

**2012-2017
HOWE SOUND
LABOUR AGREEMENT**

**IN THE PROVINCE OF
BRITISH COLUMBIA**

Between



And the

**COMMUNICATIONS, ENERGY &
PAPERWORKERS UNION OF CANADA
LOCAL 1119**



In this Agreement the Employer is referred to as “The Company”
and the Local Union as “The Union”.

HOWE SOUND LABOUR AGREEMENT

2012-2017

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**HOWE SOUND LABOUR AGREEMENT
2012 - 2017**

ARTICLE I - GENERAL

Section 1: Purpose

The general purpose of this Agreement is, in the mutual interest of the employer and employee, to provide for the operation of the Plant hereinafter mentioned under methods which will further, to the fullest extent possible, the safety and physical welfare of the employees, economy of operation, quality and quantity of output, cleanliness of Plant and protection of property. It is recognized by this Agreement to be the duty of the Company and the Union to cooperate fully for the advancement of said conditions.

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

Section 2: Mutual Responsibilities

It is recognized by this Agreement to be the duty of the Company to explain fully the terms of this Agreement to all its officers, supervisors and others engaged in a supervisory capacity and it is recognized to be the duty of the Union to explain fully to its members, its and their responsibilities and obligations under this Agreement.

Section 3: Flexible Work Practices

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

Section 4: No Interruption of Work

It is agreed by the Union that there shall be no strikes, walkouts or other interruption of work during the period of this

Agreement. It is agreed by the Company that there shall be no lockouts during the period of this Agreement.

Section 5: Successorship

In the event of a change in employer status, members of Local 1119 will retain all of their rights under the Collective Agreement.

Section 6: Human Rights

The Company and Union subscribe to and support the principles of the Human Rights Code of British Columbia, Section 8 of which reads as follows:

- (1) Every person has the right of equality of opportunity based upon bona fide qualifications in respect of their occupation or employment, or in respect of an intended occupation, employment, advancement, or promotion; and, without limiting the generality of the foregoing,
 - a) No employer shall refuse to employ, or to continue to employ, or to advance or promote that person, or discriminate against that person in respect of employment or a condition of employment; and,
 - b) No employment agency shall refuse to refer any person for employment, unless reasonable cause exists for such refusal or discrimination.
- (2) For the purposes of sub-section (1),
 - a) The race, religion, colour, age, marital status, ancestry, place of origin, or political belief of any person or class of persons shall not constitute reasonable cause
 - b) A provision respecting Canadian citizenship in any Act constitutes reasonable cause; (1974, Bill 178, s.6),

- c) The sex of any person shall not constitute reasonable cause unless it relates to the maintenance of public decency,
 - d) A conviction for a criminal or summary conviction charge shall not constitute reasonable cause unless such charge relates to the occupation or employment, or to the intended occupation, employment, advancement, or promotion, of a person
- (3) No provision of this section relating to age shall prohibit the operation of any term of a bona fide retirement, superannuation, or pension plan, or the terms or conditions of any bona fide group or employee insurance plan, or of any bona fide scheme based upon seniority.

ARTICLE II - DEFINITIONS

Wherever used in this Agreement, including Exhibits:

- a) The word EMPLOYEES means all persons on the payroll of the Company, excepting: those engaged in administration, in actual supervision, in sales, engineering, technical and research, accounting, or watchmen's functions excluding those employed on jobs listed in Exhibit "A".

A complete list of the job categories and rates of the EMPLOYEES under this Agreement is attached hereto as Exhibit "A".

- b) The words TOUR WORKERS mean employees when engaged in operations scheduled in advance for at least twenty-four (24) hours continuous running. However, it being understood that if a Tour Worker is temporarily assigned to work not connected with the continuous operation on which they are usually employed, their status as to tour or day work during such temporary assignment is determined by the nature of such assignment. All other employees are considered Day Workers.

- c) The word DAY means a period of twenty-four (24) hours beginning at 8:00 a.m. or at the regular hour of changing shifts nearest to 8:00 a.m.
- d) The word WEEK means a period of seven (7) calendar days beginning at 8:00 a.m., or at the regular hour of changing shifts nearest to 8:00 a.m., on the day on which the actual workweek begins.
- e) GRIEVANCE, DISPUTE or COMPLAINT means any difference between the persons bound by this Agreement concerning its interpretation, application, operation, or any alleged violation thereof, and PARTY means either one of the parties to this Agreement.

ARTICLE III - BARGAINING AGENCY

Section 1: Recognition

The Company recognizes the Communications, Energy & Paperworkers Union of Canada, Local 1119 and the Union as the only agencies representing all employees as defined in this Agreement for the purpose of collective bargaining.

Section 2: Bulletin Boards

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

ARTICLE IV - UNION SECURITY

Section 1: Cooperation

The Company will cooperate with the Union in obtaining and retaining as members the employees as defined in this Agreement and to this end will present to new employees and to all supervisors the policy herein expressed.

Any new employee shall be introduced to the Shop Steward by his/her Supervisor within three (3) days of starting work.

Section 2: Union Shop

All employees in the employment of the Company shall, as a condition of continued employment, maintain membership in good standing in the Union. New employees shall, as a condition of continued employment, become members of the Union thirty (30) days after becoming employed by the Company.

Section 3: Discharge of Non-Members

Any employee who fails to maintain their membership in good standing in the Union shall be discharged after seven (7) days written notice to the Company by the Union of the employee's failure to maintain their membership in good standing.

Section 4: Application for Membership

No employee shall be subject to any penalties against their application for membership or reinstatement, except as may be provided for in the Constitution and bylaws of the National Union and the Union. A copy of such Constitution and bylaws, and any changes thereto, shall be transmitted to the Company.

Section 5: Union Dues Deduction

The Company shall remit to the union not less than once each calendar month, amounts deducted from employee's wages in respect of initiation fees and regular monthly dues.

ARTICLE V - STANDING COMMITTEE

A Standing Committee shall be maintained in the mill in the following manner:

- (1) The Mill Manager shall appoint a Company Standing Committee of three (3) individuals, which shall represent the Company.
- (2) The Union shall select from its membership a Union Standing Committee of three (3), which shall represent the Union for the purposes, stated in this Agreement.

ARTICLE VI - HOURS OF WORK

Section 1: Basic Work Week

Both parties to this Agreement are committed to maintain the principle of a basic work week of forty (40) hours but agree that additional time may be worked to permit operation or protection of the Mill when paid for as shown in Section 2 herein.

Section 2: Overtime

Overtime at the rate of time and one-half will be paid on the following bases:

(1) Day Workers

- a) For all work performed on Sunday (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
- b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive straight time hours.
- c) For work performed on an employee's designated day off as provided for in Section 3 herein.
- d) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.

- e) The Company agrees that employees may carry over Sunday Letter and statutory holiday time earned when sufficient straight time hours are unavailable that week. The hours may be carried over after the week in which they are earned, provided a regular work schedule is being followed.

(2) Tour Workers

- a) For all work performed on Sunday (8:00 a.m. Sunday to 8:00 a.m. Monday) and on holidays as specified in Article XVII of this Agreement.
- b) For all work in excess of eight (8) hours in any one day or in excess of eight (8) consecutive hours except:
 - (i) When such work in excess of eight (8) hours is caused by the change of shifts,
 - (ii) Overtime work by special arrangement between Tour Workers and their mates to exchange shifts with the approval of their Supervisor and when this can be accomplished without additional cost or penalty to the Company.
- c) For work in excess of forty (40) hours average per week. By average is meant the number of weeks mutually agreed upon in advance as the correct schedule.
- d) For work performed on an employee's designated day off as provided for in Section 3 herein.
- e) The Company agrees that employees may carry over Sunday Letter and statutory holiday time earned when sufficient straight time hours are unavailable that week. The hours may be carried over after the week in which they are earned, provided a regular work schedule is being followed.

In the payment of overtime on the basis provided above, the one basis, which results in the payment of the largest amount of overtime, shall be used.

(3) Banking of Overtime

- a) Tour Workers who work in excess of eight (8) consecutive hours shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of eight (8) consecutive hours and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Tour Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.
- b) Day Workers who work in excess of ten (10) hours in a day shall have the option of receiving the overtime premium on the basis of this Section or of receiving straight time for hours in excess of ten (10) hours in a day and taking equivalent time off in units of not less than four (4) hours at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company during the contract year. Any overtime remaining at the end of the contract year in which it is banked may be carried over to the next contract year for purposes of taking equivalent time off. If equivalent time off is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred one-half premium pay. Day Workers who choose to bank overtime may later re-elect to receive the deferred one-half premium pay.

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

Section 3: Days Off and Schedule of Shifts

- a) The Company will designate regular periodic days off for each regular employee and will not change such designation without notice except in the case of breakdown.
- b) Relief employees, employed to provide relief of employees who follow regular schedules, will be scheduled when required for coverage. The Company will designate regular, periodic days off for all other employees and will not change such designation without notice except in the case of breakdown. The Company shall use its best efforts;
 - i. To schedule days off for relief employees on a consecutive basis; and
 - ii. To provide established schedules for relief employees.
- c) In the event the day or days off are changed to follow the original designated day or days off, then forty-eight (48) hours' notice will be given in advance of the original day or days off. In the event the day or days off are changed to precede the original designated day or days off, then forty (40) hours' notice must be given in advance of the new day or days off.
- d) When sufficient notice is not given prior to the initial day or days off, then overtime will be paid for work performed on the original day or days off.
- e) The employees may change their day or days off by mutual arrangement with the Supervisor and the Shop Steward of

the department concerned without penalty to the employer.

- f) Where a system of days off is now in effect, same shall remain in effect as long as mutually satisfactory to the Union and the Company, it being understood that this has reference to a mill system of days off and not to the individual employee's days off.
- g) When the Company changes an employee's shift schedule after the start of the week without notification being given during the first eight (8) hours of their last shift preceding the new shift, the employee shall receive two (2) hours penalty payment at the straight time day rate for the first shift worked resulting from the change.
- h) If the change in shifts during the week is temporary, the penalty payment is not payable for the second change in shifts when the employee returns to the previously established shift schedule.
- i) When an employee's established shift schedule is changed, the Company will, whenever practicable, notify the employee personally of the change.
- j) Where an employee is temporarily off work because of a shutdown of the job, department or plant of more than ten (10) days duration, the employee's regular schedule of hours per day and days per week, including the starting time and designated days off, shall, commencing with the eleventh (11th) day of such shutdown, be considered as having been suspended and shall not be in effect for the balance of said shutdown.

Call Time shall not be payable for assignments to extra work during such latter period or for assignments in connection with the resumption of operation of the job.

The ten (10) day period referred to above shall be exclusive of any recognized paid Statutory Holidays which may fall therein.

- k) The Company will cooperate with any Day Worker called in after twelve (12) midnight to ensure that this work does not preclude him/her working his/her regular eight (8) hour shift the following day. This may be accomplished by altering the hours of work to the mutual satisfaction of the employee and his/her supervisor. No penalty shall apply to the Company as a result of such an arrangement.

Section 4: Starting and Stopping Work

1) Tour Workers

- a) When a tour begins, each Tour Worker is required to be in their place. At the end of a shift no Tour Worker shall leave their place to wash up and dress until their mate has changed clothes and reported to take on responsibility of the position.
- b) If a Tour Worker does not report for their regular shift, their mate shall notify the Supervisor. They shall remain at their post until a substitute is secured and if necessary shall work an extra four (4) hours. If work in excess of twelve (12) hours is required by refusal of a mate to report or when no other qualified relief is available, then the employee shall complete the extra shift. It is the duty of a Tour Worker to report for their regular shift, unless they have already arranged with their Supervisor for a leave of absence. If unavoidably prevented from reporting, they must give notice to their Supervisor or at the office, if reasonably possible, at least four (4) hours before their tour goes on duty.

2) Day Workers

- a) Day Workers shall be at their respective posts ready to begin work at the time their pay starts and shall not quit work in advance of the time their pay stops. For example, if a Mechanic's pay time is from 8:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m., they shall be at their post ready to work at 8:00 a.m. and 1:00 p.m. and shall not quit work until 12:00 noon and 5:00 p.m.

Section 5: Meals

1) Tour Workers

A hot meal, if not declined, shall be furnished at the usual mealtime by and at the expense of the Company to any Tour Worker required to work more than nine (9) consecutive hours. If they continue to work, a meal, which shall be hot if practicable, shall be provided every four (4) hours thereafter. When an employee has to work one extra shift, arrangements shall be made by the Company to provide one meal at the start of the shift and another meal or lunch four (4) hours later. The meal shall be eaten on Company time.

2) Day Workers

Any Day Worker required to work more than one (1) hour beyond the end of their regular scheduled eight (8) hour shift, shall be furnished a hot meal at the usual meal time by and at the expense of the Company. If the Day Worker continues to work, a meal, which shall be hot if practicable, shall be provided every four (4) hours thereafter.

The meal may be eaten on Company time or alternatively, the Company may allocate one-half hour and the employee eats on their own time.

3) All Workers

Any employee called in for an emergency before their shift commences, without time to arrange for their normal lunch or meal, will be given meals, hot if practicable, at the usual meal hours or as close to that time as can conveniently be arranged.

ARTICLE VII - WAGES

Section 1: Wage Scale

The wage scale for the term of this Agreement is attached as Exhibit "A" and forms part of this Agreement. Any new job rate will become part of Exhibit "A".

Effective Ratification Date	Lump Sum Payment for all active Employees	\$3750
Effective May 1, 2013	Lump Sum Payment for all active Employees	\$3750
Effective May 1, 2014	General Wage Increase	2%
Effective May 1, 2015	General Wage Increase	2.5%
Effective May 1, 2016	General Wage Increase	3%

Section 2: Shift Differential

(1) Tour Workers

a) Tour Workers following compressed work week schedules shall be paid the following shift differential in addition to the hourly rate for all work performed as follows:

Percent (%) of base rate	
8:00 a.m. to 8:00 p.m.	2.50%
8:00 p.m. to 8:00 a.m.	4.25%

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

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

- c) Tour Workers not employed on a 20 or 21 shifts per week schedule:

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

(2) Day Workers

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

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

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

(3) All Employees

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

ARTICLE VIII - JOB EVALUATION PLAN

It is agreed that there shall be a Job Evaluation Plan the provisions of which are set forth in Exhibit "B" which is attached hereto and forms part of this Agreement.

It is understood that the Job Evaluation Plan shall not be subject to the grievance procedure as set forth in Article XXXI, Adjustment of Complaints. Any dispute, which may arise thereunder, shall be dealt with as provided in the Job Evaluation Plan.

ARTICLE IX - ALLOWANCE FOR FAILURE TO PROVIDE WORK

Section 1: No Work

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

Section 2: Where Shift Commenced

In any case where an employee has commenced their regular scheduled shift, they shall receive a minimum of four (4) hours pay except in cases of accident, breakdown, interruption of power, acts of God, or to cases of Call Time as provided in Article X hereof. In cases of accident, breakdown, interruption of power or acts of God, the employee shall receive a minimum of two (2) hours pay.

ARTICLE X - CALL TIME

Section 1: Qualifying Conditions

An employee shall receive two (2) hours Call Time at the straight time rate in addition to pay for time actually worked under the following conditions:

- a) Call to work following a shift:
When required to report for work after completing their designated shift.
- b) Call to work on a designated day off:
When required to report for work on a designated day off.
- c) Statutory Holiday Work:

For any work performed on a holiday as specified in Article XVII.

Section 2: Payment

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

ARTICLE XI - FOURDRINIER WIRE ALLOWANCE

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

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

If tour workers are asked to remain after their shift is scheduled to end, to put on a Fourdrinier Wire, they shall be paid for the time worked plus three (3) hours.

The above shall also apply to tour workers when working on machines other than their own.

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

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

ARTICLE XII - JURY DUTY

Section 1: Wage Compensation

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

Section 2: Holidays and Overtime

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

ARTICLE XIII - BEREAVEMENT LEAVE

Section 1: Compensation

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

Section 2: Definition of Family

Members of the employee's immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, stepchildren, mother-in-law, father-in-law, sons-in-law, daughters-in-law, stepparents, grandparents and grandchildren.

Section 3: Effect on Vacation Entitlement

Compensable hours under the terms of this Article will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted as hours worked for the purpose of computing overtime.

ARTICLE XIV - LEAVE OF ABSENCE

Section 1: Union and Public Office

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

An employee appointed or elected to full-time office in the Union or to federal, provincial, municipal or aboriginal office,

shall be granted as much leave as is necessary during the term of such office.

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

Section 2: Power and Recovery Department Vocational Leave

Power and Recovery department personnel shall be granted leave in accordance with the provisions of Exhibit "E" (Power and Recovery Department Vocational Leave) for the purpose of attending vocational school.

Section 3: Maternity Leave

The Company will grant extended maternity leave without pay to female employees to a maximum of six (6) weeks in excess of that provided in the Employment Standards Act where there is a valid and documented medical reason applicable to the health or well-being of the mother and/or child.

Section 4: Other Leave

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

ARTICLE XV – VACATIONS

Section 1: Entitlement

	Length of Vacation	Vacation Pay, being the Greater of:
	An employee who is on the payroll on May 1 st , who has been continuously employed during the qualifying period, and who has:	% of the total wages earned by the employee during the preceding vacation period OR Hours pay at the hourly rate of the employee's regular job.
(A) Been employed for less than one year and does not qualify under (B) below;	1/4 day for each full week of actual work performed during the preceding vacation period provided no vacation of less than one day will be granted.	4-1/2% OR NIL hours
(B) Been employed for less than one year but has worked not less than 1500 hours during the preceding vacation period OR been employed for not less than one year and who has worked not less than 1200 hours during the preceding vacation period.	2 weeks	4-1/2% or 80 hours

The following hours will count as hours worked for the purpose of qualifying for a vacation: Vacations; Supplementary Vacations; Statutory Holidays; Special (Personal) Floating Holidays; Jury or Witness Duty; Bereavement Leave; Contractual Power and Recovery Department, Apprenticeship and First Aid Leaves; Banked Days Off and Days Off in Lieu of work performed on a Statutory Holiday;	2 weeks	4-1/2% OR 80 hours
(C) Qualified for the 2nd vacation under this Agreement;	3 weeks	6-1/2% OR 120 hours
(D) Qualified for the 7th vacation under this Agreement	4 weeks	8-1/2% OR 160 hours
(E) qualified for the 14 th vacation under this Agreement	5 weeks	10-1/2% OR 200 hours
(F) qualified for the 23 rd vacation under this Agreement	6 weeks	12-1/2% OR 240 hours
(G) qualified for the 29th vacation under this Agreement	7 weeks	14-1/2% OR 280 hours

Section 2: Additional Pay

In addition to the vacation pay to which an employee is entitled under Section 1 above, each employee shall, on qualifying for vacation under categories (B), (C), (D), (E), (F) or (G) above, be entitled to an additional amount of vacation pay equivalent to ten (10) hours pay at the hourly rate of the

employee's regular job in respect of the first week of their vacation.

Section 3: Payment on Termination

In the event an employee's employment terminates either before they become entitled to a vacation with pay or being entitled to it, before they take it, shall be paid on termination 4-1/2%, 6-1/2%, 8-1/2%, 10-1/2%, 12-1/2% or 14-1/2% (depending on whether they belong in the category of employees described in (A) or (B), (C), (D), (E), (F) or (G) above respectively) of their wages earned during the period of employment ending with the termination in respect of which no vacation or vacation pay to which they remain entitled has been paid or taken.

Section 4: General Rules

- a) The vacation period is May 1 to April 30.
- b) Vacations with pay provided in accordance with Section 1 above for employees in category (A) may not be counted when determining whether an employee has qualified for the vacations provided under Section 1 for employees in categories (C), (D), (E), (F) or (G).
- c) Vacations are not cumulative and must be taken during the vacation period except as provided below:

Vacations earned under Section 4 (d).

- (i) At the start of the vacation year, employees may elect to receive all, part or none of their vacation pay in advance in full weekly increments.
- (ii) Employees shall have the option at any time during the vacation year to bank paid vacation entitlement in excess of the statutory minimum to a maximum of two (2) weeks per year for which the vacation pay advance has not been paid. Employees may

accumulate a maximum of six (6) weeks' vacation in the bank.

- (iii) Banked vacations must be taken prior to retirement and will be paid at the employee's current rate of vacation pay at the time when taking the banked vacation time off.
- d) A vacation with pay provided under Section 1 for employees in category (A) may be taken during the vacation period in which the entitlement thereto is established, or during the next following vacation period.
- e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- f) The allocation of vacation times is to be decided by the Company. However, the Company will endeavor by discussion with the employees or the Union, to arrange vacations to suit the employee's wishes.
- g) Time lost as a result of an accident recognized as Compensable by WorkSafe BC, suffered during the course of employment with the Company shall be considered as time worked for the purpose of calculating entitlement upon return to work.
- h) Time not exceeding one (1) year, lost as the result of a non-occupational accident, illness or approved maternity leave, shall be considered as time worked for the purpose of qualifying for vacation provided, at the time of the accident or illness or commencement of maternity leave, the employee has been on the payroll for not less than one (1) year and returns to employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner. Time exceeding one (1) year shall be recognized as uninterrupted service for the purpose of establishing vacation time off, upon return to work.

- i) Time lost as the result of layoff shall not be considered as time worked for the purpose of qualifying for a vacation.
- j) When operating conditions permit, the Company agrees in principle to granting two (2) days leave of absence to allow shift workers on a seven (7) day schedule a full seven (7) day tour off, for one (1) weeks' vacation – five (5) days with pay and two (2) without pay.
- k) Employees who qualify for vacation under categories (c), (d), (e), (f) or (g), may at their option elect to forfeit one (1) week of vacation, subject to the Employment Standards Minimum, and be paid the vacation pay they would have received in lieu of the week of vacation.
Employees must declare their intention for this option prior to the start of the vacation year.

Due to mill start-ups, training and various operating schedules and practices involved, details should be resolved between the Company and the Union.

Section 5: Computation of Vacation Pay

Where an employee's vacation pay for the current year is to be computed as a percentage of their "total wages earned" in the previous year, such "total wages earned" shall include the amount of vacation pay the employee received in the previous year.

ARTICLE XVI - SUPPLEMENTARY VACATIONS

Section 1: Eligibility

- a) After completing five (5) or more years of continuous service with the Company, employees shall, in addition to the regular vacation to which they are entitled, become eligible to receive a Supplementary Vacation with pay each five (5) years as set forth below:

Years of Completed Continuous Service		Weeks of Supplementary Vacation	
After Five	(5)	One	(1)
After Ten	(10)	Two	(2)
After Fifteen	(15)	Two	(2)
After Twenty	(20)	Three	(3)
After Twenty-five	(25)	Three	(3)
After Thirty	(30)	Four	(4)
After thirty-five	(35)	Four	(4)
After Forty	(40)	Five	(5)

- d) For the purpose of determining eligibility for Supplementary Vacation, an employee's service shall be calculated from the date of their joining the Company.

Section 2: General Provisions

- a) The Supplementary Vacation may be taken in conjunction with the regular vacation to which the employee is entitled provided such regular vacation is not scheduled to be taken during the months of July or August, in which event the Supplementary Vacation shall be taken at a time to be agreed upon by the Company and the employee.
- b) The Supplementary Vacation must be taken prior to the employee becoming eligible for their next earned period of Supplementary Vacation as provided for in Section 1(a) above.
- c) One- (1) weeks Supplementary Vacation pay shall be equal to forty- (40) hours at the straight time hourly rate of the employee's regular job.
- d) An employee may elect to take their Supplementary Vacation one-day at a time according to the following schedule:

After 5 years service	• one (1) day per year
After 10 years service	• two (2) days per year
After 15 years service	• two (2) days per year
After 20 years service	• three (3) days per year
After 25 years service	• three (3) days per year
After 30 years service	• four (4) days per year
After 35 years service	• four (4) days per year
After 40 years service	• five (5) days per year

If the employee wishes to elect this option, they must advise the Company in writing of their election in advance for that five (5) year period. However, employees may revoke this option at any time during the five (5) year period and take any remaining Supplementary Vacation days as weeks. Any remaining Supplementary Vacation days that cannot be taken in multiples of five (5) will be taken in one block.

Section 3: Partial Entitlement

At retirement or on termination from the Company, an employee who has completed five (5) or more years of service shall be entitled to that portion of Supplementary Vacation Pay proportionate to the number of years of service completed subsequent to their last five (5) year entitlement period.

ARTICLE XVII - STATUTORY HOLIDAYS

Section 1: Recognized Days

The following shall be the recognized Statutory Holidays:

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

Section 2: Adjustment in Hours

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

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

Section 3: Holiday Work

- a) The Company will provide the Union with not less than thirty (30) days' notice of the general scope of operating and/or maintenance plans on statutory holidays. Unanticipated weather conditions or maintenance requirements may alter those plans.
- b) On Christmas Eve, Christmas Day and Boxing Day, operational and maintenance manning required will be identified on a scheduled crew basis. Any employee who wishes to be excused from working on a particular statutory holiday will be accommodated provided a request for leave is requested seven (7) days in advance of the statutory holiday and provided that a trained volunteer can be found to replace him for the shift. If no trained volunteer is found, the employee will be required to work the shift.
- c) Employees who work at Christmas shall be paid double time for work during that period identified in Clause (b).

Section 4: Pay for Holiday Work

- a) Overtime shall be paid for all work performed during holidays at the rates hereinafter specified.

- a) An employee who works on such a holiday shall receive equal time off with pay at their straight time hourly rate. Such time off shall be treated in the same manner as a Special (Personal) Floating Holiday.
- b) The time off and pay provided in (b) above replaces any time off and pay provisions in respect of the same statutory holiday work under current local arrangements.

Section 5: Statutory Holiday Deferral

An employee shall have the option of taking equivalent time off if a statutory holiday falls on a regular day off.

Section 6: Qualifying Conditions

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

- a) The employee must have been on the payroll for not less than the sixty (60) days just preceding the holiday and must have previously qualified for a statutory holiday as provided in (d) below, and
- b) The employee must have worked at least one (1) day during the sixty (60) day qualifying period just preceding the holiday, and
- c) The employee must have worked their scheduled workday before and their scheduled work day after such holiday, unless failure to work their scheduled workday before or after the holiday was due to any of the following events:
 - (i) When the employee is on a regular authorized paid vacation;

- (ii) When the employee is unable to work by reason of an industrial accident as recognized by the WorkSafeBC or non-occupational sickness or injury;
 - (iii) When the operation in which the employee is engaged is curtailed or discontinued by the decision of the Company and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before or their scheduled work day after such holiday;
 - (iv) When a trade in shifts agreed upon between employees and approved in advance by the Company results in a temporary change of the scheduled work day before, or the scheduled work day after the holiday provided the employee works the shift agreed upon;
 - (v) When the employee is on a leave of absence authorized by the Company.
- d) The employee who has been on the payroll for at least sixty (60) days but who has not previously qualified for a Statutory Holiday will qualify for the holiday if they have worked a minimum of one hundred and eighty (180) hours during the sixty (60) day qualifying period just preceding the holiday and meets the requirements of (b) and (c) above.
- e) Time lost as the result of an accident as recognized by WorkSafeBC, suffered during the course of employment or time lost as a result of non-occupational sickness or injury, shall be considered as time worked for the purpose of qualifying for a recognized paid holiday, it being understood that the employee will only be entitled to this credit for time while on WorkSafeBC benefits or non-occupational sickness or injury for a period of up to but not exceeding one (1) year from the date of their sickness or injury.
- f) However, it is understood and agreed that an employee shall not receive the above provided holiday pay if they have agreed to work on such holiday and fails or refuses to work, except in the case where bona fide sickness or other

bona fide reason approved by the Company prevents their working on such holiday.

ARTICLE XVIII - SPECIAL (PERSONAL) FLOATING HOLIDAYS

Section 1: Floating Holidays

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

Effective May 1, 1998 there shall be granted five (5) Twelve (12) Hour Special Personal Floating Holidays to those employees who are defined as Tour Workers.

Section 2: Qualifying Conditions

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

- a) A new employee must have been on the payroll for not less than ninety (90) days to qualify for their first Special (Personal) Floating Holiday and on the payroll for one hundred and eighty- (180) days to qualify for their second, third, fourth and fifth Special (Personal) Floating Holidays.
- b) Employees will not qualify for Special (Personal) Floating Holidays if on leave of absence of more than nine (9) months in the contract year except in the case of sickness or injury.
- c) If an employee is required to work on any of these Special (Personal) Floating Holidays, after a definite date has been designated for such holidays, the employee shall be paid overtime for such work at the rate of time and one-half. The employee will then be entitled to take the said holiday

or holidays with pay at a later date to be mutually agreed upon.

- d) When the holiday is requested in writing seven (7) days in advance, the payment of overtime shall not be a factor in the granting of Personal Floating Holidays. The employee shall receive written notice of the disposition of their request a minimum of seventy-two (72) hours prior to the requested Personal Floating Holiday.

ARTICLE XIX - WELFARE PLAN

Section 1: The Plan

There shall be a Welfare Plan pursuant to the terms and conditions of Exhibit "C", which is attached hereto and forms part of this Agreement. Membership in the Plan for all eligible employees shall be a condition of employment on and after July 1, 1973.

ARTICLE XX - PENSION PLAN

Section 1: The Plan

- a) The Company agrees to contribute to a Pension Plan, which will be established pursuant to the general principles set forth in the Pension Plan Summary dated December 6, 1975.
- b) The parties agree to refer the matter of integrating the bridge provisions into the Pulp and Paper Industry Pension Plan to the Board of Trustees for their review and consideration.

On the above issue, it is agreed that prior to the implementation of any change to the Pulp & Paper Industry Pension Plan or proceeding with the review, there must be unanimous approval of the nine (9) trustees.

Section 2: Contributions

- a) The Company contribution level will remain at 10% for the term of the agreement.
- b) Employee contribution level will remain at 8% for the term of the agreement

Section 3: Board of Trustees

A Board of Trustees will be established pursuant to the Pension Plan Summary dated December 6, 1975, to administer the said Plan.

The Company agrees to the revised governance of the plan as proposed below:

3 Trustees appointed by the member employers

3 Trustees elected or appointed by the CEP

3 Trustees elected or appointed by the PPWC

The Union agrees to provide the Company with audited financial statements and actuarial valuations as per the plan.

Section 4: Pension Bridge Benefit

The Company shall provide employees with a pension bridge annuity benefit of twenty dollars (\$20.00) per month per year of service at age sixty (60) or older who retire prior to attaining age sixty-five (65). The pension bridge benefit will not be payable beyond age sixty-five (65). The calculation of the pension bridge benefit shall be credited on the same basis as under the terms and conditions of the Pulp and Paper Industry Pension Plan.

An employee who chooses to retire at age fifty-five (55) or later shall have access to the pension bridging benefit paid by the Company when they reach age sixty (60).

ARTICLE XXI - SENIORITY

Section 1: Principles

- (1) The Company recognizes the principles of seniority in their application to the promotion, demotion, transfer, lay-off and recall and permanent movement from day to shift positions of an employee, providing the employee has the qualifications and ability to perform the work.
- (2) In cases of permanent job transfers, it is not the Company's intent to give a junior employee preference over a senior employee on the basis that they have acquired experience by providing relief.
- (3) If an employee is moved out of a line of progression for any reason, the employer will not require re-testing of the employee for them to return to that specific line of progression. No employee will be removed from the mill as the result of unilateral testing by the employer.
- (4) The Company and the Union recognize that it is desirable to reduce the effect of layoffs on employees and at the same time continue to recognize mill seniority, job qualifications and the role of lines of progression, job seniority and departmental seniority.
- (5) Arrangements to implement the above principles will be discussed by the Company and the Union.

Section 2: Probationary Period

Until an employee has been on the payroll of the Company for forty (40) calendar days or until he/she has accumulated thirty (30) working days in a ninety (90) calendar day period, he/she shall be considered a probationary employee and shall have no rights under Article XXI with respect to seniority.

Section 3: Retention of Seniority

- a) Any employee, other than a probationary employee, whose employment ceases through no fault of their own, shall retain seniority and shall be recalled on the following basis:
 - (i) An employee with less than one (1) year's continuous service shall retain these rights for six (6) months from the date of lay-off.
 - (ii) An employee with one (1) or more years continuous service shall retain these rights for eighteen (18) months from the date of lay-off, plus two (2) additional months for each year of service up to an additional twenty-four (24) months.
- b) Failure of the employee to report for work within one (1) week of notice by registered mail at their last address reported to and received by the mill shall result in their termination of employment with the Company. Bona fide reasons for failure to report shall not deprive an employee of their recall rights.

Section 4: Training

To facilitate laid off employees exercising their mill seniority the following training will be provided:

- a) Up to two (2) days where the layoff is estimated to be in excess of ten (10) days.
- b) Up to five (5) days where the layoff is estimated to be in excess of twenty-one (21) days.
- c) Up to eight (8) days where the layoff is estimated to be in excess of thirty-five (35) days;
- d) Up to ten (10) days where the layoff is estimated to be in excess of sixty (60) days.

- e) Where the layoff is estimated to be in excess of ninety (90) days the Company will discuss with the Local Union training provisions of up to fifteen (15) days;
- f) Where a layoff results from a permanent partial plant closure or temporary closure in excess of ninety (90) days, the Company will participate in a program of training or re-training for another job within the operations to facilitate the exercising of mill seniority, recognizing there will be some limitations where special qualifications are required. Phasing in arrangements to implement the program shall be concluded prior to the closure.
- g) All layoffs which take place within one hundred and eighty (180) calendar days will be considered cumulative for the purposes of training.

Section 5: Lay-Off and Vacation Entitlement

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

Section 6: Welfare Coverage

- a) An employee with one (1) or more years' seniority may have their welfare coverage continued for six (6) months while on lay-off.
- b) An employee with more than four (4) months but less than one (1) year seniority may have their welfare coverage continued for three (3) months while on lay-off.
- c) An employee who elects to maintain coverage while laid off will be required to pay the employee portion of the premium in advance on a monthly basis.
- d) An employee who has welfare coverage as provided for in paragraph (1) and (2) above will, on return to work, have

their welfare coverage extended by one (1) month for each month in which they work.

