- 2 F.Gagnon
- 3 J Waslyk
- 4 R Lafrance
- 5 D.Lacroix
- 6 A Cousineau
- 7 R Raby
- 8 R. St. Pierre
- 9 J.Y. Leblancs
- 10 B. Tremblay
- 11 P. Gagnon
- 12 G. Bernard
- 13 Y. St. Pierre
- 14 G. Marin
- 15 M. Arsenault
- 16 R. Mercier
- 17 C. Grenier
- 18 B. Biglow
- 19 C. Desrochers
- 20 R.Lamothe
- 21 G Martin
- 22 M. Biglow
- 23 A. Dubord
- 24 G. Lavoie

Pipefitter:

1. G. Afie
2. L. Lacoste
3. R. Bernier
4. R. Coulombe
5. R. Bernard
6. R. Taylor
7. É. Gravel
8. M. Filion
9. A. Lacoste
10. A. Cousineau
11. D. Ouellette
12. K. Spiess

Welders:

1. D. Cadieux
2. R. Dube
3. D. Demeules
4. M. Goudreault
5. E. Petit
6. G. Thériault
7. J. Cowan
8. M. Albert
9. C. Labonte
10. L. Gagnon

Machinist:

- 1 J. P. Frenette
- 2 R. Isaacson
3. A Couture

Mason..

1. C. Rate
2. R Marchand (Helper)

Painter.

1. P. Chevalier

Tinsmith:

1. R Sicard
2. D. Berube (replace R. Sicard on retirement if so chooses)

Dated at Smooth Rock Falls, Ontario, this 7th day of
December, 1998.

For Malete Kraft Pulp and Power

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

For CEP Local 32

[Signature]

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Local Union 32

November 24, 1998

Malette Kraft Pulp & Power
Box 310
SMOOTH ROCK FALLS
Ontario
POL 2B0

ATT: Rick Poulin -Human Resources - Manager

Dear Mr. Poulin

RE: ABB Amendment

In response to your letter of November 24, 1998 Local 32 submits the following:

- 1 Tradesmen will be given the opportunity to volunteer for the A-B-B program, effective at a mutually agreed upon time, until the development of the "C" levels and paid at the A-C-C rate. After the "A-C-C" guidelines have been established, upon reviewing these guidelines should the Tradesmen wish to withdraw from the program they may do so. At this time their rate and qualifications will return to their "A" status. In other words, they will return to status quo.
- 2 Should the employee wish to remain in the program after the development of the "A-C-C" guidelines and signifies their intent to continue on the program, the employee is locked in and cannot withdraw their name from the program.

This amendment will be only functional from November 1998 until July 1, 1999 or the completion of the writing of the A-C-C guidelines or until the onset of the one (1) year probationary period after July 1, 1999. Anyone participating in this A-C-C temporary period to July 1, 1999 will be exempted from any impact to the A-B-B program after July 1, 1999. In other words for example, if an employee chooses to participate prior to July 1, 1999 and withdraws back to an "A" status after viewing the A-C-C guidelines, they will still be allowed to enter back into the A-B-B program at a later date.

▼

A-B-B AMENDMENT
PAGE TWO

4. The program will be on a trial period beginning July 1, 1999 with the understanding that the A-C-C guidelines will be developed by July 1, 1999
5. The above amendment is conditional upon the A-C-C program guidelines being developed by July 1, 1999. If the A-C-C guidelines require a little more time to complete past the July 1, 1999 deadline, there will be a joint meeting to determine the direction of the A-B-B program and the status of the temporary A-C-C Trades participants.

Yours truly

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION
L O C A L -



Judy Smith
President

cc. Reg St Pierre
Roger Taylor
Michel Goudreault
Rick Isaacson
Bruce Larstone

MALETTE KRAFT PULP & POWER AGREES TO THIS AMENDMENT



Yvon Pelletier
Vice-President and General Manager



Communications, Energy and Paperworkers Union of Canada

Local Union 32

November 27, 1998

Malette Kraft Pulp & Power
Box 310
SMOOTH ROCK FALLS
Ontario
POL 2B0

ATT: Yvon Pelletier - Vice-President and General Manager

Dear Mr. Pelletier

RE: ABB Amendment

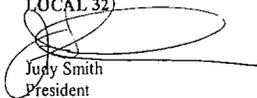
To confirm your response to our letter of November 26, 1998, the understanding is as follows

The amendment to accommodate an A-C-C trial period until the writing of the guidelines or until July 1, 1999 for the day Tradesmen will be extended to the Tradesmen applying for shift. If the shift Tradesman elects to remain an "A" after reviewing the A-C-C guidelines, he will have to leave his shift posting and the option for shift will be re-posted for the duration of the time-limits of the shift posting.

Trusting you will find all in order, I remain,

Yours truly

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION
LOCAL 32


Judy Smith
President

cc ABB Committee


Yvon Pelletier - Vice-President and
General Manager

Typo-Press Printers Ltd., Timmins

LOCAL AGREEMENT

Between



Pulp Group

Smooth Rock Falls Division

And



COMMUNICATIONS, ENERGY &
PAPERWORKERS UNION
OF CANADA
LOCAL **32**

May 1st, 1998 to April 30th, 2004

INDEX

Page No.

TOURWORKERS

- 1 Shift Change

RECOVERY DEPARTMENT

- 2 Job Posting for Permanent Relief Utilityman
- 3 Rules Governing Weekly Schedules
- 4 Regulations for Certificates
- 5 Statutory Holidays

DAY WORKERS - MECHANICAL

- 6 Duties all Tradesmen 6
- 7 Call-ins 6
- 8 Job Descriptions for Electricians-Painters
- 9 a) Lines of Progression for Electricians.
Millwrights & Pipefitters; Optional
Shift Work 7
- b) Helper Pool 8
- 10 Rest Period 10
- 11 Shift Differential 10
- 12 Garbage Collection - Yard 10

