

LABOUR AGREEMENT

BETWEEN

COMMUNICATIONS, ENERGY AND  
PAPERWORKERS UNION OF CANADA

RAINY LAKE LOCAL 306

Fort Frances, Ontario

Hereinafter called the "Union"

-and-

ABITIBI-CONSOLIDATED COMPANY OF CANADA

Fort Frances Division

Hereinafter called the "Company"

May 1, 2004 to April 30, 2009

01265(00)

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## **LABOUR AGREEMENT**

This Agreement is made and entered into this **16th day of July 2004**, by and between **Abitibi-Consolidated** Company of Canada, Fort Frances, Ontario, hereinafter referred to as the "Company" and Communications, Energy and Paperworkers Union of Canada, CLC, and its Rainy Lake Local 306, hereinafter referred to as the "Union".

### **100 PREAMBLE**

- 101 The mutual interest of employer and employee is recognized by this Agreement for the operation of the entire Plant under methods that will promote to the fullest extent safety to the employee, economy of operation, quality and quantity of output, cleanliness of Plant and protection of property; and it is recognized by this Agreement to be the duty of the Company and the men to co-operate fully, individually and collectively, for the advancement of this condition.
- 102 Words importing the masculine gender shall include the feminine and vice versa.

### **200 RIGHTS OF PARTIES**

- 201 The Union has all rights which are specified in the subsequent provisions of this Agreement and retains all rights granted by law.
- 202 It is agreed that the Company retains all the customary and normal functions of management except as they may be expressly restricted by the terms of this Agreement.
- 203 It is understood that none of the foregoing shall detract from the right of an employee or the Union to lodge a grievance in the manner and to the extent provided in Article 1200 - Differences.
- 204 The Company agrees to inform and discuss at a joint Union/ Management meeting as far in advance as possible, any changes in manning, work procedures, scheduling of operations, or any other changes that might affect members of the Union.

205 During the life of this Agreement the Company and Unions agree to meet and discuss interpretation of contract language, where the parties may have different understanding.

Where mutual understanding is reached, such understanding will be reduced to writing and signed by the Company, Local Union and National Representative.

### **300 UNION RECOGNITION AND SECURITY**

#### **301 Recognition**

- (a) The Union is recognized as the exclusive bargaining agent of the employee in the following classifications: Boss Machine Tenders, Machine Tenders, Back Tenders, Third Hands, Fourth Hands, Fifth Hands, Sixth Hands, Rewinder Men, Paper Machine Oilers, Day Oilers, Clothing Men, Beater Engineers, Beater Engineer Assistants, Paper Inspectors, Paper Testers and Rewinder Men's Helpers.
- (b) The line of demarcation between the jurisdiction and job duties of Local 306 and the various mill unions will be in accordance with the presently existing jurisdiction and job duties.

#### **302 Union Security**

A new employee who is not a member of the Union shall make application to become a member within thirty (30) calendar days. The Company shall instruct a new employee to this effect at the time of his employment. Employees who become members of the Union shall maintain membership in good standing as a condition of employment.

#### **303 Hiring Preference**

The Company when hiring new men shall give preference to the members of the Union which is a party to this Agreement when

competent members are available for positions covered by this Agreement.

304 Jurisdictional Disputes

Jurisdictional disputes shall be dealt with by the Unions involved in conformity with the regulations covering such matters as fixed by the C.L.C. and The Ontario Labour Relations Act. The Company will not be made a party to such disputes and such disputes will not be subject to the grievance procedure. It is agreed that settlement of jurisdictional disputes will not adversely affect Company operations.

305 Check-off of Dues

A voluntary and revocable payroll deduction plan and procedure for check-off of regular monthly Union dues is covered in a separate Supplementary Agreement dated March 14, 1980.

**400 HOURS OF WORK**

401 Normal Working Hours

401.1 Day Workers.

The regular working day for day workers shall be eight (8) hours per day from 8:00 a.m. to 4:00 p.m., inclusive of a thirty (30) minute lunch break and one fifteen (15) minute coffee period in the a.m.

401.2 Tour Workers

- (a) The schedule of hours for tour workers and hours at which tours shall change shall be from 7:00 A.M. to 3:00 P.M., 3:00 P.M. to 11:00 P.M., 11:00 P.M. to 7:00 A.M., or as mutually agreed.
- (b) Shifts shall be arranged to suit the running schedule of the mill and to avoid any interruption in normal operations, it being agreed that under certain swing schedules for tour workers it is necessary to effect an "average" workweek. The word "average" shall mean the workweek schedule already agreed upon.



402 Workday and Workweek

402.1 The workday shall begin at 8:00 A.M. and shall end at 8:00 A.M. on the following day.

402.2 The workweek shall commence at 8:00 A.M. on Sunday and shall end at 8:00 A.M. on the following Sunday. This provision is not intended to change the schedules presently in effect and merely defines the pay period.

402.3 Normal day or days off will be shown for employees on the weekly schedule posted by 3:00 P.M. Thursday of the preceding week.

The schedules may be changed up to 8:00 A.M. Sunday if an error or omission has been made in the schedule.

403 Reporting with No Work Available

Employees reporting for work on the regular shifts without having been notified by the posting of a notice on the time card racks four (4) hours before the usual beginning time of their shift or by telephone notification one (1) hour before the usual beginning time of their shift, that their services will not be required, shall be given four (4) hours work at their regular pay or four (4) hours straight time pay.

404 Change in Scheduled Days Off

404.1 Employee Request

When an employee wishes to change his scheduled or designated days off, he will notify his supervisor at least twenty-four (24) hours in advance and if such a change is mutually agreed upon by the employee and his supervisor, then the employee will work at straight-time rates on the day or days originally scheduled as his scheduled or recognized days off.

404.2 Major Breakdown

In the event of a major breakdown an employee may be required to work on his scheduled or designated day or days off for which he will be paid at straight-time rates provided he has been given at least

twenty-four (24) hours advance notice and assigned another day or days off as mutually agreed upon for which he will be paid at the overtime rate if required to work on these days.

405 Normal Operating Hours

405.1 Operations

- (a) The Company shall have the right to schedule the operation of any or all departments without restriction up to and including seven days per week except for shutdown holidays as set forth in 801.1 and such other shutdowns as may be necessary in the judgement of the Company.
- (b) No paper machine will be scheduled to operate in excess of six days unless all three machines are scheduled to operate on a five-day basis or more except under the following situations:
  - (i) If a paper machine is not scheduled to operate due to a breakdown, scheduled maintenance or repairs, rebuilds, equipment installations, or such other reason outside of determining which machines shall be scheduled to produce the required tonnage, the above five-day restrictions shall not apply to that machine. (The above reference to "such other reasons" shall not be interpreted to include lack of orders).
  - (ii) If other than standard newsprint is being manufactured on a given machine and schedules to provide the above cannot be arranged to produce the required tonnage, the above provisions shall not apply to that machine.