- e) An employee whose welfare coverage under paragraphs (1) and (2) above has expired will, on return to work, be eligible for coverage for the period of their employment.
- f) An employee will qualify for a new period of welfare coverage as provided in paragraph (1) and (2) above if they return to work for at least ten (10) days within a floating period of thirty (30) consecutive days.

ARTICLE XXII - JOB SECURITY

Section 1: Objective

The Company and Union recognize that technological change, while necessary to the industry, may have an impact on employees. It is the purpose of the following provisions to assist employees in adjusting to the effects of such change.

Section 2: Definition

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

Section 3: Joint Committee

A joint committee on automation will be established which shall consist of three (3) persons representing the Company and three (3) persons representing the Union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the mill and to make such recommendations as are agreed upon to the Mill Manager, to ensure that the interests of the Company and of the employees are fairly and effectively protected.

Section 4: Required Notice

The Company will advise the appropriate committee or committees as soon as possible and in any case not less than one hundred and eighty (180) days before the introduction thereof, of mechanization, technological changes and/or automation which the Company has decided to introduce and which will result in terminations or other significant changes in the employment status of employees.

The Company will advise the appropriate committee or committees as soon as possible and in any case not less than thirty (30) days before the expected date of the change of the anticipated time sequence of final installation and production start-up and the anticipated effect on the job status of individual employees.

Section 5: Seniority Status

- a) In the event that it is necessary, crews will be reduced in accordance with Article XXI - Seniority, of the Agreement.
- b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of their regular job at the time of the set-back for a period of six (6) months, and for a further period of six (6) months they will be paid an adjusted rate which will be midway between the rate of their regular job at the time of the set-back and the rate of their new regular job. At the end of this twelve (12) month period, the rate of their new regular job will apply. However, such employee will have the option of terminating their employment and accepting severance pay as outlined in Section 6(a) below, provided they exercise this option within the initial six (6) month period referred to above.
- c) An employee assigned to an equal or higher rated job because of mechanization, technological change or automation will have the option of terminating their

employment and accepting severance pay as outlined in Section 6(a) below if the job should be proved to be unsuitable, provided they exercise their option within six (6) months of starting on the job.

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

Section 6: Severance Allowance

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

YEARS OF EMPLOYMENT	SEVERANCE ALLOWANCE	
	WEEKS PER YEAR OF SERVICE	% OF EARNINGS
1 st Twenty (20) Years	2	4%
Subsequent Years	1	2%
Maximum Severance Allowance	52 Weeks *	2080 Hours

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

- b) For employees with a minimum of one (1) year of employment during their last period of continuous service, severance allowance shall not be less than four (4) weeks' pay.
- c) At the time of separation the employee shall have the option of receiving the severance allowance on termination, or may elect to have the severance allowance held in abeyance for up to one (1) year from the date of termination. The employee may apply in writing at any time during the year, at which time the full severance allowance will be paid forthwith.

- d) Where the right of recall and seniority retention under Article XXI is elected, the employee's severance allowance will be held in abeyance for the duration of their recall rights at which time the employees will be terminated and their severance allowance paid forthwith.
- e) Where the employee renounces the right of recall during this period, the employee will be terminated and his/her severance allowance paid forthwith with all seniority and recall rights being forfeited.
- f) No payment will be made under this section in cases where the employee has already qualified under Article XXIV, Section 5, Job Elimination, or under Article XXIII, Section 2, Permanent Mill Closure.
- g) Such employees for whom no employment is available will be given at least thirty (30) days' notice of separation.
- h) Employees will have their welfare coverage continued for the current month plus two (2) months from their date of termination.

Section 7: Training

The Company agrees to participate in a program of training or retraining for another job within the operation for those employees who are displaced under the circumstances set forth herein.

ARTICLE XXIII - PERMANENT MILL CLOSURE

Section 1: Notice

An employee terminated as a result of permanent planned closure of the mill shall be given a minimum of sixty (60) days' notice of the closure.

Section 2: Severance Allowance

- a) Such employees shall be entitled to a severance allowance of two (2) weeks per year of service to a maximum of sixty (60) weeks, based on the employee's years of employment during the employee's last period of continuous service computed on the basis of forty (40) straight time hours per week at the employee's regular rate.
- b) For employees with a minimum of one (1) years' employment during their last period of continuous service, severance allowance shall not be less than four (4) weeks' pay.
- c) No payment will be made under this section in cases where the employee has already qualified under Article XXII, Section 6, Job Security, or under Article XXIV, Section 5, Job Elimination.
- d) Employees will have their welfare coverage continued for the current month plus two (2) months from their date of termination.

ARTICLE XXIV - JOB ELIMINATION

Section 1: Definition

Job elimination means permanent loss of employment as the result of Company decisions to eliminate positions, excluding those in Section 2 below.

Section 2: Exclusions

No payment will be made under Section 5 in cases:

- (i) Of curtailments of a temporary or indefinite duration.
- (ii) Of employees hired for work of known or temporary duration.

- (iii) Where the employee has already qualified under technological change or permanent mill closure provisions.

Section 3: Notice

The Company will advise the Standing Committee at least forty-five (45) days prior to such job elimination. Crew reduction will be in accordance with Article XXI - Seniority.

Section 4: Elimination Options

- a) An employee who qualifies under Section 1 above may elect one of the following options:
 - (i) Recall and seniority retention as per Article XXI - Seniority, or
 - (ii) Severance allowance as per Section 5 below.
- b) Such employees must elect their option within thirty (30) days of notification that their loss of employment is permanent. If Option (2) is selected, the employee will be deemed to have terminated effective the last day worked. Where a temporary curtailment becomes permanent, severance eligibility will be determined by the status of the employee at the time of the temporary curtailment.

Section 5: Severance Allowance

- a) Severance allowance will be calculated by one of the two following methods based on last period of continuous service, it being the choice of the affected employee as to which of such methods of calculation is used:

YEARS OF EMPLOYMENT	SEVERANCE ALLOWANCE	
	WEEKS PER YEAR OF SERVICE	% OF EARNINGS
1 st Twenty (20) Years	2	4%
Subsequent Years	1	2%
Maximum Severance Allowance	52 Weeks *	2080 Hours

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

- b) For employees with a minimum of one (1) years' employment during their last period of continuous service, severance allowance shall not be less than four (4) weeks' pay.
- c) The severance allowance will not be more than the employee would normally receive if they remained at work at forty (40) hours per week to their normal retirement date.
- d) At the time of separation the employee shall have the option of receiving their severance allowance on termination, or they may elect to have their severance allowance held in abeyance for up to one (1) year from the date of termination. The employee may apply in writing at any time during the year at which time their full severance allowance will be paid forthwith.
- e) Where the right of recall and seniority retention under Article XXI is elected, the employee's severance allowance will be held in abeyance for the duration of their recall rights at which time the employees will be terminated and their severance allowance paid forthwith.
- f) Where the employee renounces the right of recall during this period, the employee will be terminated and their severance allowance paid forthwith with all seniority and recall rights being forfeited.
- g) Employees will have their welfare coverage continued for the current month plus two (2) additional months from their date of termination.

ARTICLE XXV - CONTRACTING

- a) The Company will notify the Union of their intention to have work performed by contractors in the mill and will, emergencies excepted, afford the Union the opportunity to review it with the Company prior to a final decision being

made. For this purpose, a Joint Contracting Committee will be established and it will be used as a forum to discuss the Company's contracting decisions.

In keeping with a joint commitment of the Company and the Union to provide as much maintenance and repair work as possible to the regular maintenance work force, the Committee will also meet quarterly to make recommendations regarding the utilization of the mill maintenance work force to minimize the use of contractors, both inside and out of the mill.

- b) The Company will not bring a contractor into the mill:
 - (i) Which directly results in the layoff of employees, or
 - (ii) To do the job of employees on layoff, or
 - (iii) To do the job of a displaced employee working outside his/her job category.
- c) It is not the intent of the Company to replace its regular work force through the use of contract firms.

For clarity it is agreed that:

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

ARTICLE XXVI - APPRENTICESHIP TRAINING PROGRAM

Section 1: Training Program

It is agreed that there shall be an Apprenticeship Training Program, the provisions of which are set forth in Exhibit "D", which is attached hereto and forms part of this Agreement.

Section 2: Apprenticeship Act

It is understood, however, that the grievance procedure as set forth in Article XXXI - Adjustment of Complaints, shall not be applicable to those matters covered by the Apprenticeship and Tradesmen's Qualification Act which, by said Act, are deemed to be outside the jurisdiction of the Union.

ARTICLE XXVII - COMPRESSED WORK WEEK

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

ARTICLE XXVIII - SAFETY AND OCCUPATIONAL HEALTH

Section 1: Principle

Employees and the Company are to comply with established safety rules as amended by the Joint Safety Committees from time to time. Employees will not be expected to operate with unsafe equipment or under unsafe working conditions. Employees are expected to report immediately any unsafe equipment. An employee who has reasonable cause to believe that an unsafe condition exists may refuse to work under such conditions without being subject to discipline.

Section 2: Joint Safety Committee

- a) The Union and the Company shall cooperate in selecting one or more Safety Committees, which will meet at least once a month to consider all safety and occupational health problems.
- b) The local Joint Safety Committee shall consist of equal representation from Company and Union. This Committee shall meet at least once a month to consider all safety and occupational health problems.

Section 3: Safety Education

The Union undertakes to promote safety and occupational health education among its members in an effort to overcome accidents and occupational health problems.

The Company undertakes to promote safety and occupational health education among all its employees in an effort to overcome accidents and occupational health problems.

Section 4: Joint Labour/Management Safety Conference

- (a) A Joint Labour / Management Safety Conference of two (2) days will be held annually.
- (b) It shall be the basic principle of this Conference to assist the delegates in the development of an effective safety program through the promotion and implementation of best practices for an effective safety program in each mill.
- (c) To accomplish the implementation of an effective safety program in the mill, each Local Union shall have two (2) delegates in attendance at the safety conference. The two (2) delegates shall be compensated by their respective employer for any loss of wages. Travel and hotel expenses of the delegates shall not be paid by their respective employers.

- (d) A senior management representative shall attend the conference. Senior company officials and representatives of WorkSafeBC will be encouraged to attend. Additional delegates of either Labour or management will be permitted to attend on an observer basis.
- (e) The agenda shall address issues that will promote occupational health and safety in their respective workplaces. Agenda items shall be submitted to the respective representative no later than November 30th prior to the conference.
- (f) The Planning Committee shall initially meet no later than one hundred and eighty (180) days prior to the established date of the conference and then schedule follow up meetings in accordance as required by the planning committee.
- (g) The Planning Committee shall be comprised of the following members:
 - (i) One (1) CEP Local Union member,
 - (ii) One (1) PPWC Local Union member,
 - (iii) One (1) CEP representative from the Regional Office,
 - (iv) One (1) PPWC representative from the National Office,
 - (v) One (1) Employer representative from the employer group,
 - (vi) One (1) Industry representative,
 - (vii) One (1) Conference Facilitator.
- (h) The Occupational Health and Safety Conference shall be funded on the basis of an industry contribution of three cents (\$.03) per employee per hour worked into a Jointly Trusteed Occupational Health and Safety Conference Fund.

The funding shall provide that when the monies in the Joint Trusteed Occupational Health and Safety Conference Fund reach Two Hundred Thousand Dollars (\$200,000.00), the funding will be discontinued until the fund has been reduced to Fifty Thousand (\$50,000.00).

The Jointly Trusted Fund will be used for the payment of wage loss for Local Union planning committee attendees and conference expenses.

ARTICLE XXIX - ENVIRONMENTAL PROTECTION

If the Union requests, a Joint Environmental Protection Committee will be established at the mill.

The purpose of the Committee will be to receive information, review problem areas and make appropriate suggestions regarding compliance including challenges related to climate change.

ARTICLE XXX - DISCIPLINARY ACTION

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

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

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

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

ARTICLE XXXI - ADJUSTMENT OF COMPLAINTS

It is mutually desired and intended by the parties that any dispute or complaint arising out of the interpretation of this agreement will be communicated by the employee to their supervisor in order to provide an opportunity for discussion and timely resolution, prior to the issue becoming a grievance.

If an employee is not satisfied with the resolution offered by their immediate supervisor they may then initiate a grievance.

Section 1: Grievance Procedure

- Step One** In the event that a written grievance is submitted arising out of the operation of this Agreement, except in the cases of discharge or suspension, the employee shall continue to work as per the conditions existing prior to the time that the grievance arose and any formal meeting to discuss the grievance shall be held in the presence of the shop steward.
- Step Two** If there is no satisfactory resolution at first step, then the Union may, within seven (7) days, advise the department supervisor that the employee intends to proceed with the grievance. The department supervisor and chief shop steward will then have fourteen (14) days from the date of notification to deal with and answer the grievance. Grievances other than those of individual employees may be initiated at Step Two by either party.
- Step Three** If there is no satisfactory resolution at second step, then either party may, within seven (7) days, refer the question to the Standing Committee by advising the chairmen of the Standing Committee of the intention to proceed with the grievance. The Standing Committee will then have thirty (30) Days to deal with and answer the grievance.
- Step Four** If there is no satisfactory resolution at third step, the question may, within seven (7) days, upon written request to the Standing Committee, be referred to the President of the Local and the Mill Manager, who will then have thirty (30) days to deal with and answer the grievance. Either party may elect to involve outside help at this step, such as a regional Union representative and/or senior Management representative.

Step Five If there is no satisfactory resolution at fourth step, then the matter may, within thirty (30) days, be referred to an Arbitrator.

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

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

Section 2: National Officer

It is understood that in all discussions concerning grievances, any National Officer may accompany the Union Standing Committee in their meetings and the National Officer may call upon members of the Union Standing Committee or any other employee to accompany them in their meetings with Company officials.

Section 3: Time Limit

- a) In the event a grievance has not advanced to the next step within the time limit set forth in Section 1, then the grievance shall be deemed to be abandoned and all rights of recourse to the Adjustment of Complaints under this Agreement in respect of this grievance shall be at an end.
- b) The time limit between steps may be extended by mutual consent.

Section 4: Arbitration Procedure

- a) The Company and the Union will endeavor to agree upon the selection of the Arbitrator. In the event the Company and the Union are unable to agree upon the selection of the Arbitrator, they will apply, within the thirty (30) day period,

to have the Arbitrator appointed under the provisions of Section 86 of the Labour Relations Code of British Columbia.

- b) After the Arbitrator has been chosen, the Arbitrator shall meet and hear evidence of both sides and render a decision within fifteen (15) days after the Arbitrator has concluded hearings, said decision to be final and binding upon all parties to this Agreement.
- c) The parties shall bear in equal portions the fees and expenses of the Arbitrator and rental of any premises used for the hearing.
- d) The Arbitrator shall be restricted to interpreting and applying the provisions of this Agreement and shall have no authority to alter, modify, subtract from or supplement them in any way.
- e) In the case of discharge or suspension which the Arbitrator has determined to have been unjust the Arbitrator shall order the reinstatement of the employee and shall award him back pay. In the case of back pay, should there be any doubt in the opinion of the Arbitrator, the Arbitrator may order all or part back pay as deemed fit.

Section 5: Expedited Arbitration

- a) A panel of six (6) arbitrators, each of whom shall be appointed for a two (2) year term, shall be selected by mutual agreement of the Pulp and Paper Employee Relations Forum on behalf of its member companies and the Communications, Energy & Paperworkers Union of Canada on behalf of its local unions. Grievances processed under this section shall be assigned to the Arbitrators on a rotational basis.
- b) An Arbitrator must meet and hear the evidence of both parties within fifteen (15) days after assignment. If an Arbitrator is unable to commit himself to do so, the

grievance shall immediately be assigned to the next Arbitrator in order of rotation.

- c) The unavailability of counsel shall not be a reason to delay arbitration under this section.
- d) The parties will endeavor to agree on a statement of material facts, which may be submitted to the Arbitrator in advance of the hearing.
- e) The Arbitrator will give their decision and their written reasons within one week after the hearing. The reasons need not accompany the decision. Neither the decision nor the reasons will form precedent.
- f) The provisions of Sections 4(b), (c), (d) and (e) as it applies to discharge, shall apply to this section.

ARTICLE XXXII - DURATION AND AMENDING PROCEDURE

Section 1: Term of Agreement

This Agreement shall be in effect from midnight April 30, 2012 to midnight April 30, 2017, and thereafter from year to year subject to the conditions as set out in Sections 2 to 5, which follow hereunder.

Section 2: Labour Relations Code

The parties agree that the operation of Section 50 (2) of the Labour Relations Code of British Columbia is hereby excluded.

Section 3: Notice of Re-opening

- This Agreement may be opened for collective bargaining as to changes as follows:
- either party desiring any change shall mail to the other party notice in writing, by registered mail, on or after January 1, 2017, but in any event no later than midnight,

April 30, 2017, that any change is desired, and if no such notice is given by either party on or after the said January 1 and before the said April 30, the earliest time at which such notice may be given by either party is the corresponding period in the following year.

All notices given under the provisions herein on behalf of the Union shall be given by the Union (or its representative) and similarly notices on behalf of the Company shall be given by the President of the Company (or representative).

Section 4: Bargaining

If notice of desire for changes has been given in accordance with Section 3 above, the parties shall, as soon as agreeable to the parties following such date of notice, meet for collective bargaining, the Company being represented in such negotiations by a Bargaining Committee appointed by the Company and the Union being represented by a Bargaining Committee selected by said Union. Any agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this Agreement. If such negotiations cannot be completed prior to the May 1 following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to the said May 1.

Section 5: Termination

In case negotiations conducted in accordance with Section 4 above break down, either party may terminate this Agreement upon the expiration of ten (10) days' notice in writing mailed by registered mail to the other party.

HOWE SOUND LABOUR AGREEMENT

SIGNED and AGREED in Vancouver, BRITISH COLUMBIA

This 19th day of January, 2013

FOR THE COMPANY

M. Palmiere
President, Howe Sound Pulp
& Paper

R. Demchuk
Manager, Human Resources

G. Kosteckyj
Manager, Paper Operations

S. Buchhorn
Manager, MBOS

FOR THE UNION

D. Schaub
National Representative,
CEP Union of Canada

D. Rheume
President, CEP Local 1119

R. Gaboury
Wage Delegate

N. Collins
Wage Delegate

J. Hubel
Wage Delegate

D. Strom,
Wage Delegate

B. McNevin
Wage Delegate

EXHIBIT "A"

JOB CATEGORIES AND WAGE RATES

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

The 'flex premium' from the 1997-2003 Pattern Agreement has been folded in and compounded over the term of that Agreement. The compounded rate is reflected in the May 1, 2003, rates of pay.

EXHIBIT "A"

	JOB CATEGORIES AND WAGE RATES				
	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
LABOUR BASE RATE	27.530	27.530	28.080	28.780	29.645
MAINTENANCE					
Journeypersons	37.215	37.215	37.960	38.910	40.075
APPRENTICES					
5 th Year Apprentice	37.215	37.215	37.960	38.910	40.075
4 th Year Apprentice	34.495	34.495	35.185	36.065	37.145
3 rd Year Apprentice	31.695	31.695	32.330	33.140	34.135
2 nd Year Apprentice	30.380	30.380	30.990	31.765	32.720
1 st Year Apprentice	29.865	29.865	30.460	31.220	32.155

JOB CATEGORIES AND WAGE RATES

	May 1/12		May 1/13		May 1/14		May 1/15		May 1/16
RELIABILITY TECHNICIAN/LUBRICATION									
Reliability Technician/Lubrication - After 2 years	34.490		34.490		35.180		36.060		37.140
Reliability Technician/Lubrication - 0-24 months	30.725		30.725		31.340		32.125		33.090
MISCELLANEOUS									
(14) Rigger	30.995	E	30.995	E	31.615	E	32.405	E	33.375
Rigger: After 3 years	34.490		34.490		35.180		36.060		37.140
TOOL CRIB									
Tool Crib Attendant-Non Trades - 0 - 6 months	28.200		28.200		28.765		29.485		30.370
Tool Crib Attendant-Non Trades - 7 - 12 months	29.710		29.710		30.305		31.065		31.995
Tool Crib Attendant- Non - Trades - 13 - 18 months	30.230		30.230		30.835		31.605		32.555
Tool Crib Attendant- Non - Trades - 19 - 24 months	30.720		30.720		31.335		32.120		33.085
Tool Crib Attendant-Non - Trades - over 24 months	31.250		31.250		31.875		32.670		33.650
PULPING OPERATIONS									
Chip Line									
(20) Tug Boat Operator									
*Wage rate shown as per local agreement	32.780	H	32.780	H	33.435	H	34.270	H	35.300
(20) Deckhand									
*Wage rate shown as per local agreement	32.780	H	32.780	H	33.435	H	34.270	H	35.300
(18) Hog Crane Operator	32.005	H	32.005	H	32.645	H	33.460	H	34.465
(16) Chip Supply Operator	31.510	E	31.510	E	32.140	E	32.945	E	33.935
(12) Chip Loader Operator	30.480	E	30.480	E	31.090	E	31.865	E	32.820

(9)	Hog Loader Operator	29.705	E	29.705	E	30.300	E	31.060	E	31.990
(8)	Utility	29.450	E	29.450	E	30.040	E	30.790	E	31.715
Chip Line										
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645
Fibre Line										
(44)	#1 Operator	38.650	E	38.650	E	39.425	E	40.410	E	41.620
(32)	#2 Operator	35.585	E	35.585	E	36.295	E	37.200	E	38.315
(26)	#3 Operator	34.055	H	34.055	H	34.735	H	35.605	H	36.675
(18)	#4 Operator	32.005	E	32.005	E	32.645	E	33.460	E	34.465
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645
Pulp Machine										
(42)	Machine Operator	38.145	E	38.145	E	38.910	E	39.885	E	41.080
(31)	Assistant Machine Operator	35.335	E	35.335	E	36.040	E	36.940	E	38.050
(15)	Baler	31.245	E	31.245	E	31.870	E	32.665	E	33.645
(11)	Line Driver	30.230	E	30.230	E	30.835	E	31.605	E	32.555
(3)	Utility - (over 6 months)	28.200	E	28.200	E	28.765	E	29.485	E	30.370
(1)	Utility - (0 - 6 months)	27.750	E	27.750	E	28.305	E	29.015	E	29.885
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645

JOB CATEGORIES AND WAGE RATES

		May 1/12		May 1/13		May 1/14		May 1/15		May 1/16
TECHNICAL LAB										
(24)	Pulp and Paper Technician	33.540	E	33.540	E	34.210	E	35.065	E	36.115
(10)	Pulp and Paper Tester 1	30.230	H	30.230	H	30.835	H	31.605	H	32.555
(10)	Pulp and Paper Tester 2	29.950	E	29.950	E	30.550	E	31.315	E	32.255
POWER AND RECOVERY										
	Asst. Shift Engineer, 2nd									
(61)	*Wage rate shown as per local agreement	43.505	E	43.505	E	44.375	E	45.485	E	46.850
(50)	Recovery Engineer, 3 rd	40.180	E	40.180	E	40.985	E	42.010	E	43.270
(44)	Power Boiler Engineer, 3 rd	38.650	E	38.650	E	39.425	E	40.410	E	41.620
(32)	Recovery Assistant, 3 rd	35.585	E	35.585	E	36.295	E	37.200	E	38.315
(29)	Power Boiler Assistant, 3 rd	34.815	E	34.815	E	35.510	E	36.400	E	37.490
(11)	Recovery Fireman, 4 th	30.230	E	30.230	E	30.835	E	31.605	E	32.555
(6)	Power & Recovery Shift Utility	28.955	E	28.955	E	29.535	E	30.275	E	31.185
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645

Progression Pay

1. Employees holding a 4th Class Certificate, where no certificate is required, will receive thirty-five (\$.35) cents per hour over their job rate.
2. Employees holding a 3rd Class Certificate, where a 4th Class Certificate is required, will receive fifty (\$.50) cents per hour over their job rate.
3. Employees holding a 2nd Class Certificate, where a 3rd Class Certificate is required, will receive fifty-five (\$.55) cents per hour over their job rate.
4. Employees holding a 1st Class Certificate, where a 2nd Class Certificate is required, will receive sixty-five (\$.65) cents per hour over their job rate.

Note: Only one of the bonuses is applicable - no stacking

NEWSPRINT OPERATIONS**T.M.P.**

(31)	TMP Operator #1	35.335	E	35.335	E	36.040	E	36.940	E	38.050
(26)	TMP Operator #2	34.055	E	34.055	E	34.735	E	35.605	E	36.675
(16)	TMP Operator #3	31.510	E	31.510	E	32.140	E	32.945	E	33.935
(15)	TMP Operator #4	31.245	E	31.245	E	31.870	E	32.665	E	33.645
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645

Paper Machine - News (Rates - Bracket 106)**(Machine Width - 374")**

	Machine Tender	46.995		46.995		47.935		49.135		50.610
	Back Tender	43.400		43.400		44.270		45.375		46.735
	Winderman	40.000		40.000		40.800		41.820		43.075
	Assistant Winderman	34.260		34.260		34.945		35.820		36.895
	Assistant Winder/Wrapline Operator	32.835		32.835		33.490		34.325		35.355
(16)	Wrapline Operator	31.510	E	31.510	E	32.140	E	32.945	E	33.935
(7)	Utility	29.210	E	29.210	E	29.795	E	30.540	E	31.455
	Senior Classified Labour Pool	27.530		27.530		28.080		28.780		29.645
	Utility Spare	27.530		27.530		28.080		28.780		29.645

Part Time Rates

(6)	Rewinder Operator (Part Time)	28.955	E	28.955	E	29.535	E	30.275	E	31.185
(4)	Cull Roll Pulper (Part Time)	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(0)	Scissor Lift Operator (Part Time)	27.530	E	27.530	E	28.080	E	28.780	E	29.645

JOB CATEGORIES AND WAGE RATES

	May 1/12		May 1/13		May 1/14		May 1/15		May 1/16
HUMAN RESOURCES									
(13) First Aid/Security Attendant	30.725	E	30.725	E	31.340	E	32.125	E	33.090
(13) First Aid/Security Dayshift	30.725	E	30.725	E	31.340	E	32.125	E	33.090
CENTRAL SERVICES									
Clerical									
Clerical Level 3	29.000		29.000		29.580		30.320		31.230
Timekeeper Level 4	32.060		32.060		32.700		33.520		34.525
MILLSTORES									
(13) Warehouse Person	30.725		30.725		31.340		32.125		33.090
(10) Receiver	29.950		29.950		30.550		31.315		32.255
(8) Counter Attendant: - over 12 months	29.450		29.450		30.040		30.790		31.715
(5) Counter Attendant: - over 6 months	28.690		28.690		29.265		29.995		30.895
(3) Counter Attendant - 0 - 6 months	28.200		28.200		28.765		29.485		30.370
(1/2) JLG Lift Model 40 (part time)	27.620		27.620		28.170		28.875		29.740
YARD SERVICES									
Yard Crew									
(18) Equipment Operator	32.005		32.005		32.645		33.460		34.465

(0)	Yard Labourer	27.530		27.530		28.080		28.780		29.645
	Part Time Operator Rates									
(14)	Track Mobile 4150tm	30.995	E	30.995	E	31.615	E	32.405	E	33.375
(14)	Boom Boat Operator	30.995	E	30.995	E	31.615	E	32.405	E	33.375
(13)	Mobile Crane - 1998 "Roadrunner"	30.725	E	30.725	E	31.340	E	32.125	E	33.090
(12)	Crane Truck	30.480	E	30.480	E	31.090	E	31.865	E	32.820
(10)	Head Brakeman	29.950	E	29.950	E	30.550	E	31.315	E	32.255
(6)	Brakeman	28.955	E	28.955	E	29.535	E	30.275	E	31.185
(9)	Bulldozer - 1995 Cat. D5 HLGP: Unit # 960-043	29.705	E	29.705	E	30.300	E	31.060	E	31.990
(9)	Truck - 30 M ³	29.705	E	29.705	E	30.300	E	31.060	E	31.990
(7)	Front End Loader - Unit #960-0049; 0044	29.210	E	29.210	E	29.795	E	30.540	E	31.455
(7)	Splicer	29.210	E	29.210	E	29.795	E	30.540	E	31.455
(6)	Sweeper Truck	28.955	E	28.955	E	29.535	E	30.275	E	31.185
(6)	Lift Truck Operator	28.955	E	28.955	E	29.535	E	30.275	E	31.185
(5)	Flat Deck Truck - with tilting deck	28.690	E	28.690	E	29.265	E	29.995	E	30.895
(5)	Dispatch Operator	28.690	E	28.690	E	29.265	E	29.995	E	30.895
(4)	Flat Deck Truck (1 ton)	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(4)	Dump Truck - Single Axle: #960-0134	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(4)	Pick-up Truck Unit# 960-0149	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(4)	Pick-up Truck Unit# 960-0124	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(4)	Pick-up Truck Unit# 960-0107	28.440	E	28.440	E	29.010	E	29.735	E	30.625
(3)	Jackhammer	28.200	E	28.200	E	28.765	E	29.485	E	30.370
(3)	Boom Boat Deckhand	28.200	E	28.200	E	28.765	E	29.485	E	30.370

JOB CATEGORIES AND WAGE RATES

		May 1/12		May 1/13		May 1/14		May 1/15		May 1/16
YARD SERVICES (con't)										
(2)	Caustic/Chlorate Barge Unloader	27.980	E	27.980	E	28.540	E	29.255	E	30.135
(1)	Chain Saw	27.750	E	27.750	E	28.305	E	29.015	E	29.885
Janitorial										
	Janitor	27.530	E	27.530	E	28.08	E	28.78	E	29.645
SHIPPING										
Newsprint Warehouse										
(16)	Warehouse Crane (Part Time)	31.510	E	31.510	E	32.140	E	32.945	E	33.935
(15)	Checker/Warehouseperson	31.245	E	31.245	E	31.870	E	32.665	E	33.645
(14)	Roll Handler	30.995	E	30.995	E	31.615	E	32.405	E	33.375
(9)	Roll Handler Helper	29.705	E	29.705	E	30.300	E	31.060	E	31.990
(9)	Lift Truck Driver	29.705	E	29.705	E	30.300	E	31.060	E	31.990
Ship Loading										
	Labourer	27.530		27.530		28.080		28.780		29.645

Bonus Money

Bonus money will be paid as follows:

- 1) Fifteen (15) cents per hour will be paid above base rate for the following jobs:

a) Recovery furnace floor cleaning.

b) Cleaning liquor & chemicals from the inside of recovery ductwork & inside of precipitator

In all cases, when employees work on these jobs the rate of \$27.530 will be paid, or the employee's regular rate, whichever is greater, effective May 1, 2012, \$27.530 effective May 1, 2013, \$28.080 effective May 1, 2014, \$28.780 effective May 1, 2015, and \$29.645 May 1, 2016.

- 2) a) Sandblasting - Eight (8) cents

b) Spray gun painting - Eight (8) cents

Barge Loading

Lift Truck Driver	29.210	29.210	29.795	30.540	31.455
Slingman & Bargeman	28.055	28.055	28.615	29.330	30.210
Lift Truck Driver - in Barge Trans-shipping	32.345	32.345	32.990	33.815	34.830
Bargeman Dunnageman - Trans-shipping	31.870	31.870	32.500	33.315	34.315
Lift Truck Driver- to Barge Trans-shipping	30.185	30.185	30.790	31.560	32.505
Deep Sea Ship Loading - Conventional					
Loading Lead Hand	33.495	33.495	34.165	35.020	36.070
Hatch Tender	32.630	32.630	33.285	34.115	35.140
Winch Operator - Double	33.220	33.220	33.885	34.730	35.770
Winch Operator - Single	32.630	32.630	33.285	34.115	35.140
Power Lift Operator in Hold	32.630	32.630	33.285	34.115	35.140
Lead Holdman	32.630	32.630	33.285	34.115	35.140
Holdman	32.140	32.140	32.785	33.605	34.615

JOB CATEGORIES AND WAGE RATES

	May 1/12	May 1/13	May 1/14	May 1/15	May 1/16
Barge Loading (con't)					
Slingman - Single	32.140	32.140	32.785	33.605	34.615
Dunnage Man	32.140	32.140	32.785	33.605	34.615
Slingman - Double	31.600	31.600	32.230	33.035	34.025
Deep Sea Ship Loading - Automated					
Loading Foreman	35.090	35.090	35.790	36.685	37.785
Crane Operator	33.890	33.890	34.570	35.435	36.500
Lift Truck on Deck	32.630	32.630	33.285	34.115	35.140
Utility Man	32.140	32.140	32.785	33.605	34.615

1) Lift Truck Drivers delivering pulp from its last place of rest to the ships' slings or on to a deep-sea barge will be eligible for the existing working conditions which currently apply to deep-sea ship and barge loading (Longshore) crews. The rate of pay received at Howe Sound Pulp for this type of work will be as follows:

Warehouse Crane Operator rate of pay during deep-sea loading	32.460	32.460	33.110	33.940	34.960
Checker/Warehouseman rate of pay during deep-sea loading	31.525	31.525	32.155	32.960	33.950
Lift Truck Driver rate of pay during deep-sea loading	30.460	30.460	31.070	31.845	32.800
Checker rate of pay during deep-sea loading	30.065	30.065	30.665	31.430	32.375

Shipping (con't)

2) A deep-sea barge within the meaning of this Agreement shall be defined as any scow or barge which, in the course of its current voyage from the mill to a foreign port, crosses a line drawn from Cape Flattery to Lat. 50°00' N, Long. 130°00' W, to Lat. 56°00' N, Long. 138°00' W, to Cape Spencer.

Deep-sea ship loading rates and conditions will also apply for the barge and container loading of pulp and paper destined for foreign ports by water beyond the above defined line which in the course of the voyage is trans-shipped through another port within the above defined line.

3) A differential of fifteen (15) cents per hour shall be paid to Holdsmen actually loading cargo by hand in a confined space when there is less than six feet (6') of head room at the lowest point of coaming.

4) Time and one-half shall be paid to deep-sea ship and barge loading crews for work performed after 5:00 p.m. and on Saturdays regardless of number of hours worked in the day or the work week.

5) When an automated ship is being loaded on an afternoon shift basis, the premium rate of pay will commence at 4:00 p.m.