SHUTDOWNS & LAY-OFFS

- 13 Bumping of Shift Millwright, Shift
Electrician, and Pipefitters 10
- 14 Recovery & Refuse Lay-off 11
- 15 Emergency Shutdown Clause 11
- 16 Shutdowns & Layoffs 12

cont'd

11

WEEKEND SCHEDULING

17	Mechanical Department Weekend Call	12 13
18	Lab Department	15
19	<u>STUDENT POLICY</u>	17
20	<u>HOURLY EMPLOYEES PROMOTED TO STAFF</u>	20
21	<u>EMPLOYEES COVERED UNDER SPECIAL AGREEMENTS</u>	
21-A	M R R Track Foreman	20
21-B	Freezing	20
22	<u>JOB POSTING PROCEDURE</u>	21
23	<u>HOT MEAL POLICY</u>	21
	<u>TWELVE HOUR AGREEMENT</u>	23
	<u>W/AGREEMENT</u>	24
	<u>LETTERS OF AGREEMENT</u>	28

Local Agreements listed in the index shall continue in full force and effect for the term of the Collective Agreement from May 1, 1998 to April 30, 2003 and shall not be altered except by mutual consent

Dated this _____ day of _____

C.E.P. President

Human Resources Manager

TOUR WORKERS

LOCAL AGREEMENT 1

SHIFT CHANGES

The Company recognizes that if a shift worker is required to stay over after his mate commences work, he is entitled to premium pay

In future, any time between 6 45 and 7 00 pm , for the purposes of relief, and if a shift worker's mate relieves employee at 6 45, he will receive premium time from then on if he is asked to stay over. The same will apply at other shift changes.

On the shift immediately prior to a mill shutdown, the employee must work until 7 00 a m at straight time to qualify for full pay for that shift. Also, he will only be paid from 7 00 a m on the first shift of a start-up

TOUR WORKERS RECOVERY DEPARTMENT

LOCAL AGREEMENT 2

JOB POSTING PROCEDURE FOR PERMANENT RELIEF UTILITY MAN

1. Job posting application forms are available at the Human Resources Office. Please complete and return to the Human Resources Office on or before _____
2. Applicants must have obtained a Grade 12 diploma
3. Successful applicants must complete 50% of the Fourth Class exams within the first six (6) months in the Recovery and Refuse Department, and the remaining 50% within the following six (6) months of employment.
4. Applicants must study, write and pass exams for Third Class Stationary Engineer's Certificate within eighteen (18) months after obtaining a Fourth Class Certificate
5. When the successful applicant has completed and passed all exams, and received the certificate, he will be paid according to the allowable pay to write exams under the Regulations for Certificates
6. The successful applicant will succeed the Permanent Utilityman whenever a permanent vacancy in the line of progression occurs
7. An employee who accepts this posting will be on probation for six (6) months. If the employee fails to meet the above requirements in this period, he will be removed from the posting, and will fall on his mill seniority on the Recall List
8. Employees interested in this Line of Progression may apply regardless of when they obtained their last job posting

**RULES GOVERNING RECOVERY & REFUSE DEPARTMENT:
WEEKLY SCHEDULES**

- 1 **Recovery A Line and Refuse**
When relieving in Recovery & Refuse Departments for vacation, sickness, etc., the qualified relief will relieve on his own shift. If no qualified relief is available from the recall or relief list, then the senior qualified person will be required to change shifts to supply relief.
Note These rules apply for periods of one (1) week or more.
 - 2 **Relief for Statutory and Floating Holidays on any job**
If no relief is available on the same shift to relieve for statutory holidays and floating holidays on the day that is requested, then the next senior qualified relief will be asked to change shifts.
Note Change of shift must be made without anyone working two (2) consecutive shifts. Those on their regular days off are not to be affected.
 - 3 No more than three men on the same shift? will be allowed off at one time. If relief is available, then more will be let off.
 - 4 Relief Utility Man is required to relieve on the bottom job on which ever shift an opening occurs, and remain on the same shift until he is no longer required.
 - 5 All training will be done on day shift on one's regular crew schedule. Relief Utility Man will train from Monday to Friday, except when he would normally be scheduled to relieve on a higher job.

Normally, no more than one person at a time is to train on one job. If more than one (1) person requires training on one job, then one (1) is to train on an alternate shift. The senior man will train day shift, and the junior man will train night shift. If more than one week of training is required, then the men are to alternate shifts following regular schedule if applicable.
No one is to change his training schedule without the Superintendent's or Assistant Superintendent's permission, or, in their absence, the Foreman.
-

LOCAL AGREEMENT 4

REGULATIONS FOR CERTIFICATES

1 Allowable Pay to Write Exams

- The company will reimburse the annual premiums for certificates. These renewal fees will be paid on the anniversary date of every year. Proof must be submitted and approved by the department superintendent.
- The reimbursement will be on a separate cheque.
- The company will not absorb the cost of travelling to Timmins.
- The company will supply the books at no expense to anyone in the mill wishing to write the stationary engineer tickets.
- The company will reimburse the exam fee of up to \$50.00 for each exam passed.
- There will be no reimbursement for exams not passed.
- The company will make every effort to provide time off for people writing an exam.
- Should an employee write an exam on their day off, the company will compensate the employee with 8 hours pay for this purpose only. Compensation will be made only if the employee successfully completes the exam and presents such proof of payment to their superintendent.
- Should an employee be required to work the night shift prior to writing the exam or day shift of the exam, the employee will be provided with time off (providing relief is available) in order to ensure that he is sufficiently rested. This will be done at no loss of earnings to the employee writing the exam. When relief is provided, the employee will not qualify for the 8 hours pay for writing on their day off.

2 Ticket Seniority

Fourth Class, Third Class, Second Class

- (a) When a person obtains a Stationary Engineer's Certificate while employed in this Department, ticket seniority starts on the date the ticket was issued by the Operating Engineer's Branch of Ontario; also, a change in rate for certificate would start on the same date.
- (b) When a man is hired with a certificate, his seniority with certificate would not start until six months of his date of employment (mill seniority), but he would be allowed to relieve on a certified job until a senior man from the Department obtained a certificate.

3 S.A.I.T. Course

Two (2) courses for all classes of Stationary Engineer, and all books recommended for study, are kept in the Superintendent's office. They are to be available to everyone that works at the Smooth Rock Falls Division.

In the first six (6) months of employment in the Recovery & Refuse Department, all applicants must write and pass 50% of the exams for Fourth Class certificate, and within the following six (6) months of employment, write and pass the remaining 50% of the exams.

A total of twelve (12) months is allowed to obtain a Fourth Class Certificate. Those failing to do so will be reviewed by the Committee and dealt with accordingly.

After the six (6) month probationary period, any employee failing to meet the above requirements will be removed from permanent employment in the department, and will fall on his mill seniority. Any such employee being removed from the department will not be allowed to re-apply until such time that the employee attains a Fourth Class Certificate.