405.2 Emergency and Normal Shutdown

When paper machines are scheduled on a seven-day basis, the following shall apply: For emergency shutdowns of 24 hours or less (includes the shift in which the shutdown occurs and the two shifts following) and all normal shutdowns occasioned by normal clean-up, clothing changes and scheduled normal maintenance, operating

crews which are scheduled to work will be provided with work and will be paid at the rate of their regular occupation. Employees will be expected to do work assigned. Tour workers may be scheduled to work with day crews during these shutdowns and if so scheduled will work day hours. In no case will an employee who worked the 12-8 shift be scheduled to work the succeeding day shift or day work hours.

406 12 Hour Shifts

- (a) It is agreed that the implementation and utilization of the 12-Hour Shift Schedule will not, in any way, increase costs to the Company or the Union from that applicable to the eight (8) hour schedule reflected in the Collective Agreement.
- (b) It is understood the 12 hour shift schedule applies only to a 7-day and 24 hour continuous operation. Operating areas not covered by a 7-day and 24-hour continuous operation will be given consideration towards 12 hour shifts.
- (c) No overtime hours shall be paid as a result of transferring to or reverting from the 12 hour schedule.
- (d)
  - i) Employees holding bulletins within Local 306 may hold only one (1) bulletin within Local 306 in addition to their paper machines priority.
  - ii) When an employee with bulletin rights within Local 306 secures a bulletin outside Local 306, he/she will be granted a six month trial period whereby he/she retains the right to return to his/her bulletin within Local 306. After the trial period he/she loses all rights within Local 306.
  - iii) Employees currently holding more than one (1) bulletin within Local 306 in addition to their paper machine priority will be Grandfathered on these specific bulletins until such time as they relinquish them; then (d)(i) applies.

- (e) For the purpose of this agreement the average work week for tour workers will be defined as forty-two (42) hours per week.
- (f) Schedule changes for the Master Lists will be as mutually agreed.
- (g) Hours of Work
  - (i) The schedule of hours for tour workers and hours at which tours shall change shall be from 7:00 a.m. to 7:00 p.m. and from 7:00 p.m. to 7:00 a.m., or as mutually agreed. Employees working their regular scheduled shift prior to a shutdown holiday will be paid for all hours worked at straight time rates. Employees working their regular scheduled shift immediately following a shutdown holiday will be paid for all hours worked at straight time rates. The above work performed on Sunday will be paid at time and one-half (1-1/2).
  - (ii) Relief should not be earlier than fifteen (15) minutes before the hour.
  - (iii) Employees reporting to work late will lose pay in increments of thirty (30) minutes.
  - (iv) Spares within the CEP 306 operating departments where 12 hour shift schedules are in force will continue to be called on a priority basis as is the case now.
  - (v) When making up the weekly schedule, full tours to the extent they are available, will be assigned from the most senior bulletin employee on down. Once all available full tours are occupied, all other vacancies will be filled by the appropriate spares.
  - (vi) If, on the Thursday schedule a spare is scheduled on a "letter" comprised of three 12 hour shifts, holding a

classified job (not as an extra person over the normal crew complement), then he/she will be deemed to have a full workweek. If a 4th shift is required it will be at overtime rates.

- (vii) If, on the Thursday schedule, a spare is scheduled on a "letter", comprised of three 12 hour shifts, as an extra person over the normal crew complement, then he/she may be scheduled a fourth 12 hour shift at straight time rates at any time before or after Sunday 8:00 a.m.
- (viii) If a spare is not scheduled on a "letter" on the Thursday scheduled but, through revisions to the schedule, is subsequently scheduled on a "letter" then the rules as outlined in paragraphs (vi) and (vii) apply.
- (ix) If a spare is scheduled on a "letter" on the Thursday schedule in accordance with paragraph (vi) but, through revisions to the schedule, is subsequently taken off letter then the rules as outlined in paragraph (vi) no longer apply.
- (x) For general spare employees not scheduled to work a full week in accordance with an established 12 hour schedule, the following hours of work will constitute a full work week.

4 x 12 hours plus 0 x 8 hours = 48 hours

3 x 12 hours plus 1 x 8 hours = 44 hours

2 x 12 hours plus 2 x 8 hours = 40 hours

1 x 12 hours plus 4 x 8 hours = 44 hours

0 x 12 hours plus 5 x 8 hours = 40 hours

(h) Rates of Pay

- (i) Regular straight time rates shall be paid for all hours worked for each 12 hour shift, except for Sundays where the first 12 hours will be paid at the rate of 1.5

times.

- (ii) Time and one-half (1.5) shall be paid for all hours worked in excess of 12 hours except:
  - (a) When such work of up to two (2) hours in excess of a tour worker's regular shift is to replace an employee who is tardy.
  - (b) After the sixteenth (16th) hour of continuous work or after the sixteenth (16th) hour of work in any one day between 7:00 a.m. and 7:00 a.m. or the starting and stopping times as mutually agreed, at which time the employee shall receive double time.
  - (c) Sundays where work in excess of 12 hours will be paid at the double time rate.
  - (d) When such work in excess of 12 hours is caused by an exchange of shifts by employees. Such exchanges must be approved by a supervisor.
- (iii) For purposes of off-the-job training the following shall apply:
  - (a) The rate of pay will be for the job for which the employee was scheduled or the rate of pay for the job which the employee is being trained, whichever is greater.
  - (b) Employees who will not receive 42 or 48 hours of pay during a week, depending upon their regular schedule, as a result of the training schedule, may request make-up time. This request must be made to the Paper Mill Scheduler no later than 8:00 a.m. Thursday of the week prior to the training. The employee will be given adequate notice that make-up hours are required. These make-up hours will be paid at straight-time rates and at the rate of pay for the job which the employee is being trained. Employees who

would normally be scheduled to work Sunday through Wednesday but, for purposes of training, must attend classes Monday through Friday (40 hours) will work their Sunday shift. The subsequent training, Monday through Friday, will be paid at straight time rates. All work done on make-up hours will be done within the jurisdiction of Local 306.

(c) No shift differential will be paid to employees training on the day shift.

(iv) Clause 703.2 Work on Wires, Payment shall be interpreted as follows:

Payment: For removal and/or replacement of one wire, crew members will receive ten (10) hours regular and six (6) hours wire change pay. For removal and/or replacement of both wires, crew members will receive eight (8) hours regular and twelve (12) hours wire pay.

Clause 703.2 Work on Wires, General (1) shall be interpreted as follows:

General: (1) For the purpose of determining the applicable wire change shift, times of shift changes shall be considered as 7:00 a.m. and 7:00 p.m. or as mutually agreed.