HOWE SOUND PULP AND PAPER CORPORATION
JOB EVALUATION PLAN
CONVERSION TABLE BY STEPS

	MAY	MAY	MAY	MAY	MAY
STEP	01/12	01/13	01/14	01/15	01/16
BASE	27.530	27.530	28.080	28.780	29.645
1/2	27.620	27.620	28.170	28.875	29.740
1	27.750	27.750	28.305	29.015	29.885
2	27.980	27.980	28.540	29.255	30.135
3	28.200	28.200	28.765	29.485	30.370
4	28.440	28.440	29.010	29.735	30.625
5	28.690	28.690	29.265	29.995	30.895
6	28.955	28.955	29.535	30.275	31.185
7	29.210	29.210	29.795	30.540	31.455
8	29.450	29.450	30.040	30.790	31.715
9	29.705	29.705	30.300	31.060	31.990
10	29.950	29.950	30.550	31.315	32.255
11	30.230	30.230	30.835	31.605	32.555
12	30.480	30.480	31.090	31.865	32.820
13	30.725	30.725	31.340	32.125	33.090
14	30.995	30.995	31.615	32.405	33.375
15	31.245	31.245	31.870	32.665	33.645

	MAY	MAY	MAY	MAY	MAY
STEP	01/12	01/13	01/14	01/15	01/16
16	31.510	31.510	32.140	32.945	33.935
17	31.745	31.745	32.380	33.190	34.185
18	32.005	32.005	32.645	33.460	34.465
19	32.255	32.255	32.900	33.720	34.730
20	32.510	32.510	33.160	33.990	35.010
21	32.780	32.780	33.435	34.270	35.300
22	33.025	33.025	33.685	34.525	35.560
23	33.275	33.275	33.940	34.790	35.835
24	33.540	33.540	34.210	35.065	36.115
25	33.805	33.805	34.480	35.340	36.400
26	34.055	34.055	34.735	35.605	36.675
27	34.290	34.290	34.975	35.850	36.925
28	34.550	34.550	35.240	36.120	37.205
29	34.815	34.815	35.510	36.400	37.490
30	35.085	35.085	35.785	36.680	37.780
31	35.335	35.335	36.040	36.940	38.050
32	35.585	35.585	36.295	37.200	38.315
33	35.845	35.845	36.560	37.475	38.600
34	36.100	36.100	36.820	37.740	38.870
35	36.350	36.350	37.075	38.000	39.140
36	36.620	36.620	37.350	38.285	39.435
37	36.860	36.860	37.595	38.535	39.690
38	37.105	37.105	37.845	38.790	39.955

	MAY	MAY	MAY	MAY	MAY
STEP	01/12	01/13	01/14	01/15	01/16
39	37.380	37.380	38.130	39.085	40.260
40	37.635	37.635	38.390	39.350	40.530
41	37.885	37.885	38.645	39.610	40.800
42	38.145	38.145	38.910	39.885	41.080
43	38.395	38.395	39.165	40.145	41.350
44	38.650	38.650	39.425	40.410	41.620
45	38.910	38.910	39.690	40.680	41.900
46	39.175	39.175	39.960	40.960	42.190
47	39.415	39.415	40.205	41.210	42.445
48	39.670	39.670	40.465	41.475	42.720
49	39.925	39.925	40.725	41.745	42.995
50	40.180	40.180	40.985	42.010	43.270
51	40.450	40.450	41.260	42.290	43.560
52	40.685	40.685	41.500	42.540	43.815
53	40.945	40.945	41.765	42.810	44.095
54	41.210	41.210	42.035	43.085	44.380
55	41.450	41.450	42.280	43.335	44.635
56	41.720	41.720	42.555	43.620	44.930
57	41.965	41.965	42.805	43.875	45.190
58	42.220	42.220	43.065	44.140	45.465
59	42.470	42.470	43.320	44.405	45.735
60	42.740	42.740	43.595	44.685	46.025
61	43.010	43.010	43.870	44.965	46.315

	MAY	MAY	MAY	MAY	MAY
STEP	01/12	01/13	01/14	01/15	01/16
62	43.255	43.255	44.120	45.225	46.580
63	43.505	43.505	44.375	45.485	46.850
64	43.755	43.755	44.630	45.745	47.115
65	43.990	43.990	44.870	45.990	47.370
66	44.255	44.255	45.140	46.270	47.660
67	44.505	44.505	45.395	46.530	47.925
68	44.765	44.765	45.660	46.800	48.205
69	45.030	45.030	45.930	47.080	48.490
70	45.285	45.285	46.190	47.345	48.765
71	45.530	45.530	46.440	47.600	49.030
72	45.785	45.785	46.700	47.870	49.305
73	46.035	46.035	46.955	48.130	49.575
74	46.285	46.285	47.210	48.390	49.840
75	46.535	46.535	47.465	48.650	50.110
76	46.795	46.795	47.730	48.925	50.395
77	47.050	47.050	47.990	49.190	50.665
78	47.305	47.305	48.250	49.455	50.940
79	47.555	47.555	48.505	49.720	51.210
80	47.815	47.815	48.770	49.990	51.490
81	48.060	48.060	49.020	50.245	51.750
82	48.305	48.305	49.270	50.500	52.015
83	48.560	48.560	49.530	50.770	52.295
84	48.820	48.820	49.795	51.040	52.570

	MAY	MAY	MAY	MAY	MAY
STEP	01/12	01/13	01/14	01/15	01/16
85	49.080	49.080	50.060	51.310	52.850
86	49.315	49.315	50.300	51.560	53.105
87	49.570	49.570	50.560	51.825	53.380
88	49.830	49.830	50.825	52.095	53.660
89	50.090	50.090	51.090	52.365	53.935
90	50.335	50.335	51.340	52.625	54.205
91	50.595	50.595	51.605	52.895	54.480
92	50.850	50.850	51.865	53.160	54.755
93	51.110	51.110	52.130	53.435	55.040
94	51.355	51.355	52.380	53.690	55.300
95	51.595	51.595	52.625	53.940	55.560
96	51.860	51.860	52.895	54.215	55.840
97	52.120	52.120	53.160	54.490	56.125
98	52.375	52.375	53.425	54.760	56.405
99	52.620	52.620	53.670	55.010	56.660
100	52.870	52.870	53.925	55.275	56.935

BC NEWSPRINT WAGE SCHEDULE
WIDTH OF MACHINE IN INCHES

SPEED IN FEET PER MINUTES	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
	3	4	5	6	7	8	9	0	1	2	3	4	5	6	7	8
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2200 - 2249	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65
2250 - 2299	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66
2300 - 2349	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67
2350 - 2399	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
2400 - 2449	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69
2450 - 2499	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
2500 - 2549	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71
2550 - 2599	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72
2600 - 2649	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73
2650 - 2699	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74
2700 - 2749	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
2750 - 2799	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76
2800 - 2849	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77
2850 - 2899	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78

BC NEWSPRINT WAGE SCHEDULE
WIDTH OF MACHINE IN INCHES

SPEED IN FEET PER MINUTES	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
	3	4	5	6	7	8	9	0	1	2	3	4	5	6	7	8
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2900 - 2949	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79
2950 - 2999	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
3000 - 3049	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81
3050 - 3099	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82
3100 - 3149	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83
3150 - 3199	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84
3200 - 3249	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85
3250 - 3299	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86
3300 - 3349	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87
3350 - 3399	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88
3400 - 3449	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89
3450 - 3499	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90

BC NEWSPRINT WAGE SCHEDULE
WIDTH OF MACHINE IN INCHES

SPEED IN FEET PER MINUTES	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
	3	4	5	6	7	8	9	0	1	2	3	4	5	6	7	8
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3500 - 3549	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91
3550 - 3599	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92
3600 - 3649	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93
3650 - 3699	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94
3700 - 3749	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95
3750 - 3799	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96
3800 - 3849	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97
3850 - 3899	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98
3900 - 3949	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99
3950 - 3999	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
4000 - 4049	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101
4050 - 4099	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102
4100 - 4149	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103

BC NEWSPRINT WAGE SCHEDULE
WIDTH OF MACHINE IN INCHES

SPEED IN FEET PER MINUTES	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
	3	4	5	6	7	8	9	0	1	2	3	4	5	6	7	8
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4150 - 4199	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104
4200 - 4249	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105
4250 - 4299	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106
4300 - 4349	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107
4350 - 4399	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108
4400 - 4449	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109
4450 - 4499	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110
4500 - 4549	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	
4550 - 4599	97	98	99	100	101	102	103	104	105	106	107	108	109	110		

B.C. NEWSPRINT SCHEDULE – HOWE SOUND PULP AND PAPER CORPORATION

May 1, 2012

May 1, 2013

Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O	Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O
91	45.700	42.140	38.670	33.425	32.040	91	45.700	42.140	38.670	33.425	32.040
92	45.785	42.220	38.795	33.460	32.100	92	45.785	42.220	38.795	33.460	32.100
93	45.860	42.300	38.860	33.520	32.140	93	45.860	42.300	38.860	33.520	32.140
94	45.950	42.405	38.945	33.575	32.220	94	45.950	42.405	38.945	33.575	32.220
95	46.040	42.470	39.045	33.640	32.255	95	46.040	42.470	39.045	33.640	32.255
96	46.100	42.580	39.130	33.700	32.315	96	46.100	42.580	39.130	33.700	32.315
97	46.195	42.645	39.200	33.760	32.380	97	46.195	42.645	39.200	33.760	32.380
98	46.295	42.740	39.295	33.815	32.440	98	46.295	42.740	39.295	33.815	32.440
99	46.370	42.820	39.375	33.870	32.495	99	46.370	42.820	39.375	33.870	32.495
100	46.475	42.895	39.475	33.930	32.520	100	46.475	42.895	39.475	33.930	32.520

101	46.550	42.990	39.575	33.980	32.560	101	46.550	42.990	39.575	33.980	32.560
102	46.660	43.060	39.650	34.050	32.640	102	46.660	43.060	39.650	34.050	32.640
103	46.735	43.140	39.730	34.125	32.685	103	46.735	43.140	39.730	34.125	32.685
104	46.815	43.245	39.830	34.170	32.750	104	46.815	43.245	39.830	34.170	32.750
105	46.905	43.315	39.915	34.210	32.800	105	46.905	43.315	39.915	34.210	32.800
106	46.995	43.400	40.000	34.260	32.835	106	46.995	43.400	40.000	34.260	32.835
107	47.080	43.475	40.095	34.340	32.905	107	47.080	43.475	40.095	34.340	32.905
108	47.170	43.570	40.175	34.395	32.945	108	47.170	43.570	40.175	34.395	32.945
109	47.245	43.650	40.260	34.450	32.990	109	47.245	43.650	40.260	34.450	32.990
110	47.350	43.745	40.350	34.500	33.065	110	47.350	43.745	40.350	34.500	33.065

B.C. NEWSPRINT SCHEDULE – HOWE SOUND PULP AND PAPER CORPORATION

May 1, 2014						May 1, 2015					
Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O	Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O
91	46.615	42.985	39.445	34.095	32.680	91	47.780	44.060	40.430	34.945	33.495
92	46.700	43.065	39.570	34.130	32.740	92	47.870	44.140	40.560	34.985	33.560
93	46.775	43.145	39.635	34.190	32.785	93	47.945	44.225	40.625	35.045	33.605
94	46.870	43.255	39.725	34.245	32.865	94	48.040	44.335	40.720	35.100	33.685
95	46.960	43.320	39.825	34.315	32.900	95	48.135	44.405	40.820	35.175	33.720
96	47.020	43.430	39.915	34.375	32.960	96	48.195	44.515	40.915	35.235	33.785
97	47.120	43.500	39.985	34.435	33.030	97	48.300	44.590	40.985	35.295	33.855
98	47.220	43.595	40.080	34.490	33.090	98	48.400	44.685	41.080	35.350	33.915
99	47.295	43.675	40.165	34.545	33.145	99	48.475	44.765	41.170	35.410	33.975
100	47.405	43.755	40.265	34.610	33.170	100	48.590	44.850	41.270	35.475	34.000
101	47.480	43.850	40.365	34.660	33.210	101	48.665	44.945	41.375	35.525	34.040

Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O	Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O
102	47.595	43.920	40.445	34.730	33.295	102	48.785	45.020	41.455	35.600	34.125
103	47.670	44.005	40.525	34.805	33.340	103	48.860	45.105	41.540	35.675	34.175
104	47.750	44.110	40.625	34.855	33.405	104	48.945	45.215	41.640	35.725	34.240
105	47.845	44.180	40.715	34.895	33.455	105	49.040	45.285	41.735	35.765	34.290
106	47.935	44.270	40.800	34.945	33.490	106	49.135	45.375	41.820	35.820	34.325
107	48.020	44.345	40.895	35.025	33.565	107	49.220	45.455	41.915	35.900	34.405
108	48.115	44.440	40.980	35.085	33.605	108	49.320	45.550	42.005	35.960	34.445
109	48.190	44.525	41.065	35.140	33.650	109	49.395	45.640	42.090	36.020	34.490
110	48.295	44.620	41.155	35.190	33.725	110	49.500	45.735	42.185	36.070	34.570

May 1, 2016

B.C. NEWSPRINT SCHEDULE – HOWE SOUND PULP AND PAPER CORPORATION

Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O
91	49.215	45.380	41.645	35.995	34.500
92	49.305	45.465	41.775	36.035	34.565
93	49.385	45.550	41.845	36.095	34.615
94	49.480	45.665	41.940	36.155	34.695
95	49.580	45.735	42.045	36.230	34.730
96	49.640	45.850	42.140	36.290	34.800
97	49.750	45.930	42.215	36.355	34.870
98	49.850	46.025	42.310	36.410	34.930
99	49.930	46.110	42.405	36.470	34.995
100	50.050	46.195	42.510	36.540	35.020
101	50.125	46.295	42.615	36.590	35.060
102	50.250	46.370	42.700	36.670	35.150
103	50.325	46.460	42.785	36.745	35.200

Bracket Number	M.T.	B.T.	WINDER	A.W.	A.W.W.O
104	50.415	46.570	42.890	36.795	35.265
105	50.510	46.645	42.985	36.840	35.320
106	50.610	46.735	43.075	36.895	35.355
107	50.695	46.820	43.170	36.975	35.435
108	50.800	46.915	43.265	37.040	35.480
109	50.875	47.010	43.355	37.100	35.525
110	50.985	47.105	43.450	37.150	35.605

EXHIBIT "B"
JOB EVALUATION PLAN

(1) The Job Evaluation Plan

The Job Evaluation Plan is a plan developed for the purpose of uniformly evaluating and appraising jobs according to the skill, working conditions and responsibility factors required by and contained in each job, thereby resulting in the establishment of a uniform method of wage rate determination.

(2) The Scope and Limitations of the Plan

a) The Job Evaluation Plan shall not be applied to the following job fields covered by Exhibit "A" of the Howe Sound Labour Agreement:

- (i) Mechanical Trades (See Exhibit "1" attached for definition).
- (ii) Longshoring.
- (iii) Saw Filers and Saw Fitters.
- (iv) Jobs on Newsprint Machines.

b) Except as provided in Section 2(a) above, all jobs covered by the Howe Sound Labour Agreement shall be considered eligible for evaluation when presented in the manner prescribed herein to the Joint Job Evaluation Board hereinafter provided for.

(3) Administration and Procedure

a) Job Evaluation Directors

- (i) The Job Evaluation Directors shall be composed of one (1) representative of the Communications, Energy

& Paperworkers Union of Canada and one (1) representative of Pulp and Paper Employee Relations Forum.

(ii) It shall be the duty of the Job Evaluation Directors:

- a) To direct and supervise the functioning of the Job Evaluation Plan in accordance with the policies and procedures adopted by the parties to the Howe Sound Labour Agreement through an administrative committee comprised of the Job Evaluation Directors, three (3) designated representatives from the Local Unions and three (3) designated representatives of the Companies using the Plan.
- b) To receive reports from Plant Evaluation Committees and to recommend improvements where necessary in the procedure of the Committees.
- c) To review cases of evaluation upon request of either Union or Company members of the Plant Evaluation Committees.
- d) To review the general operation of the Joint Job Evaluation Board as to methods, factors, procedures, delays, and to order such reviews or surveys of job fields as necessary. It shall also be the duty of the Job Evaluation Directors to adjudicate any disagreement, which might arise in the functioning of the Plan.
- e) To direct the Joint Job Evaluation Board as to changes in methods which do not constitute basic changes. The Directors shall neither negotiate rates nor exercise any of the bargaining functions of the National Union or the Company.
- f) To recommend improvements in the Job Evaluation Plan to an administrative committee for consideration. Only in the administrative committee is vested the power to amend,

add to, or subtract from, the Plan. Ratification of improvements will be by such method as determined by each party to the plan.

- g) When the Directors are unable to resolve, within sixty (60) days, matters referred to them under (c) or (d) above, the matter may be referred by either Director or the Union or Company members of the Plant Evaluation Committees to the Independent Review Officer as provided for under paragraph 3(d) below.

b) Joint Job Evaluation Board

- (i) The Joint Job Evaluation Board shall consist of one (1) representative of the National Union and one (1) representative of Pulp and Paper Employee Relations Forum.
- (ii) It shall be the duty of the Joint Job Evaluation Board to evaluate and set the rate for any job presented for evaluation in accordance with this Plan. It shall also be the duty of the Board to develop, revise and maintain in an up-to-date manner the tables necessary to the functioning of the Job Evaluation Plan. All decisions of the Joint Job Evaluation Board must be agreed to by both members of the Board before becoming official.

c) Plant Evaluation Committee

- (i) The Mill Manager and the Union shall create a Plant Evaluation Committee which shall consist of not less than two (2) nor more than three (3) members representing the Union involved and not less than two (2) nor more than three (3) members representing the Company.
- (ii) It shall be the duty of the Plant Evaluation Committee.

- a) To act upon all requests for job evaluation, within the scope and limitations of the Plan as stipulated in Section 2 above, which may arise if, in their opinion, such evaluation would result in a rate change. Any decision to submit a job to the Joint Job Evaluation Board for evaluation must be unanimously agreed upon by all members of the Plant Evaluation Committee representing both the Company and the Union.

- b) To make investigations of jobs to be submitted for evaluation, prepare job descriptions, arrange schedule of interviews required, determine and arrange for the attendance of those job representatives who desire to be present at the explanation of the evaluation computations, as provided in Section 4(d) and to assist in pointing out factual and pertinent information relative to the job to the Joint Job Evaluation Board at the time of evaluation.

- c) To make a written report to the Job Evaluation Directors of the jobs on which the Union and the Company members of the Committee have been unable to agree as to whether an evaluation should be made, with a statement of the facts on which the disagreement was based.
 - (iii) Either the Union or the Company members of the Plant Evaluation Committee may request a review by the Job Evaluation Directors of any case of evaluation where, in their opinion, proper application of the job evaluation standards has not been accomplished.

- d) Independent Review Officer**
 - (i) The Communications, Energy & Paperworkers Union of Canada and the Pulp and Paper Employee Relations Forum shall appoint an Independent Review Officer for the term of the Agreement.

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

(1) General Policies

- a) The evaluated job rate arrived at through official evaluation by the Joint Job Evaluation Board will be final and binding upon both parties to the Howe Sound Labour Agreement unless review has been requested as provided in Section 3(a)(ii)(c) or 3(a)(ii)(g). In case of such review the decision of the Job Evaluation Directors or, where appropriate the Independent Review Officer shall be final and binding upon both parties. Where a number of appeals indicate a problem within a job field, the Directors shall refer such problems to the administrative committee for final determination.
- b) Where an official evaluation indicates an upward adjustment in the rate for a job the adjustment will be retroactive to the date agreed upon by the Plant Evaluation Committee which is entered on, and a part of, the application for evaluation provided for in Section 3(c)(ii)(a) setting forth the duties of the Plant Evaluation Committee.
- c) Where a new job has been created, the Plant Evaluation Committee of the mill will make application to the Joint Job Evaluation Board for a temporary rate for the new job. An evaluated rate will be established by the Job Evaluation

Board before a period of twelve (12) months has expired following the start of the new job except in those cases where a specific request is made by the Plant Evaluation Committee to the Job Evaluation Directors to retain the temporary rate beyond twelve (12) months, and the request is approved by the Directors. It will be the duty of the Plant Evaluation Committee to agree on a date on which the job became sufficiently stabilized to permit evaluation, and any increase resulting from the evaluated rate will be paid retroactively to the agreed-upon start-up date of the new equipment or the commencement of the job.

- d) The Joint Job Evaluation Board will complete its evaluation of all jobs at the particular mill involved. The Joint Job Evaluation Board will explain in detail the evaluation computations to the Plant Evaluation Committee and to those job representatives present, before leaving the mill. In those cases where it is not possible to complete the evaluation at the mill, the Joint Job Evaluation Board will return to the mill and explain the evaluation computations before making the results official.

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

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

- f) When a survey or Job Field Study is authorized by the Directors, a projected completion date will be established. The completion date will also be used as a guide in determining the date for implementation of changes that result from the study.

- g) A Local Union may opt out of the Job Evaluation Plan during the thirty (30) days following ratification of the Memorandum for renewal of the Agreement. The effective date of any opting out will be the last day of the expiring Agreement.

EXHIBIT "1"
DEFINITION OF MECHANICAL TRADES

Any employee whose work is primarily in any one or more than one of the trades listed hereunder shall be classed as a "MECHANIC".

Machinists	Tinsmiths and Sheet Metal Workers
Millwrights	Heavy Duty Mechanics
Carpenters	Masons
Electricians	Instrument Mechanics
Pipefitters	Heat & Frost Insulators
Welders	Refrigeration Mechanics
Painters	

EXHIBIT "C"
WELFARE PLAN

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

1. Compliance

- (a) The Company signatory to the Howe Sound Labour Agreement will comply with the terms and conditions set forth in this Exhibit "C", and provide the coverages required therein.
- (b) The coverages shall be subject to the limitations in the contracts of the selected carrier or carriers.

2. Waiting Period

All full-time employees who are actively working and have completed thirty- (30) days service shall be enrolled for the coverages and benefits set forth in this Exhibit as a condition of employment.

3. Coverages and Benefits

(a) Group Term Life Insurance & Accidental Death or Dismemberment Insurance

The Welfare Plan will include Group Term Life Insurance in accordance with the following Table of Hourly Job Rate Brackets and corresponding coverages. Benefits will be payable as a result of death from any cause on a twenty-four (24) hour coverage basis.

In addition to Group Term Life Insurance coverage, the Welfare Plan will include Accidental Death Insurance as out-lined in the Table on a twenty-four (24) hour coverage basis.

Accidental Death and Dismemberment Coverage Schedule to reflect current insurance carriers' benefit levels.

Dismemberment and paralysis insurance benefits of the Welfare Plan will be in accordance with the schedules offered by the particular carrier involved, such coverage to be on a twenty-four (24) hour basis.

Coverage for quadriplegia, paraplegia and hemiplegia will be at 200%.

MAXIMUM INSURANCE BENEFITS PAYABLE		
EFFECTIVE DATE	GROUP TERM LIFE	AD&D
DATE OF RATIFICATION	\$98,500	\$98,500
MAY 1, 2013	\$98,500	\$98,500
MAY 1, 2014	\$100,500	\$100,500
MAY 1, 2015	\$103,100	\$103,100
MAY 1, 2016	\$106,200	\$106,200

(b) Non-Occupational Accident and Sickness Insurance

The Welfare Plan will include Non-occupational Accident and Sickness Insurance that will provide a benefit of sixty-two percent (62%) of the employee’s regular job rate to the maximums in the table in (c) below. Weekly Indemnity benefits will be payable beginning with the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness, which results in the claimant being hospitalized as a bed patient, and in those cases where surgery is performed which necessitates loss of time from work, the said Weekly Indemnity benefits will be payable beginning with the first day of sickness. Benefits will be payable for a maximum of fifty-two (52) weeks during any one period of disability. Where the employee recovers an amount from a liable third party for loss of income as a result of the same

accident or illness, they must reimburse the Plan once they have received 100% of their gross wages lost.

(i) Attempted Suicide

Amend Weekly Indemnity Plan to provide for benefits for loss of time as a result of attempted suicide under the Plan Provisions covering other mental illnesses. Coverage shall also include injury disability arising from attempted suicide.

(ii) Waiting Period

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

(iii) Subrogation Agreement

Benefit payment will not be made beyond age 65 and in all cases, will cease upon recovery. Where the employee recovers an amount from a liable third party for loss of income as a result of the same accident or illness, they must reimburse the Plan once they receive 100% of their loss. One hundred percent (100%) of their loss includes gross wages lost

The premium structure for coverage of an employee over the age of 64 will be as follows:

First three months	75% of Normal Premium
Second three months	50% of Normal Premium
Third three months	25% of Normal Premium
Last three months	No Premium

The Weekly Indemnity/Long Term Disability Plan will assume all costs for completion of forms required by the carrier. The

Company will reimburse employees for the costs of medical forms and specialist reports when required by the WI and LTD carriers. This is agreed on the basis that the Company will be reimbursed by the insurance carrier.

(c) Weekly Indemnity benefit

The Weekly Indemnity benefit scale will be extended as follows:

Maximum Weekly Indemnity Benefits Payable	
Effective Date	Benefit Maximum
Date of ratification	\$925.00 per week
May 1, 2013	\$925.00 per week
May 1, 2014	\$925.00 per week
May 1, 2015	\$948.00 per week
May 1, 2016	\$977.00 per week

Note: The increases effective May 1, 2015 and May 1, 2016 reflect the May 1, 2014 benefit being increased in accordance with the general wage increases effective on those dates.

(d) Long Term Disability Plan

The Welfare Plan will include a Long Term Disability Plan summarized in Appendix "2"

(e) Medical-Surgical Coverage

The Welfare Plan will include Medical-Surgical coverage as required by the BC Medical Commission.

(f) Extended Health Benefits

An Extended Health Benefit Plan with coverage as per the Carrier Agreement [formerly MSA] Pulp and Paper Brochure dated July 1, 1981 including Vision Care coverage for employees and

eligible dependents will also form part of this Agreement. The plan will provide a lifetime maximum to \$300,000 under the Extended Health Benefits Plan.

Effective May 1, 1998, the maximum payable amount on Foot Orthotics will be \$250 per person per calendar year. Orthopedic shoes provision to remain as per the current Collective Agreement.

Effective January 24, 2013, the maximum payable amount during a three (3) calendar year period on Hearing Aids will be increased to \$600. Payment will be made for maintenance, batteries or recharging devices or other such accessories.

Effective May 1, 1998, the maximum payable amount for Physiotherapist and Massage Practitioner will be increased to \$300 per person per calendar year.

Effective May 1, 1998, the maximum benefit payable on fees for Clinical Psychologists will be increased to \$350 per member or dependent in any calendar year.

Effective May 1, 1998, the maximum benefit payable for Acupuncture treatment will be increased to \$150 per person per calendar year.

Effective January 24, 2013, the maximum payable amount on Vision Care will be increased to \$400.00 per member or dependent in any 24 calendar month period, and allow for the use of this for Eye Exam and laser Surgery Procedures.

(g) Out of Province Travel Plan

When, in the opinion of the attending physician and attending specialist, a medical procedure is required that is not available in BC and is one for which the Medical Services Plan of BC will accept financial responsibility, the cost of travel and accommodation to the limits specified below will be paid for by

the Plan. Where the attending physician specifies that an attendant is required, the travel and accommodation expenses for such person will be paid to the limit specified. The maximum limit under any one claim will be the return economy airfare or equivalent for patient and attendant, plus accommodation expenses up to a maximum of \$1,500. Receipts will be required and forwarded on the claim form prescribed by the Carrier."

This benefit will not stack on top of or duplicate existing provisions under local Medical Travel Benefit or government plans.

(h) Dental Care Plan

The Welfare Plan will include a Dental Care Plan which will reimburse members for expenses incurred in respect of the coverages summarized in Appendix "1". The Plan will not duplicate benefits provided now or which may be provided in the future by any government program.

4. Joint Union-Management Welfare Committee

The Union Welfare Committee shall be appointed and shall meet with a Management Welfare Committee with respect to questions that may arise concerning the operations of the Welfare Plan. If there is only one Union in the mill, the Union Welfare Committee shall consist of not less than two (2) and not more than three (3) members; if there are two Unions in the mill it shall consist of not less than three (3) nor more than five (5) members, it being agreed that such committee members shall be selected by the Union or Unions concerned from participating employees who are working in the mill at the time of appointment to and while serving on such Committee. The Company shall appoint a Management Welfare Committee consisting of not less than two (2) members and not more than the aggregate number of members of the Union Welfare Committee.

The function of the committee will be to review the operations of the Plan and to permit the committee to ensure compliance with the terms and conditions of Exhibit 'C'. The company agrees to furnish to the Committee such reports as the Committee may require.

5. Changes in Classification

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

6. Costs

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

Group Term Life Insurance, Accidental Death or Dismemberment Insurance, Medical-Surgical Coverage, Extended Health Benefit and Dental Plan

Company	100%
Employee	Nil

Non-Occupational Accident and Sickness Insurance, Long Term Disability Plan

Company	70%
Employee	30%

The Company will reimburse employees for the cost of medical forms and specialists reports when required by the WI and LTD

carriers. This is agreed on the basis that the Carrier will reimburse the Company.

7. Reporting Period

The report shall cover the twelve (12) month period ending November 30. Such reports will be submitted to the Joint Welfare Board not later than March 1 of each year. The Board shall distribute copies of the reports to the Local Union concerned.

8. Changes in Premiums and Employee Contribution

It is understood that any change in respect of either the premium rate charged by the carrier or the basis of the employer-employee sharing thereof may only be made effective as of May 1 in any year.

9. Distribution of Surplus

It is understood that surplus accumulations, if any, will be used only for the purpose of reducing premium costs.

Surplus accumulations must be disposed of within reasonable time limits. Questions in this respect will be referred to the Joint Welfare Board for decision.

10. Optional Payments under Life Insurance

In any case where the existing Company plan provides optional methods of payment to the beneficiary under the Life Insurance program, such policy provisions will remain in effect.

11. Disputes

No dispute arising out of the operation, administration or interpretation of any coverage contract between the Company and the carrier shall be subject to the Adjustment of Complaints

procedure of the Howe Sound Labour Agreement. Any such disputes shall be adjudicated under the terms of the following Dispute Resolution Process.

1. Where the insurance carrier has denied an employee Weekly Indemnity or Long Term Disability benefits, the issues shall be referred to a Joint Union-Management Committee.

To assist in the appeal of the denial of benefits, in addition to a standard Weekly Indemnity or Long Term Disability claim form from the employee's physician, the Employer shall, within seven days, confirm the following documentation has been forwarded to the carrier (with copies to the Union committee);

- a) a complete job description
- b) a physical demands analysis which indicates in detail the demands of the particular occupation.

From these documents an evaluation is made to identify the essential and peripheral elements of the particular occupation. With input from the Employer, these evaluations will ensure an appropriate identification of the key or essential elements of a particular occupation.

2. In the event the employee's claim is further denied and the employee wishes to further appeal the decision, the carrier, the claimant may, within fourteen days, refer the denial of benefit to the Joint Union-Management Committee.

If the Committee is unable to resolve the disputed claim, the issue will, within fourteen days, be referred to a third party for resolution.

3. The mutually agreed upon third party shall have the right to review the claim file, required further examinations or testing of the claimant by a specialist. Costs incurred for

medical examination or specialist testing shall be borne by the carrier. The costs of the third party shall be born equally by the Union and the Employer.

4. The third party will endeavour to complete the assessment and reach a decision on the issue under appeal within fourteen days of referral.
5. The decision of the third party shall be binding upon the parties and the carrier.

12. Disputed WorkSafeBC Weekly Indemnity Claims

If an employee covered by the Welfare Plan suffers a disability, payment for which is in dispute with the WorkSafeBC, Weekly Indemnity payments under the Welfare Plan will be paid retroactively as set forth in this Exhibit if requested by the employee and provided he has been off work for at least two-(2) weeks due to the disability without the WorkSafeBC having accepted the claim.

If the WorkSafeBC claim is subsequently established the employee will then repay the weekly disability payment received to the appropriate fund or insurance company.

13. Change in Benefits

In the case of an employee who is on active claim arising from a disability which occurred before a negotiated change in benefits and which continues thereafter, the said employee shall, as from the effective date of the negotiated change, be paid the changed Weekly Indemnity benefit, be covered for the changed Group Term Life Insurance and Accidental Death and Dismemberment Insurance, and make the changed contributions.

14. Coverage During Leave of Absence

The following coverage will be provided up to a total of three (3) months in any one calendar year:

- a) The Welfare Plan for employees on authorized leave of absence on Local Union business.
- b) Group Term Life Insurance, Accidental Death and Dismemberment Insurance, and Medical-Surgical coverage for employees on authorized leave of absence for extended vacation purposes.

15. Surviving Spouse and Dependent Coverage

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reason of their own employment, the Company will extend the coverage under Medical-Surgical Plan, the Extended Health Benefit Plan and the Dental Plan for a period of twelve (12) months, commencing on the first of the month following the month in which the death occurs.

APPENDIX "1" DENTAL CARE PLAN

A. Benefits

- (i) Diagnostic Services

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

- Oral examinations
- Consultations
- X-rays (complete mouth X-rays will be covered only once in a three (3) year period)

(ii) Preventive Services

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

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

(iii) Surgical Services

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

(iv) Restorative Services

All necessary procedures for filling teeth with amalgam, synthetic porcelain, and stainless steel crowns. Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restorations.

(v) Prosthetic Repairs

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

(vi) Endodontics

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

(vii) Periodontics

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

(viii) Prosthetic Appliances and Crown and Bridge Procedures

- (a) Crowns and bridges.
- (b) Partial and/or complete dentures, but not more than once in five (5) years.
- (ix) Orthodontics

The services of a certified Orthodontist registered as such by the College of Dental Surgeons of British Columbia only after the patient has been covered continuously for twelve (12) months. Appliances lost, broken or stolen will not be replaced.

Effective January 24, 2013, the maximum lifetime benefit is \$4,000 per person for all services provided by an Orthodontist

B. Co-Insurance

In respect of Benefits (i) to (vii), the Plan will provide reimbursement of 85% of eligible expenses, effective May 1, 1998, increasing to 90% effective May 1, 2000.