5. Third Class Certificate

- (a) Applicants must also be prepared to study, write and pass exams for Third Class Stationary Engineer's Certificate within eighteen (18) months of obtaining their Fourth Class Certificate.

New employees hired with Fourth Class Certificate must pass exams within eighteen (18) months.

- (b) Those failing to obtain a Third Class Certificate within eighteen (18) months, as indicated in part (a), will be reviewed by the Union and Management Committee.
- (i) A person allowed additional time to obtain his Third Class Certificate will remain on his regular job until he obtains his Third Class Certificate within the extra time allotted to him.
- (ii) A person not allowed additional time to obtain his Third Class Certificate, will be replaced by the senior qualified man, and fall back on his mill seniority. Any such employee being removed from the department will not be allowed to re-apply until such time that the employee attains a Third Class Certificate.
- (iii) In the eventuality all our employees have a Third Class ticket, and a position opens that requires such a ticket, the senior ticketed man with a Third Class in the Department will get the job (as per Clause 2a).

6. When Hiring a Third Class Certified Man

When hiring a Third Class Certified man to fill the following positions: Recovery Operator, Refuse Operator and Recovery Helper, his ticket seniority would start on the date that he works his first shift on the job that he is trained for.

7 Training on Certified Jobs

When a man has passed all of his exams and has received his passing results from the Ministry, he is then available for training if there is relief available and if there is a requirement for immediate training

- 8 Any new employees starting in the Recovery and Refuse Department will meet with the Joint Committee, Company and Union, to review the rules governing the Recovery and Refuse Department, and also the regulations for certificates

STATUTORY HOLIDAYS RECOVERY OPERATION

LOCAL AGREEMENT 5

1. The Statutory Holidays to be covered are July 1, Labour Day, Christmas and New Year's as per Collective Agreement.
2. If the Company does not exercise its right to have a run through on July 1 and New Year's holidays, the Company will have the option of running Recovery Boilers on two of the four above designated statutory holidays
3.
 - a) The Company will inform Local 32 by February 1 of each year of their intentions to operate a Recovery Boiler on which statutory holidays. Otherwise, if needed, the Refuse Boiler will be designated as the boiler to be operated during the statutory holidays
 - b) If other than routine maintenance is required on a boiler, then another boiler will be scheduled for operation
4. Any changes from the original schedule must be agreeable by both parties
5. Personnel to be working when:
 - a) Recovery Boiler on line
 - 1 Recovery Operator
 2. Recovery Helper
 3. Refuse Helper
 - b) Refuse Boiler operating by burning bark.
 - 1 Refuse Operator
 - 2 Refuse Helper
 - 3 Reclaim Operator (if necessary)

DAY WORKERS

LOCAL AGREEMENT 6

DUTIES - ALL TRADESMEN

- 1 All Millwrights and Shift Millwrights shall uncouple gland water lines and remove bolts adjacent to pump intake and discharge, excluding pumps in the digester building and other complicated pumps of a similar nature. When the job is completed, there-installation of the seal water lines will be done by the Millwrights. No Millwright is to do major pipe repairs.
 - 2 Millwrights shall use a spot welder when installing washer wire bands and gas brazing to install or repair cylinder wires.
 - 3 All tradesmen shall erect and dismantle scaffolding or direct the erection by men working under them, where portable metal scaffolding can be used, up to a height of two (2) sections. Millwrights will still erect wooden scaffolding and co-operate with other tradesmen when cross planking is required between scaffold sections.
 - 4 The installation of new equipment requiring grease lines shall be done by pipefitters. Existing equipment that have or require grease lines will be maintained by the shift oilers.
 - 5 **Welding Truck**
The welders and auto mechanics will operate the ½ ton truck outfitted with welding equipment (gas powered welding machine) and boosting equipment.
 - 6 **Bucket Boom Truck**
All tradesmen and yard personnel once properly trained will be allowed to utilize the double insulated bucket boom truck to assist them in their duties, but will carry only the tools required for the job. Any other handling of material will be handled by the Yard Department.
-

CALL-INS

LOCAL AGREEMENT 7

The Company agrees to pay "call-in" pay to a Mechanic (refers also to Electricians) working overtime on a normal operating day to complete a specific assignment or assignments, and who is required to leave this work to work on a breakdown.

This does not apply, for example, to movement from one job to another on a maintenance day or emergency shutdowns. The intent is to cover a situation whereby if we had not already had a Mechanic in the mill on some other job (overtime), we would have had to call a Mechanic in.

DAY WORKERS

LOCAL AGREEMENT 8

JOB DESCRIPTIONS FOR ELECTRICIANS - PAINTERS

Electricians responsible for:

- 1 Application of insulating paint on electrical equipment such as motors, generators, coils etc., either in the shop or in the field
- 2 Application of decorative or corrosion preventative coatings on electrical motors or generators in the shop only when undergoing repairs or servicing
- 3 Application of insulating paint on inside of junction or terminal boxes in service
- 4 Application of insulating or corrosion preventative coatings on electrical components in substations and switch gear

Painters responsible for:

- 1 Application of insulating paint and decorative or corrosion preventative paint on junction or terminal boxes being made up in the shops or undergoing repairs in the shops
 - 2 All other painting
-

DAY WORKERS

LOCAL AGREEMENT 9

LINES OF PROGRESSION FOR ELECTRICIANS, MILLWRIGHTS &
PIPEFITTERS

Incumbent shift personnel can move to days if seniority allows when they are receiving Journeyman rate

Apprentices shall work days until they have achieved Journeyman rate, and shall then go on shift if there is an opening, unless their two years accumulation of seniority qualifies them for days

Apprentices may apply the two-year accumulation of seniority on completion of apprenticeship. Junior Millwrights, Electricians and Pipefitters must go on shift when required to do relieving due to sickness, vacation, etc

OPTIONAL SHIFTWORK

- (a) Only applies to Class .A tradesmen using classification seniority.
- (b) The most senior Class A tradesman will be given first priority in making selection to go on shift. This selection will be for a two (2) year period beginning with the first Sunday in January and every two (2) years thereafter
- (c) Tradesmen who elect to go on shift must notify the Company one (1) month in advance.
- (d) Tradesmen who do not wish to remain on shift beyond their turn will advise the Company at least two (2) months in advance.
- (e) Bumping on shift will be allowed using Class "A" seniority, with the senior employee displacing the junior employee.
- (f) Tradesmen voluntarily returning to day crew or being bumped

If employee has been shift relief for one (1) year he will revert back to his position as per his Class A seniority, otherwise he will become first relief for a one (1) year period and thereafter revert to his position as per his Class A seniority

If more than one tradesman is affected, then Class "A" seniority between those involved will determine first, second, etc for relief for that first year
- (g) Anyone signing to go on shift with this agreement will be compelled to remain on shift, without exception. for the complete term
- (h) If no senior tradesman so elects to go on shift, the present system of Junior "A" on shift would apply.