(v) When a tour worker who works the second shift, works into the day shift for a period in excess of two hours due to his relief not showing up, "not to include the exercise of seniority to claim such work", the applicable overtime rate shall be applied to such work on the day shift.

(i) Floating Holidays

(i) After completion of ninety (90) calendar days with the Company and a minimum of 480 hours of work,

an employee shall be entitled to four **(4)** floating holidays, each with twelve (12) hours straight time pay at his regular rate, except as provided in section (ii) below. These floating holidays are to be taken at the convenience of the Company and without interruption of production, as per existing practices.

- (ii) Employees hired for summer work or vacation replacement and who are so informed at the time of hire, will not be eligible for the floating holidays referred to in section (i) above, until they have completed 720 hours of work in a position subject to jurisdiction of a mill union.

(j) Shift Differentials

Shift differentials will be as follows:

7:00 a.m. to 7 p.m.           \$0.00

7:00 p.m. to 7 a.m.         **\$0.80**

This applies only to employees covered by the 12 hour shift agreement.

(k) Vacations

Vacations shall be taken on a tour to tour basis.

(l) Company Sick Pay

**The Company sick pay will be based on 70% of what the employee would have been scheduled in the 7 day period.**

The total number of accumulated sick days allowed will be ten (10) working days.

The waiting period will be two (2) days or twenty-four (24) hours.

To receive credit for a month of employment for purposes of



sick leave an employee must work ninety-six (96) hours in that month.

(m) Weekly Indemnity

If during any seven (7) day period an employee is sick and is paid the maximum sick pay the employee is then eligible for Weekly Indemnity.

(n) Jury Duty

Employees working 12 hour shifts will be paid the difference between the payment received for such duties and the regular pay they would have received for each scheduled 12 hour workday lost. An employee scheduled to work the 7:00 p.m. to 7:00 a.m. shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay from the Company for such shift. The employee is expected to report for work on his/her scheduled night shift immediately following discharge from jury duty or roll call if released prior to 2:00 p.m. An employee scheduled to work the day shift shall be excused from work with pay, if the employee is discharged from jury duty by the court after 12 midnight.

(o) Automation

For employees on 12 hour shifts, Article 503(c) will be interpreted as follows: A permanent employee with one year's continuous employment is an employee who has worked a twelve-month period of no less than thirty-two (32) hours per week, without interruption due to lack of work, resignation or discharge.

(p) Vacation Credits

Vacation credits will be computed as per current practice.

(q) Funeral/Memorial Leave

The following provisions will apply.

- i) In the case of funeral/memorial leave of three (3) days duration, a maximum of two (2) consecutive scheduled shifts will be substituted within the eight (8) day period stated in the Collective Agreement.
- ii) In the case of funeral/memorial leave of five (5) days duration, a maximum of four (4) consecutive scheduled shifts will be substituted (maximum pay **forty-eight (48)** hours) within the eight (8) day period as above. The employee may choose only three (3) consecutive scheduled shifts off with thirty-six (36) hours pay. All hours paid are at straight time.

(r) Statutory Holiday Pay

- (i) Unworked Statutory Holiday Pay will be in accordance with the following:

Holiday	Period	Unworked Straight Time Holiday Pay
Easter Sunday	24 Hours	12 Hours
Canada Day	24 Hours	12 Hours
Labour day	24 Hours	12 Hours if scheduled to work 8 Hours if not scheduled to work
Christmas	48 Hours	12 Hours
New Years Day	24 hours	12 Hours

(ii) Pay for Work on a Statutory Holiday

The pay practice for employees who are scheduled to work on a Statutory Holiday will be paid as follows:

- Statutory Holiday pay
  - Double time for all hours worked
  - An employee who works a 12 hour shift will receive a day off with 12 hours pay at a later date.
- (iii) An employee covered under a 12 hour shift agreement who normally works 12 hour shifts but as a volunteer changes to a day worker on this day and works 8 hours will receive one 12 hour shift off with 8 hours pay. If he works 12 or more hours he will receive one 12 hour shift, off with 16 hours pay. These days to be taken within one year.

- (iv) For those employees who would be scheduled to work on a statutory holiday, holiday pay will be based on each employee's normal schedule (8 or 12 hour shifts). Those employees not scheduled to work will receive pay as defined in the collective agreement,

(s) Coverage

- i) In cases where a worker is needed for relief purposes and if the strength of the crew permits, the established line of progression shall be moved upwards and a trained general spare employee will be placed at the bottom job in the line of progression. If the crew is unable to be moved up, any available qualified worker will be called.
- ii) If, at any time during the term of the Collective Agreement, employees covered by this 12 hour shift schedule fail to make themselves available for coverage for unforeseen absences, the Company may, upon 30 calendar days written notice, cancel this 12 hour shift agreement and employees will revert back to 8 hour shifts.

(t) Eligibility for Benefits

An employee will qualify after completion of 90 days with the Company and a minimum of 480 hours of work.

(u) Provision for Elections

On election days if an employee requests time off during polling hours to vote, time will be granted as per the Ontario Labour Law. Both parties will encourage those employees covered by this twelve hour agreement to avail themselves of this right in a responsible fashion, in recognition of the impact on operations, and the applicability of this law to this region.

This agreement in no way alters, amends, or modifies any of the provisions of the present Collective Agreement except for those items specifically addressed in this agreement.

### **500 VACANCIES, PROMOTIONS & LAYOFFS**

#### **501.1 Regular Vacancy**

A regular vacancy shall be considered to exist whenever the Company determines that employees are regularly required in any of the classifications listed in Appendix A to this Agreement. When an employee leaves the employ of the Company and the Company does not intend to make a replacement, the Union will be informed through a meeting with the Union committee.

#### **501.2 Filling Vacancies**

- (a) All vacancies in jobs or positions coming under the jurisdiction of any of the unions with which the Company has an agreement shall be filled in the following manner:
- (i) Members of the Union having jurisdiction over the vacant job or position whether employed by the Company or laid off, shall have priority over any other employees for the job or position to be filled.
  - (ii) In the event members, either employed or laid off, of the Union having jurisdiction over the vacant job or position are not available, then members in good standing of other Unions with which the Company has an agreement, who have been in active service for the Company for at least one year and who are qualified (or equally as qualified as any other applicant) for the job or position to be filled, shall be given preference.
  - (iii) In the event members of the Union having jurisdiction over a vacant job or position are not available and in the event members of other unions are not qualified, then such applicants as the union having jurisdiction over the vacant job or position may recommend shall be given preference in the filling of the final job or

position.