Benefits (viii) and (ix) will be subject to 50% co-insurance.

APPENDIX "2" PULP AND PAPER INDUSTRY LONG TERM DISABILITY PLAN SUMMARY

1. Eligibility

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

2. Level of Benefits

Fifty percent (50%) of regular weekly earnings calculated at forty (40) times the disabled employee's hourly straight time job rate at the date of onset of disability plus any negotiated increases to that hourly straight time job rate which would take place during the elimination period.

Employees who are under 60 years of age will have their future disability benefit recalculated by applying the contractual wage increases that were applied in each year, during the period of their disability, to their long term disability benefits.

The recalculated weekly benefit when combined with all other disability income which the disabled employee is receiving will not exceed 80% of 40 hours multiplied by the regular wage rate in effect at the time of the recalculation.

3. Elimination Period

Benefits commence after the employee has been totally and continuously disabled for fifty-two (52) weeks or has exhausted his/her weekly indemnity benefits whichever occurs last.

4. L.T.D. Benefit Payments

- a) There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.
- b) Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) month's service with the member pulp and Paper Company up to the date of onset of disability.
- c) For those who are either on WI or L.T.D. effective July 1, 1988, and continue to be disabled, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him/her further under (b) above.

At the point that he/she runs out of L.T.D. benefit, he/she can elect to either retire early or go on disability pension benefit until age sixty-five (65), at which time he/she will retire.

- d) For new claims that commence after July 1, 1988, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him/her further under (b) above. At the point when he/she runs out of L.T.D. benefit, he/she will retire.
- e) Benefit payment will not be paid beyond age sixty-five (65) and in all cases, will cease on recovery.

5. Definition of Total Disability

- a) The disabled employee's inability to perform the duties of his/her own occupation for the first eighteen (18) months of L.T.D. disability payments and thereafter his /her inability to perform the duties of any occupation for which he/she is qualified by education, training or experience.
- b) During a period of disability the disabled employee must be under the regular care and attention of a medical doctor, or in cases of disability arising from a mental or nervous condition, a psychiatrist.

6. Integration with Other Disability Income

- a) The benefit from this plan combined with all other disability income to which the disabled employee is entitled will not exceed 80% of the employee's regular wage rate at the date of disability.
- b) All other disability income will include: CPP/QPP primary disability pension benefits, Workers' Compensation, disability income from a group or association plan, disability income arising out of any law or legislation, and wage

continuation or pension plan of any employer including the Industry Pension Plan. Private or individual disability plan benefits of the disabled employee will not reduce the benefit from this plan.

- c) In the event that all other disability income reduces the payment from this plan below \$25.00 per month, this plan will nevertheless pay a minimum of \$25.00 per month from the date disability income commences.
- d) Increases in CPP/QPP disability pensions or Workers' Compensation disability pensions that result from increases in the Canadian Consumer Price Index and which occur after the date disability payments from this plan commence will not further reduce the benefits from this plan.

7. Rehabilitative Employment

- a) During a period of total disability under this plan, a disabled employee may engage in rehabilitative employment in which case the benefit from this plan will be reduced by 50% of the employee's rehabilitative employment income that exceeds \$50 per month. The benefit from this plan will be further reduced by the amount that remuneration from rehabilitative employment plus the benefit from the LTD plan exceeds 75% of the employee's basic wage at date of disability.
- b) Rehabilitative employment shall mean any occupation or employment for wage or profit or any course or training that entitles the disabled employee to an allowance, provided such rehabilitative employment has the approval of the employee, and his/her doctor in consultation with the underwriter of the LTD plan.
- c) Rehabilitative employment will be deemed to continue until such time as the employee's earnings from rehabilitative employment exceed 75% of his/her straight time earnings at

date of disability but in no event for more than twenty-four-(24) months from the date rehabilitative employment commences.

8. Exclusions

Disabilities resulting from the following are not covered:

- a) War, insurrection, rebellion or service in the armed forces of any country.
- b) Participation in a riot or civil commotion.
- c) Intentionally self-inflicted injuries.
- d) Pregnancy, childbirth, miscarriage or abortion. Severe complications following termination of pregnancy will however be covered.

9. Pre-Existing Conditions

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

10. Successive Disabilities

A subsequent disability that is related to a previous disability and occurs within six (6) months of an employee's return to work will be considered a continuation of the previous LTD disability and the employee will not be eligible for weekly indemnity benefits. The employee under these circumstances will be eligible to receive benefits without the necessity of completing another elimination period.

11. Terminations

Coverage will cease:

- a) On termination of employment.
- b) On a date fifty-two (52) weeks prior to an employee's 65th birth date.
- c) On the date leave of absence commences except as provided for in the Agreement.
- d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with section 6 of Article XXI of the Howe Sound Labour Agreement, in which case coverage under the plan will continue only for the periods specified in the aforementioned sections of the Agreements. In the event an employee becomes totally disabled while covered by this plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

Employees who have sufficient seniority and who request continuation of coverage under this plan during a period of lay off will be required to pay their portion of the plan premium.

12. Contribution Waiver

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

CONDITIONS FOR IMPLEMENTING THE PLAN

- (1) The Long Term Disability Plan is payment in kind of the employee's share of the reduction in the Employment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Unemployment Insurance

Regulations. The full E.I. premium reduction including the employee 5/12th's share will be retained by the employer.

- (2) When an employee becomes totally disabled under this plan, they shall have the option of taking all outstanding earned time off with pay, such as vacations, supplementary vacations, statutory holidays, special (personal) floating holidays, and any half-time portion of banked overtime.
- (3) Upon commencement of L.T.D. benefits all terms and conditions of the Agreement will become inoperative except where provided for in Paragraph 4 (b), (c) and (d) below.
 - a) Negotiated wage increases will apply as per Article 2 of the Plan Summary but subsequent increases in plan benefits will not affect employees on L.T.D. benefits.
 - b) Employees in receipt of L.T.D. benefits from this plan will continue to accrue credit under the Industry Pension Plan provided such employees are not in receipt of a disability pension under the Industry Pension Plan.
 - c) Employees in receipt of disability payments from this plan will continue to be covered under the employer's medical, extended health and dental plans. Coverage under the employer's group life and AD & D plans will also continue in accordance with the conditions of those plans.
 - d) An employee returning to work from an L.T.D. claim will return to a job his/her seniority, qualifications and ability to perform the work properly entitle him/her to.
 - e) Active claims as referred to in Section 14 of Exhibit "C" of the Howe Sound Labour Agreement will be defined

as that period of time during which an employee is in receipt of weekly indemnity payments only.

EXHIBIT "D"

APPRENTICESHIP TRAINING PROGRAM

The purpose of the Program is to provide tradesmen of the highest caliber.

The Apprenticeship Training Program will cover the trades as set forth below:

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

General Principles

- a) The period of Apprenticeship Training will be as defined by the Apprenticeship Branch for each trade. The Apprentice will receive the Journeyman rate on successful completion of the Apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that the Apprentice completes the full term of training. If the Apprentice refuses to continue the training, the Apprentice will be removed from the Program with no standing as a Journeyman in the trade.
- b) Training syllabus for each trade to be designed to meet the requirements of the particular trade involved.

- c) All provisions of the appropriate Labour Agreements in effect at the Mill concerned shall be applicable to Apprentices in the Program.
- d) Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Apprenticeship Branch.
- e) Under the Program, Apprentices will receive rates as per Exhibit "A" of the Agreement. Progression through the schedule of rates is subject to successful completion of prescribed theoretical training, practical training and tests. The schedule of rates applies on date of qualification or as otherwise provided for in Item 12.

Joint Union-Management Apprenticeship Committee

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

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

- a) The Company to establish in-plant-training programs to support the training syllabus as developed by the Apprenticeship Branch of the Department of Labour for each trade involved. Supervision of the established Program shall be the responsibility of the Joint Committee.
- b) Set standards for entry into the Apprenticeship Program that are not inconsistent with the standards recommended by the Apprenticeship Branch.

- c) Carry out periodic reviews of the training programs at intervals of not more than three (3) months.
- d) See that the required practical tests are carried out in co-operation with the Apprenticeship Branch.
- e) Determine the tool requirements by years of training.
- f) Joint Committee to review any case of lost time from the Program because of sickness, accident, etc. and to determine the amount of additional time necessary before an employee meets his/her requirements of time served.

Central Advisory Committee

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

Entry to Program - New Apprentices

Selection for entry into the Program of persons who have no previous training in the trade will be made by the Company provided that the standards for acceptance established by the Joint Union/Management Apprenticeship Committee and the Apprenticeship Branch are applied and that first consideration is given to mill employees.

Schedule of Training for Apprentices

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

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

- a) Successful applicants will be assigned to a specific trade as a probationer for a two (2) month period. During the probationary period the Apprentice shall receive the first year Apprentice rate.
- b) During each year of Apprenticeship, the Apprentice shall work at the trade and attend Vocational School as required by the regulations pursuant to the Apprenticeship Act.
- c) Upon the successful completion of the term of Apprenticeship and receipt of the certificate of Apprenticeship, issued by the Provincial Apprenticeship Committee, the Apprentice shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.
- d) If any of the aforementioned work periods are exceeded due to the unavailability of Vocational School facilities, such extra time will be credited to the Apprentice in succeeding training requirements. Also, the Apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing the Apprentice successfully passes the examinations. Retroactivity will not apply where re-testing is necessary.
- e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the Vocational School, and having spent twelve (12) months as a fourth year Apprentice, the Apprentice shall be reclassified and paid the

fifth year Apprentice rate which is equivalent to the "A" Mechanic rate for the following twelve (12) months. On completion of the final period at the Vocational School the fifth year Apprentice shall write the final examination set by the Apprenticeship Branch and, upon becoming certified, shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.

Wherever reference is made to a year (or twelve (12) months) as an Apprentice, it shall mean a period of not less than 1600 hours worked, the said period to include time spent at the Vocational School.

Cost of Books

The Company will pay 100% of the cost of textbooks specified by the Apprenticeship Branch. The Apprentice will keep these books as personal property.

Allowances and Wage Make-Up

While attending an approved Vocational School the Apprentice will receive from the Government, allowances and school expenses in accordance with the Government's schedule of grants pertaining to Apprenticeship Training. In addition, the employee shall receive from the employer, an allowance comprised of the difference between the employee's regular straight time rate based on a forty (40) hour week, and the weekly living allowance granted by the appropriate government authorities. Allowances provided by the employer shall not apply to any periods of retraining as specified in Item 11.

General

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

- b) Apprentices will be required to acquire and build a kit of tools progressively throughout the Program, as specified by the Apprenticeship Branch and the Joint Union/Management Apprenticeship Committee.
- c) A category known as "Trade Utility" may be established in the Mechanical Department and complement for such category will be determined at plant level.
- d) Employees in this category will be employed to assist Tradesmen and Apprentices with Labour and similar work but will not be used in a manner that will interfere with the application of the training program (see item 7(iv) of Memorandum of Agreement dated April 20, 1964). Trade Utility rates will be paid in accordance with Exhibit "A".

EXHIBIT "E"
POWER & RECOVERY DEPARTMENT
VOCATIONAL LEAVE

1. Fourth Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a FOURTH CLASS POWER ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted three (3) weeks leave of absence with pay to attend an approved Vocational School to complete the course and write the examination for the Fourth Class Stationary Power Engineering Certificate.

During the first week at the School the employee will be evaluated by the school authorities to determine the employee's knowledge of the subject, and if the evaluation is favorable, the employee will continue studies at the school during the two weeks and write the prescribed examination. In the event that the evaluation is not favorable, the school authorities will indicate to the employee those areas where further study is

needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted three (3) weeks leave of absence, two (2) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the prescribed Fourth Class Certificate examination.

2. Third Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a THIRD CLASS POWER ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted six (6) weeks leave of absence with pay to attend an approved Vocational School to complete the course and write the examination for the Third Class Stationary Power Engineering Certificate.

During the first week at the school the employee will be evaluated by the school authorities to determine the employee's knowledge of the subject, and if the evaluation is favourable, the employee will continue studies at the school during the following five (5) weeks and write the prescribed examination. In the event that the evaluation is not favourable, the school authorities will indicate to the employee those areas where further study is needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted six (6) weeks leave of absence, five (5) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the prescribed Third Class Certificate examination.

3. Second Class Certificate

Upon successful completion of the Department of Education Correspondence Course for a SECOND CLASS POWER

ENGINEERING CERTIFICATE, or possessing equivalent qualifications acceptable to the Vocational School authorities, employees shall be granted ten (10) weeks leave of absence with pay, on the basis set forth hereunder, to attend an approved Vocational School to complete the two-part course and write the examination for the Second Class Stationary Power Engineering Certificate:

- (i) Five- (5) weeks leave of absence with pay to complete Part "A" (Mathematics & Physics).
- (ii) Five- (5) weeks leave of absence with pay to complete Part "B" (Basic Engineering).

During the first week at the school in each of the above mentioned cases (i) and (ii) the employee will be evaluated by the school authorities to determine the employee's knowledge of the subject, and if the evaluation is favorable the employee will continue studies at the school during the following four (4) weeks and write the examination prescribed for Part "A" or "B", whichever is applicable. In the event that the evaluation is not favorable, the school authorities will indicate to the employee those areas where further study is needed and the employee will return to the mill and carry out the recommended home studies. Upon completion of this additional studying, the employee will be granted five (5) weeks leave of absence, four (4) weeks with pay and one (1) without, to return to the Vocational School to complete the course and write the examination prescribed for Part "A" or "B", whichever is applicable.

4. Basis of Pay

One (1) week's pay shall be equal to forty (40) hours at the straight time hourly rate of the employee's regular job.

5. Additional Leave

Leaves of absence with pay will be granted to Power & Recovery Department personnel on the basis as set forth in 1, 2 and 3

above. Any further Vocational Training required to pass each respective certificate shall be at the employee's expense and such additional leave of absence will be granted.

6. Books

The Company will pay 100% of the cost of textbooks specified by the Vocational Training School as required for those writing for Stationary Engineering Certificates. The employee will keep these books as personal property.

7. Examination and Tuition Fees

The Company will bear the cost of the prescribed Examination and Tuition Fees, if any required of candidates writing for Stationary Engineering Certificates.

8. Transportation Allowance

The Company will grant transportation allowance to Power & Recovery Department personnel attending Vocational School on the same basis that transportation allowance is being granted at the time by the Apprenticeship Branch to apprentices attending an approved Vocational School.

9. Timing of Leave

Leaves of Absence will be granted at a time suitable to the Company, bearing in mind the Vocational School curriculum.

10. Number on Leave

Normally it will not be possible to grant leave of absence to more than one Power & Recovery Department employee at a time. However, if relief is available this limit may, at the discretion of the Company, be exceeded.

Government Allowances

If at any time provision is made whereby transportation and/or other allowances are granted by the government to Power & Recovery Department personnel attending an approved Vocational School to write for Stationary Engineering certificates, the provisions set forth above will then be amended to take into account such Government allowances.

1. Living Out Allowance

While an employee is attending Vocational School on the basis set forth in 1, 2 and 3 above, the employer will pay the employee a living out allowance which, combined with any Government living out allowance to which the employee may be entitled, is equal to the living out allowance the employee would receive from the appropriate Government authorities as an Apprentice, pursuant to Section 15 of Exhibit "D".

STATEMENTS OF POLICY

1945 - 2017

HOWE SOUND LABOUR AGREEMENT

**Taken from the Transcripts of
Negotiations for Contract Years**

1945 - 1952 inclusive

**And from Memoranda issued during
Subsequent Wage Conferences**

Communications, Energy & Paperworkers Union

**Howe Sound Pulp & Paper Limited
Port Mellon**

FOREWORD

During the 1946 Labour Conference it was jointly agreed that the Companies and the Union would each appoint a Committee of two (2) to select from the verbatim transcripts of the 1945-46 and the 1946-47 Joint Conferences "Statements of Policy" which were then to be approved by the National Officers of the Union and by representatives of the Companies and thereafter printed in a booklet to be entitled "Statements of Policy". (See 1946 Transcript, page 80 and page 159). This policy has been re-adopted at subsequent Labour Conferences.

The Statements of Policy contained in this booklet have been reworded for the sake of brevity and clarity, and have been agreed to by both Union and Company representatives. They are

intended as a supplemental guide in the interpretation of the contract on the points, which they cover.

STATEMENTS OF POLICY

Article II - Definitions

- a) Definition of "Supervision". (Memorandum of Agreement dated January 30, 1958)

Employees and employers recognize that supervisors are excluded from the provisions of the BC Standard Labour Agreement and accordingly it is improper for supervisors normally to do the kind of work which is done by those defined as employees in the Agreement.

It is also recognized that for the practical and efficient operation of the mills there are occasions when a supervisor must help. Such occasions must be temporary in nature and must not result in the displacement or exclusion of employees under the Agreement.

- b) Definition of "Him". (Page 98, 1946 Transcript)

Wherever the word "him" appears in the contract it will be taken as referring to a male or female employee as the case may be.

- c) Definition of "Engineering". (Page 35, 1947 Transcript)

The word "engineering" as used in this section does not refer to steam operating engineers.

Article V - Standing Committee

Payment of Representatives on Union Standing Committee. (Pages 109 - 110, 1950 Transcript)

- a) The general principle to be followed is that no employee's normal earnings shall be reduced by virtue of his/her attendance at a Standing Committee meeting.
- b) Employees attending meetings called while they are on duty will be paid for the time in attendance providing a meeting does not extend past the end of a shift.

If it does extend past the end of the shift, no allowance is made for such additional time.

- c) Employees attending meetings during their time off will not be paid.
- d) Where it is necessary to relieve an employee attending a meeting, the relief person will be paid at straight time except for any time in excess of eight (8) hours in the day which will be paid for at time and one-half.
- e) The time of the meeting shall be determined by mutual agreement.

Article VI - Hours of Work

Section 2: Overtime

It is hereby agreed by the Companies party to the BC Standard Labour Agreement that:

- (i) The hours worked on Sundays and on the recognized paid Statutory Holidays provided for in the above referred to BC Standard Labor Agreement will be used in the computation of the forty (40) hour work week.
- (ii) The foregoing arrangement applies only to Sunday and recognized paid Statutory Holiday hours and no other hours on which time and one-half has been paid, nor hours

paid for Call Time, may be used for the purpose of calculating the forty (40) hour week.

- (iii) For the purpose of calculating overtime, the basic forty (40) hour work week shall be reduced by eight (8) hours in any week in which a recognized paid Statutory Holiday occurs. Should more than one (1) recognized paid Statutory Holiday occur in any week, the basic forty (40) hour work week shall that week be reduced by eight (8) hours for each such recognized paid Statutory Holiday. For example, in a week in which one recognized paid Statutory Holiday occurs, overtime will be paid for hours worked in excess of thirty-two (32). Should it happen that two (2) recognized paid Statutory Holidays occur in one (1) week, then overtime will be paid for hours worked in excess of twenty-four (24) that particular week.

The workweek shall start at 8:00 a.m. (or at the regular hour of changing shifts nearest to 8:00 a.m.) Sunday.

Those pulp mills which are presently working on a forty-two (42) hour week schedule and which have not yet adopted the so-called "1946 Sunday Letter" shall only adopt the terms set out herein after the implementation of a forty (40) hour per week schedule. There shall be a three (3) months training period in which to prepare personnel necessary to effect the change from a forty-two (42) hour to a forty (40) hour per week schedule.

The foregoing is to be considered as supplementary to Article VI, Section 2 - Overtime, of the BC Standard Labor Agreement and supersedes all existing local agreements in respect of the computation of overtime for Sunday and Holiday work.

(1) Day Workers

Clarification of Overtime to Day Workers. (Page 90, 1949 Transcript) The employee's designated day off is Tuesday. He is given less than forty-eight (48) hours' notice that it is to be changed to Friday. He is then paid as follows:

Sunday -	8 hours plus 4
Monday -	8 hours
Tuesday -	8 hours plus 4
Wednesday	8 hours
Thursday -	8 hours
Friday -	off
Saturday -	4 hours

If he is called back at 1 p.m. Saturday to work four (4) hours in the afternoon, is he entitled to time and one-half? The answer is "no" for the reason that the contract stipulates that overtime will only be paid on the one basis. In other words, we cannot pay overtime twice on the same time. However, in the letter of October 18, 1946, Powell River Company Limited and Pacific Mills Limited did agree to include Sunday time and designated holidays time in the forty-four (44) hour week (amended to forty (40) hours 1952-53), even though time and one-half had been paid on it. They did not agree to include any other time on which time and one-half had been paid and there is no intention of broadening it at this time. On this principle, therefore, in the case above, the hours the employee worked on Tuesday, his/her designated day off, are eliminated from inclusion in the forty-four (44) hour week (amended to 40 hours 1952-53).

(2) Tour Workers

Clarification of Payment of Overtime to Tour Workers. (Page 270, 1948 Transcript)

Where a Tour Worker works an extra shift due to the absence of his/her mate who has given proper notice and the overtime

worked by the Tour Worker extends into another day, he/she will still be paid at the rate of time and one-half.

Definition of What Constitutes a Mate at Powell River. (Page 312, 1950 Transcript)

In the case of the Block Loader, there are two men on one side and one on the other. These will be numbered 1, 2 and 3. No. 1 man relieves No. 1; No. 2 relieves No. 2; and No. 3 relieves No. 3.

Relief of Mates. (Page 328, 1950 Transcript)

The Company will do everything in its power to relieve men within twelve (12) hours when these men are working due to the absence of a mate.

Section 3: Days Off and Schedule of Shifts

- a) Scheduling of Days Off. (Memorandum, 1953 Wage Conference)
- b) The Manufacturers agree that the scheduling of days off shall be on a consecutive basis wherever practicable.
- c) Sunday Running

At a meeting held in Vancouver, BC, on June 15th, 1953, between the representatives of the Powell River Company Limited and those of Local 142 of the United Papermakers and Paperworkers, continuous operation of the paper machines was agreed upon in accordance with an understanding as set out in the Minutes of the said meeting.

Section 4: Starting and Stopping Work (b) Day Workers Clarification of "Starting". (Page 260, 1948 Transcript)

When a Day Worker is established on a job that is some distance from his/her shop he/she shall be on that job ready to begin work at the time his/her pay starts and shall not cease work in advance of the time his/her pay stops. If the worker's time clock is not located close to the route he/she must travel to his job, he/she may, at the discretion of the Company, report directly to the job without punching his/her time card and his/her foreman shall be responsible for having his/her time recorded.

Article IX - Allowance for Failure to Provide Work

- (a) Clarification of the Word "Accident". (Page 60, 1945 Transcript)

The word "accident" as used in this section means a mishap occurring to an individual resulting in a shutdown. In other words, the occasion involves the human element as distinguished from the mechanical.

- (b) Clarification of "Employee's Regular Job". (Page 61 et seq., 1945 Transcript)

In the application of this section it is considered that the allowance is due to an employee only in the case where he/she is reporting for his/her regular duties and then no work is provided. If the employee's regular duties consist of ship loading and bull gang work, he/she may be transferred from one regular assignment to another without penalty providing he/she obtains work on either job. However, while working on ships he/she will receive the ship rate and while working in the yard he/she will receive the bull gang rate. In the case of an employee, whose regular duties consist of one specified job, and who reports for work and finds no work available, if such employee then transfers to a job carrying a lower rate, at his/her election, he/she shall

nevertheless receive the rate paid him on his/her regular job.

(c) Clarification of "Breakdown". (Page 258, 1948 Transcript)

A breakdown in one department which compels the closing down of one or more additional departments is a breakdown within the meaning of this section, providing the Company uses its discretion in handling the case and where there is no loss of time unjustly caused to an employee.

Article X - Call Time

(a) Applicability of Section in Specific Instances. (Page 157, 1946 Transcript)

- (i) When a Day Worker whose shift is from 8:00 a.m. to 5:00 p.m. is told to go home at 12:00 noon and return at 4:00 p.m. for work, he will receive two (2) hours Call Time because the shift was designated at 12:00 noon

(b) Definition of "Regular Scheduled Shift". (Page 65, 1949 Transcript)

A regular scheduled shift is the work defined for an employee by the Company.

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

- (i) In Section 2(a) relating to the payment of Call Time to Tour Workers, the phrase "after he has completed his/her regular shift" shall be considered to mean at that point when his/her pay stops upon being relieved by a mate.
- (ii) A Day Worker is called in on his/her designated day off reporting for work at 8:00 a.m. and working until 10:00 a.m. for which he/she received four (4) hours pay as the

minimum allowance for an employee who starts work. If notification had not been given during his/her last shift preceding the work involved, he/she would qualify for Call Time and would also qualify under the provisions of Section 3(a) wherein a minimum of four (4) hours pay will be paid for each call when work has actually commenced both to Tour Workers and Day Workers.

In the above case the worker worked two (2) hours at the overtime rate plus a two (2) hour call which would entitle him/her to five (5) hours pay, thereby meeting the requirements of Section 3. It should be made clear that an employee under these circumstances will not receive four (4) hours minimum pay plus Call Time, if any, but that the four (4) hours minimum pay includes the Call Time payment.

- (iii) A Day Worker normally working the 8-5 or 8-4 shift is ordered to go home at 12:00 noon and report back for work at 4:00 p.m. or 12:00 p.m. The employee in question is entitled to Call Time since his/her designated shift terminated at 12:00 noon and more than two (2) hours elapsed between his/her designated shift and his/her return to work.

Article XVII - Statutory Holidays

- a) Clarification of Section 4. (Page 265, 1948 Transcript)
 - (i) In the calculation of the forty-two (42) hour work week (amended to forty (40) hours 1952-53) the payment of holiday pay will not be used unless the employee actually worked Section 2(a) relating to the payment of Call Time to Tour Workers.
 - (ii) It is understood that an employee's vacation shall be exclusive of a paid holiday as recognized by the BC Standard Labour Agreement. Therefore, if one or more

such holidays fall within the employee's vacation period, he/she will be required to take the comparable number of additional days off. The employee shall only receive the pay for such recognized paid holidays falling within his/her vacation period when he/she takes the required additional time off.

- (iii) Where an employee, after having agreed to do so, fails or refuses to work on a holiday, on account of sickness, or other bona-fide reason, the Company reserves the right to investigate the absence of the employee to decide whether or not he/she is entitled to holiday pay.
- (iv) The sixty (60) day qualifying period referred to in Clause (a) refers to "calendar" days.

b) Clarification of Section 4(c). (Page 105, 1950 Transcript)

Employees absent on the "scheduled work day before and/or the scheduled work day after a recognized holiday" are excused from their regular scheduled shifts in instances of sickness, or of sickness in the family, and are, therefore, entitled to holiday pay. The question of the validity of the excuse of sickness can be determined by the Company in each mill in each case.

Article XXVIII - Safety and Occupational Health

Unsafe Working Conditions. (Page 136, 1947 Transcript)

It is not the policy of the Company to require an employee to work under unsafe conditions. It is admitted by the Union and the Company that it is impossible to draw a hard and fast line as to what is safe and unsafe. Being a factual question, each case must be decided on its merits, but in general an employee who justifiably refuses to work under unsafe conditions would not be subject to discipline.

Article XXX - Disciplinary Action

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

Wherever practical, the Company will notify the Union Standing Committee of its intention to discharge an employee. Under certain well-recognized circumstances where no premeditation is involved, it is permissible for the Company to discharge an employee immediately without recourse to the Standing Committee. The employee still has the right to present his/her case to the Standing Committee for consideration and if deemed proper the Standing Committee may follow the usual grievance procedure.

Article XXXI - Adjustment of Complaints

Standing Committee Can Call in Members for Discussions of Grievances with the Company. (Page 261, 1946 Transcript)

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

Exhibit "A"

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

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

Miscellaneous

- a) Status of Employees Refusing to Work in Excess of 8 Hours Per Day or Scheduled Hours Per Week. (Page 91, 1949 Transcript)

If an employee is requested to work in excess of eight (8) hours in any one day or in excess of his/her scheduled work week hours in any one week, the employee has the right to come in or not to come in and no penalty can be imposed by the employer for the failure of the employee to come in. It is understood, however, that the Companies are entitled to look for reasonable co-operation from their employees.

- b) Conflict Between BC Standard Labour Agreement and Transcript. (Pages 46-7, 1951 Transcript)

Whenever there is a conflict between the BC Standard Labour Agreement and the Transcript, the Agreement will prevail.

- c) Native Indian Employment

In response to a Union proposal relative to encouragement of Native Indians to seek employment, the Industry will participate with the National Union in a joint committee to function during the term of the 1970 Labour Agreements. The committee will be known as the Native Indian Employment Committee, and will consist of eight (8) members, four (4) representatives of the Unions and four (4) representatives of the Industry.

The purpose of the committee will be to examine problems relative to employment of Native Indians and make appropriate recommendations to the Company and Union to further this objective.

LETTERS OF UNDERSTANDING

Re: 1992 Union Agenda Item #20(3) -Apprenticeship

**May 1, 1992
Amended 1994
Amended 2003**

LETTER OF UNDERSTANDING - APPRENTICESHIP

On successful completion of the required period of vocational school training, the Company will reimburse out-of-town expenses to a maximum of two (2) hours pay at the first year apprentice rate per day on a seven (7) day basis while attending school. This reimbursement will also apply to Steam Plant Personnel.

It will be paid after the employee's return to work and when verification of vocational school attendance is received from the appropriate agency.

This letter was renewed by agreement between the Company and the Union for the term of the 2012 – 2017 Labour Agreement.

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Re: 1992 Union Agenda Item #22 – Rehiring

May 24, 1992

LETTER OF UNDERSTANDING - REHIRING

The following practice will be observed during the 1992 - 1994 Contract.

"When hiring new employees, preference will be given to laid off former employees of the hiring mill in order of their previous mill seniority, providing:

- a) Their recall rights under Section 3 of Article XXI - Seniority have expired;
- b) They have a current application on file;
- c) They have the qualifications and ability to perform the work properly.

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

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012 - 2017 Labour Agreement.

=====

Re: 1992 Union Agenda Item #26 - Contracting Out
May 24, 1992

LETTER OF INTENT - CONTRACTING

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012 - 2017 Labour Agreement.

=====

Re: Flexible Work Practices

**April 14, 1998
Amended 2003**

LETTER OF UNDERSTANDING - FLEXIBLE WORK PRACTICES

1. The introduction of flexible work practices is designed to improve productivity, improve product quality, reduce down time, and lower costs while ensuring that the work is completed in a safe manner. The efficiencies that result from flexible work practices are also intended to assist in fulfilling the intention of Article 25 of the Collective Agreement.
2. The parties agree that this letter on flexible work practices recognizes that the primary responsibility for the operation of the mill will remain with operators and the primary responsibility for maintaining the mill will remain with trades' persons and steam plant maintenance employees.
3. It is understood that the intent of this letter will supersede local practices, and verbal and written agreements, which would impair the implementation of flexible work practices.
4. All work will be performed in a manner consistent with safety articles of the Collective Agreement as well as the Company's safety rules and the regulations issued by the WorkSafeBC of BC. It is recognized that some tasks can only be performed by employees who possess certain government certifications and in that instance, the work will only be performed by employees who possess the required government certificate.
5. The intent of this Agreement is to provide that all employees will safely utilize all of their existing skills and maximize their productivity and learn and use new skills to enhance their effectiveness.

6. The Company and the Union will meet to discuss a module based training program that will enhance the existing skills of employees. They will also discuss the option of using trainers from the bargaining unit to assist in the design and delivery of the training modules. The Company will design and introduce new training programs to facilitate the implementation of and evolution of flexible work practices.
7. All employees will be required to complete training programs as prescribed by the Company and utilize new skills acquired as a result of training. Training will be consistent for all employees in each job classification.
8. The parties recognize that the acquisition of new skills that facilitate the implementation of flexible work practices is an ongoing process and will continue over time to support the changing needs of the business.
9. The following payments will be made for flexible work practices:

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

To be implemented as follows:

- Upon ratification of the Collective Agreement, \$.45 per hour for Maintenance employees and \$.20 for operating employees.
- Immediate utilization of existing skills that may not have been previously used due to restrictive work practices.
- Employees assisting each other regardless of department or occupation.
- \$.25 per hour for Maintenance employees and \$.20 per hour for Operators upon successful completion of each

modular training program and utilization of skills acquired as a result of this training. There will be two training modules for Maintenance employees and one training module for Operations employees.

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

The same delineation that defines who is an Operator and who is a Maintenance employee shall apply to the payment of premiums. Maintenance employees will include all journeypersons as identified under Exhibit 1 - Definition of Mechanical Trades - of the Collective Agreement and roll balancers, lubrication mechanics, riggers, and sawfilers.

The parties agree that there will be no pyramiding of credits under the job evaluation plan for duties that are being compensated for under the flexible work practices agreement, unless the changes constitute new regular job duties added to their classification as defined by the job evaluation plan. These new regular job duties must result from either new or changed procedures/equipment or from the permanent reassignment of duties from another job classification.

Note: Effective April 30, 2003, all flexible work practice payments will be rolled into the wage rates.

10. Training programs implemented under point (6) are not intended to force qualification in another trade.
11. The Company agrees that no employee will lose their employment with the Company as a direct result of the implementation of flexibility initiatives under this letter. This provision applies to only those employees employed at the date of ratification of this Agreement.

12. No trades person or apprentice will be involuntarily displaced from their respective trade on a permanent basis as a result of the implementation of flexible work practices.
13. It is not intended that flexible work practices shall result in trades' person being assigned to a non-trades classification when someone outside of his/her trade is performing his/her trade core duties.
14. The Company agrees that no employee's regular job rate will be reduced when he is assigned to perform work under this work place flexibility agreement. This does not apply to an employee who is laid off or whose job is temporarily curtailed and is recalled or works in a different job category on the basis of mill seniority.
15. The Company commits to maintain apprenticeship agreements.
16. For the term of the renewed Collective Agreement, the Company and the Union agree to establish and participate in a Joint Committee, which will meet quarterly to discuss issues related to productivity, morale, profitability, work opportunities, market conditions, any alleged discrimination, the ongoing effectiveness of flexible work practices and any other problems related to flexible work practices.
17. The Company agrees to pay all reasonable expenses for the attendance of the Local President (or their delegate) and another member to attend the Joint Committee meeting.
18. The Committee shall consist of:
 - the President of the Local Union
 - the Mill Manager
 - Members of the Local Union as designated by the Union
 - Members of Mill Management as designated by the Employer

-the CEP National Representative

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012 - 2017 Labour Agreement.