HELPER POOL

I. **WHO IS ELIGIBLE TO APPLY:**

- a) Job Posting Procedure with a review by the Committee after thirty (30) working days and sixty (60) working days;
- b) Job Posting application time limits will not apply,
- c) Will be a permanent job posting

2. **DUTIES.**

- a) Assist all mechanical trades when required,
- b) Clean-up mechanical areas as directed,

- b) **Clean-up mechanical areas as directed;**
- c) No assignment preferences;
- d) If a Helper has obtained Journeyman certification through a recognized Government agency, and if in the event of the Company hiring a Journeyman in that trade, the Helper will be accepted for the position.
- e) Helpers replacing the Tinsmith, Painter or Mason will perform duties that are required for continued Mill operation ONLY:
- f) Helper may only use tools when working with a Journeyman, except when replacing the Tinsmith, Painter or Mason;
- g) When a Helper is working with a Journeyman from one trade, the Helper cannot perform duties of another trade. Eg. When the Helper is working as Millwright Helper, he must work as a Millwright, not as a Pipetitter, etc.

3. **VACATION:**

- a) Listed as a separate entity;
- b) 20% off for vacation – one on floaters (whenever possible);
- c) Relief, if required, will come from recall list.

4. **OVERTIME:**

- a) Will be offered to Journeyman of the required trade before Helper;
- b) For trades such as Tinsmith, Painter or Mason, the Helper who worked that day with the Tinsmith, Painter or Mason will be offered to work the required overtime.

5. **CALL-OUTS:**

- a) Helper will be offered call-out if a second tradesman is required and no other Journeyman of that trade is available;
- b) Rotation system for call-outs

5. **WAGES:**

- a) Helper will be paid \$ 20.97 for the first year and \$ 21.48 upon its completion;
- b) If the Helper so desires, he will maintain a record of his time worked in the different trades and have it validated by the appropriate foreman.

7. **QUANTITY:**

Minimum five (5) Helpers to be hired

8 JOB INTERFERENCE:

- a) The Labour Pool would not lose any of its six (6) postings as a result of these Helper Pool postings.
- b) After the expiration of the probationary period, the Helper Pool will not be increased so as to reduce the numbers at that time of any trades group

REST PERIOD

LOCAL AGREEMENT 10

It has been an established practice at this Division that a day worker who works in excess of sixteen (16) hours, or is called in and worked after midnight, and is scheduled to work the following day, is allowed to apply his rest period at the end of the following day

In addition to this, the Company will agree that if a day worker works after midnight, he may choose his time to return to work the following day, provided he notifies and receives approval from his Foreman prior to leaving. Failure to do so may result in loss of sleep time. Otherwise, the employee will receive whatever sleep time is coming, plus time worked on the following shift

SHIFT DIFFERENTIAL

LOCAL AGREEMENT 11

The Company will pay shift differential on all call-outs for tradesmen and others who normally follow a day schedule

GARBAGE COLLECTION

LOCAL AGREEMENT 12

Any labourer using the forklift truck shall be paid the Power Trucker rate

SHUTDOWNS & LAY-OFFS

LOCAL AGREEMENT 13

BUMPING OF SHIFT MILLWRIGHT, SHIFT ELECTRICIAN & SHIFT
PIPEFITTERS

The position of Shift Millwright, Shift Electrician and Shift Pipefitter can be bumped by more senior qualified tradesmen on a lack-of-order shutdown and emergency shutdowns

RECOVERY & REFUSE LAY-OFF

LOCAL AGREEMENT 14

Subject Plant-wide lay-off for Recovery and Refuse Departments

The following rules will apply

- 1 Bumping will occur on the basis of qualifications and Departmental seniority
- 2 Qualification means that the employee has the proper certificate for the job, has worked on that job, and requires only a minimum of training to review the job (1 to 2 days)
- 3 The positions an operations that require Stationary Engineer's Certificates are: Recovery/Refuse Operators, Recovery/Refuse Helpers, Spoutman and Utility Man
- 4 Qualified employees whose jobs remain on Operations, and who have the Departmental seniority, will remain on their regular job
- 5 Employees must exercise their seniority on the lowest position first, but may bump higher if there is no lower position available.

EMERGENCY SHUTDOWN CLAUSE

LOCAL AGREEMENT 15

An emergency shutdown is when any major equipment affecting mill production has to be shut due to a breakdown or for other reasons beyond our control. For the remainder of the shift on which the breakdown occurs, and for the next two shifts, work will be provided for all the operating crews

An emergency shut will be deemed to be over as soon as the Department in which the breakdown occurred is back in production, and the same time will apply on a mill-wide basis

Back in production means the following

Recovery boiler	Firing liquor
Lime kiln	Feeding lime mud
Digester	Blowing pulp
Brown stock washers	Pulp to high density storage
Bleach plant	All stages in operation for grade concerned
Machine	Pulp on layboy
Water treatment	Suitable quality water being produced
Evaporators	Liquor going to strong black liquor storage
Recaust	Pumping white liquor to digester or Sending green liquor from the green liquor storage tank

As soon as the department in which, the breakdown occurred is back in production, all operating crews throughout the mill will be offered work at the rate of their regular occupations and according to their regular schedule

It is Company policy to notify a senior officer of the Union of the breakdown which could lead to an emergency shut, prior to calling individual employees, and every effort will be made to do so in the future

Clarification

Company Definition of an Emergency:

"Circumstances that prevent the mill from operating normally in terms of safety, production, quality and costs"

SHUTDOWNS & LAY-OFFS

LOCAL AGREEMENT 16

The following procedures will be followed for lack-of-order shutdowns

- a) The Company will accept names of all employees who desire to bump on the bottom jobs during the lack-of-order shutdown and schedule the employees as their mill seniority dictates.
- b) The employees who submit their names for bumping must work where and when scheduled or be required to take a floater(s) or vacations to exempt them
- c) If work above the bottom job is available in the employee's department, then the senior man in that department will be required to work or exempt himself by taking floaters or vacations, except for Local Agreement 4A pertaining to Shift Electricians.
- c) If the number of employees on the bumping list is insufficient to fill the required positions, then the Company will schedule the most junior employees to fill the position

WEEKENDSCHEDULING

LOCAL AGREEMENT 17

PROCEDURE FOR WEEKEND DAY SCHEDULE FOR JOURNEYMEN

(Includes Millwrights, Pipetitters, & Welders;
also Helpers and Apprentices)

A predetermined list of the journeymen in each affected department shall be the basis of scheduling the journeymen for weekend coverage.