- (b) In filling vacancies on the paper machines the Company shall have the right to fill every fourth vacancy from outside.
- (c) The parties hereto mutually agree that employees will be set up on shift per seniority in filling of temporary vacancies occurring on the respective shifts.
- (d) When permanent set-ups are made they will be on the basis of Section 502 of the Labour Agreement.
- (e) There will be four (4) employees per shift allowed on vacation during any week.
- (f) The rule will be to allow four (4) employees as listed on the master schedule from rewinder helper and above off on vacation at any one (1) time.

#### 502 Seniority

The principles of seniority shall apply in the respective departments for the members under this Agreement in promotions, lay-off and re-employment under a reasonable length of time.

#### 503 Automation

The Company has the right to adjust all or any of its crews as a result of change in process or a change in equipment, and to make such technical and other changes in its manufacturing processes as it deems necessary for efficient operation.

In recognition of the impact that such changes may have upon employees and the concern of the parties regarding employees who may be affected, the following will apply:

- (a) The Company undertakes to advise the Union at least thirty (30) days in advance of such changes which the Company has decided to introduce which will result in significant change in the employment status of employees.

- (b) The Company agrees to discuss with the Union the effect of such changes on the employment status of employees and to consider practical ways and means of minimizing the adverse effect on employees displaced by such change. Such measures as early retirement, retraining and transfers to other existing jobs will be considered.
- (c) If a permanent employee with one year's continuous employment is set back to a lower paid job due to a permanent job elimination under conditions set forth above, his rate shall be maintained for a period of three (3) months from date of setback. For an additional period of three (3) months an adjusted rate will be established midway between his previous rate at time of setback and the rate of his "home" job for each workweek, which depends upon the operating schedule for each such week, i.e., 5 days, 6 days, 7 days. At the end of the six (6) month period the rate of the job to which he is assigned will apply. (Interpretation of this Section shall be based upon the following. A permanent employee with one year's continuous employment is an employee who has worked a twelve-month period of no less than four (4) days per week without interruption due to lack of work, resignation or discharge.)
- (d) A permanent employee with one year's continuous service who will be laid off from work due to a permanent job elimination will be given notice of the impending change in employment status at the earliest possible time in keeping with the notification to the Union as set forth in (a) above.

504 Severance Pay

A permanent employee with one year's continuous service who is laid off from work due to a permanent job elimination or because of a temporary curtailment of six (6) weeks duration, shall be eligible for Severance pay in accordance with the following:

- (a) Severance pay shall be one (1) week's pay (a weeks pay shall be the employee's classified rate of pay times 40) for each year of continuous service. Continuous service for

Severance Pay purposes shall be broken only by retirement, resignation (quit), discharge, or death. Severance Pay will not be paid to employees who retire, resign, are discharged or deceased. One half of this Severance Pay is payable after the employee has been laid off from work for a period of six weeks. The second half is payable after the employee has been laid off for a total of three months.

Effective August 1, 2004 if the duration of a lay-off exceeds twelve (12) consecutive months, an additional one-half (0.5) week of pay will be paid per year of continuous service.

#### Permanent Layoff

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

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

It shall be the responsibility of the employee to make application for such Severance Pay.

- (b) If recalled to work before the Severance Pay payment is payable, no such payment will be made. Any employee refusing a recall shall forfeit his right to Severance Pay.
- (c) If an employee is recalled after having received all of the Severance Pay due him, he will, as of the date of return, commence a new period of accumulation which will be credited toward any future layoff.
- (d) If an employee is recalled after having received a portion of the Severance Pay due him, he will, upon return to work retain the right to the unpaid portion which will be added to

any new accumulation of Severance Pay.

**600 WAGES**

601 Rates

The Company agrees to the adoption of the Paper Makers' Minimum Standard Wage Schedule as set forth in Appendix A to this Agreement, subject to the following conditions:

- (a) That the accepted schedule is considered permanent and that no alterations may be made to the schedule except by collective bargaining.
- (b) That specialty rates shall be paid on No. 5, 6 and 7 machines at Fort Frances for the full shift when specialty papers are being manufactured.
- (c) Rates shown on the attached Appendix A shall be paid and are part of this Agreement.

602 Minimum Hours of Pay

No employee required to go on duty shall receive less than four (4) hours straight-time pay.

603 New Positions

When a new job classification is established, the Company will determine and assign the appropriate wage rate to such new classification. This wage rate will be subject to adjustment under provisions of Section 2103 of this Agreement. Any upward adjustment will be retroactive to the startup date of the new job classification up to a maximum of six months. The six month maximum will be extended an additional three months if the classification is under discussion at the end of the six month period.

604 Union Representative - Wages

The Company will maintain the payment of wages lost by the local



union representatives in the execution of Union business of one day or more, make all regular deductions and in turn will be fully reimbursed by the local union.

605 Leave of Absence

Leave of Absence without pay, up to a maximum of three (3) months, may be granted at the discretion of Management for the following reasons:

- (1) Legitimate personal reasons.
  - (2) Candidacy for public office at the Federal or Provincial level. Such leave may be extended until seven (7) days have elapsed following the date of the election.
  - (3) Duties of an elected Municipal Office.
  - (4) Union business.
- (b) Any leave of absence granted pursuant to Section (a) will not result in any loss of seniority.
  - (c) Leave of absence without pay may be granted at the discretion of Management, for service as an elected representative in the Federal or Provincial Legislature. Such leave, if granted, shall normally expire thirty (30) days following conclusion of the period of elected office, but in no case shall it be in excess of five (5) years.
  - (d) Any leave of absence granted pursuant to Section (c) will not cause a break in continuity of service but the period of absence shall not be counted in calculating any service related benefit.
  - (e) Employees, when granted a leave of absence in excess of one (1) month, will be required to prepay the full premiums for group life insurance and all other insurance coverage in accordance with the provisions of the respective policies.
  - (f) All leaves of absence must be applied for in writing.
  - (g) The Company may require an employee to exhaust his normal vacation entitlement before commencing a leave of

absence.

**700 PREMIUM TIME**

701 Over 8 Hours of Work

Work done in excess of eight (8) hours between 7:00 A.M. Sunday and 7:00 A.M. Monday will be paid for at the double time rate, and work done in excess of eight (8) hours in any other workday by employees covered by Section 401.1 and 401.2 shall be paid for at the time and one-half rate, except:

- (a) On shutdown holidays when double time shall apply to all hours worked, or
- (b) When such work in excess of 8 hours is caused by an exchange of shifts by employees with approval of their Supervisor, or
- (c) When such work of up to two hours in excess of a tour worker's regular shift is to replace an employee who is tardy, or
- (d) When a tour worker swings to another shift under a normal swing schedule and thereby works sixteen (16) hours in one day.

701.2 When a tour worker who works the third shift, works into the day shift for a period in excess of two hours due to his relief not showing up, "not to include the exercise of seniority to claim such work", the applicable overtime rate shall be applied to such work on the day shift.