=====

Re: Rehabilitation and Reintegration Program

October 7, 1994

**LETTER OF UNDERSTANDING -
REHABILITATION AND REINTEGRATION**

- a) The Company and the Union agree to the establishment of a Joint Union/Management Rehabilitation and Reintegration Committee.
- b) The Committee shall be comprised of up to three (3) representatives each from the Company and the Union.
- c) The purpose of the Committee will be to investigate and make recommendations on the implementation of an effective Rehabilitation and Reintegration Program during the term of this agreement.
- d) The goal of the Program will be to assist workers injured either on or off the job to return to the mainstream of employment at the mill.

This letter was renewed by agreement between the Company and the Union for the term of the 2012– 2017 Labour Agreement.

LETTER OF UNDERSTANDING - CONTRACTING

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

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

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

1. Minimum Wages

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

2. Contributions to the Pulp and Paper Industry Pension Plan

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

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

3. Remittance to the Local Union

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

4. Adherence to Safety Regulations

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

5. Honoring of Picket Lines

Contractors' employees shall honour all legal picket lines at the mill site. Failure to do so shall result in disqualification

from future access to the mill site for the term of the contract. A contractor will not be allowed on the mill site if it has a current, demonstrated practice of crossing legal picket lines.

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012 – 2017 Labour Agreement.

=====

Re: Job Security and Job Elimination

April 14, 1998

LETTER OF UNDERSTANDING - JOB SECURITY

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012 – 2017 Labour Agreement.

=====

Re: Apprentices

January 19, 2013

**LETTER OF UNDERSTANDING
APPRENTICES**

The Company agrees to the establishment of a committee composed of Management representatives and appropriate

representatives of the Union to explore the possibility of working with Government, Community Colleges, and High Schools with a view to enhancing Apprenticeship opportunities with the mill. The focus of the committee would be:

1. Develop recommendations for a program that allows for the hiring of Apprentices directly into the mill while maintaining internal apprenticeship opportunities. The external apprentices would not exceed a 30% ratio of the annual Apprenticeship Program.
2. Mill employees shall have the first opportunity to have access to the Apprenticeships being offered.
3. Develop recommendation for a program which would create an opportunity for local High Schools to participate in an apprenticeship program at the mill site.

The parties understand that such a program would be based on the principle of cost neutrality to the Company and there would be a requirement for joint Union-Management representation to the Government to access funds for this purpose.

This committee will be established within three (3) months from the date of ratification of the renewed labour agreement. Any issues arising from this process shall be referred to the Standing Committee for mutual resolution.

=====

Re: Scope of Agreement

April 14, 1998

LETTER OF UNDERSTANDING - AGREEMENT SCOPE

The Company agrees to provide a Letter of Understanding for the term of the Agreement. In the event of a separation of businesses, the Master Agreement shall be applied as a Master Agreement to each business except in respect to permanent vacancies and layoffs.

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

This letter was renewed by agreement between the Company and the Union for the term of the 2012– 2017 Labour Agreement.

=====

Re: Commitment to Employment

**July 17, 2003
Amended July 22, 2008**

**LETTER OF UNDERSTANDING - COMMITMENT TO
EMPLOYMENT**

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

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

1. The Company and the Union will establish a joint committee on employment opportunities. The joint committee will be made up of Local Union representatives, Mill Management representatives, representatives of the CEP National office and Howe Sound Pulp and Paper representatives.
2. The joint committee will examine ways to enhance employment opportunities through new work arrangements, including reduced overtime and working time alternatives. The Company agrees to provide the joint

committee with relevant information to ensure an informed discussion of the issues.

3. The joint committee will make recommendations to the parties on enhanced employment opportunities.
4. Both parties undertake to give active consideration to all recommendations and vigorously work towards implementation of recommendations where agreement is reached.

This letter was renewed by agreement between the Company and the Union for the term Of the 2012 – 2017 Labour Agreement.

=====
Re: Trades Qualifications

July 17, 2003

LETTER OF UNDERSTANDING - TRADES QUALIFICATIONS

CEP and Howe Sound Pulp and Paper both clearly recognize the critical nature of apprenticeship training and certified trades qualifications mechanisms. It is no secret that British Columbia is facing skills shortage and the pulp and paper industry is not exempt from this impending crisis.

The parties agree to work cooperatively on the issues of workplace and trades training. The Union and the Company agree that closer cooperation will help protect them against any changes that could negatively impact the skills' levels and portability of trades' persons in BC

The parties agree to the establishment of a committee comprised of management representatives of Howe Sound Pulp and Paper and appropriate representatives of CEP to develop a strategy of maintaining the principles of certified trades training

for British Columbia and the opportunity for workers to participate in inter-provincial qualifications examinations.

The parties agree to approach other like-minded employers to extend an invitation to join in the efforts of the committee as outlined above. The parties also agree that all recommendations from this committee will be communicated collectively to the provincial government.

The committee will be established within one month from the date of this letter.

This letter was renewed by agreement between the Company and the Union for the term of the 2012 – 2017 Labour Agreement.

NOTES

**2012 ~ 2017
HOWE SOUND
SUPPLEMENTAL AGREEMENT**

**IN THE PROVINCE OF
BRITISH COLUMBIA**



And the

**COMMUNICATIONS, ENERGY &
PAPERWORKERS UNION OF CANADA
LOCAL 1119**



In this Agreement the Employer is referred to as “The Company”
and the Local Union as “The Union”.

HOWE SOUND SUPPLEMENTAL AGREEMENT

2012 ~ 2017

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(L.R.P.)

SIGNATURE PAGE

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HOWE SOUND SUPPLEMENTAL AGREEMENT

2012-2017

1 - SCHEDULING AND HOURS OF WORK

A. Calling Day Workers in Prior to Shift

When a Day Worker is called in for emergency work two (2) or more hours before the commencement of his or her regular designated shift, and the work continues into the employee's regular designated shift, the employee will be paid at the overtime rate during this shift, until the work is completed. When the emergency work is completed, the employee may elect either to go home or to finish the regular designated shift at straight time.

Without prejudice to Article X of the labour agreement, the Company agrees to pay one (1) hour at time and one-half for any management directed phone calls made after the end of the employee's normal working hours for information to assist in any operation of Howe Sound Pulp and Paper. If the issue requires more than one (1) hour to resolve, the employee will be asked to come to work and be paid as per the provisions of the Labour Agreement.

To ensure the application of this clause, the Company and the Union will review the usage quarterly at Standing Committee and any questionable application will be identified and corrected to prevent recurrence.

B. Call Time Payable after Completion of Shift - Day Workers

When a day worker's designated shift ends, his/her responsibilities to the Company are finished for that shift.

In the event a Supervisor requests a day worker to work overtime after the end of his/her designated scheduled shift, and providing no prior indication was given to the employee that overtime would be required, the employee will be paid the two (2) hour call time penalty as required under Article X, Section 1 (a), Howe Sound Agreement.

Without prejudice to Article X of the labour agreement, the Company agrees to pay one (1) hour at time and one-half for any management directed phone calls made after the end of the employee's normal working hours for information to assist in any operation of Howe Sound Pulp and Paper. If the issue requires more than one (1) hour to resolve, the employee will be asked to come to work and be paid as per the provisions of the Labour Agreement.

To ensure the application of this clause, the Company and the Union will review the usage quarterly at Standing Committee and any questionable application will be identified and corrected to prevent recurrence.

C. Call Time Payable after Completion of Shift - Tour Workers

When a Tour Worker has turned over shift responsibilities to a trained mate at the completion of the shift, the Tour Worker's responsibility to the Company finishes at that time.

In the event a Supervisor requests a Tour Worker to work overtime after the Tour Worker has been duly relieved by a mate and providing no prior indication was given to the employee that overtime would be required, then the employee will be paid the two (2) hour call time penalty, as required under Article X, Section 1 (a), Howe Sound Agreement.

Without prejudice to Article X of the labour agreement, the Company agrees to pay one (1) hour at time and one-half for any management directed phone calls made after the end of the

employee's normal working hours for information to assist in any operation of Howe Sound Pulp and Paper. If the issue requires more than one (1) hour to resolve, the employee will be asked to come to work and be paid as per the provisions of the Labour Agreement.

To ensure the application of this clause, the Company the the Union will review the usage quarterly at Standing Committee and any questionable application will be identified and corrected to prevent recurrence.

D. Transportation

The Company will arrange and pay transportation home for employees who reside on the Sunshine Coast as follows;

- (1) Any employee who volunteers for overtime work that was not arranged prior to the start of the employee's shift.
- (2) Any tour worker held over beyond twenty (20) minutes past the shift change hour.
- (3) When it is deemed necessary to send an employee from work to the Hospital or a Medical Clinic on the "Sunshine Coast", the Company will also provide return transportation to the mill or the employee's home, if required.
- (4) When an employee is sent from work to the hospital or medical clinic as a result of non-occupational sickness or injury, the cost of the ambulance will be paid on behalf of the employee by the Company, upon receipt of the bill from the employee or the ambulance service.

E. Payment for Safety Related Meetings Outside Regular Working Hours

Employees who are requested to attend the following committee meetings shall receive three (3) hours minimum or hour for hour, at straight time rates of pay for all time served outside their regular hours of work.

- Industrial Health & Safety Committee
- Lock Out Sub-Committee
- Safety Steward
- Incident Investigation
- Environment Committee
- Health and Welfare Committee
- Discrimination +Harassment Committee
- President's Committee

Alternately, the employee shall have the option of deferring payment of the time served by deferring these hours into an hours bank and taking the time off with pay at a later date.

If the time off is not taken by the end of the contract year following the contract year in which it is earned, the Company will pay the deferred time and the time off will be forfeited.

It is understood that the scheduling of the deferred time off will be on a "non demand" basis.

F. Compressed Work Week Memorandum

Definitions:

Shift: Means twelve (12) hours continuous (CWW)

Tour: Means two (2) –twelve (12) hour day shifts followed by two (2) –twelve hour night shifts followed by four (4) consecutive days off.

Eight (8) hour Schedule: Refers to eight (8) hour days, eight (8) hour afternoons, and eight (8) hour nights as defined in Article VII, Section 2: (1)(b) and Section 2: (1)(c) of the HSPP agreement.

For the purpose of a Compressed Work Week schedule, the parties hereby agree to the following terms and conditions:

- (1) The twelve (12) hour shift time of 7:30 A.M. to 7:30 P.M. and 7:30 P.M. to 7:30 A.M. will define a DAY as a period of twenty-four (24) hours beginning at 7:30 A.M., and a WEEK as a period of seven (7) calendar days beginning at 7:30 A.M. Sunday.

Compressed work weeks will be either thirty-six (36) hours or forty-eight (48) hours, with the CWW schedule being two (2) twelve (12) hour day shifts followed by two (2) twelve (12) hour night shifts, followed by four (4) consecutive days off.

- (2) This schedule may be cancelled by either party with thirty (30) days written notice or within seven (7) days if mutually agreed to by the Union and the Company.
- (3) The implementation of the Compressed Work Week will be on the conditions that there will be no extra cost to the Company and that the efficiency of any department or departments will not decrease.
- (4) It is clearly understood by both parties that replacements must be available for relief purposes when required and that if replacements cannot be made by shift move-ups to complete the crew complement, then these replacements must come from employees on their scheduled days off. In

the event adequate relief is not available, the Company will schedule employees to cover, and the area will revert back to an eight (8) hour schedule until adequate relief can be secured for continuation of twelve (12) hour shift schedules.

If securing adequate relief develops into a continuous problem, it shall remain the responsibility of the Standing Committee to submit a viable recommendation.

- (5) Anyone rescheduled to a different schedule than that shown above will be deemed to be following an eight (8) hour schedule as per Article VI. Rescheduling will only occur as a last resort.

In the event that rescheduling does occur, individuals will be compensated by being paid eight (8) hours at straight time and four (4) hours overtime as a day worker.

This will only apply to the rescheduled work day in question.

Any proposed temporary altered shift schedule (such as altered training schedule, special assignments, etc.) will go to Standing Committee for mutual resolution.

- (6) Both parties understand that problems may arise with the Compressed Work Week system. Should this occur, the Standing Committee will meet to discuss the problem to reach a satisfactory solution.
- (7) Overtime will not be paid if incurred as a result of the initial implementation or the discontinuation of the twelve (12) hour shift schedule.
- (8) Employees entering or leaving the schedule such as for relief purposes will not be paid overtime for the ninth (9th)

to twelfth (12th) hour but will be paid in accordance with Item #9.

(9) Overtime at the rate of time and one half will be paid as follows:

- (a) All work in excess of twelve (12) hours in any one (1) day.
- (b) All work in excess of thirty-six (36) hours in a thirty-six (36) hour week or forty-four (44) hours in a forty-eight (48) hour week.
- (c) For the purpose of the twelve (12) hour schedule, Sunday Letter entitlement will be based on the thirty-six (36) or forty-eight (48) hour week, depending on the number of days scheduled in that week. Overtime will be paid based on (b) above.

(10) Tour Workers who work in excess of twelve (12) consecutive hours on a regularly scheduled shift or in excess of eight (8) consecutive hours on a scheduled day off shall have the option of receiving the overtime premium on the basis of Article VI, Section 2(3)(a) of the Howe Sound Agreement or of receiving straight time for hours in excess of twelve (12) or eight (8) consecutive hours respectively, and taking equivalent time off at the hourly rate for the job when the work was performed at a time suitable to the employee and the Company during the contract year. If equivalent time off is not taken by the end of the following contract year in which it is earned, the Company shall pay the deferred one-half premium pay.

(11) Meals:

A hot meal, if not declined, shall be furnished at the usual mealtime, by and at the expense of the Company, to any Tour Worker required to work more than thirteen (13) consecutive hours.

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

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

- (13) An employee who has been employed for less than one (1) year and does not qualify under (B) of Article XV - Vacations, of the Howe Sound Agreement, will receive a vacation of two (2) hours for each forty (40) hours of actual work performed during the preceding vacation period. No vacation of less than one (1) day will be granted.

- (14) Employees will be allowed to take vacations on a Tour basis. For purposes of the CWW twelve (12) hour schedule, a Tour will be the four (4) consecutive working days followed by the four (4) scheduled days off.

Vacation time may be taken in blocks of forty (40) hours plus eight (8) hours unpaid leave of absence or forty-eight (48) hours. Leftover vacation time will be granted in consecutive shifts only.

- (15) Employees will give as much notice as they possibly can on requests for leave so they can be replaced at straight time. Otherwise the necessity to work employees on their days off will effectively negate the benefits gained from the additional days free from work in the Compressed Work Week.

Employees applying for time off outside the Vacation Ground Rules, but applying for leave with three (3) tours or

more of notice, will receive a disposition of the request within one (1) tour.

(16) Grouped Hours - Taking of Statutory Floaters (equal time off with pay for work performed on statutory holidays), Deferred Statutory Holidays, and Banked Overtime.

(a) Statutory Floater time, deferred statutory holiday time and banked time will be grouped to facilitate taking paid time off in twelve (12) hour units.

(b) Statutory Floaters will be taken in units of either;

- (i) Eight (8) hours of Statutory Floater time plus four (4) hours of other paid leave or,
- (ii) Twelve (12) hours of Statutory Floater time.

(c) All Statutory Floater time must be taken in eight (8) hour minimum units to maintain floater holiday status.

(d) Employees may take four (4) hours from grouped hours if so desired to supplement Statutory Holiday pay, if they would normally have worked a twelve (12) hour shift on that day.

(e) An employee who has four (4) or more grouped hours, but less than twelve (12) hours remaining may take a twelve (12) hour shift off and be paid the number of entitled hours. At the end of the contract year, where applicable, hours less than twelve (12) not taken will be paid to the employee.

(f) With the above exceptions and those elsewhere in this Memorandum of Agreement, all other conditions of the Howe Sound Agreement will apply to the matters covered in this item.

- (17) CWW employees may take, at their option, up to eight (8) days of CWW leave without pay each contract year. CWW leaves in full tour blocks may be scheduled on the vacation schedule as 3rd choice (after Labour Crew first selection); otherwise, granting of time off will be treated in the same manner as banked time.
- (18) When a death occurs to a member of a regular full time employee's immediate family, the employee will be granted an appropriate leave of absence and shall be compensated at the employee's regular straight time hourly rate for hours lost from the regular schedule up to a maximum of thirty-six (36) hours, in accordance with the provisions of Article XIII - Bereavement Leave – Section 1: Compensation.
- (19) Any regular full time employee who is required to report for Jury Selection, Jury Duty, Coroner's Inquest, or who is subpoenaed to serve as a witness in a court action, save and except actions involving the Company and trade unions, unless subpoenaed by the Crown, on a day on which the employee would normally have worked, will be reimbursed by the Company for the difference between the pay received in such duty and the employee's regular straight time hourly rate of pay for the employee's regularly scheduled hours of work necessarily lost.

It is understood that such reimbursement shall not be for hours in excess of eight (8) per day (forty (40) per week), or twelve (12) per day, (thirty-six (36) or forty-eight (48) per week) where applicable under the designated Compressed Work Week Schedule.

The employee will be required to furnish proof of performing such service and such duty pay received.

- (20) A system of call-in for all CWW operating departments requiring coverage on an overtime basis to be adopted in principle.
- (a) Call in the classified operator on primary days off.
 - (b) Call in the classified operator on secondary days off.
 - (c) Move up next crew member from the scheduled crew and call in the classified operator for the vacant position as in (a) and (b) respectively.
- (21) A System of call-in for all CWW shift trades departments requiring coverage on overtime basis will be as follows:
- (a) Call in shift trades worker on primary days off.
 - (b) Call in shift trades worker on secondary days off.
 - (c) Call in Weekend Maintenance on days off.
 - (d) Assign day shift trades (10 hours group) as per H.S.S.A Article 1-Section H – Relief Personnel
- (22) A 5% account will be maintained for employees that request it for taking CWW leave as per (17) above. To minimize processing costs, pay out requests will be included on the leave request form when sent in for processing.
- (23) CWW Employees on the night shift will provide three and one half (3 1/2) hours relief coverage for CWW Employees on the day shift, in order the day shift crew may vote at the polls for federal or provincial elections.
- (a) Night Shift Employees will report three and one half (3 1/2) hours early for their shift and subsequently work fifteen and one half (15 1/2) hours. Compensation for time worked will be as per the Agreement. An additional two (2) hours pay at the Employee's straight time rate (for the shift) will be paid to those who are scheduled to work the fifteen and one half (15 1/2) hour shift.

- (b) Day Shift Employees will be relieved three and one half (3 1/2) hours early from their shift and subsequently will have worked eight and one half (8 1/2) hours. An additional three and one half (3 1/2) hours pay at the Employee's straight time rate (for the shift) will be paid to those who are scheduled to work the twelve (12) hour shift. These hours are paid as hours worked under the HSPF agreement.
 - (c) The Company and the Union agree that operating conditions during the fifteen and one half (15 ½) hour shift of election coverage require extra manning to ensure the safety of the employees and to mitigate any potential extra hardship on the operating crew(s) due to the extra length of the shift. The Company will schedule one extra person in each of the following areas: News/TMP, Power and Recovery and Kraft Mill. Scheduling will be the same as for work performed on Statutory Holidays – asking for volunteers on a seniority basis and if none are available, scheduling of the junior employee in each of the areas.
- (24) Except as outlined above, the terms and conditions of the existing Howe Sound Agreement remain unchanged.

G. Relief Personnel for CWW Shift Coverage (Interfacing "Days" with "Tours")

- (1) Classified Maintenance and Shipping Department personnel who are regularly scheduled as Day Workers and are scheduled to relieve CWW Tour positions for a duration of one (1) tour (4 shifts) or less, will be subject to these guidelines provided the employee is scheduled both as a Day Worker and Tour Worker within the seven (7) calendar day averaging period.
 - (a) The employee will be considered a Day Worker for the first two (2) CWW shifts scheduled and receive overtime payment of hours worked over eight (8) and

have banking privileges for hours worked over ten (10). This guideline does not provide an overtime meal except where notice has not been given.

- (b) The employee will be paid overtime payment for all straight time hours worked over forty (40) in the seven (7) calendar day averaging period.
 - (c) The employee who performs CWW relief work of over one tour will be considered a Tour Worker and adopt the Tour Workers' schedule of work and days off while they continue on the CWW schedule. When the employee comes off the CWW schedule, they return to the previously established shift schedule. The employee will have the option to work another day(s) in that week to make up the forty (40) hour workweek schedule.
- (2) Employees who are scheduled to an interface schedule and subsequently work a scheduled Sunday off will not lose the Sunday Letter option to work a lost scheduled day due to the interface schedule. An example of this schedule is on file at Standing Committee.
 - (3) At the completion of the relief assignment, the relief employees' total straight time hours will be reviewed and compensating time off will be granted without penalty to the Company.

H. Production Crew Scheduling

The following guidelines will be used in scheduling production crews where move-ups are required due to absences of any kind.

(1) Crew Move Ups

Crew move ups and relief supplied for the junior position is correct in the following instances:

- (a) All regular and supplemental vacations.
- (b) All floating holidays and Sunday Letter days.
- (c) Hourly relief supervision (4 tours or less)
- (d) Leaves of Absence (4 tours or less)
- (e) Sickness (4 tours or less).
- (f) Injury (4 tours or less)

(2) Crew Changes

Crew changes by department seniority (with certification where required) will be made for absences covered under (c), (d), (e) and (f) above, where it is known or expected that an employee will be absent from his/her regular crew for a period exceeding (4) tours.

A temporary posting will occur once the seniority move has been made. The vacancy will occur at the bottom.

Once an employee's retirement application has been received and confirmed, this position will go to the mill posting provision as provided for under Article 6.

Note: In most cases these seniority crew changes will be made at the start of the next averaging period.

(3) Crew Changes by Mutual Agreement

A permanent crew change between two employees in a Department will be made if:

- 1) Both employees are at the same level in the progression line.
- 2) Both agree to make the switch.
- 3) The Company determines after review, there are no adverse manning/crew issues.

- 4) The Company's permission will not be unreasonably withheld.

I. Clerical Memorandum

It is agreed between the Company and the Union (CEP Local 1119) that the following is the correct application of the HSPP Agreement with respect to the changes to the classified positions and the accompanying changes in personnel.

All work that is currently being done by the clerical department personnel will:

1. Continue to be done by the new clerical department personnel.
2. Not be reassigned either through contracting out or to Staff personnel.

It is understood that some clerical work may:

1. Be eliminated through the use of technology.
2. Be declared redundant and not performed in the future in any manner.

There are 12 classified positions in the clerical department. The clerical department positions, titles, and rates of pay are as follows:

Rates of pay are as per Exhibit A of the HSPP Collective Agreement.

1. Administrative Assistant

Maintenance	Level 3
Engineering	Level 3
Purchasing	Level 3
News/TMP	Level 3
Power and Recovery	Level 3
Kraft	Level 3

	Safety	Level 3
2.	Timekeeper	Level 4
3.	Payroll Administrative Assistant 1& 2 (2 Positions)	Level 3
4.	Accounts Payable 1 & 2 (2 Positions)	Level 3

It is agreed that there will be one progression line within the department – Timekeeper, Payroll Administration Assistant 1 and Payroll Administration Assistant 2.

Vacant positions in the clerical department will be posted within the clerical department before becoming available to other mill personnel through the mill job posting system. All positions within the clerical department will be filled by department seniority, except progression lines, where the lines will progress and the junior position will be filled in the same sequence as all other classified clerical department positions.

A comprehensive training program will be implemented to ensure that all personnel are fully trained. Part of this process will include identifying and resolving any training deficiencies in any of the department jobs. The training program will reflect the same high standard of acceptable minimum training as other areas of the Company. The Company and the Union agree that it is desirable to develop and implement job enhancement opportunities for the positions in the Clerical Department.

J. Overtime

- (1) No employee will work longer than a sixteen (16) consecutive hour shift, or more than sixteen (16) hours in one day.

- (2) No employee will work more than two (2) shifts as in (1) above in one calendar week.
- (3) There must be a minimum of an eight (8) hour break after working a sixteen (16) consecutive hour shift.
- (4) After working a second consecutive sixteen (16) hour shift in one calendar week, no overtime will be worked in the following twenty-four (24) hours.
- (5) There will be no pre-scheduling of sixteen (16) hour shifts except as follows:

Operations and Shift Maintenance Personnel:

- (a) Operating crews may be canvassed to determine whether they voluntarily agree to shifts to a maximum of sixteen (16) hours. (Refusal to work sixteen (16) hours will not jeopardize any overtime opportunity).
- (b) Where shift overlapping occurs before and after the regular shift (split shift) a 'change of shift' penalty will be paid if the 'call time' penalty does not apply.
- (6) Overtime reports, for monitoring purposes, will be provided to the Standing Committee on a monthly basis.
- (7) The Company and the Union agree that any time an employee works more than sixteen (16) hours in a day, it is a serious violation of this agreement. Therefore, the Company commits to a meeting between the Company President, General Manager, Union President and 1st Vice President to discuss and resolve the violation of this clause every time it is identified as having taken place.
- (8) Volunteer Mill Wide Extra Duty Overtime List

- (i) Mill employees will be registered by their mill seniority
- (ii) Regular department crews will be canvassed first
- (iii) Volunteers will be required to reapply by May 1st each year to have their names remain on the Mill Wide Extra Duty Overtime List
- (iv) A phone call will be made to each employee on the Overtime list until the volunteer requirements are filled. If no response, the employee will be deemed to be bypassed for this call and the scheduler will go onto the next senior person on the list.
- (v) Employees will be granted three (3) rights to refuse work at which time they will be removed from the list and will be required to reapply in the following year.

K. Hourly Relief Supervision and Lead Hands

These clauses are not intended to allow management to do bargaining unit work. It is agreed that the use of hourly relief supervision does not imply bargaining unit work is shared. All work identified in Exhibit A is bargaining unit work to exclusion of all others.

(1) Hourly Relief Supervision:

- (a) The Company to offer employees holding senior department positions the opportunity, at their option, to relieve supervisory positions on an interim basis. These employees will be required to successfully complete a training program consistent with the requirements of the position, and successfully demonstrate the necessary skills.
- (b) The Company, in consultation with the Union, will determine which areas require relief assistance.
- (c) The senior applicant will be selected on a department seniority basis. The Company will advise the Standing

Committee of those selected and review before implementation.

- (d) Hourly relief supervision will be done on a crew and/or area basis.
- (e) Crew changes to establish a single relief supervisor per crew is considered normal, but cross shifting to provide relief supervision will be voluntary.
- (f) Use of hourly relief supervision will not in any way restrict or affect employees' contractual leaves.
- (g) Hourly relief supervision will be restricted in the work they do, to the same extent as supervisors.
- (h) When an employee is scheduled to move up to the hourly relief position, the Company will fill all the jobs in the progression line.
- (i) Any temporary assignment greater than four (4) tours (or weeks) will be reviewed by the Standing Committee.
- (j) Pay for hourly relief supervisory positions will be 10% over the senior paid position in the line or lines of progression and the hours of work for relief supervisors will be as per the Howe Sound Agreement.
- (k) At no time will an hourly employee be required to discipline any other hourly employee.
- (l) Scheduling of hourly relief supervision is at the discretion of the department superintendent.

(2) Maintenance Hourly Relief Supervision:

The Company will utilize Maintenance Hourly Relief Supervision in the following areas:

- Newsprint/TMP Maintenance,
- Power & Recovery Maintenance,
- Pulping Maintenance.

General Guidelines:

- (a) This agreement may be cancelled by either party with thirty (30) days written notice or, if mutually agreed by the Union and Company, within seven (7) days.
- (b) The Company to offer senior Maintenance trades employees the opportunity, at their option, to work as Hourly Relief Supervisors.
- (c) Successful shift Trades applicants will be required to move to day shift for the one (1) year period. He/she will retain the right to the shift position at the end of the year.
- (d) The successful applicants will be required to successfully complete a training program consistent with the requirements of the position and successfully demonstrate the necessary skills.
- (e) Maintenance Hourly Relief will be established on a Crew/Area basis. The Company, in consultation with the Union, will determine which Maintenance Department areas will utilize Maintenance Hourly Relief positions.
- (f) The senior applicant will be selected on a crew/area seniority basis as established by the Standing Committee. Before implementation, the Company will advise the Standing Committee (for a review) of those selected.
- (g) Use of Hourly Relief Supervision will not in any way restrict or affect employees' contractual leaves.

- (h) At no time will an Hourly Relief Supervisor be required to discipline any other hourly employee.
- (i) Pay for Hourly Relief Supervision will be at Tradesman "A" rate plus ten percent (10%).
- (j) Use of Hourly Relief Supervisors will not result in any increase in contracting out of work.
- (k) Hours of work will be as per the Agreement.
- (l) Each position will be posted annually to provide an opportunity for other members of the affected department or area to work in this position.

(3) Lead Hands

General Guidelines:

- (a) This agreement may be cancelled by either party with thirty (30) days written notice or, if mutually agreed by the Union and Company, within seven (7) days.
- (b) The Company recognizes the value of hourly lead hands and the skills development opportunity for employees who apply for those positions. The selection process will be similar to that outlined in the apprenticeship program. The testing process will reflect the job skills required for the lead hand. The testing, interview and subsequent selection process will be reviewed and agreed to by standing committee before implementation.
- (c) The primary Lead Hand duties will be to ensure that the work activities of the designated group are scheduled and completed in a timely manner, while completing their regular job tasks.

- (d) Lead Hands will be required to successfully complete an essential training program consistent with the requirements of the position and the department. They shall successfully demonstrate the necessary skills including, but not limited to, the following:
- SAP Basics – Getting around in Equipment and Inventory
 - SAP Work Orders
 - Entering time Sheets
 - Reports: Overtime and Absenteeism
 - Leadership Course
- (e) A Lead Hand's vacation and contractual leaves will not be restricted by staff leave requirements. Contract leave will be unaffected by Lead Hand Assignments.
- (f) At no time will a Lead Hand be required to discipline any other hourly employee.
- (g) Pay for Lead Hands will be at Tradesman "A" rate or the senior rate in the department plus five percent (5%) and paid on a continuous basis (unless the employee withdraws from the position or the use of Lead Hands position is discontinued).
- (h) Use of Lead Hands will not result in any increase in contracting out of work.
- (i) Hours of work will be as per the Agreement.
- (j) Each position will be posted to provide an opportunity for members of the department or area to apply for this opportunity. The positions that would be posted are outlined in the 2009 Cost Savings Memorandum (Central Trades Lead Hand, Shipping Lead Hand, and Clerical Lead Hand).

(4) Lead Hand Training Specialist Planner

The Company will establish one (1) Lead Hand Training Specialist Planner who will be assigned to the Kraft Mill Department. The start of the trial period will be determined after consultation between the Company and the Union.

Job Duties:

- (a) Communicate and coordinate operational and maintenance activities in the Department.
- (b) Assist the Tour Foreman with Department Scheduling.
- (c) Provide assistance directing work force activities.
- (d) Assist in Department training activities.
- (e) Assist operating crews during operational problems and in problem solving.
- (f) Participate in operational inspections for safety and housekeeping.
- (g) Assist in managing and maintaining department training procedures and monitoring individual's training progress (schedules).
- (h) Assists in Area and Mill Shutdown Planning
- (i) Provide positional relief during dayshift as req'd (less than 3 hours except in an emergency).
- (j) Assist in collecting operational data for follow up of lost production events.

Qualifications:

- (a) The applicant must be trained to the #1 department position in his/her area.
- (b) The position must be offered on the basis of Seniority.
- (c) Training will be provided in Microsoft office programs and MOPS.
- (d) Must be organized, self motivated and flexible.

Rate of Pay and Hours of Work:

- (a) Daily schedule from 7:00 a.m. – 5:00 p.m., Monday to Thursday as per the 10-Hour Shift Schedule.
- (b) Rate of pay will be F1+ 5%.

(5) Hourly Maintenance Planner Positions

The Company and the Union agree that hourly maintenance planning positions will be posted within the bargaining unit. The company agrees to backfill for each successful trade's applicant from within the bargaining unit.

The position will be posted and the selection process will be similar to that outlined in the apprenticeship program. The testing process will reflect the job skills required for a planner as set out below. The interviews will be attended by the apprenticeship selection committee and the union president or their designate. The testing, interview and subsequent selection process will be reviewed and agreed to by standing committee before implementation.

The rate of pay for the Planner Level 1 will be Trades "A" rate plus 5%. After completion of Level 1 training, a step value will be added as the individual moves to Planner Level 2 within one (1) year. Following completion of Level 2 training, a step value will be added as the individual moves to Planner Level 3 within one (1) year. There will be a formal training program to achieve Planner designation levels.

All terms and conditions of the collective agreement will apply to these positions.

Job skills for a planner:

- Must have good craft skills

- Time management skills
- Good problem solving skills
- Good communication skills
- Good negotiating skills
- Good aptitude or paper/computer work
- Clearly understands instructions
- Good sketching ability

Must understand how maintenance functions within HSPP's organizational structure.

Maintenance planner's typical job description:

- Reviews requests for work
- Visits job site for clarification confers with requester
- Estimates the craft labour required reserves all stores material required
- Orders all non-stock material
- Ensures all resources are available before the work order is scheduled
- Develops standards for repetitive jobs
- Develops historical job estimates
- Develops and tracks craft/crew backlogs
- Determines labour capacity for schedule
- Prepares weekly schedule for approval
- Tracks work orders to completion
- Keeps completed work order file by equipment number

Keeps the information showing:

- Date of repair
- Work order number
- Accumulated down time

- Cause code
- Priority of work
- Actual labour
- Actual materials
- Total cost
- Year-to-date and life-to-date costs
- Tracks all equipment information including spare parts and manuals

Works with engineering to establish and optimize preventive maintenance programs.

Training

Planning and scheduling

Storeroom operations

Preventive/Predictive maintenance

Basic equipment care

PM optimization

Project management

CMMS

Root cause analysis

Lean maintenance

L. Rigger

A rate of pay for 'Rigger - after 3-years' will be the same as the fourth (4th) year apprentice.