The journeyman will begin on a Tuesday of the first week and work ten (10) consecutive days to finish Thursday of the following week

The journeyman will be scheduled on a rotation basis as his name comes up on the list, i e of a crew of ten, #1 will become #10 the following week

In the event of an absence for the weekend coverage, the journeyman who is half-way down the list will be scheduled to fill the vacancy for the day concerned. If the number of journeymen is even, then the top journeyman from the middle two will be scheduled for the vacancy

Exceptions: The first shift relief will be excluded from this schedule

Vacations

When an employee is scheduled to work on Sunday and takes a week vacation, the middle man will work the Sunday and have the following Friday and Saturday off

The middle man on holidays the previous week will not be scheduled off the first Monday back. The middle man rotation system will be used to fill the vacancy

Example: Eleven man crew - #1 who should be off Monday is on holidays and #6 was on holidays the previous week, then #5 will fill the vacancy and be off Monday and work Tuesday through Saturday.

Changing Days Off

All changes in shift or days off must be made with the approval of the Supervisor and a record will be kept of such changes.

Note: The above will remain in the local agreement with the understanding that if the present weekend call does not function, the company may revert to the 10-4 scheduling

WEEKEND

CALL

1. This proposal is to provide weekend maintenance emergency coverage from 4 pm Friday to 7 a.m. Monday. However, when the weekend includes a Statutory Holiday, coverage will be prorated. For example, if there is a working run through Statutory Holiday Friday and/or Monday, the prorated coverage would go up. If there is a non-working Statutory Holiday Saturday and/or Sunday the prorated coverage would go down
2. Minimum of twelve (12) hours will be paid at the regular rate. Should the period include a Statutory Holiday, a minimum of six (6) extra hours will be paid. For extra working run through Statutory days on Friday, the coverage would go up six (6) extra hours and coverage would start Thursday at 4 p.m. For extra working run through Statutory days of

Monday, the coverage would go up six (6) extra hours and coverage would finish Tuesday at 7 a.m. Should there be a non-working Statutory day on Saturday, the minimum of twelve hours would drop by six (6) hours and coverage would start at 8 a.m. Sunday morning and end Monday at 7 a.m. Should there be non-working Statutory days on Saturday and Sunday, no coverage would be required and no rate will be paid

- 3 Sleep time may be taken, without pay, for hours worked after midnight. However, any sleep time after midnight will be started at 8 a.m. the following morning or upon completion of the job (Canada Employment Standards Act will apply) and the individual on call will "NOT" be available for "call" until that sleep time period is taken. THIS IS AN OPTION THAT CAN BE "USED" OR "REFUSED" BY THE PERSON ON CALL
- 4 The call system will be by "cellular phone" and the individual "on-call" will not be required to stay by the phone in the house for the entire weekend. However, the individuals on call are responsible to ensure that they are within range of signal (phone will indicate when you are out of range) and that the phone is functional (must ensure batteries are charged properly). The phone is not for personal use. This not only includes calling out but, receiving calls as well, as both produce user charges. It is understood that any costs associated with personal use will be absorbed by the individual on call and will include a 20% administration charge
- 5 Normal maintenance emergency coverage would include

Shit? personnel plus First Relief

Pipefitters

All Pipefitters except. Shift personnel plus First Relief

Welders

Shit? personnel plus First Relief if shit? applies to the Welding crew
- 6 No regular maintenance work will be performed by the Weekend Emergency coverage. This coverage is for "EMERGENCY ONLY" and will be used for "EMERGENCY ONLY"
- 7 This agreement will not supersede our Collective or Local Agreements
- 8 All call-ins will be paid according to the contract
- 9 The Company will post by Thursday, 3:00 p.m., a schedule designated to provide maintenance emergency coverage
- 10 Rotation will be the same procedure that is used in the 10-4 weekend coverage. The tilling of vacancies due to floaters, vacations, illness, etc will also be used in the same manner as the 10-4 policy
- 11 If there is more than one (1) individual on call for that trade, the calls will be rotated back and forth between the people available for call. This procedure will start with the Senior Tradesman

SCHEDULE

Rotation lists of names of persons in various trade groups will be posted. These lists will give an appropriate indication as to when a person can be expected to be scheduled.

A change in schedule may be made by mutual agreement, but must be for the entire weekend. This will be documented under the normal procedure by 3 p.m. on the Thursday before. If only one day is changed between two people, the same procedure applies except that the employee on call will receive the pay for the weekend and between themselves will determine payment.

This procedure will be used only when the mill is running and not on a scheduled shut-down, e.g., Christmas Eve/day, Labour Day, May Shut, New Year's Eve/Day, and/or July 1st should the mill not choose to run.

Management will decide on the number of employees to be designated. However, these numbers cannot be changed by the Company once they have determined the requirements and reviewed these numbers with the Union. Under this proposal, the Company has presented the following requirements:

Two (2) Millwrights One (1) Pipetitter One (1) Welder

If the Company wishes to modify these amounts, the change(s) must be presented to the Union.

It is understood that the designated employees will make themselves available during the hours outlined. The time limits will start on the first ring of the cellular phone. Failure of an employee to respond to a call and to appear on the job within one (1) hour after the call is sent, will result in a loss of the twelve (12) hours minimum pay and he/she will be treated as any other employee not reporting for work as scheduled.

The Company will use the weekend coverage for call, however, if call is a problem during the week, they will come back to review the entire week as originally proposed.

This will be part of our trial period for the original Trades proposal. It will be reviewed every three (3) months as per our present agreement.

This agreement, when it is being used, will replace the Trades 10-4 Weekend coverage. In other words, if the weekend call procedure is used, then the 10-4 procedure will not be used, both procedures will not be used at the same time.