702 Over 16 Hours of Work

- (a) Any employee required to work on maintenance or repair for more than sixteen (16) continuous hours shall receive double time after the sixteenth (16th) hour of work. Double time will also be paid after the sixteenth (16th) hour of work in any one day between 8:00 A.M. and 8:00 A.M.

- (b) The Company recognizes that employees should not be required to work more than sixteen (16) hours in a twenty-four (24) hour period; however, it must be recognized there may be occasions where it may be necessary (extended repair days, etc.), for an employee to work more than sixteen (16) hours. Where it can be seen that employees may be required to work excessively long hours every attempt will be made to relieve the affected employees.
- (c) The Company agrees to make every effort to limit the hours of work for any employee to a maximum of seventeen (17) hours in a twenty-four (24) hour period.

703 Outside of Regular Hours

703.1 Call-ins

- (a) Call-in time is payable when an employee has been required to report for work before the beginning of his regular hours of employment without having been advised of the call-in:
  - (i) Before he has completed his shift and left the plant, or
  - (ii) Twenty-four (24) hours before he is required to report on the call-in, whichever is the lesser notice.
- (b) The provisions of (a) above apply only to employees on regularly scheduled shifts
- (c) XCall-in time is to be paid for at the applicable overtime rate covered by Article 700, computed to the nearest half-hour of time worked with four (4) hours straight-time pay as a minimum. When an employee is called in for a breakdown and the job requirement continued into his regular hours of employment he is to be paid at overtime rates until the job for which the employee was called in is completed
- (d) Call-in time on regular scheduled days off, Sundays and shutdown holidays is to be paid for at the applicable

overtime rate computed to the nearest one-half hour of time worked with six (6) hours straight-time pay as a minimum. When a job for which the employee is called in has been completed and if he is required to work on one or more unrelated jobs the employee will be paid at the overtime rate until such additional work is completed.

## 703.2 Work on Wires

### (a) Seven (7) Day Operation

Wire changes on any machine scheduled to run in excess of six (6) days may be made at any time, and pay for such wire changes shall be in accordance with the provisions set forth as follows:

Paper Machine #5: 8-4 Shift Wires: No call-ins are involved. The Clothing Man shall receive wire change pay.

4-12 and 12-8 Shift Wires: The only call-in required beyond the machine crew already on shift is the Clothing Man.

Payment: For removal and/or replacement of one wire, crew members will receive six (6) hours regular and six (6) hours wire change pay. For removal and/or replacement of both wires, crew members will receive four (4) hours regular and twelve (12) hours wire change pay.

If the wire change time overlaps a shift change, both crews will receive wire change pay. No overtime will be involved, since the original crew will be relieved at shift change.

Paper Machine #6 & #7: For wires installed on any shift, the crew on shift will be paid six (6) hours regular and six (6) hours wire change pay. Additional call-ins will be two (2) Machine Tenders, two (2) Backtenders, and two (2) Third Hands. These members will be called from the shift preceding and the shift following the shift during which the wire change occurs. The Clothing Man will also be involved, and will receive wire change pay. The spare Sixth Hand does not qualify for wire change pay.

General:

- (1) For the purpose of determining the applicable wire change shift, times of shift changes shall be considered as 7:00 a.m., 3:00 p.m., and 11:00 p.m.
- (2) If an employee reports for his regular shift and a wire change is still in progress and the change runs one and one half (1 1/2) hours or more into his shift the employee will be paid the applicable wire rate.
- (3) Members called in for a wire change remain on the job until the wire change is complete.
- (4) If Machine Tenders, **Backtenders**, or Third Hands of the machine affected are not available for wire calls when called by the Boss Machine Tender, call-ins will be made in descending order of the crew of the machine affected.
- (5) If during a single wire change on P.M. #5 the second or twin wire is damaged during the first wire change and has to be replaced, only one wire call will be paid.
- (6) Workers engaged in putting on wires will receive six (6) hours pay, and two (2) hours pay will be deducted from their regular hours of work. Wire time in excess of two hours will be paid at the rate of time and one-half (1 1/2), e.g. a 2 & 1/2-hour wire change will earn 6 hours straight time and 1/2 hour overtime pay. Note that men on shift shall receive six (6) hours regular and six (6) hours wire change pay, but that overtime pay does not apply.
- (7) Removing a wire from #5 and then having the same wire put back on during the course of the same shift is considered one (1) wire for pay treatment purposes.
- (8) Removing both wires on #5 and then having both wires put back on during the course of the same shift is considered two (2) wires for pay treatment purposes.

- (9) Cutting a wire off without having replaced it during the course of one (1) shift is not considered a wire for the purpose of pay treatment.
- (10) Should one (1) shift remove a wire and the same wire is subsequently put back on by another shift, both shifts get wire pay.

(b) Six (6) Day Operation

- (i) Scheduled wire changes in conjunction with start-up of a paper machine scheduled to run six (6) days or less will not commence prior to 6:30 a.m., on Monday. Pay for wire changes on machines scheduled to run six (6) days or less will be in accordance with paragraph 703.2(b)(ii) of this section.
- (ii) All workers engaged in putting on wires at a time other than their regular shifts are to receive six (6) hours straight-time pay for such work or the applicable overtime rate, whichever is greater. If workers commence to put on a wire before their shift or day begins or continue such work after their tour or day ends they shall receive six (6) hours straight-time pay or the applicable overtime rate, whichever is greater. Men putting on wires on their regular shift will receive six (6) hours pay and two hours pay will be deducted from their regular hours of work, e.g. six (6) hours wire pay and six (6) hours regular pay.

704 Outside of Scheduled Work Days

Except as noted in clause 701, employees called on duty before or after regular working hours shall receive time and one-half for all overtime work.

An employee required to work on the alternated days mutually agreed upon as his days off shall be paid at the rate of time and one-half.

705 Sundays and Holidays

705.1 All work performed on Sundays and floating holidays is to be paid for at the rate of time and one-half except as otherwise provided in Section 702.

705.2 The time interval for Sundays shall be from 8:00 a.m. to 8:00 a.m.

705.3 (a) Any employee required to work on any of the holidays referred to in 801 will be paid at the applicable overtime rate for work performed on these days and is to receive a day off later with eight (8) or sixteen (16) hours pay as listed in 801.1 for the holiday in question.

(b) Any employee required to work on a holiday referred to in 802, after definite dates have been agreed upon, will be paid at the applicable overtime rate for work performed on such holiday and is to receive a day off later with eight (8) hours pay.