M. Time Line Positions

In reference to Exhibit "A", time line positions:

- (1) All progression time lines are referencing calendar days. For those employees who work in time line positions on a part time basis, twenty-one (21) shifts (one hundred sixty-eight (168) hours) will be equal to a thirty (30) calendar day period.
- (2) Lube Mechanics' rates to be as per the Job Evaluation program, Policies and Procedures Section 6.

- (3) When the Pulp Machine Utility employee is signed off as trained on the next job in the progression line, the Utility (over six (6) months) rate will apply.
- (4) The pay rates for the Payroll Floater category will be applied the same as for the Payroll Clerk.
- (5) Tool Crib Attendant

When filling this position, the first utilized would be tradespersons with the greatest need requiring an accommodation. Anyone other than a certified trade will be trained to ensure that the equipment is maintained in compliance with the appropriate maintenance or legislative requirements. The time spent by a non trades employee in this position will be cumulative for the calculation of the pay scale in Exhibit A. An employee with a T.Q. filling this position will be paid "A" rate.

The training program to support this initiative will be developed within three (3) months of ratification.

N. Casual Employees

(1) General

- (a) Casual Employees are groups of employees who are regularly employed on a temporary basis.
- (b) The Company is not required to use the same hiring criteria as for regular employees.
- (c) The mill seniority date for all new hires into the Casual Pool will be their date of hire which then applies for all seniority applications within the Casual Pools.
- (d) From the signing date of this Agreement forward, the number of Casual Employees that can be hired will be twenty (20) maximum. If the numbers in the Shipping

Labour Pool are reduced, the number of casuals will be reduced on a one (Shipping Labour Pool) to one (Casual Employee) ratio at the same time. It is not the intention of the Company to replace regular mill employees with Casual Employees. The number in each mill labour pool will be the number at the date of ratification (May 1, 2008).

- (e) Casual Employees do not have an established regular schedule of days off, or work.
- (f) Casual Employees will only qualify for benefits under the Howe Sound Agreement as specified in Section Three (3) Benefits. .
- (g) Casual Employees will work as scheduled but will be granted leaves of absence for reasonable periods of time, provided arrangements are agreed upon in advance with the area supervisor. All leave requests will not be unreasonably denied.
- (h) Casual work will be assigned on a weekly basis in units of one (1) to five (5) shifts. For confirming work assignments, a reliable communications contact is required of each Casual Employee. A Casual Employee scheduled for an assignment, who has not confirmed by 3:00 P.M. (day prior to workday), will be bypassed for that assignment.
- (i) When the Company is unable to contact a Casual Employee for three (3) consecutive work assignments without previous authorization for leave, the employee's service will be terminated.
- (j) Red circled "A" and "B" casuals will work under the casual language of the 2003 contract until their status is resolved to both parties' satisfaction but within a twelve (12) month period.

Area Guidelines

- (a) **Longshoring Only:** The Shipping Casual Pool will be utilized to supplement the Mill Longshoring Crew. The order of call will be as per Article 11 Longshoring of the HSPP Supplemental Agreement.

- (b) **Shipping/Labour:** At the discretion of the Company, Casual Employees will be assigned mill-labouring work on a need basis when regular department crews are not available. Labour work is all work paid at base rate. Department crews will be offered the work assignment on an overtime basis prior to using Casual Employees. These Casual employees will provide relief coverage for the Mill Janitorial Crew on a needs basis. At the discretion of the Company, when a full time Janitorial position becomes available, it will be filled as per Section 6 Job Posting. If the position remains unfilled after the posting process, it will be offered to the senior Casual Employee. Once a Casual Employee has accepted and passed the probationary period (for Longshoring Casuals only), the employee will receive all rights and conditions of the Howe Sound Agreement with the exception of the right to bid for, or move to work other than Janitorial work.

The Longshoring Casual employee filling such position will serve a thirty (30) day probationary period. An unsuccessful probationary period will result in the employee being returned to his or her former status. The employee also retains the right to return to his or her former status within the thirty (30) days, if one elects to do so.

(2) Benefits

Hourly Wages

Hourly Wages for work performed will be at the same rates as in "Exhibit A" of the Howe Sound Agreement.

Overtime

Overtime rates of pay for Casuals will be paid at time and one-half as follows;

- Over eight (8) in one day or in excess of eight (8) consecutive hours,
- Over forty (40) in one week,
- For work performed on Statutory Holidays (double time for the Christmas period).
- For all work performed on Sunday will be paid as per Article VI of the HSPG agreement.
- Banking of overtime as per the Agreement will apply.

Change of Shift Penalty

A change of shift penalty under the Agreement will apply to any call after 3:30 PM of the previous day that involves a change in shift.

Allowance for Failure to Provide Work

An allowance for failure to provide work will apply under the HSPG Agreement Article IX, Section 1 and 2.

Pulp & Paper Industry Pension Plan

The Company and Casual Employees will contribute to the Pulp & Paper Industry Pension Plan in accordance to the Plan guidelines.

Welfare Plan Benefits

(a) Medical Services Plan

The Company will provide basic medical coverage (MSP) for all Casual Employees and their eligible dependents.

(b) Supplemental Welfare Plan Benefits

Casual Employees will, in lieu of benefits, receive a benefits allowance of 2.75% of gross earnings.

Casual Employees who work more than eight hundred (800) hours per contract year may elect to enroll in the optional plans and not receive a benefits allowance of 2.75%.

Casual Employees who work sixteen hundred (1600) hours in a contract year will receive all benefits under the Agreement for the following year. If the hours drop below sixteen hundred (1600) hours in the following year, that Casual employee will revert back to the over eight-hundred (800) hours benefit (above) in the next year.

The time spent on weekly indemnity will be counted as time worked for the purpose of calculating hours in a contract year. For the purpose of clarity and calculation, the Company will take the hours that the employee worked for the preceding 12 months and use this as a calculation to determine the amount of hours the employee would be eligible for while on weekly indemnity.

(c) The Optional Plans are:

- (i) Extended Health Benefit Plan (the Carrier) individual and dependent coverage.

(ii) Dental Care Plan (the Carrier) individual and dependent coverage.

(iii) Life & AD&D insurance, individual coverage.

	Group Term Life	AD&D
Ratification date	\$49,250	\$49,250
May 1, 2013	\$49,250	\$49,250
May 1, 2014	\$50,250	\$50,250
May 1, 2015	\$51,550	\$51,550
May 1, 2016	\$53,100	\$53,100

(iv) WI Program on a pro-rated basis as amended in the 2012-2017 agreement (developed during the 2003-08 agreement).

(d) The Company will pay benefit plan premiums (100%), except the WI program, which will be a 70% employer, 30% employee, cost split.

(e) All welfare plan enrolments are subject to the qualifying conditions of the Plan.

(f) There will be no duplication of plan benefits with spouse of Casual or Regular Full-time Employees of the Company.

Statutory Holiday and Floater Holiday Pay

In lieu of Statutory Holidays and Floater Holidays, Statutory Holiday and Floater Holiday Pay will be 4.5 % of gross earnings.

For the purpose of calculating overtime, the basic forty (40) hour work week shall be reduced by the number of Statutory Holidays in any week in which recognized paid Statutory Holidays occur. The Company agrees Sunday Letter and Statutory Holiday time earned will be carried

over to the following week when sufficient straight time hours are unavailable that week.

Vacation Pay

In lieu of vacations, vacation pay will be calculated on a percentage basis as per the Agreement. Vacations will be based on the number of total years employed by the Company in any capacity. ie. ,2nd full year = 6-½%, 7th full year = 8-½% 14th full year = 10-½%, etc. (A “difference calculation” would be performed at the end of the contract year and paid immediately)

All earnings in lieu of Benefits (2.75%), Statutory Holidays and Floater Holidays (4.5%), and Vacation Pay may be banked and converted to paid time off at base rate. When taken, time off becomes pensionable earnings.

Other

Casual Employees will receive annual subsidies as per the Howe Sound Supplemental Agreement for:

- One (1) pair of safety footwear, annually, and
- One (1) set of raingear, annually.
- Safety prescription eyewear, as per the HSPP policy.

O. Ten (10) Hour Shift Schedule

The following terms and conditions will apply to those employees following the ten (10) hour day shift schedule.

(1) General

- (a) The Parties agree to the following terms and conditions with respect to employees who are assigned to a ten (10) hour day shift schedule for Maintenance Trades day workers and the following support group day workers:

- Three (3) clerical positions: Maintenance administrative assistant, Engineering administrative assistant, Purchasing administrative assistant
 - All positions in Mill Stores
 - Training Centre Trainer
 - All positions in the Yard that provide split coverage Monday to Thursday or Tuesday to Friday.
- (b) The ten (10) hour shift schedule is intended to be consistent with the terms and conditions of the Howe Sound Labour Agreement between the Parties, and is not intended to restrict the Company's ability to schedule.
- (c) With the exception of the articles amended by this ten (10) hour shift schedule Memorandum, all other articles of the Howe Sound Labour Agreement apply.

(2) Definitions

- (a) The word 'day' means a period of twenty-four (24) hours beginning at 07:00 hours.
- (b) The word 'shift' means a scheduled period of ten (10) consecutive hours beginning at 7:00 a.m.
- (c) The normal schedule of work under this agreement is four (4) consecutive ten (10) hour days beginning Monday at 7:00 a.m. and ending Thursday at 5:00 p.m., followed by three (3) consecutive days off. It is agreed that there are specific areas where a different shift will be necessary. This shift is identified as four (4) consecutive ten (10) hour days beginning Tuesday at 7:00 a.m. and ending Friday at 5:00 p.m. Currently the areas where the two (2) shift scenario applies are mill stores and yard services. Other groups identified as requiring two (2) shifts will be brought to Standing Committee. No personal clean up time is provided.

- (d) The word 'week' means a period of seven (7) calendar days beginning at 07:00 hours on Sunday.
- (e) An afternoon shift starting at 7:00 pm until 5:00 am may be implemented during the major annual Kraft Maintenance Shut.
- (f) An afternoon shift starting at 5:00 pm until 3:00 am may be implemented during the maintenance shuts or during emergency breakdowns.
- (g) When an employee is scheduled to an afternoon shift, rest time provisions will apply when returning to dayshift.

(3) Implementation Conditions

The implementation of this schedule will be on the conditions that:

- (a) This schedule shall apply to the Maintenance Trades and day worker group only, as defined in: (1) General (a).
- (b) Overtime will not be paid if incurred as a result of implementing or discontinuing the ten (10) hour shift schedule within one week (7 calendar days) in or out.

(4) System of Schedules and Scheduled Days Off

The system of scheduling employees, and assigning an employee's days off will be to work a period of ten (10) consecutive hours of four (4) consecutive days starting Monday 7:00 a.m. to 5:00 p.m. followed by three (3) consecutive days off, or a period of ten (10) consecutive hours of four (4) consecutive days starting Tuesday 7:00 a.m. to 5:00 p.m. followed by three (3) consecutive days off.

(5) Breaks

The ten (10) hour shift schedule will include two (2) meal/rest breaks of twenty-five (25) minutes each at 10:00 a.m. and 13:00 p.m. Meal/rest breaks may be adjusted for the purpose of accommodating emergency work. Adjusted meal/rest breaks will be without penalty to the Company and the Employee. The HSPS Supplemental Agreement, Article 10 B.(1) is not altered by this agreement. An additional ten (10) minute break will be provided if an employee is asked to work overtime of more than one hour.

(6) Call in System

As per current guidelines.

(7) Shift Differential

For afternoon shift, shift differential will apply.

(8) Overtime

Overtime at the rate of time and one half will be paid on the following bases:

- (a) For all work in excess of ten (10) hours in any one day or in excess of forty (40) hours in any one week.
- (b) For work performed on an employee's designated day off as provided for in (2) Definitions, subsection (c) above.

(9) Banking of Overtime

Employees working under this agreement, who work in excess of ten (10) hours in a day, shall be paid as per the HSPS agreement. The employee shall have the option of banking hours in excess of ten (10) hours and therefore be paid at

straight time for those hours in excess of ten (10) hours and taking equivalent paid time off at the hourly rate for the job when the work was performed, at a time suitable to the employee and the Company. For review after a one (1) year period to determine if there has been a reduction in banking, with the ability to re-enter discussions on banking of overtime.

(10) Overtime Meals

Any employees working under this agreement required to work more than one (1) hour beyond the end of their regular scheduled ten (10) hour shift, shall be furnished a hot meal (stored and heated on site) or a meal allowance. The value of the meal shall be maintained at the equivalent of the meal allowance as is the current practice.

The meal will be taken at the usual meal time (5:00 pm) furnished by and at the expense of the Company. If the worker continues to work, a hot meal or meal allowance will be provided every four (4) hours thereafter.

The meal may be eaten on Company time or alternatively, the Company may allocate one-half hour and the employee eats on their own time.

(11) Floating Holidays

Employees following the ten (10) hour shift schedule shall be granted five (5), ten (10) hour (Personal) Floating Holidays.

(12) Grouped Hours

For employees working under this schedule, the following rules apply to the taking of banked overtime and Deferred Statutory Holidays:

- (a) When only banked time off is requested, it must be taken in units of not less than two (2) hours.

- (b) Deferred Statutory Holidays will be taken in units of not less than eight (8) hours. This time may be coupled with accumulated banked overtime, Stat-in-Lieu time, unpaid leave, or any combination of these hours to facilitate taking time off in ten (10) hour units.
- (c) Time off hours will be taken out of the “overtime bank” in the same order as they went in (i.e. first in, first out).
- (d) Employees may take two (2) hours from accumulated banked overtime, Stat-in-Lieu time, unpaid leave, or any combination of these hours to supplement Statutory Holiday pay, if they would normally have worked a ten (10) hour shift that day.

(13) Bereavement Leave

Compensation for bereavement leave as defined in Article XIII – Bereavement Leave in the Howe Sound Agreement will be for a maximum of thirty (30) hours (three (3) days).

(14) Supplementary Vacations

Employees may elect to take their earned Supplementary Vacations one day at a time according to the schedule as outlined in Article XVI, Section 2.(d). When this option is chosen, Supplementary Vacations will be taken in not less than eight (8) hours. This time may be coupled with accumulated banked overtime, Stat-in-Lieu time, unpaid leave, or any combination of these hours to facilitate taking time off in ten (10) hour units.

(15) Maintenance Hourly Relief Supervision

For the Purposes of the ten (10) hour shift schedule, the Company requires the reinstatement of Maintenance Hourly Relief Supervision as defined in 1.L.(2) & (3) of the Howe Sound Supplemental Agreement.

(16) Discontinuation of the Ten (10) Hour Day Shift Schedule

This schedule may be cancelled by either party with thirty (30) days written notice, or within seven (7) days if mutually agreed by the Union and Company. In the event of the cancellation of this Memorandum, the scheduling of shifts will revert to pre ten (10) hour shift conditions.

P. Weekend Maintenance Coverage

A 6 man crew comprised of the following trades will be selected for weekend maintenance coverage:

- 2 Millwrights
- 1 Welder
- 1 Lubrication mechanic
- 1 Pipefitter
- 1 Heavy duty mechanic

Supervision for the the crew would be by a working Lead Hand selected by a joint Union/Management committee. The selection process will be similar to that outlined in the Apprenticeship Program.

The work schedule will be 12 hour shifts commencing at 7:00 A.M. on Friday, Saturday, and Sunday. Every third week, the weekend schedule will include a 12 hour shift on Thursday commencing at 7:00 A.M. and ending at 7:00 P.M.

Vacancies will be filled with the Mill posting system and offered by Department Seniority. If there are no volunteers, the Company will fill these positions by recruiting externally. Until that time, junior members of each department will be assigned to these positions. Any requests for change in complement will go through Standing Committee for mutual agreement.

The pay for the 12 hours shifts defined in this agreement will be as follows:

- 12 hours at straight time for all regularly scheduled shifts
- All work on Sundays will be per the Collective Agreement
- Overtime for any work beyond 12 hours in a day
- Overtime for any work scheduled beyond 36 hours for those weeks with 36 hour schedules as defined in this agreement
- Overtime for any work scheduled beyond 48 hours for those weeks with 48 hour schedules as defined in this agreement
- Shift differential will be paid as per the Collective Agreement
- Floating holiday pay will be 12 hours for each day defined in the Collective Agreement.

All terms of the HSPP Collective Agreement not varied by this agreement will remain in effect.

Weekend maintenance employees will be notified of their work schedule as per Article XVII – Statutory Holidays. Weekend maintenance employees would not normally be scheduled for work on Statutory Holidays. If scheduled and worked, premiums associated with work on Statutory Holidays will be paid as per the Collective Agreement. Where a Statutory Holiday results in an employee working less than 36 hours in a week, the employee will be offered make-up hours to make the schedule whole. The employee will have the option of using banked hours to make up the hours lost as a result of the Statutory Holiday.

Bereavement Leave

Compensation for bereavement leave as defined in Article XIII-Bereavement Leave in the Howe Sound Agreement will be for a maximum of thirty-six (36) hours (three (3) days).

Vacations will be taken in blocks of 36 or 48 hours depending on the week scheduled. A 48 hours week can be scheduled with 40 hour vacation week and 8 hours leave of absence or 8 hours of

other leave (not including Floating Holidays) at the employee's option. Any remaining hours of vacation left that are less than a full block may be taken as a single block.

Q. Rest Time

Rest Time is paid time off earned by Maintenance and other workers called in outside their regular schedule to support maintenance repair activities.

To qualify for rest time compensation the employee must:

- (a) Be scheduled to work the day shift immediately following the call in.
- (b) Work between the hours of 11:00 p.m. and 7:00 a.m. (Qualifying Hours)
- (c) Not be called in between the hours of 5:00 a.m. and 7:00 a.m.

The amount of Rest Time earned on any call-in will be equal to the number of hours worked between 11:00 p.m. and 7:00 a.m. Rest Time hours will qualify as hours worked for the purpose of calculating the work week.

In the event a worker qualifies for 8 (eight) or more hours of Rest Time, the worker will be deemed to have qualified for 10 (ten) hours of Rest Time and will be excused from their regular shift.

In the event a worker qualifies for between 6 (six) and 8 (eight) hours of Rest Time, they will have the option of applying other time-off, including Unpaid Leave of Absence, to be excused from reporting to work the following day. For purposes of calculating the work week, whichever other time off is used, the current standard rules will apply.

It is the responsibility of the worker to inform their supervisor or the supervisor on call, in the event they chose to exercise their options not to report for work the day following the call in.

Rest Time cannot be “banked”, it can only be used on the day immediately following the call-in.

If the job continues into the employee’s next scheduled shift, the employee may elect to apply the Rest Time qualification to the latter part of their shift that immediately follows the call-in.

Rest Time provisions will be instituted on a trial basis. This trial will be reviewed one year from implementation date.

It is agreed that the Rest Time agreement can be cancelled with 30 days written notice by either party, or immediately if both parties concur.

R. Travel While on Company Business

Employees who are to travel while on Company business are subject to the following guidelines:

- (a) Travel itineraries require a pre-travel approval.
- (b) Compensation for the seven (7) day workweek (Sunday-Saturday) is equalised.
- (c) Additional compensation will be provided hour for hour for all “travel” time required outside the regular work schedule. Alternately, both the time and pay may be deferred into an “hour bank” and taken at a later date.
- (d) Compensation for travel will not create additional penalties to the Company.
- (e) Single day “volunteer” business travel will be reviewed for appropriate compensation.

2 - CLOTHING AND TOOLS

A. Coveralls - Annually

(1) Welders

The Company will supply annually, three (3) pairs only of bib-type coveralls or three (3) pairs only of mill issue coveralls. The Company will also supply annually, one (1) only denim jacket or, every two years, one (1) only leather welder's jacket.

(2) Classified Utility/Recovery Assistant

The Company will supply annually two (2) pairs of coveralls for each Classified Utility employee in Recovery and Fiber Line departments and to the Recovery Assistant (Kiln).

B. Supplying of Coveralls for Work in Dirty Areas of the Mill

Coveralls will be supplied to all employees when required to work in dirty areas.

C. Supply of Aprons for Tinsmiths and Carpenters, and Tool Pouches for Instrument Mechanics and Electricians

(1) The Company will supply annually each Tinsmith with one (1) leather apron for shop use if required.

(2) The Company will supply each Carpenter with cloth aprons as required upon authorization.

(3) The Company will supply each Instrument Mechanic and Electrician with tool pouches and will be distributed on an "old for new" basis with a wear expectancy of five (5) years.

D. Replacement of Lost Tools

The Company will replace lost tools of employees only when the following conditions have been met:

- (1) The Supervisor is convinced that the tool was lost by the employee concerned on a job and under conditions that are factual.
- (2) The lost tool is part of a tradesman's normal required set of tools.
- (3) The value of the lost tool is over \$5.00.

Each case must be handled on its own merits and replacements will be ordered after the superintendent concerned has investigated and is convinced that the request is bona fide.

It should be noted that tools, which have been stolen or mislaid due to carelessness on the part of the employee, are not covered under this agreement.

E. Purchasing of Tools - Apprentices

Only trades' apprentices will be given the opportunity for payroll instalments for the purchasing of tools. Tools purchased must be a minimum of two hundred dollars (\$200.00) to a maximum cumulative transaction of two thousand dollars (\$2,000.00) and payments must be completed within the term of the apprenticeship.

On successful completion of the apprenticeship the Company will reimburse the apprentice fifty percent (50%) of the cost of tools bought under this clause, to a maximum of one thousand dollars (\$1,000.00).

F. Safety Equipment Subsidies - Eyeglasses & Footwear

- (1) The Company is to maintain an appropriate prescription safety eyewear program for any employee requiring prescription safety glasses.
- (2) Employees shall be entitled to a safety footwear allowance of two (2) pairs per annum. The allowance for the first pair may be stacked over two (2) years:

1 st Pair	80%
2 nd Pair	80%

All footwear has a one hundred eighty dollar (\$180.00) retail limit each pair, excluding GST.

Employees with special footwear requirements may have their case addressed through Standing Committee.

Receipts outlining proof of purchase of footwear should be submitted to the Accounting Department, where on the employee will be reimbursed in cash. Personnel purchasing safety footwear by payroll deduction will have the subsidy subtracted from the deductions.

- (3) Employees may make purchases from the on-site "Boot Truck". Any purchase to be paid off in its entirety through an immediate payroll deduction.

G. Gloves

The Company is to maintain an appropriate policy for gloves to employees as required in their work (*i.e.*, heat resistant, chemical resistant, etc.).

H. Issuing of Rainwear

The Company will supply annually one (1) set of rainwear to employees regularly assigned to work in rainy weather conditions. Employees requiring replacement rainwear within the one year period will be subsidized 50% of the Company cost and all rainwear, partial or complete sets, will be issued on an exchange basis (worn or damaged for new).

Employees requiring superior rainwear may purchase through the Company and pay the difference by payroll deduction. Special applications may be addressed through Standing Committee.

3 - HEALTH & WELFARE

A. Medical/Dental Travel & Accommodation Plan

The provisions of the "Medical/Dental Travel and Accommodation Plan" are subject to the limitations in the contract of the selected carrier.

Cost sharing of the premium for this benefit will be 100% by the employer. The plan will be compulsory for all eligible employees and will not duplicate benefits provided now or which any government program may provide in future.

(1) Terms and Conditions

- (a) Where, in the opinion of the attending physician or dentist, treating a member employee and/or registered dependents, adequate treatment is not available locally, transportation costs will be provided to facilities in the Greater Vancouver area which are equipped to provide the required and recommended medical treatment or oral surgery. Provided, such treatment is performed by a member of the College of Physicians and Surgeons of British Columbia or a member of the College of Dental

Surgeons of British Columbia and occurs within six (6) months of the attending physician's/dentist's referrals.

- (b) Where necessary, and at the request of the attending physician/dentist, provision for transportation of an attendant in connection with the aforementioned transportation of any employee or registered dependents.
- (c) Also, where transportation has been provided to the Greater Vancouver area where adequate facilities are available, provision for assistance regarding accommodation is limited to commercial facilities for the patient and attendant before and after medical treatment and shall be limited to a total of seven (7) days.

(2) Definitions

- (a) "Registered Dependents" are defined as:
 - (i) the spouse of the employee, and
 - (ii) any child, step-child, legally adopted child, or legal ward of the employee (including a child in respect of whom an adult stands in place of a parent) who;
 - Is supported by the employee and is not married, and is under the age of 21 years, or
 - Is in full time attendance at a school or university and who is ordinarily resident in British Columbia.

(3) Applicable Costs

- (a) Travel Costs – the Company will provide reimbursement for travel costs upon presentation of proof of travel to a medical/dental appointment off the Sunshine Coast. The amount of reimbursement shall be eighty dollars (\$80.00). The reimbursement shall be adjusted each May 1st by the negotiated wage increase. Verification of reimbursement

will be a medical/dental referral or equivalent documentation.

- (b) Overnight accommodation assistance to a maximum of one hundred twenty five dollars (\$125.00).

(4) Claims Procedures

Forms are available from the Human Resources Department. They should be completed by the employee and returned with receipts for applicable expenses.

The terms and limitations of the plan as provided by the carrier will apply and the plan will not be subject to the Adjustment of Complaints article of the Howe Sound Agreement.

B. Retiree Benefits

- (1) The Company is to provide medical (MSP) and extended health benefits (Pacific Blue Cross) to all present and future retirees. The two (2) plans will be at parity to the regular payroll employees.
- (2) All active employees on the date of ratification with less than ten (10) years of service will qualify for Retiree Benefits under the following slide scale.

Retiree Benefits	
Age	Years of Service
55	10
56	8
57	6
58	4
59	2
60	0

Note: This amendment does not preclude either party to seek a third party opinion on the interpretation of the language in this section.

- (3) For those regular full time employees with ten (10) or more years of current active service, who elect to retire at age fifty-five (55) or older, will have medical and extended health benefits continued by the Company. Plan coverage will be for the employee and his or her eligible dependents, subject to the qualifying conditions of the plans.
- (4) The medical and extended health benefits for the employee's spouse and eligible dependents will continue a minimum of ten (10) years from the employee's date of retirement.
- (5) Where the surviving spouse and dependents of a deceased retired employee are not covered by such plans of their own eligibility, the Company will extend the coverage under the plans for a period of six (6) months. Coverage will commence on the first of the month following the month in which the death occurs.

C. Committee Responsibilities

At HSPP, the Union Welfare Committee and the Management Welfare Committee as described in Exhibit "C" shall be the Joint Health & Welfare Committee. The Committee will have up to five (5) members on each side with additional duties as described.

- (1) Reviews/monitors health and welfare programs.
- (2) Reviews contract renewal, data and experience reports from insurance carriers recommending increases or premium holidays as required.
- (3) Distribute information to employees regarding all benefit information.

- (4) Participation in the Rehabilitation and Reintegration Program (Accommodation Program) as described in the Letter of Understanding from October 7, 1994 and defined in the policy.
- (5) Dispute resolution will consist of union members appointed by the union executive and of staff appointed by management as provided for in Exhibit "C" Welfare Plan, Section 12 and 13.

4 - HOLIDAYS, VACATIONS AND LEAVES OF ABSENCE

A. Deferred Statutory Holiday - Statutory Holidays Falling on Scheduled Days Off

The following will be applied relative to a statutory holiday falling on an employee's scheduled day off.

- (1) Any employee whose day off falls on a statutory holiday may, at his/her election, take equivalent time off in lieu of the statutory holiday provided:
 - (a) The employee applies for the deferral seven (7) days in advance of the statutory holiday, and the deferred statutory holiday pay will be paid when the deferred statutory holiday time off is taken.
 - (b) If the deferred statutory holiday time is not taken by the end of the contract year following the contract year in which it is earned, the Company shall pay the deferred statutory holiday pay and the deferred statutory time off will be forfeited.
 - (c) The deferred statutory holiday time when taken, will be used in the computation of the forty (40) hour workweek.
 - (d) It is understood that the scheduling of the deferred statutory holiday time off will be on a "non demand" basis.

B. Exchanging of Shifts by Mutual Agreement

A mutual exchange of shifts may be arranged between work mates, with the approval of the employees' supervisors and provided there is no additional cost or penalty to the Company. When agreements are made to mutually exchange shifts, the reciprocal shift must be scheduled to occur within 30 days, otherwise the request for mutual exchange will be refused. Any mutual agreement for employees to exchange shifts must involve the Shop Steward. Whenever employees request a mutual exchange, the Shop Steward must sign the mutual exchange form used for this purpose.

C. Sunday Letter Option

Reference: Standing Committee Meeting 1965, 1970

Any employee required to work on a Sunday that has been designated as one of their regular days off, either scheduled in with notice or called in for an emergency will, at their option, take equivalent time off during the week or work the equivalent time at time and one half at the end of the work week.

If the employee elects to take equivalent time off, the time off will be arranged mutually by the employee and his supervisor.

Any penalty payments and/or equivalent time off referred to in the above will be in accordance with the Howe Sound Agreement, Statements of Policy, Article VI, Hours of Work.

D. Union Business Leave of Absence - Unpaid

All leave of absence requests for Union business (local and national levels), regardless of the length of employee leave requested, must be referred to the Human Resources Department for consideration. These requests are normally handled by written request from the Union followed by authorization from the Human Resources Department.

Overtime shall not be a factor in the granting of leave for Standing Committee, Wage Delegates and Health & Welfare Committee members. This does not prejudice the application of Article XIV, Section 1, of the Howe Sound Labour Agreement.

E. Banked Time Off

Banked time off may be taken in increments of two (2) hours and is to be arranged mutually by the employee and his or her supervisor without relief coverage provided.

F. Contractual Leave

Any Leave request that is denied will be returned with a written reason for the denial. Copies of the Leave requests will be available to the Local for review.

5 - SENIORITY

Both parties understand that these ground rules are in effect upon signing of this agreement and will not be applied retroactively.

A. Definitions

- (a) Mill Seniority: Retroactive to the date of hire upon completion of the probationary period.
- (b) Department Seniority: Date than an employee enters the Department.
- (c) Job Seniority: Length of service in a given job classification.
- (d) Apprentice Seniority:
 - (i) Mill Seniority date of hire – After successful completion of three years of the apprenticeship, an apprentice will be credited with three years

journeyman job seniority in his indentured trade for the purpose of layoff protection.

- (ii) Job Seniority – After successful completion of the apprenticeship (red seal certification), the now journeyman will be credited with their indenture period for the purposes of determining department seniority.

B. Temporary Positions

Employees will maintain their classified job seniority while moved to another temporary full time position.

C. Labour Pool Seniority

Transfer from a CWW Labour Pool:

The affected employee has the right to exercise his/her mill seniority to bump the most junior employee assigned to a CWW Labour Pool in the mill, before being assigned to day shift work on an ongoing basis.

Transfer from a Day Shift Labour Pool:

- (a) The affected employee has the right to exercise his/her mill seniority to bump the most junior employee assigned to a day shift Labour Pool before being assigned to a CWW Labour Pool on an ongoing basis.
- (b) Department Labour Pool seniority within the crew shall be recognized in instances such as overtime call-ins, statutory holidays and crew move ups as per Article 1 Section I, 1 of the Supplemental Agreement.
- (c) Transfer from any Labour Pool will follow the principle of “Last in – First out”.

- (d) When a Labour Pool employee is transferred from a Labour Pool, the employee is “Red Circled” and has the option to return to his/her original pool, on a one-time basis, when an opening is available in that pool.

Department to Department Labour Pool moves:

- (a) Labour Pool employees who voluntarily transfer to an alternate Labour Pool will start at the bottom of the new department’s Labour Pool seniority list.
- (b) The Standing Committee, in consultation with Health & Welfare Committee will conclude transfers due to Disability Employment Program or Job/Workplace Accommodations.
- (c) For those spare crew employees who voluntarily transfer to an alternate Labour Pool to cover for a 30-day move up and this position becomes unavailable, he/she shall have the option to return to his/her original department Labour Pool with no loss of seniority.

Current Mill Labour Pools are:

- (a) Yard
- (b) Shipping
- (c) Power & Recovery
- (d) Newsprint/TMP
- (e) Kraft Mill (Pulping Group)

6 - JOB POSTING

A. Progression Line, Non Progression Line and Non Trades Day Worker Positions

A job posting system for vacant hourly positions will be applied when the Company declares a permanent opening exists. Ground rules and procedures for the system are as follows:

All full time regular employees may make application for future job vacancies by submitting their names to the HR Department subject to the following:

Application:

- (1) Job postings will be publicized for fourteen calendar days on all notice boards and the intranet.
- (2) Employee's responding to job postings must obtain a "job posting application" from the gatehouse or HR, complete it and return it to the gatehouse or HR prior to the posting deadline.
- (3) If the employee is going on contractual leave longer than fourteen days, he/she can notify HR in writing of their wish to be considered for desired job postings while away from the mill.
- (4) Any employee who has been contacted and informed of a successful bid must confirm acceptance within 48 hours.

Positions:

All entry positions in lines of progression and all non-progression lines and non-trades Day Worker's jobs. A list of all positions available will be posted on the mill Intranet and at HR for review. When a change is made to the list of positions, a new list will be posted on the mill Intranet and all Bulletin

Boards. When a position is filled using this job posting system, a notice will be posted on the Mill Intranet and all Mill Bulletin Boards.

Qualifications:

Employees must meet the qualifications of the position(s) applied for when any position is open to be filled. A list of all qualifications will be available on the mill Intranet and at HR. Accommodated employees will be considered for posted positions provided that they have ability to perform the work. Qualification will also include the following:

- Physical job requirements,
- Education level,
- Certifications,
- Licensing, and/or aptitude requirements of the position,
- Acceptable work record with the company,
- Ability to progress in lines of progression.

Transfer Conditions:

- (1) Providing the employee meets the above qualifications and has the ability to perform the work, the Company recognizes the principles of seniority in their application to the transfer.

- (2) In all cases, the employee selected to fill the posted position will serve up to a thirty (30) day (4 CWW Tours, 32 day) probationary period in the new department. When there is no significant change in the employee's existing job and no change in the job the employee is bidding into, then the individual has up to 30 days within a one year period to try that specific job.