LABSCHEDULING

LOCAL AGREEMENT 18

A predetermined list of the journeymen in each affected department shall be the basis of scheduling the tab department for weekend coverage.

The Day Tester will begin on a Tuesday of the first week and work ten (10) consecutive days to finish Thursday of the following week.

The Day Tester will begin on a Tuesday of the first week and work ten (10) consecutive days to finish Thursday of the following week.

The Day Tester will be scheduled on a rotation basis as his name comes up on the list, i.e. of a crew often, #1 will become #10 the following week.

In the event of an absence for the weekend coverage, the Day Tester who is half-way down the list will be scheduled to fill the vacancy for the day concerned. If the number of Day Testers is even, then the top Day Tester from the middle two will be scheduled for the vacancy.

Vacation Allotment

- One (1) shift employee allowed off; • One (1) day employee allowed off.

Vacations

When an employee is scheduled to work on Sunday and takes a week vacation, the middle man will work the Sunday and have the following Friday and Saturday off.

The middle man on holidays the previous week will not be scheduled off the first Monday back. The middle man rotation system will be used to fill the vacancy.

Example: Eleven man crew - #1 who should be off Monday is on holidays and #6 was on holidays the previous week, then #5 will fill the vacancy and be off Monday and work Tuesday through Saturday.

Changing Days Off

All changes in shift or days off must be made with the approval of the Supervisor and a record will be kept of such changes.

Lab Line of Progression:

Permanent Relief-Bottom job in the lab and must relieve on the day and shift positions. Hours of work may vary depending on whether the individual is working days or shift.

Day Tester-Next job in the line of progression and hours of work are five (5) days per week 8:00 a.m. to 4:00 p.m. The most senior day tester in this group must move up to senior day tester position when any vacancy occurs.

Senior Day Tester- Top job in the line of progression. This job belongs to the lab employee with the most senior department seniority. The hours are five (5) days per week 8:00 a.m. to 4:00 p.m.

The shift position will be filled by the most senior qualified lab employee who posts for the position. If none of the senior employees bid to go on shift then the most junior day tester shall be assigned to the shift position for a two (2) year period. An employee may elect to return to the day crew and will return to the position where his department seniority places him.

All students will have to be registered with the H.R. Office no later than the second Friday of April of each year. All students chosen to work must provide proof that they intend to return to school full time in the fall of the same year and that they attended school full time the previous school terms.

a) All students applying for summer employment will submit verification as to their full time status and forward written consent to the company/union to permit the company/union to communicate with the educational institution to verify or discuss their status.

2. All students must sign the attached form.

3. Students' list will be considered by a joint Union-Management Committee on the following basis:

Returning to:

- (a) 5th year post-secondary attendance
- (b) 4th year post-secondary attendance
- (c) 3rd year post-secondary attendance
- (d) 2nd year post-secondary attendance
- (e) 1 year post-secondary attendance

A student's post secondary attendance will be acknowledged as consecutive years at a post secondary educational institution. Any student having a break in service for a complete school year or more will be considered as a first year student. All students under this policy will be eligible for a maximum of 5 accumulated years of summer employment.

4. Students will be scheduled to work as they are required and as they are available from school using above clause 3.

5. As students are hired for the purpose of vacation relief, some flexibility is required on the placing. Although seniority is not accumulated as a student, every effort will be made to provide the most work in the order they appear.

6. If for any reason a student decides not to return to school in the fall, and he/she wishes further employment with the Company, the Human Resources Department must be notified by August 1 and a formal application filled out for regular full-time employment. To be considered for full-time employment, the student must successfully pass a medical examination and a series of tests designated by the Human Resources Department. If successful, he/she will be hired as a regular full-time employee, and his/her seniority will begin on the date he is hired as a regular employee.

7. The student's schedule will be on a weekly basis and will be available at the H.R. Office.

8. The company and the union will review all applications before drafting a list of eligible students. However, it is understood that should a disagreement arise as to eligibility or other matters not specifically written in the student policy, then the company will render a final decision.

TEMBEC, SMOOTH ROCK FALLS DIVISION
STUDENT APPLICATION FOR EMPLOYMENT

(Please Print)

Name _____ Date: _____

Home Address _____

Phone Number. _____ Social Insurance No. _____

Parent/Guardian's Full Name _____

Are you at least 18 years of age _____

EDUCATION: (Circle highest years of post-secondary attendance if applicable)

<u>High School</u>	<u>College</u>	<u>University</u>
9 10 11 12 13	1 2 3 4	1 2 3 4 5 6 7

For High School Students:

Grade Completed _____ Number of credits obtained to date _____

Which School _____

Are you returning to High School in the Fall. _____

Which School _____

For College and University Students:

Name of School attended last year _____

Which School will you be attending in the Fall: _____

Total number of years you have attended post-secondary school _____

Course of study: _____

Date Available for Work: _____

Date Returning to School _____

Number of summers previously worked here (give dates) _____

To be considered for employment, I will submit proof satisfactory to the Company of my previous year's attendance and this year's enrolment acceptance. Failure to do so within a reasonable time determined by the Company will result in my release of employment from the Company. I authorize the use of my Social Insurance Number for tax reporting, identification and record keeping of my employee benefits.

Signature of Applicant _____

TEMBEC, SMOOTH ROCK FALLS DIVISION

STUDENTS

Name _____

I understand that I have been employed by Tembec Inc. Smooth Rock Falls Division, as a student for the purpose of vacation relief. I further understand and agree that this job is a temporary one, commencing on _____ and terminating on _____ and subject to the paragraphs outlined below, that I will not accumulate mill seniority while working in this capacity.

It is further understood that I must provide proof to the satisfaction of the Company as outlined on my "Student Application for Employment" form. Failure to do so, will result in my termination of employment under Article 4.04 of the Collective Agreement.

If, for any reason, I decide not to return to school and if I wish further employment with the Company, I am aware that I must make formal application for regular full-time employment. This application must be forwarded to the Human Resources department prior to August of this year.

To be considered for full-time employment, I must successfully pass a series of tests designated by the Human Resources department. If, I am hired as a regular full-time employee, my seniority will revert back to the date on which I commenced my employment, provided that there is no break in service prior to commencement of full-time employment.