706 Hours of Rest

A day worker who is called in to work following his day shift and who works a minimum of 2 hours on the call-in shall be entitled to receive time off with pay at the beginning of his scheduled day shift on the following day to the extent that the hours worked on the call-in fall between the hours of 12:00 midnight and 4:00 a.m. The punch-in and punch-out times shall be used in administering this section. Day workers who are called in and have not been scheduled to work on Sunday and who meet the other requirements set out above will be eligible for sleep time.

Any employee working in excess of sixteen (16) hours in a 24-hour period shall receive time off with pay from his next regular shift to the extent such work exceeds sixteen (16) hours. Such time off shall not apply if the starting time of the employee's next regular shift is eight (8) hours or more after the end of the work period.

707 No Pyramiding

Overtime shall not be pyramided nor shall more than one basis of

calculating overtime be used to cover the same hours.  
708 Hot Meal Clause

When an employee is required to work one (1) hour or more beyond his scheduled shift ~~or~~ day of work, he will be provided a hot meal or a meal allowance. An employee required to work five (5) hours or more beyond his scheduled shift or day of work will be eligible for an additional hot meal or a meal allowance, and a hot meal or a meal allowance will be provided every four (4) hours thereafter until the employee is relieved from the overtime work assignment.

Effective February 9, 2000 the meal allowance shall be increased from \$5.00 to \$12.00.

Meal allowance will be added to employee's regular pay cheque.

709 Overtime Records

Records will be maintained and a copy of all overtime worked will be supplied to the Union.

### **800 PAID HOLIDAYS**

801 Paid Statutory Holidays

801.1 (a) The following paid statutory holidays shall be recognized as shutdown holidays on which plant production shall not be scheduled except through terms of 801.1(b). Maintenance, installation and repair work may be scheduled on all but Christmas shutdown (48 hours starting at 8:00 p.m. December 24th and ending at 8:00 p.m. December 26th) and New Year's Day under the terms of 806 of this Agreement.



<u>Holiday</u>	<u>Shutdown Period</u>	<u>Unworked Straight Time Holiday Pay</u>
Canada Day	24 hrs optional	8 hrs
Labour Day	24 hrs optional	8 hrs
Christmas	48 hrs optional	24 hrs
New Years Day	24 hrs optional	8 hrs
Easter Sunday	24 hrs optional	8hrs
Total	144 hrs optional	

- (b) (i) New Year's Day, Easter Sunday and Canada Day will be recognized as run through holidays. When production is maintained during one of these run through holidays, maintenance tour workers and production tour workers will be scheduled as per regular operation. Should additional employees be required, the Company shall post for the necessary volunteers. Preference will be given by seniority. If the company is unable to obtain the minimum number of volunteers as per regular weekend coverage, the Company will assign by reverse seniority.
- (ii) The mill will operate on a continuous basis unless the Company notifies the local union of its intention to shut down.

Statutory Holidays- Group 1	Statutory Holidays- Group 2
Staffed on a voluntary basis	Run through at Company's discretion
Labour Day- 24 hours	New Year's- 24 hours
Christmas- 48 hours	Easter Sunday- 24 hours
	Canada Day- 24 hours

Voluntary Staffing Procedure for Group 1 Statutory Holidays

Labour Day and Christmas will be runthrough holidays where the required staffing will be done on a voluntary basis. When production is maintained during Labour Day and Christmas, workers will be scheduled as per their regular schedule. A regularly scheduled employee who chooses not to work will notify his supervisor no

later than twenty (20) days in advance of the holiday. Should additional employees be required, the Company will post for the required volunteers. Preference for voluntary work will be given to employees by departmental seniority, schedule permitting. If the Company is unable to obtain the sufficient number of volunteers, production will not be scheduled. This staffing procedure can be modified locally by mutual agreement between the parties.

(iii) Pay practices as follows:

- Statutory Holiday pay
- Double time for all hours worked
- One day off with pay for work performed between the fourth and twelfth hours
- Two days off with pay if twelve hours or over is worked
- Twelve hour shift agreements will be as follows:

12 hour shift payment – an employee covered under a 12 hour shift agreement working a 12 hour shift on a statutory holiday will receive one day off with 12 hours pay at a later date.

These days will become shutdown holidays when the Company notifies the Union of their intent to shut down prior to the holiday. Should the company notify the union of its intention to shutdown on the following holidays, the shutdown period will be as follows:

New Years Day	24 hours
Easter Sunday	24 hours
Canada Day	24 hours
Labour Day	24 hours
Christmas	48 hours

(c) When the mill is operating on six days or less the shutdown period for all holidays listed above, except for Easter Sunday, shall not include the hours from 8:00 a.m. Sunday to 8:00 a.m. Monday.

- (d) It is agreed that the exact shutdown times for each of these holidays will be mutually agreed upon each year.
- (e) **For those employees who would be scheduled to work on a statutory holiday, holiday pay will be based on each employee's normal schedule (8 or 12 hour shifts). Those employees not scheduled to work will receive pay as defined in the collective agreement.**

801.2 Eligibility for Statutory Holiday Pay

Employees who have accumulated a minimum of 90 calendar days of service with the Company will be eligible to receive unworked holiday pay providing:

- (a) They have not been absent without permission on their last workday preceding or their first workday following the holiday, and
- (b) They have not been absent on official leave of absence on the holiday (sick leave shall not be considered as official leave of absence, see Section 805), and
- (c) They have worked in the thirty calendar days preceding the holiday.

801.3 An employee who does not qualify for a paid statutory holiday under Section 801.2 solely because he has not completed ninety (90) calendar days of service, will upon completion of said ninety (90) day period, receive a day off with the applicable unworked holiday pay as set forth in Section 801.1. Any days off under this Section will be scheduled at the convenience of the Company.

802 Floating Holidays

802.1 (a) After completion of ninety (90) calendar days with the Company and a minimum of sixty (60) days of work, an employee shall be entitled to six (6) floating holidays, each with eight (8) hours straight-time pay at his regular rate, except as provided in Section 802.2.

- (b) Priority for floating holidays will be given to written applications on first-come, first-served basis. Such applications will be presented to the employee's immediate supervisor on an approved form at least seven (7) days in advance of the date requested. Disposition of the request shall be given to the employee in writing within seventy-two (72) hours of receipt of his application. Approval of a written request will be based on the availability of replacements and maintenance of department efficiency.
- (c) **For scheduling purposes, Statutory Holidays have the same status as H-days currently have.**

802.2 Employees hired for summer work or vacation replacement, and who are so informed at time of hire, will not be eligible for the floating holidays referred to in Section 802.1 until they have completed ninety (90) days of work in a position subject to jurisdiction of a mill union.

803.3 Any employee who would otherwise be scheduled to work on a statutory holiday and who is granted a floating holiday on such statutory holiday shall be paid 8 hours at the straight-time rate. Such an employee shall take a day off later with pay for the number of hours set forth in 801.1 for such statutory holiday.