When transferring:

- (a) The employee will retain seniority in his/her former department during the probationary period.
- (b) An unsuccessful probationary period performance will result in the employee being returned to the former department.
- (c) The employee also retains the right to return to the former department within the thirty (30) day (4 CWW Tours, 32 day) period if one elects to do so.
- (d) The employee's former position will be filled by a crew move-up until the thirty (30) day (4 CWW Tours, 32 day) period has elapsed. After thirty (30) days, if the department seniority move has not been made then ghosting will apply. Any vacancy created by a job-posting move will be filled with a temporary job posting in the departments affected. This application of crew moves will be specific to this clause and not precedent setting anywhere else in the Agreement.
- (e) Employees who have accepted the position will not be able to bid on another posted position until two (2) years have elapsed. **Exception:** Trades Apprenticeships.
- (f) Employees will be eligible to be selected for, and begin, one (1) posting in a twelve (12) month period. If an employee relinquishes their position prior to beginning the probationary period, the posting will not count under this clause. The probationary period shall not commence in the posted position until after the employee has had a one (1) day indoctrination period in their new classification.
- (g) Vacancies not filled due to lack of applications possessing the specific job requirements will be filled from the mill's Labour Pool or by outside hire.

A. Trade Apprentices

When an apprenticeship opening becomes available in one of the trade departments, the following procedures will be followed:

- (1) Apprenticeship postings will be publicized for fourteen (14) calendar days on the mill notice boards stating the type of apprenticeship to be filled and length of indenture.
- (2) The successful applicant will be assigned to the applicable department and signed to a "Preliminary Contract of Apprenticeship" for a trial period of sixty (60) days. This trial period is to enable the employer and the apprentice to determine the desirability of proceeding with the apprenticeship.
- (3) At the end of the sixty (60) day "trial period" with the employer and apprentice desiring to proceed with the apprenticeship, the final "indenture" papers will be signed.
- (4) The apprenticeship training program and the selection process as found in the letter of understanding forms part of the HSPP agreement.

A. Trades Positions

When Trades positions come available, information notices will be posted on mill bulletin boards to advise interested employees who may wish to apply in competition with outside applicants. In the event the Company chooses to hire internally and there is more than one applicant, then Article XXI, sufficient ability will apply.

B. Classification of Senior Labour Pool Employees

- (1) The employees who hold a Senior Classified Labour Pool position and whose scheduled work day falls on a statutory holiday (as identified in Article XVII, Section 1), will be provided

work on the applicable statutory holiday. If the Senior Classified Labour Pool employee is moved up in the line of progression or is absent on a statutory holiday, the Company is not obligated to fill the Senior Classified Labour Pool position.

- (2) If, on any working day not covered by (1), the Senior Classified Labour Pool position is vacant due to crew moves up or absenteeism, the Company shall make the decision as to filling the position based on operating conditions at that time.

7 - CLASSIFICATION INTO POWER AND RECOVERY DEPARTMENT

A. Assistance

- (1) The following Assistance Guidelines apply to Classified Operators and Labour Pool relief employees of the Power & Recovery Department for fourth (4th), third (3rd), and second (2nd) class power engineering.
- (2) Employees, who purchase the approved correspondence course after prior approval by their Department Superintendent, will be reimbursed by the Company for one hundred percent (100%) of the course cost upon successfully obtaining the corresponding Power Engineering certification. Pre-approved miscellaneous expenses directly related to studies and supported by receipts will be paid to a limit of one hundred dollars (\$100.00) for each certification level.
- (3) A reference library on Power Engineering will be established by the Company and maintained in an appropriate location.
- (4) Pre-approved assistance for individuals requiring identified prerequisite training will be supported.

- (5) Employees will receive reimbursement of out of town expenses per the Letter of Understanding – Apprenticeship while studying at Technical School when supported by attendance verification.
- (6) Employees will receive reimbursement of out of town expenses per the Letter of Understanding – Apprenticeship when travelling to Vancouver to write Power Engineering Certificate Exams.
- (7) Leaves of absence for vocational training, examination and tuition fees, textbook subsidies, etc. will be administered as per Exhibit "E" of the Howe Sound Agreement. For second (2nd) class studies at HSPP, the number of weeks of school leave will be twelve (12) in total. On receipt of each Power Engineering Certificate, employees will receive payment for unused technical school leave hours for that certificate level at their classified job rate.
- (8) For completion of the second (2nd) class course successfully a bonus of three thousand dollars (\$3,000.00) to be paid to any classified Power & Recovery employee under this Agreement at the date of ratification.

B. Permanent Classification

Employees desiring to be permanently classified in the Power and Recovery department will qualify for department classification as follows:

- (1) Possess a valid BC Power Engineer's Certificate (fourth (4th) class or higher).
- (2) A non-certified employee may be classified to the department under the following conditions:
 - (a) Agree in writing prior to classification, to undertake studies of an accredited correspondence course in Power

Engineering and to write the Provincial examination for fourth (4th) class Power Engineers within fifteen (15) months of their department classification date.

- (b) If an uncertified employee has been classified in the Power and Recovery Department for a period of three (3) months and there is no confirmation that the employee has undertaken studies of an accredited course in Power Engineering, the employee will meet with a Joint Union/Management Committee which will discuss the employee's lack of progress on the schooling commitment.
 - (c) If the employee, after counselling and at the end of six (6) months has not commenced the studies, the employee will be removed from the department and reclassified to the Company's Labour Pool as per Article 5 Section F Labour Pool Seniority. However, the Power & Recovery Labour pool is excluded under this clause.
 - (d) If the employee is unsuccessful in the first attempt to pass the examination, a further three (3) months will be allowed for the employee to review and rewrite the examination.
 - (e) If the employee is unsuccessful in obtaining the BC fourth (4th) class Power Engineer certificate in this eighteen (18) month period (15 plus 3), the employee will be transferred out of the Power and Recovery department. He/she will be reclassified to the Company's Labour Pool as per Article 5 Section F Labour Pool Seniority. However, the Power & Recovery Labour pool is excluded under this clause.
- (3) Employees possessing a valid BC Power Engineer's certificate, fourth (4th) class or higher, will receive preference over all uncertified employees of the Company, regardless of their plant seniority, in being assigned to the Power and Recovery department to provide shift coverage relief.

- (4) A department employee shall have immediate classification opportunities protected for sixty (60) days or the next scheduled examination time for the ticket required, whichever is greater.

C. Progression to Positions That Require Third (3rd) Class Certification

- (1) Fourth (4th) class Power Engineers, classified in positions that require fourth (4th) class certification, must agree in writing at time of classification to undertake accredited studies for third (3rd) class Power Engineering and to write and obtain third (3rd) class Power Engineer certification within twenty-four (24) months of classification.
- (2) If the certified employee has been classified in a fourth (4th) class Power Engineer's position for a period of six (6) months and there is no confirmation that studies have been undertaken on an accredited course for third (3rd) class Power Engineers, the employee will meet with a Joint Union/Management Committee which will discuss with the employee the lack of progress on the progression commitment.
- (3) If the employee, after counselling and at the end of twelve (12) months, is unable to demonstrate to the Joint Union/Management Committee measurable progress with the assigned studies for third (3rd) class certification, the employee will be removed from the department. He/she will be reclassified to the Company's Labour Pool as per Article 5 Section F Labour Pool Seniority. However, the Power & Recovery Labour pool is excluded under this clause.
- (4) If the employee is unsuccessful in the first attempt to pass the final examination, a further three (3) months extension will be allowed for the employee to review and rewrite the examination.

- (5) Employees who are unsuccessful in obtaining third (3rd) class certification within the twenty-seven (27) month time period (twenty-four (24) months plus three (3) months extension) will be transferred out of the Power and Recovery department. He/she will be reclassified to the Company's Labour Pool as per Article 5 Section F Labour Pool Seniority. However, the Power & Recovery Labour pool is excluded under this clause.
- (6) A department employee shall have immediate classification opportunities protected for sixty (60) days, or the next scheduled examination time for the ticket required, whichever is greater.

D. Progression to the ASE Position Which Requires Second (2nd) Class Certification

- (1) Permanent classification to the ASE position will require employees to have second (2nd) class certification.
- (2) Two (2) identified ASE incumbents who are non-second (2nd) class certified will not be required to attain second (2nd) class certification. These employees will have full reinstatement of Vocational School Leave if either of the two (2) elects to attain second (2nd) class certification. (Exhibit E. 3.)
- (3) Third (3rd) class certified personnel would relieve the ASE position if a second (2nd) class certified employee from the top half of the crew were not available.
- (4) Rate of pay for the classified ASE position will be the evaluated rate. An adjustment equivalent to the Job Evaluation education credit for the 2nd class ticket, will be added to the job evaluated rate paid for the position and will be applied whenever the job rate is used in a calculation of pay or benefits.

- (5) Where no employee with second (2nd) class certification is available to progress to a vacant ASE position, the position will be filled with a department seniority move until a qualified second (2nd) class certified employee is fully trained to assume the classification.
- (6) A department employee shall have immediate classification opportunities protected for sixty (60) days or the next scheduled examination time for the ticket required whichever is greater.

8 - "FREEZING" GROUND RULES

- (1) "Freezing" will only be allowed for medical reasons or because of an employee's inability to do a senior job. The right to freeze will be granted only upon written application and will be decided by a joint committee of Union and Management. Freezing applications for medical reasons will be referred to the Health and Welfare committee to review then report their findings to the Standing Committee for consideration.
- (2) A "frozen" employee shall be expected to relieve on the next two (2) senior positions for purposes of providing relief for vacations, floaters and other leaves.
- (3) A written agreement will be signed by an employee upon request to freeze, relinquishing the rights of progression in the line of seniority during the duration of the employee's frozen status.
- (4) Once frozen, an employee desiring to be unfrozen for other than medical reasons can only do so under the following conditions:
 - (a) If the appropriate senior position undergoes technological change, or

- (b) If the employee has upgraded educational status since the time of freezing.

In the event a frozen employee qualifies under one of the conditions listed, the employee shall make application in writing to the Joint Committee, stating the reasons for the request. In the event the Joint Committee refuses the request, the employee may, if they elect, have the case taken to the Standing Committee for further consideration.

- (5) When it becomes necessary that an employee be frozen, the employee concerned will be regressed two (2) jobs below the most senior job the employee can perform. The employee will be frozen on that job and shall be expected to relieve on the next two (2) senior positions for the purpose of providing relief for vacations, floaters and other leaves.

(This rule may not necessarily be applied in the Power and Recovery department because of ticket qualifications.)

- (6) Only two (2) employees in any one job category will be allowed to freeze, in order to ensure that proper job progression is maintained at all times.
- (7) Upon rescinding the frozen status, the employee shall re-enter the line of progression as the junior employee of the position from which the employee was originally classified and had vacated in order to receive frozen status. This is provided there is a position available (not filled on a permanent basis).

Example:

If the senior employee of the third (from top) position of a progressionary line elected to freeze, the employee would regress and become the senior employee of the fifth (from top) position in the progressionary line. Later, when unfreezing, the

employee would become the junior employee of the third position when the next vacancy occurred.

- (8) Freezing shall not affect an employee's vacation status nor his department seniority in the case of shutdowns.
- (9) It is recognized certain problems will arise from the disposition of those frozen in the past. These cases will be considered on an individual basis. When solving these problems, the above policy will act as a guideline to the judgments in these cases, and once solved, the individuals concerned will adhere to the new policy.

Footnote: The Joint Union/Management Committee on freezing shall consist of two (2) Union Standing Committee members and two (2) members from Management (with the Chairman of the Union Standing Committee being a permanent member).

9 - SPECIAL PLACEMENT FOR EMPLOYEES WITH MEDICAL LIMITATIONS

Long Term Need for Special Placement is defined as an employee's inability to perform their regular job, and the expectation that they will continue to be unable to return to that job, even after a period of recovery.

- (1) Special consideration will be given to employees with limitations who require alternate work but are capable of performing the duties of any work within the Company. Formal accommodation procedures shall be followed for all long term accommodations.
- (2) An employee who requests an accommodation must make application to the designated representative of the Health & Welfare Committee. The designated representative shall work with the Health & Welfare Committee to review the

request and provide the applicants recommendations regarding their request for accommodation.

- (3) The Health and Welfare Committee will forward the recommendation for accommodation to the Joint Standing Committee for their review. The Joint Standing Committee will review the proposed accommodation with respect to areas of the Labour Agreement that may be impacted by the accommodation and make the required decisions to enable the accommodation to be put in place. It is recognized that the ultimate responsibility for the implementation and application of the Accommodation program lies with the Company.
- (4) An employee, whose request is accepted for Special Placement, may be required to submit to a complete medical examination by an Industrial Medical Examiner to determine any specific medical limitations and establish the criteria of any new occupational requirements the employee must perform in the Special Placement Program. The cost of this examination will be borne by the Company.
- (5) An employee may request a second opinion from a recognized Industrial Medical Examiner. The cost of this examination will be borne by the employee.
- (6) An employee whose application is established and accepted and is provided with the limitations identified by the Industrial Medical Examiner, shall be informed by the Committee Representative as to the departments or work areas in which their limitations would permit them to work in line with the decision of the Joint Standing Committee that occurred in (3) above. Discussions will be held with the employee to ensure that the work suggested is compatible with the employee's qualifications as well as their medical limitations. The employee will be paid the rate of pay for the job classification to which they are assigned.

- (7) A list of employees indicating the established parameters of their accommodation will be maintained by the Health and Welfare Committee and upon the appropriate opening occurring, they will jointly review the list and the case deemed most urgent will be resolved.
- (8) In the event an employee is selected out of an established line of seniority, the case will be discussed and recommendations made by the Joint Standing Committee.
- (9) An employee receiving an accommodation under this agreement will serve an appropriate assessment period as established by the Health and Welfare Committee. In the event that it is determined that the accommodation is unsuitable, the employee will revert to their previous status.
- (10) It is recognized that the Company and Union are required to be guided by all current legislation such as the Privacy Act. It is recognized that either party will be granted access to the information required to base their decisions on with the proper authorization or waiver from the employee requesting the accommodation.

10 - MEAL REGULATION AND MEAL TICKETS

The following is the adopted interpretation of the provision of overtime meals and allowances when overtime work is required.

A. All Employees

Any employee who is called in to work where less than two (2) hours' notice has been given, shall receive a hot meal or meal allowance when more than two (2) hours are worked, and an additional hot meal or meal allowance for each four (4) hour period worked thereafter.

B. Day Worker

(1) Working Through Designated Meal Time

The Company will pay a meal allowance to employees who prefer to continue working rather than eating a meal on Company time. This item is subject to specific meal times as set forth in the Howe Sound Agreement.

(2) Major Maintenance Shutdown

During planned major maintenance shutdowns, Day Workers who are required to work overtime will be supplied with a meal after their regular shift. This meal will be eaten on Company time and it is expected that employees will return to work as quickly as possible.

C. Meal Allowance

Any employee who is entitled to a meal under the Howe Sound Agreement will at his or her option be provided with a hot meal or be paid a meal allowance at 1-hour pay at base rate.

11 - LONGSHORING

A. Longshoring Ground Rules

(1) These ground rules will supersede all other agreements pertaining to the operation of the Longshoring Crew, with regard to the matters covered herein Article XXI will apply during layoff situations.

(2) Longshoring Crews will be comprised of;

1st Call: The established mill Longshoring Crew,

2nd Call: The Shipping/Longshoring Labour Crew,

3rd Call: The Casual Shipping/Longshoring Pool,

4th Call: The Yard Labour Crew,

5th Call: Mill crews on overtime basis.

- (3) When a hatch is closed down, the junior employees shall be relieved in order of seniority at the senior employee's option. The recognized senior Yard employees will relieve junior employees on other hatches or return to the Yard Department.

B. Shiploading

On a regularly scheduled day of work, a minimum of one gang guarantee for single hatch loading will be provided for up to twelve (12) hours on a per shift basis.

C. Completion

- (1) When shiploading is completed prior to the end of a shift, longshoring rates will continue for employees accepting reassigned duties.
- (2) When completion of shiploading exceeds thirty (30) minutes past the regular work schedule, Shiploaders shall receive a minimum of two (2) hours overtime pay. When completion of shiploading exceeds two (2) hours and thirty (30) minutes past the regular schedule, Shiploaders shall receive a minimum of four (4) hours overtime pay.
- (3) When shiploading continues past midnight to complete loading, the Company agrees to apply the rest time provisions to ensure that an eight (8) hour break from work is maintained. The employee scheduled for the following dayshift will come to work for the shift at the end of the eight (8) hour rest break and will continue to work for his eight (8) hour scheduled shift to ensure the

continued manning to load the ship. The Company will pay the penalties created by the application of this clause.

D. Sunday Letter

- (1) The Longshoring Crew will be scheduled by seniority for Sunday shiploading until the required complement is full.
- (2) The Longshoring Crew members who have worked on Sunday will be required to work the following Friday if a vessel is scheduled for loading that day. If no vessel were scheduled, those longshoring crewmembers would have the option of working or taking the day off.
- (3) If a Longshoring Crew member wishes to avoid working the Sunday or Friday, they may apply for a mutual exchange of shift as per the Supplemental Agreement, Section 4 (c).
- (4) All hours worked at premium rates for deep sea and barge loading will be counted for the purpose of calculating the forty (40) hour work week.

E. Longshoring Conditions

During ship loading the Longshoring conditions will apply to stencil/dunnage work.

12 - OWNER OPERATOR/NON-UNION PERSONNEL

Use of Owner Operator or Other Non-Union Personnel at the Howe Sound Pulp and Paper Mill Site

- (a) Work performed within the mill area by outside contractors will normally be done with union personnel, but it will be recognized there will also be projects which require specific equipment or specific technical skills for which unionized contractors are not reasonably available.

- (b) Where instances occur that require the use of owner operators or specific skills involving non-union employees, the Company will provide advance notification to the Union of the conditions, which makes this course of action necessary.
- (c) Examples relating to 2. above are as follows:
 - (i) Acid cleaning of continuous digesters where supervisory and technical skills are involved.
 - (ii) Concrete ready mixes, backhoes, and gravel trucks, where distance precludes bringing it in from anywhere other than local suppliers.
 - (iii) Digester and power boiler sonic testing where outside specialists are required.

13 - STATUTORY HOLIDAYS AND FLOATERS COMPUTED ON AVERAGE RATE

In the case of Yard Day Crew, Shipping Lift Truck Drivers and Shiploading/Labourers, statutory and floating holidays will be paid at a rate based on the individual average earnings during the previous year. In the case of all other jobs in the mill, regular classified rates will apply.

BETWEEN:
HOWE SOUND PULP AND PAPER LIMITED PARTNERSHIP
(The “Company”)

AND
**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION,
LOCAL 1119**
(The “Union”)

SETTLEMENT AGREEMENT

BACKGROUND

The Union filed a grievance dated May 12, 2005 challenging the Company’s aspects of the Marine Facility Security Plan dated January 30, 2004 (the “Security Plan”) at the Company’s Port Mellon, B.C. site (the “Worksite”). The parties discussed their concerns and reached agreement on the application of the Security Plan.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS AGREEMENT THE PARTIES AGREE AS FOLLOWS:

Surveillance Cameras

1. The Company will not install additional cameras or card readers at the Worksite without consulting the Union and advising the Union of the need for and location of the surveillance cameras.
2. The Company has installed the following cameras at the Worksite as identified by the marine Facility Security Plan drawing:
 - a. three pan-zoom cameras to monitor the foreshore;
 - b. one pan-zoom camera to monitor the parking lot;

- c. one pan-zoom camera located on a pole to monitor the construction camp; and
 - d. one fixed camera on each mill access gate.
3. Surveillance cameras and mill access gates will be monitored only by security guards, the Marine Port Facility Safety Officer, and first aid personnel.

Union Representation

4. The Security Plan will not be used to restrict the access of union representatives to areas of the mill necessary for them to perform their union duties.

Security Guards

5. Security guards do not have the right to physically detain employees, to direct employees, or to make a decision to send employees off-site.

Searches

6. The Company will notify the Union in advance of any potential searches of employees that it intends to conduct.
7. Employees subject to a search must have Union representation prior to searching an employee.

Identification Cards

8. The Company will limit personal information contained on employee identification cards and card readers to name, picture, hair and eye colour of the employee, and access information.
9. The Company will consult with the Union if it wishes to record any other information on employee identification cards and card readers.

Personnel Information

10. The Company will not collect or maintain additional information about employee actions under the Security Plan and will not keep any records of employee actions outside of the employee's personnel file.

Reporting requirements

11. The Security Plan does not require employees to report on the activities of co-workers.

Security Clearances

12. The Company will work with the Union to minimize the impact on any employee denied access to his or her normal job at the Worksite due to the Security Plan or requirements the *Marine Transportation Security Act, 1994 SC, c. 40* and the *Marine Transportation Security Regulations, SOR/2004-144* and or other regulations that may negatively impact our members.
13. The Union has the right to grieve any Company's decision to deny access to the Worksite to an employee under the Security Plan.

Discipline

16. Information obtained through surveillance cameras or cards readers will not be admissible at arbitration hearings by either the Company or the Union.

Work Performance

15. The Company will not use surveillance cameras or information from card readers for the purpose of monitoring work performance or production.

Attendance Management

16. The Company will not use surveillance cameras or information from card readers for the purpose of monitoring time and attendance.

Training

17. Any training or education required by employees to meet responsibilities under the Security Plan will be done on Company paid time in accordance with the Collective Agreement.
18. The Union reserves the right to grieve matters which might arise at a later date under the Security Plan which are not addressed in this Settlement Agreement.
19. The parties agree that the Grievance is settled.

15- MEMORANDUM OF AGREEMENT JOB SHARE

Definition

Job sharing is defined as dividing all the functions of one full-time regular position between two (2) full-time regular employees, each of who works part-time in a manner that provides fulltime coverage for the position. The Supervisor is responsible for communicating the requirements of the job to both employees.

1. Procedure

- (a) Regular full-time employees wanting to job share within a department may request the supervisor to consider a proposal for a job sharing arrangement. One of the regular full-time employees must be the incumbent in the position and the other regular full-time employee must enter the position by virtue of either a lateral transfer or voluntary

application. In making a submission it is important that both employees realize they are entering a partnership. Their proposal must provide information on the qualifications and experience of each proposed partner and give details on how the arrangement will ensure the work is efficiently and effectively completed. Details which must be considered in the submission include:

- (i) Which functions will be shared and which functions will be performed by only one (1) partner;
 - (ii) How work load priorities will be determined on an on-going basis;
 - (iii) Preferred work schedule of each partner, preferred start date;
 - (iv) Other information required by the supervisor or by the job itself.
- (b) The incumbent in the regular full-time position is responsible for securing a suitable partner.
- (c) Proposed job sharing arrangements will be discussed with appropriate Department Supervision and for each job sharing arrangement there must be a written understanding signed by each employee participating and the employee's supervisor, with a copy to the Union.

2. Job Sharing Conditions

Full-time regular employees who enter a job sharing arrangement change their status to job share status. From this point on any reference to employees will be defined as job sharing incumbents.

Preferred work schedule of each partner. As the job share would be a complete 50/50 split of the position.

3. Welfare Plan Benefits

- (a) Job share incumbents will qualify for Welfare plan benefits based on working an average of one thousand forty (1040) hours in a contract year inclusive of Weekly Indemnity benefits (Article XIX).
- (b) The net costs of the coverages and benefits made available to the participating incumbents under the Welfare plan will continue to be shared between the Company and the incumbents per Exhibit 'C", 7. Benefits paid to the incumbents will be pro-rated based on earnings/hours.
- (c) There will be no duplication of plan benefits with the spouse of Job Share employees belonging to the same Local under the Collective Agreement.

4. Pensions

The company and job sharing incumbents will contribute to the Pulp, Paper Industry Pension Plan in accordance to the plan guidelines (based on hours worked).

5. Overtime

For the purpose of overtime in the job, the job sharing incumbent shall be offered the overtime. The job sharing incumbent working that day shall receive the overtime. For the dayshift worker, the person who works the Friday will be offered the weekend overtime first. Overtime if declined by both job sharing incumbents, will be offered to qualified people in the department, all things being equal.

6. Seniority & Job Posting in other areas

The incumbents in the Job Sharing arrangement shall continue to maintain the status of regular full time employees for the purpose of accumulating seniority within the department and mill.

Each incumbent in the Job Sharing arrangement shall be entitled to apply for regular full time positions and use accumulated seniority for all purposes including unforeseen layoffs, bumping and recall.

7. Vacation Entitlement, Vacation & Other Leaves

- (a) Vacation time will continue to be based on contract years of service.
- (b) It is agreed that the incumbents will receive entitled vacation benefits as prescribed in the Collective Agreement; each incumbent will receive paid vacation time per Article XV & Article XVI. It is recognized that a vacation week for job sharing purposes equates to the scheduled work days of the incumbents work week.
- (c) Coverage for Annual and Supplementary Vacation time will be provided by the Job Sharing incumbents.
- (d) Other Leaves (LOA's, Floaters, Sick, Family Days, DIL's) will be covered by department labour pool, if available.
- (e) Two and one half (2.5) Floating Holidays will be granted to each Job Share incumbent.
- (f) Statutory Holiday deferral will be granted to each Job Share incumbent per Article XVII, Section 5 & Section 6 a.

8. Termination of the Job Sharing Arrangement

- (a) The guidelines for job sharing will be for a trial period of one (1) year. This trial period may be cancelled by either the Union or Company with thirty (30) days written notice or if mutually agreed by the Union and Company within seven (7) days. After the trial period, sixty (60) days notice shall be given for cancellation or if mutually agreed seven (7) days.

- (b) If the job sharing arrangement is cancelled, the original job incumbent retains the position as a full time job while the second incumbent will apply his or her department seniority to the position held by the person with the least department seniority. The displaced individual will have first right of recall to the department.
9. This is an agreement between the Union and the Employer. Unless covered under this agreement, the remainder of **2012-2017** Howe Sound Labour agreement is upheld.

This Memorandum of Understanding may be changed at any time by the written mutual agreement of the Employer and the Union.

LETTERS OF UNDERSTANDING

1-LETTER OF UNDERSTANDING TRADES APPRENTICES – APPRENTICESHIP

Apprenticeship Training Program

Between

**Howe Sound Pulp & Paper Limited
&
Communications, Energy
and
Paperworker’s Union Local 1119**

Joint Understanding:

The Company and Union are committed to have an Apprenticeship Training Program and agree to the following provisions set forth in the revised text of Exhibit “D” - Apprenticeship Training Program of the Howe Sound Agreement.

Commitment:

1. Both parties to this Agreement agree that the purpose of the Program is to provide Tradesmen of the highest calibre.
2. Both parties to this Agreement are committed to maintain the principle of replacing retiring Tradesmen through the Program but agree that business circumstances may require adjustments to the program.
3. Both parties to this Agreement agree that trades apprentices will primarily come from the mill workforce. When qualified internal applicants are not available, external candidates will be utilized with preference given to candidates from the local community.
4. Both parties to this Agreement agree that trades apprentices and graduated apprentices will be trained and will work in the spirit of *flexible work practices* in adherence to the standards applied at Howe Sound Pulp and Paper Ltd.
5. The Apprenticeship Training Program will cover the trades as set forth below:

Electrician
Mason
Steamfitter/Pipefitter
Machinist
Painter
Refrigeration Mechanic
Sheet Metal Worker

Millwright
Instrument Mechanic
Carpenter
Heavy Duty Mechanic
Heat & Frost Insulator
Welder

General Principles:

6. The period of Apprenticeship Training will be as defined by the Industry Training Authority (I.T.A.) for each trade. The Apprentice will receive the Journeyman rate on successful completion of the Apprenticeship or after successful completion of four (4) years, whichever happens sooner, only on the understanding that the Apprentice completes the full term of training. If the Apprentice refuses to continue the training, the Apprentice will be removed from the Program with no standing as a Journeyman in the trade.

7. Training syllabus for each trade to be designed to meet the requirements of the particular trade involved. The training syllabus minimum standard will be that the graduated apprentice will qualify for interprovincial certification.

8. All provisions of the Labour Agreements in effect at the Mill shall be applicable to Apprentices in the Program.

9. Apprentices hired with previous training may be placed into the training program at a level determined by the Joint Apprenticeship Committee, with advice from the Industry Training Authority (I.T.A.).

10. Under the Program, Apprentices will receive rates as per Exhibit "A" of the Agreement. Progression through the schedule of rates is subject to successful completion of prescribed theoretical training, practical training and tests. The schedule of rates applies on date of qualification or as otherwise provided for in Item 17.

11. Once indentured, an Apprentice will be scheduled to complete their apprenticeship training provided the Apprentice maintains the standards of training and of the Program. Graduating Apprentices attaining Tradesmen status are not guaranteed a position as a Tradesman. Graduated Apprentices who are not offered a position as a Tradesman will be offered an entry job in keeping with their plant seniority.

Committees:

12. Central Authority Committee:

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

13. Joint Union/Management Apprenticeship Committee:

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

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

- a) The Company to establish In-plant training programs to support the training syllabus as developed by the Industry Training Authority (I.T.A.) for each trade involved. Supervision of the established Program shall be the responsibility of the Joint Committee.

- b) Set standards for entry into the Apprenticeship Program that is not inconsistent with the standards recommended by the Industry Training Authority (I.T.A.).
- c) Carry out periodic reviews of the training programs at intervals of not more than three (3) months.
- d) See that the required practical tests are carried out in co-operation with the Industry Training Authority (I.T.A.).
- e) Determine the tool requirements by years of training.
- f) Joint Committee to review any case of lost time from the Program because of sickness, accident, etc. and to determine the amount of additional time necessary before an employee meets his/her requirements of time served.
- g) The Joint Union/Management Apprenticeship Committee shall provide an Apprenticeship Selection Sub-Committee of Union and Management representatives, not to exceed two (2) from the Union and two (2) from Management.

The Apprenticeship Selection Sub-Committee will also include one (1) representative from the Human Resource Department.

14. Entry to the Program – New Apprentices:

Selection for entry into the Program of non-trades personnel will be made by a Joint Union/Management Selection Committee in accordance with the standards for acceptance established by the Joint Union/Management Apprenticeship Committee in Appendix 1, which forms part of this memorandum.

Prior to the beginning of the selection process, and upon the expiry of the posting period, the Human Resources Department will contact the department of each of the applicants for input regarding the viability of the applicant's entry into the apprenticeship program.

Should the information provided result in the employer not wishing the applicant to proceed, the issue will be addressed at Standing Committee for resolution.

15. Schedule of Training for Apprentices:

Upon completion of each period of training in an approved Vocational School an Apprentice will be required to pass examinations set by the Industry Training Authority (I.T.A.). Practical examinations shall be confined to the area of training received. In the event of failure to pass examinations, the Apprentice shall be required to undergo a period of re-training on subject material specified by the Industry Training Authority (I.T.A.) authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in a review of his/her position by the Joint Apprenticeship Committee and could result in his/her removal from the Program. Employees who are removed from the Program will be offered an entry job in keeping with their plant seniority.

- a) Successful applicants will be assigned to a specific trade as a probationer for a two- (2) month period. During the probationary period the Apprentice shall complete the core training activities and receive the first year Apprentice rate. At the end of the successful sixty (60) day trial period, the indenture papers will be signed. The probationary period and core training time will be included in the indenture period. If the employee is unsuccessful during the trial period, the employee's pay during the trial period will be adjusted to his/her classified (card) rate.
- b) During each year of Apprenticeship, the Apprentice shall work at the trade and attend Vocational School as required by the regulations pursuant to the guidelines of the Industry Training Authority (I.T.A.).

- c) Upon the successful completion of the term of Apprenticeship and receipt of the certificate of Apprenticeship, issued by Industry Training Authority (I.T.A.), the Apprentice shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.
- d) If any of the aforementioned work periods are exceeded due to the unavailability of Vocational School facilities, such extra time will be credited to the Apprentice in succeeding training requirements. Also, the Apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing the Apprentice successfully passes the examinations. Retroactivity will not apply where re-testing is necessary.
- e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the Vocational School, and having spent twelve (12) months as a fourth year Apprentice, the Apprentice shall be reclassified and paid the fifth year Apprentice rate which is equivalent to the "A" Mechanic rate for the following twelve (12) months. On completion of the final period at the Vocational School the fifth year Apprentice shall write the final examination set by the Industry Training Authority (I.T.A.) and, upon becoming certified, shall be designated as a certified Journeyman at the regular hourly rate for "A" Mechanics.

16. Wherever reference is made to a year (or twelve (12) months) as an Apprentice, it shall mean a period of not less than one thousand six hundred (1600) hours worked, the said period to include time spent at the Vocational School.

Costs:**Books:**

18. The Company will pay one hundred percent (100%) of the cost of textbooks specified by the Industry Training Authority (I.T.A.). The Apprentice will keep these books as personal property.

Tools:

19. Tool purchases are the responsibility of the Apprentice. The Company will assist Apprentices' purchases per the Supplemental Agreement, Article 2 – Clothing and Tools, E. – Purchasing of Tools – Apprentices.

Wage Makeup:

20. While attending an approved Vocational School the Apprentice will receive from the Company the employee's regular straight time rate based on a forty (40) hour week, less training allowances provided by Government.

Allowances provided by the employer shall not apply to any periods of retraining as specified in Item 14.

Travel:

21. Compensation for return travel to attend Vocational School for apprenticeship training will be fifty dollars (\$50.00) weekly, paid on a biweekly basis, subject to confirmation of school attendance.

The Joint Union/Management Apprenticeship Committee will address special travel compensation needs when apprentices are reporting to a vocational school outside the lower mainland.

Living Out Allowance:

22. Apprentices who live away from home to attend Vocational School for apprenticeship training will receive living out allowances per the Howe Sound Agreement, Letter of Understanding – Apprenticeship. The current allowance consists of: the equivalent of two (2) hours pay per day of school times the number of days attending school, each time the apprentice attends school. It is paid on a biweekly basis, in advance, subject to confirmation.

Subsidies:

23. Training subsidies for apprenticeship training provided by Government will be paid to the Company.

General:

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

- b) Apprentices will be required to acquire and build a kit of tools progressively throughout the Program, as specified by Industry Training Authority (I.T.A.) and the Joint Union/Management Apprenticeship Committee.

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

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

**2-LETTER OF UNDERSTANDING- APPRENTICESHIP
Appendix One (1)
Apprenticeship Training Program**

Entry into the Apprenticeship Training Program

The Joint Union/Management Apprenticeship Committee has set the following standards for entry into the Apprenticeship Training Program that are not inconsistent with the standards recommended by the Industry Training Authority (I.T.A.).