Signature of Applicant: _____

Witness: _____ Date: _____

STUDENT HIRING

1. A student is a son or daughter of a present, retired or deceased employee of the Company
2. A student must be in full time attendance for a complete, school year to be credited one (1) year's attendance.
3. A student must have been in attendance under the above clause (2) prior to the summer and enrolled in the September of the summer he/she is applying for employment,
4. A student returning from post secondary school to attend High School shall be considered as a high school student only

HOURLY EMPLOYEES PROMOTED TO STAFF POSITION

LOCAL AGREEMENT 20

When an employee is transferred to staff or Local 161, he will be on a probationary period of twelve (12) months. Employee's mill and departmental seniority will not be affected during the probationary period as long as employee remains in good standing with Local 32, C.E.P. To remain in good standing, employee will be required to pay regular monthly dues during the probationary period, by submitting to the Local twelve (12) post-dated cheques.

SPECIAL AGREEMENTS

LOCAL AGREEMENT 21

21-A: M.R.R. TRACK FOREMAN

The incumbent will be removed from the line of progression with the provision that the incumbent could accept the promotion to conductor only when a vacancy due to attrition should occur. This choice would be for the first time only. If he opts not to accept the conductor position, he would then be frozen as Track Foreman

22-B: FREEZING

Freezing will be permitted not to exceed 25% of a classification in a line of progression, if substantiated by medical evidence provided by a specialist, acceptable to the Company. Any other freezing will be at the Company's discretion

LOCAL AGREEMENT 22

- 1 The job posting information per labour agreement will appear on at least five (5) different days or issues of the Daily News Bulletin. The first day and last day of the posting must be two (2) of the five (5) times
 - 2 When applications are received in the Industrial Relations Department, seniority dates and education are added
 - 3 When the posting is finished, the names of the applicants and their seniority dates are typed on the back of the original posting in order of seniority
 - 4 When the selection is made, the Union will be notified and given a copy of the posting with the names on the back as well as the dates the posting appeared on the bulletin
 - 5 The Company will wait for a period of not more than five days to hear from the Union concerning objections if the senior applicant is not chosen. If the Union does not object to the Company's selection, the successful applicant's name will appear on the Daily Bulletin
 - 6 At the same time a letter will be sent to the successful employee and his departmental supervisor
-

HOT MEAL POLICY

LOCAL AGREEMENT 23

Hot meal or cash voucher will be provided on the following basis

1. Required to work two (2) hours or more outside the workers normal scheduled eight (8) or twelve (12) hour work day
2. A worker called in less than two (2) hours prior to his shift, and due to the work is prevented from returning home prior to his normal scheduled starting time
3. Any employee required to work twelve (12) hour shifts whose schedule is not on a forty-two (42) hour per week basis
4. For continuing overtime work, second and subsequent meals or vouchers will be given every 4½ hours after the previous meal or voucher

It is intended by the above policy that

- a) If overtime work is to last beyond two hours, the first meal or voucher would be 4:30 p.m., the second at 9:00 p.m., third at 1:30 a.m.

The same time intervals apply for call-in cases. Ex: employee called in at 8:00 p.m., first voucher 10:00 p.m.; second 2:30 a.m., etc.

b) If overtime work is predetermined to possibly be completed by 6:00 p.m., the employee will complete the emergency work before 6:00 p.m., but will be provided with a meal or voucher right after. If circumstances prevent completion before 6:00 p.m., clause (a) would then be applicable.

c) Employees who have a hot meal at the Mill will be allowed a maximum of twenty (20) minutes off the job for eating.

Employees who choose the voucher will be allowed thirty (30) minutes off the job and may leave the Company premises to eat.

d) Hot meals will consist of the choice of the following-

Hot meal with beverage and a pop if so desired
- A \$11.00 cash voucher

e) Company will post menus as available.

SUPPLEMENTARY AGREEMENT

BETWEEN

TEMBEC INC.

SMOOTH ROCK FALLS DIVISION

AND

C. E. P., LOCAL 32

This agreement which is supplementary to the collective agreement between the parties, covers the special conditions, applicable to employees working on a twelve (12) hour shift schedule. Appendix A

While the various provisions of the 1990 - 1993 collective agreement continue to operate, except as specifically modified by this supplementary agreement, it is understood that problems may subsequently be identified which are not addressed by this Supplementary Memorandum of Agreement. Should this occur, the parties agree to meet and resolve such problems in the spirit of this Supplementary Memorandum, that is, in a manner that will result in no increased cost to the Company and no overall loss of income to the employee.

It is agreed that no premium time will be paid as a result of any major change from an eight (8) hour to a twelve (12) hour shift schedule or, conversely, as a result of any major change from a twelve (12) hour to an eight (8) hour shift schedule.

The conditions outlined herein will only apply to employees working on a forty-two (42) hour work schedule prior to above commencement date of January 5, 1986 and will be working twelve (12) hour shifts after this date.

MEMORANDUM OF AGREEMENT

BETWEEN

TEMBEC INC., SMOOTH ROCK FALLS DIVISION

AND

C. E. P., LOCAL 32

- (1) In full settlement of all items and subject to ratification, which the Bargaining Committees representing the above parties agree to unanimously recommend
- (2) All terms of this memorandum will become effective on the date of ratification except as herein specified to the contrary.

EXPANDED SKILLS PROGRAM

ELECTRICAL - INSTRUMENT DEPARTMENT

1. The Company proposes an expanded skill program between the Instrument and Electrical departments to enhance the level of our tradesmens' competence and to make our mill more competitive in today's market, helping to ensure jobs for our employees now and for the future
2. Due to extra training required for implementation of this program, the Company agrees to return M. Arseneault, Y Ward, A Landry and C. Landry to their respective departments on December 3rd, 1984. All employees working in the Instrument and Electrical departments as of December 3, 1984, will continue to be employed, as per the Collective Agreement, (except for example- Article 40.01) any further reduction in these two departments can only be achieved by expected normal attrition. Normal attrition includes death, retirement, LTD, voluntary resignation and disciplinary discharge for cause
3. a) Participation for employees in the department as of December 4, 1984 will be on a voluntary basis.

Any employee who elects not to enter the Expanded Skills Program will be expected to participate in any normal upgrading necessary for the employee to remain current in his trade.