803 Work on Paid Holidays

803.1 Any employee required to work on a statutory holiday set forth in Section 801 shall receive pay and time off as specified in Section 807.

803.2 Any employee required to work on a floating holiday provided under Section 802 after definite dates had been agreed upon, will in addition to being paid at the applicable overtime rate for such work, receive a mutually agreed upon day off at a later date with eight (8) hours straight-time pay.

804 Statutory Holidays Falling During Paid Vacation Period

An employee who is absent on paid vacation on a statutory holiday

for which he would otherwise be eligible for holiday pay shall receive a day off later with applicable unworked holiday pay.

805 Statutory Holiday Pay During Absence Due to Illness or Injury

An employee who is absent due to illness or injury on a statutory holiday for which he would otherwise be eligible for holiday pay, shall receive the applicable unworked holiday pay for any such holiday/s falling during the first six (6) calendar months of such absence.

806 Work on Statutory Shutdown Holidays

Maintenance, installation and repair work may be scheduled on Easter Sunday, Canada Day, and Labour Day under the following conditions:

- (a) The Company and the Union agree that the work is of such a nature that it would involve:
  - (i) total loss of kraft mill production for 8 hours or more, or
  - (ii) loss of power to the town of Fort Frances, or,
  - (iii) paper production loss of 3 paper machines if the work is not performed on the holiday. In the event that the two parties cannot agree that the work proposed falls under 806(a)(i), (a)(ii) or (a)(iii) and if the Company insists that the work be done then the Company will assign sufficient qualified personnel to perform the required work. Under these circumstances the Union may seek resolution of the matter under the grievance procedure. In the event that the Union's grievance is upheld in arbitration then the Company will forfeit the right to schedule holiday work as described under 801.1(a) and 806.
- (b) The parties agree that representatives of the Company and the Union shall meet prior to the shutdown holiday, and discuss both the nature of the work and the number

of employees necessary to perform the required work. Suggestions submitted by the Union concerning how the work can be performed and the number of employees required will be given serious consideration. In the event of disagreement under this section the Company may insist on the number of employees required and the Union agrees to supply the names as per 806(c). As specified in 806(a) the matter may be grieved by the Union. In the event that the Union's grievance is upheld in arbitration the consequences to the Company shall be the same as specified under 806(a) above.

- (c) The Union will provide, in advance of the holiday, the names of the necessary numbers of qualified employees who will be available to perform the work. These people will then be assigned the work by the Company. If sufficient qualified employees are not provided by this procedure then the Company will assign qualified employees to perform the work. Employees will not be called in from annual vacation to work on a statutory holiday.
- (d) The Company will endeavour to see that no employee is required to work on any more than two such holidays in any one year. The parties recognize, however, that it may be necessary because of limited crew size to depart from this procedure on occasion.
- (e) Notwithstanding the provisions of 806(a) above, the Company may schedule maintenance, installation or repair work which does not conform with 806(a) above on the shut-down holidays referred to in 801(a) provided the work is performed on a voluntary basis.
- (f) There shall be no intimidation or interference by the Company or the Union in the application of the foregoing.

807 Pay Treatment for Working on Statutory Holidays

Employees working under these clauses 806 (a) to (f) and clause 801.1 (b) shall be paid at double time rate for all hours worked plus

normal holiday pay if eligible, and in addition, employees who work four (4) hours or more on maintenance work on the holiday will receive an additional day off with eight (8) hours straight time pay. Employees who work twelve (12) hours or more will receive two days off with eight (8) hours straight time pay for each such day off.

For the purpose of this Article the paper machine Oilers and Clothing Man are considered maintenance employees.

808 Preparations for Start-up Following Statutory Holidays Shutdowns

- (a) A start-up crew may be scheduled to report for work two hours before the expiry of a Statutory Holiday to prepare the paper machines for start-up. Such preparations will be limited to the extent that the sheet may be taken off the couch promptly at 8:00 a.m. or in the case of the Christmas shutdown it will be 8:00 p.m.
- (b) The following provisions will apply if an early start-up crew is scheduled for a paper machine(s):
  - (i) Early start-ups will be scheduled at least two weeks in advance of a holiday and if so scheduled the start-up crew will receive the applicable pay if the Company changes the schedule.
  - (ii) Early start-up crews following a statutory holiday may not be scheduled if during the four (4) week period prior to the holiday the paper machines have not run full due to lack of orders.
  - (iii) Early start-up crews provided for in this clause will report two (2) hours before the expiry of the holiday and will receive six (6) hours straight time pay at their scheduled rate.
  - (iv) The following classifications will constitute the early start-up crews unless otherwise mutually agreed:
    - Two (2) Boss Machine Tenders; two (2) Oilers; three

(3) 5th Hands; three (3) Machine Tenders; two (2) Beater Engineers; two (2) Beater Engineer Assistants; one (1) Clothing Man.

**900 VACATIONS**

901 Eligibility

11 Employees with at least twelve (12) months of credited service as of any 1 of any year shall be eligible during the contract year to pro rata vacation for service to May 1. Their vacation pay shall be equal to 4.8% of gross earnings during the previous contract year.

902 (a) Employees with at least twelve (12) months but less than four (4) years of credited service as of any 1 of any year shall be eligible during the contract year to two (2) weeks of vacation, their vacation pay equal to 4.8% of gross earnings during the previous contract year.

(b) An employee eligible for vacation under Section 901 (a) who completes four (4) years of credited service on or after May 1, shall receive one (1) additional week of vacation during the balance of the contract year. Employees of four (4) years of credited service as of any 1 of any year shall receive one (1) week of vacation pay for this week equal to 2.4% of gross earnings during the previous contract year.

903 (a) Employees with four (4) years, but less than nine (9) years of credited service on May 1, for any year shall be eligible during the contract year to three (3) weeks of vacation with their pay equal to 7.2% of gross earnings during the previous contract year.

(b) An employee eligible for vacation under Section 901 (a), who completes nine (9) years of credited service on or after May 1, shall be eligible for one additional week of vacation to be taken during the balance of the contract year following completion of nine (9) years of credited service and shall receive



vacation pay for this week equal to 2.4% of gross earnings during the previous contract year.

- 901.4 (a) Employees with nine (9), but less than eighteen (18) years of credited service on May 1 of any year shall be eligible during the contract year to four (4) weeks vacation with vacation pay equal to 9.6% of gross earnings during the previous contract year.
- (b) An employee eligible for vacation under Section 901.4(a), who completes eighteen (18) years of credited service during the contract year commencing on such May 1, shall become eligible for one additional week of vacation to be taken during the balance of the contract year following completion of eighteen (18) years of credited service, and shall receive vacation pay for this week equal to 2.4% of gross earnings during the previous contract year.