Components to selecting candidates for Apprenticeship Training will include:

- **Selection:** Will be made by an Apprenticeship Selection Sub-Committee.
- **Aptitude Testing:** Will be appropriately designed by an experience and qualified consultant. Tests will be conducted on site at Howe Sound.
- **Candidates:** Qualified internal candidates will have a minimum of one (1) year of Plant seniority. When these candidates are not available, internal candidates with less than one (1) year will then be considered. When no internal qualified candidates are available, external candidates will be utilized with preference given to candidates from the local community.
- **Candidate Interviews:** Will be structured and completed by the Apprenticeship Selection Sub Committee. Interviews will be conducted on site at Howe Sound.
- **Reference Checking:** Will be structured and completed by the Apprenticeship Selection Sub Committee.

Guidelines for the Selection Committee:

The Apprenticeship Selection Sub-Committee will be composed of Union and Management representatives, not to exceed two (2) from the Union and two (2) from Management. The Apprenticeship Selection Sub-Committee will also include one (1) representative from the Human Resource Department.

In making their selections, the Apprenticeship Selection Sub-Committee will use the information from aptitude testing, candidate interviewing and reference checking in a fair and consistent manner.

Guidelines and Standards for Aptitude Testing:

1. The aptitude tests selected to screen candidates for entry into the Howe Sound Apprenticeship Training Program are from the recommendation and guidance of the firm, L. Stefan & Associates.
2. All candidates for Apprenticeship Training are required to write a battery of aptitude tests and successfully meet the required standard as recommended to the Joint Union/Management Apprenticeship Committee. Unsuccessful candidates will not be considered for Apprenticeship training.
3. For clarity, Mill entry labour pool tests scores will not be associated with test scores required for entry to Apprenticeship Program and therefore, cannot be used as an apprentice applicant's first sitting.
4. Candidates unsuccessful on the first sitting will be permitted to re-write after twelve (12) months have elapsed.
5. Candidates unsuccessful on the second sitting will be permitted another re-write after an additional thirty six (36) months have elapsed. Another opportunity will be provided subsequently once every 5 years.
6. Candidates will be provided with their test scores/results and a summary. Candidates with test scores below the required standard will be provided with recommendations on possible options for improving results.
7. The evaluation marks for the written exam are valid for a period of five (5) years.

Aptitude Tests:

A series of six (6) timed test segments will be administered to applicants to establish cognitive abilities & skills in the following areas:

- **Mechanical Aptitude:** Understands mechanical systems and the roles of the different trades. Can tell when a machine is running poorly. Can do a

preliminary analysis of a mechanical problem, alerting the appropriate personnel and providing a description of the problem.

- **Analytical and Problem Solving Skills:** Investigates and analyzes work. Solves problems. Learns new practices and information readily. Is quick to “catch on”. Eagerly seeks out new information; tries to learn on own.
- **Organizational Skills:** Organizes work by determining what needs to be done and setting rough time guidelines. Comfortably follows routines. Works with numbers, doing basic calculations.
- **Graphic/Clerical Skills:** Is able to read and understand schematic drawings either in print or on the computer screen. Can visualize how a two dimensional image will appear in three dimensions. Can work effectively with computers.
- **Physical Stamina and Coordination:** Is able to work and exert effort and energy for long periods of time without tiring. Able to work in a potentially dangerous industrial environment. Demonstrates good coordination with hands, eyes and feet.

Test:	Cognitive Abilities & Skills	Minimum Acceptable Stanine Rank
1.(a)	Abstract Reasoning (15 min.)	6 **
1.(b)	Mechanical Reasoning (20 min.)	6 *
1.(c)	Spatial Relations (15 min.)	5
2.	Learning Abilities (12 min.)	6 **
3.	Parts Identification (6 min.)	5
4.	Shop Arithmetic (15 min.)	6

Testing Points:

- Minimum Points is thirty four (34). Maximum Points is fifty four (54).
- Mechanical Reasoning category must have a minimum score * of six (6).
- One of either the Abstract Reasoning score or the Learning Abilities must have a minimum score ** of six (6).
- Maximum combined minus score may be – two (2).
- Total score weighting will be X two (2). i.e. a total score of forty one (41) becomes eighty-two (82).

Guidelines for the Candidate Interview:

1. The purpose of the Interview is to go through the candidate's background experience, reviewing his/her work history with Howe Sound and other employers. All to determine if the candidate's background and interests are appropriate for Apprenticeship Training.
2. The interview is structured whereby all candidates will be asked the same questions. All questions are behaviorally anchored. This means that the interviewers will ask for and make evaluations based on examples of behavior.
3. Candidates will, without loss of pay, be relieved from their responsibilities while at work to complete their interview. Alternately, candidates will be interviewed on their scheduled day off, without having worked the previous night. All candidates will be interviewed between the hours of 09:00 AM and 12:00 PM.
4. Candidates unsuccessful on the first interview will be permitted to re-interview after twelve (12) months have elapsed.
5. Candidates unsuccessful on the second interview will be permitted another re-interview after an additional thirty six

(36) months have elapsed. Another opportunity will be provided subsequently once every five (5) years.

6. Candidates will, on request, be provided a summary of the interview results. Unsuccessful candidates will also be provided with recommendations on possible options for improving results.
7. The evaluation marks for the interview are valid for a period of five (5) years.

Interview Process:

1. The interview will be focused on the eight (8) competencies identified as important for success in Apprenticeship Training are:

Core Questions:

Note: All eight (8) competencies need to be evaluated; at least one (1) question in each competency must be asked. You must ask sufficient questions to ensure that you can accurately evaluate the candidate on that competency.

1. Communication – Presents ideas clearly and concisely. Demonstrates strong listening skills. Manages and shares information appropriately.
2. Cooperation and Teamwork – Able to work as a member of a crew, listen to others, offer input when appropriate, and follow direction. Supports others by helping out during a busy shift. Makes an effort to get along with others through cooperation rather than competition.
3. Organizational Skills. Organizes work by ensuring that all needed parts and tools are in place. Takes the initiative to ask questions and gather information beyond what is provided in order to structure/organize

the day. Anticipates problems. Identifies priorities to meet heavy workloads. Organizes and tracks projects. Follows routines.

4. Job Involvement – Takes the initiative and tackles difficult tasks without direction and ensures work is of high quality.
5. Stress & Physical Tolerance – Able to work and exert effort and energy for long periods of time without tiring. Able to work in a noisy, dirty, and potentially dangerous industrial environment. Stays focused even when under pressure from production. Deals in a calm manner with urgent demands as they arise. Does not become unduly frustrated or agitated when things go wrong.
6. Conscientiousness/Reliability – Does work conscientiously and follows procedures closely. Has good attendance and is punctual. Does not need close, ongoing supervision to do the job; follows direction.
7. Continuous Learning – Has an attitude that learning is to be continuous through the span of his/her career. Willing to expand and learn skills in other areas. Takes responsibility for learning – takes all training as required, engages in self-study on the job where appropriate, seeks assistance when unsure.
8. Safety Awareness – Able to stay focused on the task at hand and alert; follows all safety procedures and rules; asks questions if unsure; identifies all hazards associated with tasks; thinks before acting.

The interview will be comprised of a series of not more than twenty-four (24) questions. The questions are to be either, behavioural or situational, designed to measure the eight (8) competencies identified as important for success in Apprenticeship Training. The interview will be designed to take one (1) hour or less to complete.

Candidate answers to the interview questions will be graded on a nine (9) point scale, with a score of one (1) being the lowest and a score of nine (9) being the highest. The scoring will be based on the following guidelines:

- 8-9** Much more than acceptable (significantly above criteria required for success job performance).
- 6-7** More than acceptable (generally exceeds criteria of job related behavior desired).
- 5** Acceptable (meets criteria of job related behavior desired).
- 3-4** Less than acceptable (generally does not meet criteria of job related behavior desired).
- 1-2** Much less than acceptable (significantly below criteria required for successful job performance).

Interview evaluations will be completed immediately after the completion of the candidate interview. The interviewers will discuss their score on each dimension and agree upon a final mark. When scores are inconsistent and consensus cannot be reached, the final score will be the average of the group.

Interview Points:

- Minimum Points is forty eight (48); Maximum Points is seventy two (72).
- There is no score weighting for the interview category

Selection of Candidate:

- Candidates who meet the minimum standard will be considered for apprenticeships.
- The candidate's score will be the testing score X two (2) plus the interview score.

Testing score:	68/108 to 108/108
Interview score:	48/72 to 72/72
Total score:	116/180 to 180/180

- **Tie score:** A tie score occurs when the point spread is ten (10) points or less. A tie is broken by mill seniority.
- **Selection:** Following the Interview process, apprenticeships will be assigned to the candidate with the highest score for the trades' selected.

3-LETTER OF UNDERSTANDING – RIGGER HELPER

The Company will develop a modular-based training program for employees assigned to work with the Rigger on a regular basis. The purpose of this program will be to allow the assigned employees to improve their skills in rigging, erecting scaffolding and related activities on an ongoing basis.

All hours worked in assisting the Rigger will be cumulative. The employees will be paid in the following manner:

Rigger Helper after 3 years	14 steps
Rigger Helper after 1 year	6 steps
Rigger Helper after 60 days	4 steps
Rigger Helper after 30 days	1 step
Rigger Helper 0 to 30 days	0 steps

Employees are expected to progress through the training program and will only achieve the top pay upon successful completion of the training program.

Upon completion of the modular-based training program, and in the Rigger's absence, they will receive the Rigger's B rate (4th Year Apprentice rate) when assuming the Rigger's duties.

4-LETTER OF UNDERSTANDING – CONTRACTING OUT NOTIFICATION

The Company and the Union confirm their joint commitment to minimize the use of contractors, both inside and out of the mill. Furthermore, they are both committed to utilizing the weekly Contracting - Out Committee and the Quarterly Review Committee meetings for this purpose.

The Letter of Understanding is without prejudice to the present respective positions of the Company and the Union concerning contracting out.

When work is contracted out by the Company in an emergency situation as defined below, the Company will endeavour to verbally advise the Union of the nature of the emergency and of work involved in the following order of contact:

1. Co-Chair of the Contracting-out Committee
2. The Local President
3. 1st Vice-President.

The purpose of the verbal contact is to both inform and seek assistance from the Local in finding manpower to either avoid the contracting-out or to seek people that will minimize the contracting-out requirement. Subsequently, written advice concerning the emergency and what was involved will be provided to the Contracting-Out Committee.

For any of the following conditions pursuant to Article XXV:

1. When a contractor comes on the mill site and proper notice was not given to the Union.
2. If a contractor comes on the mill site after proper notice was given and the matter discussed by the Contracting-Out Committee and the contractor performed bargaining unit

work outside of the arrangement understood by the Contracting-Out Committee and/or

3. If the Contractor in 1. or 2. is required to utilize Sub-Contractors and the Company did not notify the Union of the Sub-Contractors.

If there is a disagreement between the Company and the Union at Standing Committee as to how to resolve the matters above, it will be referred directly to Arbitrator John Hall for an expedited binding decision.

Any disagreements with the application or interpretation of the Letter of Understanding will be subject to expedited arbitration by Arbitrator John Hall. Furthermore, if one party claims that the other is abusing this agreement, the matter will be referred to Arbitrator John Hall for an appropriate remedy.

For the purpose of this article, an emergency is defined as an event that could not have reasonably been foreseen and where there is a threat to employee safety or serious damage to company property. Immediate action is defined as a circumstance when action is required to preserve the safety of employees or equipment.

5-LETTER OF UNDERSTANDING – HOG CRANE

The Company and the Union agree on a modified C.W.W. tour schedule for two (2) hog crane operators of (four (4)-twelve (12) hour) day shifts followed by four (4) days off for the hog crane operators in the chip line. When there is a permanent vacancy, this position will be offered first to members of the chip line department on a seniority basis before being posted mill wide. A thirty (30) day trial period will apply. It is understood that this arrangement is non-precedent setting anywhere else in the collective agreement.

- 1) The hog crane is exempt from HSSA. **H. Production Crew Scheduling (1)** crew move ups.

- 2) The hog crane operator's primary responsibility is to offload hog scows and maintain adequate hog inventory of ten thousand (10,000) cubic meters, or forty eight (48) hours of consumption.
- 3) When not offloading hog, the hog crane operator is available to assist within the Chipline, as training and ability allow.
- 4) If overtime is required, coverage would first come from the classified hog crane operator on days off, then be offered to the equipment operator on primary days off, and so on, in accordance to the call out guide lines. The hog crane operator would be available for coverage in trained positions once the normal call procedure has been completed. The Company will provide training to ensure hog crane operators continue to be able to operate the equipment assigned to the Chip Line Department.
- 5) Training on the tug boat will be at the company's discretion if the vacant position is filled by a mill wide posting, and the candidate does not already have tug training and ability.
- 6) The equipment operator will be trained to operate the crane and off load hog as required as a normal course of duties.
- 7) In the event there's any change to the modified C.W.W. tour schedule for the hog crane job in the chip line, the current classified hog crane operators would have the option to go back into the chip line of progression in accordance with their department seniority.
- 8) The company commits to maintaining skills on the hog crane by including the hog crane operation in the equipment operator's training guidelines

6-LETTER OF UNDERSTANDING – LEGAL REPRESENTATION

The Company agrees to provide independent legal counsel for any union member when an event or series of events occur during the normal execution of the employee's duties that results in an investigation by government or other legal agencies that could compromise the rights of the union member. The following circumstances would be covered under this letter:

1. Investigations involving WorkSafeBC or other regulatory agencies.
2. Environmental Investigations involving government agencies or legal bodies.
3. Any other investigation or review that meets the above criteria.

Re: First Aid/Security

October 25, 2011

7-LETTER OF UNDERSTANDING – FIRST AID/SECURITY

**FIRST AID / SECURITY – EXPANSION OF BARGAINING UNIT
CERTIFICATION**

The parties to this agreement agree that all Terms and Conditions of Employment provided for in the 2008 – 2012 Labour Agreement (including 2008 – 2012 Supplementary Agreements) shall be applied to those employed in the First Aid / Security Department (referred to as the department hereinafter) following the B.C. Labour Relations Board certification vote and amended certification granted on October 12, 2011.

1. SENIORITY

Employees in the department shall have all accrued service credited for the purposes of qualifying for mill and department service dates as provided for in Appendix “A” attached to this document. These dates shall be used for the purposes of qualifying for benefits as provided for in Articles XV – Vacation, Article XVI – Supplementary Vacation, Article XVII – Statutory Holidays, Article XVIII – Special Personal Floating Holidays, Article XIX – Welfare Plan and Article XX – Pension Plan – Section 4: Pension Bridge Benefit only.

Employees as provided for in Appendix “A” Seniority shall be grandfathered to the department and shall have the right of first call to the work in the department, be it temporary or permanent, including overtime opportunities.

Employees as provided for in Appendix “A” shall have first opportunity for the provision of employee first aid training and audio-metric testing in the mill. Further training opportunities will be forwarded to Standing Committee for consideration.

2. DEPARTMENTAL STRUCTURE

It is agreed that the following is the correct application of the Labour Agreement with respect to the changes as a result of the movement from a salaried to an hourly classification.

All work that is currently being done by the First Aid / Security Department employees shall:

1. Continue to be performed by the First Aid / Security Department employees (including relief classifications);
2. Not be reassigned through either contracting out or to be performed in full or part by a salaried employee.

It is understood that some First Aid / Security work may:

1. Be eliminated through the use of technology, or;
2. Be declared redundant and not performed in the future in any manner.

There will be four (4) classified shift positions in the First Aid/ Security department who are following A, B, C, & D shifts. These employees will be covered under the Howe Sound Supplemental Agreement, F. Compressed Work Week Memorandum.

In addition there will be one day shift posted position, Monday through Thursday on a 10 hour shift schedule, 7 a.m. to 5 p.m. as per the Howe Sound Supplemental Agreement, Section P. Ten (10) Hour Shift Schedule. When not required in First Aid/ Security, this position will be given other duties as assigned while maintaining their classified rate. The Day Shift First Aid/Security Attendant may be assigned the overflow training for safety policies and procedures.

The three other grandfathered employees as outlined in Exhibit "A" will be the first call for relieving in the department. When not covering First Aid / Security, they will be assigned to the mill labour pool reporting to the Yard Services Supervisor.

3. JOB LEVEL AND WAGE RATE

Rate of pay shall be established as the Temporary Rate (T rate) as provided by the Job Evaluation Board.

Step 12	First Aid/Security	As per Exhibit A
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It is agreed that there shall be one (1) progression line within the department.

A comprehensive training program will be continued to ensure that all employees are fully trained to carry out the duties and functions as per their job description. The training program will reflect a high standard of training to ensure the safety and first aid treatment of employees is maintained.

4. VACATION RELIEF

Vacation selection will be on a seniority basis as per the collective agreement. One attendant may be off on vacation at any one time, unless proper relief can be secured.

5. PENSION PLAN

Vested employees in the department shall have the option of either having their Salaried Pension Plan placed in a deferred vested pension from plan enrolment to November 1, 2011 or upon application receiving the commuted value of the accrued benefit which shall be transferred to a Locked-In Registered Retirement Plan of their choice. Effective November 1, 2011, the Employer and Employees shall remit the contributions as set forth in Article XX – Pension Plan – Section 2 – Contributions to the Pulp and paper Industry Pension Plan and their effective enrolment dates shall be November 1, 2011.

Employees in the department shall have their Date of Hire as provided in Appendix "A" or the purpose of qualification for the benefit as provided for in Article XXI – Pension Plan – Section 4: Pension Bridge Benefit.

6. BANKED TIME

All banked time will be cashed out effective November 1, 2011.

7. VACATIONS

Employees shall qualify for the full vacation entitlement on May 1, 2012 as provided for in Article XV – Vacations in accordance with their Mill Seniority as provided in Appendix "A".

Qualification for vacation entitlement and compensation shall be based on all hours worked from October 12, 2011 to and including April 30, 2012.

All accrued vacation shall be paid out November 1, 2011.

8. SUPPLEMENTARY VACATIONS

All accrued supplementary vacation shall be paid out November 1, 2011.

Employees shall qualify for supplementary vacation as provided for in Article XVI – Supplementary Vacations in accordance with their Mill Seniority as provided for in Appendix "A".

9. SPECIAL PERSONAL FLOATING HOLIDAYS

Employees in the department will receive either four (4) or five (5) Special Personal Floating Holidays until April 30, 2012, depending on whether they received one (1) Floating Holiday while on staff.

10. WELFARE PLAN

Employees in the department shall be vested into the Welfare Plan without the thirty (30) day waiting period as provided for

in Article XIX – Welfare Plan and Exhibit “C” – Welfare Plan – Section 2: Waiting Period.

11. LEAVE OF ABSENCE – FIRST AID CERTIFICATION

- a) A First Aid / Security Attendant authorized by the Employer to attend classes or write examinations for obtaining, renewing or upgrading a first aid certification will be compensated for lost wages based on either a tour or day shift schedule. Examination test day will be based on either an 8 hour or 12 hour straight time rate. Tuition and examination fees will be reimbursed by the Company.

The duration of the course shall include the graveyard shift on the day immediately preceding the day the course/exam begins and the day the course/exam finishes. The First Aid/Security Attendant will be granted twenty-four [24] consecutive hours clear prior to the scheduled exam day.

The Employer shall compensate the First Aid / Security Attendant for up to four (4) hours travel to the course and up to four (4) hours when returning from the course. The compensation shall be at the employee’s straight time card rate.

- b) The Employer will compensate the First Aid / Security Attendant for return ferry transportation (car and driver), accommodation and daily living allowance for the authorized attendance when no courses are available in the Gibsons area.
- c) In the event a First Aid / Security Attendant fails to qualify, they shall be given one (1) additional opportunity to qualify and will have their current rate maintained.

This document is meant to serve as a support document for the 2008-2012 Labour Agreement as a result of the B.C.

Labour Relations Board decision and does not amend or replace any of the terms unless identified in this document. If a discrepancy between the two documents occurs, the 2008-2012 Labour Agreement shall prevail.

This letter has been renewed on November 11, 2012.

Re: Reliability Technician

July 21, 2011

**8-LETTER OF UNDERSTANDING
RELIABILITY TECHNICIAN CLASSIFICATION – SELECTION AND
TRAINING PROGRAM**

The parties agree as follows:

- 1) That the purpose of the Program is to provide Reliability Technicians of the highest caliber with a focus on lubrication, vibration analysis and ultrasonic analysis.

Benefits of the program:

- Improved level of training and understanding of the lubrication processes;
 - Reduction in lube related failures resulting in increased equipment reliability and runnability.
- 2) The Reliability Technician classification is a 2 year training program, and the incumbent must complete the full term of training.
 - (i) Reliability Technician trainees will be required to complete the MLT Level One distance education course and successfully pass the exam within 1 year of entry into the program. In the event of a failure to pass the examination the apprentice shall be required to undergo a period of retraining on the subject material and will be required to

take the exam a second time within 6 months. Failure to pass the second examination will result in a review of his/her position by the Joint Apprenticeship Committee and could result in his/her removal from the Program. Employees who are removed from the Program will be offered an entry job in keeping with their plant seniority.

(ii) By the end of their second year the trainee must successfully complete the following list of select training modules:

- Basic Lubrication (40 hours)
- Machine Shop (10 hours)
- Mill Stores Overview (10 hours)
- Rebuild Shop (20 hours)
- Pipe Shop (20 hours)
- Predictive Maintenance Overview (20 hours)
- Basic Rigging (10 hours)
- Basic Sheet Metal (20 hours)
- Basic Pneumatics (40 hours)
- Basic Hydraulics (40 hours)
- Basic Heating, Ventilation & Air Conditioning (10 hours)

(iii) Reliability technician trainees will be provided with the training to familiarize them with all areas of the mill.

1) The job classification of **reliability technician** will be added to Exhibit A of the Collective Agreement. The wage rate at the start of the training program will be:

Lubrication Mechanic after one (1) year as per Exhibit A
Lubrication Mechanic after three (3) years as per Exhibit A.

2) The current incumbents will continue as Lubrication Mechanics until their retirement or if they decide to take a posting outside of their current department. All current incumbents will be offered the reliability technician

training on a voluntary basis at their current card rate. If the incumbent does not successfully complete the program or decided to leave the program they will maintain their position as a Lubrication Mechanic.

- 3) At the time of retirement or posting to another department the Company will determine the need to replace the vacant position based on operational demand and business need. If the Company determines the need to fill the vacancy, it will be posted within the mill first.
- 4) In the event that no suitable candidates can be found with an internal posting the Company reserves the right to hire externally.
- 5) The selection process for entry into the Reliability Technician Program will reflect the process currently agreed to for the Trades apprentices.
- 6) The parties will meet as required to discuss and resolve any issues that may arise from the implementation and ongoing operation of this agreement.

Re: Casual Clerical Agreement

June 29, 2010

Amended: January 15, 2013

**9-LETTER OF UNDERSTANDING
CASUAL CLERICAL AGREEMENT**

The Company will test and recruit a casual pool of employees that demonstrate a high degree of competence in Microsoft Office applications with specific emphasis on Excel, Word, Power Point, and Project. Specific emphasis will be placed on data entry, numeric and analytical skills for payroll, accounts payable and other finance functions such that this pool will be competent to relieve in any of the following positions:

Administrative Assistants

- Maintenance
- Engineering
- Paper Mill/TMP
- Power & Recovery
- Pulp Mill
- Safety
- Accounting and Finance
- Timekeeper
- Payroll Assistant
- Accounts payable
- Purchasing

A comprehensive training program will be implemented to ensure that all personnel are fully trained. The training program will reflect the same high standard of training as other areas of the Company.

The Company further agrees to use casual clerical employees where their skills are required on special projects within the mill.

Where large projects are undertaken by the Company, first consideration for clerical opportunities will be given to the regular clerical department employees on the basis of seniority through a temporary posting following the job posting process. The goal is to provide job enhancement opportunities for our regular clerical department employees. Should none of the regular clerical department employees apply, the assignment will be offered to the senior casual clerical employee reflecting the competencies required for the project.

The following guidelines are intended to supplement the casual clerical agreement:

- Casuals hired for relief will be assigned on the basis of their seniority. Other work may include but is not limited to peak work assignments, project work or

other work opportunities consistent with the skill of this group. These positions may also provide coverage for extended sickness, maternity leaves, training back log, and contractual time off.

- Casuals will work on either the ten (10) hour shift schedule when relieving employees on that schedule, or the eight (8) hour shift schedule, or as required by special projects. Pay and overtime provisions for the two different shifts will apply as provided in the collective agreement or letters of understanding governing ten (10) hour shifts.
- When a permanent vacancy occurs in the clerical department, the regular posting process will be used to fill the vacancy. If there is no qualified internal candidate, the most senior clerical casual will be offered the vacant position, provided that they have passed the appropriate tests for entry into the vacant position
- Casual clerical employees are not eligible for posting into other areas of the mill. Once a casual clerical employee has accepted a regular clerical position, they will be eligible to apply for job postings in the mill.
- Rates of pay will be as per the clerical rate of pay in Exhibit A of the Collective Agreement.
- Probationary period for the casual clerical positions will be as per the Collective Agreement.
- All provisions of Section O of the Collective Agreement will apply with the following exceptions: 1(d), 1(j), 2(a), 2(b). These excluded sections apply specifically to long shoring and shipping. Exception to 1(d) – it is not the intention of the Company to replace regular mill employees with Casual Employees.

Casual employees shall be compensated for overtime as set forth in the terms and conditions of the Collective Agreement.

Employees scheduled for ten (10) hour shifts shall be compensated as per the ten (10) hour shift agreement.

The casual clerical program will be reviewed annually by Standing Committee. Items to be reviewed will be the number of hours worked and any issues that may arise from the use of the casual clerical program.

All other provisions in (J) Clerical Memorandum not covered in the above statements will apply.

Re: Chip Line Restructuring

April 13, 2011

**10-LETTER OF UNDERSTANDING
CHIP LINE RESTRUCTURING**

**Agreement Between
Howe Sound Pulp & Paper Corporation
(the "Company")
and**

**Communications, Energy and Paperworkers Union Local 1119
(the "Union")**

The Company and the Union agree on a modified C.W.W. tour schedule for two (2) Tug operators and (2) Deckhands of (four (4)-twelve (12) hour) day shifts followed by four (4) days off for the Dedicated Tug boat crew in the chip line. When there is a permanent vacancy, these positions will be filled by members of the chip line department on a seniority basis.

There will be a one time (snap shot) realignment of department seniority in order to allow the top twelve people to freeze at the Chip Supply Operator position (or below) for anyone who does not or cannot operate the tug. Any one taking this option will be required to progress to the Hog Crane for relief.

If overtime coverage is required, coverage would first come from the classified tug operator on days off, then be offered to the deckhand on days off. The company commits to maintaining the skills and training needed for these positions

For the purpose of Vacation ground rules:

The Chip Line will have labour pool to support one (1) Senior and one (1) Junior off on a crew at the same time.

The Tug operator, deckhand, and hog crane operators (A B) (C D) will pick in accordance to their department seniority as one group. The CSO, CLO (1), CLO (2), HLO, Utility, and SCLP will pick as one group. Only one person in each group can be off on vacation at a time.

Positional relief for the tug and deckhand's will come from the hog crane operators on day shift.

The Duties for these two positions are outlined below. It is understood that this arrangement is non-precedent setting anywhere else in the collective agreement.

1. The tug operator is responsible for:

- Scow moves
- General tug maintenance and housekeeping, inspections and safety checks including but not limited to MOB drills, and Fire System checks.
- Interfaces with maintenance departments on tug maintenance issues.
- Performs equipment checks on Operator Routes for the reliability centred maintenance program.
- Assists in Department training activities which may include loader, Terex, tug and positional training.
- Assist operating crews during operational problems and in problem solving.
- Participate in operational inspections for safety and housekeeping.

- May include assisting in managing and maintaining department training procedures and monitoring individual's training progress (schedules).
- May include assisting in Area and Mill Shutdown Planning
- Provide positional relief during dayshift as a last resort
- Will provide relief at the Chip Link to maintain continuous off-loading
- Will Allow Deckhand to operate the tug and assume the Deck handing duties a minimum of one shift per tour.

Rates of pay and Hours of Work:

- Daily schedule from 6:00 a.m. – 6:00 p.m.
- Tug Operator rate shall be the equipment operator rate as defined in Exhibit A
- Deckhand rate shall be the equipment operator rate as defined in Exhibit A

a. Deckhand duties

- All aspects of Deck handing
- Assists Tug Operator as needed
- Operates tug boat a minimum of one shift per tour
- Provides primary relief for the tug
- Provides relief for Chip Loader Operators.
- When not moving scows will assume duties at the Chip Link handling chips to support continuous off-loading.

Re: Fire Department

January 15, 2013

**11-LETTER OF UNDERSTANDING
FIRE DEPARTMENT**

For the purposes of greater clarity, the Union members of the Fire Department are governed by the terms and conditions of the Labour Agreement with emphasis on Article III – Section 1: Recognition. Any issues or concerns arising out of the operation of the Fire Department will be dealt with through Standing Committee.

Re: Revisions to Great West Life

January 19, 2013

**12-LETTER OF UNDERSTANDING
REVISIONS TO GREAT WEST LIFE IN THE RENEWED LABOUR
AGREEMENT**

The parties agree that the Joint Union – Management Health and Welfare Committee shall review the terms and conditions of the carrier agreements in comparison with the Labour Agreement. The Committee shall report back to their respective principles on the required changes no later than three (3) months from the date of ratification.

To facilitate this review, the employer shall provide the committee with any revised carrier agreements that they may require.

The Health and Welfare plans shall be reviewed in committee and the cost incurred shall be borne by the Company.

Re: Vacation Ground Rules

January 19, 2013

**13-LETTER OF UNDERSTANDING
VACATION GROUND RULES**

For the purpose of Annual Vacation scheduling, the Company agrees that selection will be made based on department seniority. The department ratio; the number of people off for vacation will be 1 in 4. For departments with smaller Lines of Progression (i.e. 5 or 6), the Department Manager will review the available relief to see if a second employee could be released.

The current detailed department ground rules will be reviewed and agreed to by Standing Committee in February of each year.

Re: Red Seal Certification

January 19, 2013

**14-LETTER OF UNDERSTANDING
RED SEAL CERTIFICATION**

The parties agree that opportunities may exist to allow for tradespersons to become certified in a second trade.

To evaluate these opportunities, the parties will form a joint committee comprised of up to three (3) members from the Local Union, one (1) representative from the National Union, and up to three (3) Employer representatives.

The purpose of this committee will be to:

- a. Identify the opportunities for a tradesperson to participate in an Apprenticeship in a trade separate and apart from the core trade they are currently employed in;
- b. Develop a criteria for those trades persons entering into a second trade;

- c. Prepare and present a submission to the appropriate government agencies on this issue.

The parties agree that this certification in a second trade will not minimize the current apprenticeship program entrants, but will in fact enhance the numbers by increasing the number of opportunities for members that are not employed in the trades to participate in an Apprenticeship.

The committee shall be established within sixty (60) days of ratification of the Labour Agreement with the committee reporting back to their principles no later than one hundred and either (180) days following ratification unless extension to this time line is mutually agreed upon.

Re: Utility Spare Positions and Labour Relief Pool
January 19, 2013

15-LETTER OF UNDERSTANDING
UTILITY SPARE POSITIONS AND LABOUR RELIEF POOLE (LRP)

UTILITY SPARE POSITION

The current Senior Classified Labour Pool Position within the mill remains intact. The current Department Labour Relief incumbents in Newsprint, TMP, Power & Recovery, Chip Line, Fibre Line, Pulp Machine, and the 2 senior labour pool positions in Yard Services will be offered the opportunity to move into the newly created department Utility Spare position.

These Utility Spare positions are a permanent relief position in the line and the incumbents will gain department seniority from the date of ratification. These positions are at the bottom of the line of progression below the Senior Classified Labour Pool position. Utility Spares will pick annual vacations after the second choice has been made by the classified positions.

Department Utility Spares:

1. Mill departments will have their Labour Pool built into each department based on the operational needs for that department. This position will be called Utility Spare.
2. This new Utility Spare position in the department will accrue department seniority in that department but unlike the Senior Classified position in the department, they will not be scheduled to work on Statutory Holidays unless needed.
3. Mill departments that have longer term vacancies may draw from the Labour Relief Pool to provide contractual time off or training needs. They will be returned to the Labour Relief Pool when the regular employee in the department returns to duty.

LABOUR RELIEF POOL

1. The Labour Relief Pool will be manned according to contractual obligations and business needs.
2. Entry level hourly employees will start work in the mill in the Labour Relief Pool
3. The pool will be used for relief into any operating LOP they are trained to relieve in. Training will be provided by departments based on needs of the department.
4. The Labour Pool may also be used for relief in Millstores, Gatehouse, and Yard/Shipping. They may be used as helpers for Trades or Reliability Technicians.
5. The Labour Pool will provide clean up in any areas of the mill including washing up or clean up on maintenance days or clothing installations on the Pulp Machine or Paper Machine.

6. Labour Pool employees are deemed to be regular full time employees with entitlement to all the terms and conditions of the Labour Agreement.
7. Labour Pool employees who have tickets for special equipment may be used to relieve on Cranes, Rail, Loader or Lift Truck, or any other specialized equipment that they have been certified to operate.
8. The parties agree that Article VI – Hours of Work, Section – 1: Basic Work Week shall govern Labour Pool employees and will be scheduled by seniority.

SIGNED and AGREED In Vancouver, BRITISH COLUMBIA

this 19th

day of January 2013

FOR THE COMPANY

M. Palmiere
President, Howe Sound Pulp
& Paper Corporation

R. Demchuk
Manager, Human Resources

G. Kosteckyj
Manager, Paper Operations

S. Buchhorn
Manager, MBOS

FOR THE UNION

D. Schaub
National Representative,
CEP Union of Canada

D. Rheaume
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N. Collins
Wage Delegate

R. Gaboury
Wage Delegate

J. Hubel,
Wage Delegate

D. Strom
Wage Delegate

B. McNevin
Wage Delegate