- b) Those tradesmen who have elected not to participate in the Expanded Skills Program, will be utilized by their Foreman to the extent of his skill capabilities and shall not have any trade jurisdiction claim against those who have elected to acquire the training of the Expanded Skills Program in the performance of their duties
4. The Company will appoint a supervisor as "Coordinator" to be responsible for the administration of this program. The Coordinator will report to the Advisory Committee. The Advisory Committee will consist of one (1) instrument mechanic, one (1) electrician and two (2) Company representatives. This committee will review and recommend training program content, and examine and recommend solutions to any problem which may arise. In case of a disagreement within the Advisory Committee, the matter will be referred to the main Union-Management committee for solution.
5. Program is divided into three steps designated as Phase I, II, III
6. Phase I
- a) Employees accepting to join the first phase of the program will be called E/I Journeymen or WI Electronic Journeymen and their applicable rates will be adjusted as per Appendix "A". This proposal is based on 80% participation by employees in the Electrical and Instrument departments
 - b) Phase I is basically cross over items that can be done with little or no training. Included in this category are the routine everyday jobs - sometimes called "do now jobs". The little training required could be done by the co-workers themselves since they do know a little of each others job as it is, therefore they could have on-the-job training
 - c) The Advisory Committee will determine cross over items (do now jobs) falling under Phase I which will be put into practice starting on January 2, 1985
 - d) The "do now jobs" will be monitored by the Advisory Committee on an on-going basis. The Committee will be responsible for devising the monitoring system to ensure all employees who joined the plan will rotate in each department and receive the necessary training
 - e) Once an employee has elected to participate in the Expanded Skills Program, but refuses to make a diligent effort or fails to complete the requirements for advancement and training he will return to his former rate
 - f) Once we are well advanced into Phase I of the program, the Advisory Committee will select two crew members to go through an extensive training program, giving them the skills to be qualified instructors and be able to prepare all material required to develop Phase II and III. All employees within the E/I department will be given the opportunity to apply to become trainers

7. Phase II
 - a) E/I Journeymen must have successfully passed the basic electronics course as determined by the Advisory Committee in order to progress to Phase II of the program.
 - b) E/I Journeymen who complete Phase II of the program will become an E/I Journeyman A and the applicable rate will be adjusted as per Appendix "A"
 - c) No pay increases will be forthcoming under Phase II until a program has been developed by the Advisory Committee and the employees have successfully completed all training required to the satisfaction of the Committee.
 - d) Phase II is basically cross over training items that can be done with minimum training needed. These cross over items in electronic, instrumentation, electrical and restricted jobs will be identified by the Advisory Committee.
8. Phase III
 - a) E/I Journeymen A must have successfully passed the advanced electronics course as determined by the Advisory Committee in order to progress to Phase III of the program
 - b) E/I Journeymen A who complete Phase III of the program will become an E/I Technician and the applicable rate will be adjusted as per Appendix "A"
 - c) The Advisory Committee will determine the training program required for Phase III
9. Employees entering the E/I department through the apprenticeship program of their respective trade presently in effect in the collective agreement, will as a condition of continuing employment, be required to successfully complete the basic electronics course as determined by the Advisory Committee and advance to Phase II of the program. The rates are included in Appendix "A".
10. It is hereby agreed and understood that should the Advisory Committee determine that the goals of the Expanded Skills Program are not being attained, they may recommend to their respective party to revert to the two distinctive trades. If both parties agree to continue this program three months after the completion of Phase II (Clause 7C) this program will then form part of the Collective Agreement
11. All seniority and Local Agreements presently in effect between Local 32 and the Company, will not in any way shape or form be affected or changed in any way by this program unless mutually agreed
12. The manner in which holidays are allotted to each crew will be continued.
13. An H R facilitator will conduct a seminar for the employees on the Advisory Committee to provide the committee with the necessary tools to function properly

- 14 Both parties further agree that all participants in this program will not be bound by Appendix G, (Trades Promotion Plan), part 2, clause b, and no grievance will be permitted by either party due to this program concerning this clause

APPENDIX A

WAGE RATES

	<u>May 1/99</u>	<u>May 1/00</u>	<u>May 1/01</u>	<u>May 1/02</u>	<u>May 1/03</u>
Electrician/Instrument Journeyman	25.90	26.40	26.93	27.47	28.02
Electronic Journeyman	26.20	26.70	27.23	27.78	28.33
E/I Journeyman	26.31	26.81	27.35	27.89	28.45
E/I Electronic Journeyman	26.76	27.26	27.81	28.36	28.93
E/I Journeyman A	27.29	27.79	28.35	28.91	29.49
E/I Technician	27.91	28.41	28.98	29.56	30.15

All E/I rates are subject to future wage increases, if any, including mechanical adjustments

APPRENTICE WAGE SCHEDULE

First Year/First Half/Base Rate	20.43	20.93	21.35	21.78	22.21
/Second Half/Base Rate	20.43	20.93	21.35	21.78	22.21
Second Year/First Half	21.17	21.67	22.10	22.55	23.00
/Second Half	21.95	22.45	22.90	23.36	23.82
Third Year/First Half	22.70	23.20	23.66	24.14	24.62
/Second Half	23.47	23.97	24.45	24.94	25.44
Fourth Year/First Half	24.24	24.74	25.23	25.74	26.25
/Second Half	25.01	25.51	26.02	26.54	27.07
Fifth Year/First Half	25.76	26.26	26.79	27.32	27.87
/Second Half	26.52	27.02	27.56	28.11	28.67
Sixth Year/100%					
E/I Journeyman A Rate	27.29	27.79	28.35	28.91	29.49

LETTER OF UNDERSTANDING

SCHEDULING OF SHIFTS (ARTICLE 8.04)

The Company agrees to the Union's interpretation of this article. The most senior employee can relinquish his temporary promotion to the next senior employee in the job category. The more junior employees in the category will be approached in order of seniority if the second senior employee does not accept the temporary position. If none of the junior employees is willing to accept the temporary position, the senior employee will be obliged to do so.

Where a senior employee relinquishes a temporary position, he will be given the opportunity of accepting the next temporary promotion that occurs.

The rate for the higher job will only be paid to the employee accepting the temporary position.

LETTER OF UNDERSTANDING

PREMIUM PAY - DAY WORKERS (ARTICLE 14.05)

PREMIUM PAY - TOUR WORKERS (ARTICLE 15.06)

The Company agrees with the Union's interpretation of these articles. If an employee reports at the beginning of his normal day (or shift) and the duties that he was to perform during his scheduled day or shift are cancelled, he will be given other duties to complete his scheduled day or shift.

This does not apply to emergency shutdown situations, where Article 40 would be in effect.

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