**Effective May 1, 2005, five (5) weeks of vacation after 17 years of service.**

- 901.5 (a) Employees with eighteen (18), but less than twenty-three (23) years of credited service on May 1 of any year shall be eligible during the contract year to five (5) weeks vacation pay equal to 12% of gross earnings during the previous contract year

**Effective May 1, 2005, five (5) weeks of vacation after 17 years of service.**

- (b) An employee eligible for vacation under Section 901.5(a), who completes twenty-three (23) years of credited service during the contract year commencing on such May 1, shall become eligible for one additional week of vacation to be taken during the balance of the contract year following completion of twenty-three (23) years of credited service, and shall receive vacation pay for this week equal to 2.4% of gross earnings during the previous contract year

- 901.6 Employees with twenty-three (23) years of service or more on May 1 of any year shall be eligible during the contract

year to six (6) weeks vacation with vacation pay equal to 14.4% of gross earnings during the previous contract year.

- 901.7 Employees with twenty-five (25) years of service who continue such Company service without resignation, retirement or discharge shall upon attainment of the following ages, receive the following additional paid vacation to be taken within the twelve-month period following attainment of each prescribed age, with vacation pay equal to 2.4% of gross earnings during the previous calendar year for each additional week of paid vacation to which such employees are entitled:

<u>Age</u>	<u>Additional Weeks Paid Vacation</u>
60	1
61	2
62	3
63	4
64	5

No employee shall receive the additional week/s of paid vacation for each attained age more than once and such vacation shall not apply to any other ages.

- 901.8 If the vacation pay of 2.4% of gross earnings for any week of vacation under the above sub-sections of this Section 901 (excluding sub-section 901.1), is less than forty-two (42) times the rate of the job the employee last worked just prior to starting vacation, the employee shall receive the vacation pay at the higher amount reduced on a pro rata basis for any months in which the employee did not receive vacation credits in accordance with Section 903.
- 901.9 Any employee who qualifies for an additional week of vacation during the month of April will have the first month in the following contract year in which to take the additional week of vacation and such vacation will be charged against the eligibility in the previous contract year.
- 901.10 Employees who have unused vacation due to sick leave immediately

prior to the end of a contract year may carry such unused vacation into the next contract year. Any such unused vacation shall be taken after the employee is fit for work and before the employee returns to work.

- 901.11 The term "contract year" shall apply to the period May 1 of any year through the following April 30th of the next year. The term "gross earnings" shall apply to the gross earnings figure for the contract year as shown on the Company payroll.
- 902 Vacation Scheduling
- 902.1 Vacations taken during the summer months, June 1 to September 30, will be limited to two weeks, unless otherwise mutually agreed.
- 902.2 Any employee shall receive an additional four (4) hours pay at his regular rate for each week of vacation entitlement taken during the period December 1 to April 1 except for the week in which Christmas falls and the week of the mid-term school break.
- 902.3 Vacations shall be scheduled to commence on Sunday. However, when it is practical to do so, a 12 to 8 shift employee will, upon request, be allowed to schedule his week's vacation to begin 8:00 a.m. Monday and end at 8:00 a.m. the following Monday.
- 902.4 Vacations may not be carried over to a following vacation year, except as provided in sub-sections 901.9 and 901.10.
- 902.5 In drawing up the vacation schedule Management will endeavour to meet the wishes of the individual employee. It must be understood, however, that the necessities of operations must be given full consideration.
- 902.6 On December 1 of any year we will post a vacation notice which shows all outstanding vacations and H-days by employee and by January 1 of that year all employees will be requested to have scheduled, with the approval of their shift supervisor, their outstanding vacation in accordance with departmental rules
- 903 Vacation Credits

- 903.1 Credited Service as used in Section 901 shall be computed in accordance with this Section 903. An employee shall not receive credit for vacation purposes for any month in which he is compensated for less than 96 hours, except that the following unworked time shall be credited for vacation purposes:
- (a) Time lost due to occupational injury shall be credited up to a maximum of twenty-four (24) months.
  - (b) Employees absent from work due to sickness or nonindustrial accident shall be credited up to a maximum of nine (9) months.
  - (c) Any employee on official leave of absence shall receive credit towards his years of service for such time on leave of absence. Vacation payments for each vacation year shall be paid pro rata in proportion to the time actually worked that year.
  - (d) Ten (10) calendar years from date of hire with the Company an employee's anniversary date will be date of hire for vacation benefits. Full vacation credits shall be granted to all employees who have ten (10) or more calendar years with the Company.

904 Service for Vacation Purposes

- 904.1 Service for vacation eligibility purposes shall be broken only by:
- (a) Retirement
  - (b) Quit
  - (c) Discharge
  - (d) Layoff for twenty-four consecutive months

905 Pro Rata Vacation

This confirms the understanding reached March 4, 1976 regarding the pro rating of vacations for those employees absent from work due to illness or non-industrial accident to a maximum of nine (9)

months.

"If an employee is off work due to the above reasons for a period of 6 months in a vacation year, he would receive full vacation credits for that year made up of six months' entitlement for working and a further six months' entitlement under clause 903.1(b) Vacation Credits of the Labour Agreement".

906 On-Tour Vacations - Paper Machines

The Company agrees to on-tour vacations as described as follows: This will confirm our discussions and our undertaking to consider an on-tour vacation schedule for the hourly rated operating employees on the Paper Machines. The Company will agree to on-tour vacations subject to the following rules and regulations:

- (a) All vacations scheduled and taken will be on-tour vacation, i.e., a seven day work period commencing on Monday for the 12-8 shift, Wednesday for the 4-12 shift and Friday for the 8-4 shift. Sunday to Sunday vacation scheduling will not be allowed, and weekly scheduling will be handled separately by individual crews.
- (b) (i) The rules and regulations governing the scheduling of vacations that are currently in effect will continue to apply except as amended by this Agreement.  
 (ii) Only one employee per bracket per tour will be allowed off at any one time. However, this may be altered at the discretion of Management to accommodate additional vacations if possible.  
**(iii) The Company agrees to allow doubling up on vacation groups as usual, plus allow members to move back one group for purposes of doubling up, at the discretion of management.**
- (c) Seniority will govern bumping back on to the Paper Machine Schedule. It must be understood that this type of scheduling will create major shift schedule changes which will, in some cases, produce unfavourable working

schedules for an unknown number of junior spare men.

- (d) The equalization of bulletin employees across the four (4) letters will be accomplished on or about May 1 and November 1 of each year with the changing of the master schedule.
- (e) Should the affects of (d) above not provide sufficient trained and balanced crews to cover vacancies, the Company will, at its discretion, train the available third hand on that letter to work as back tender, etc. When such a circumstance arises that this third hand is junior to a third hand on another letter, the Company will, providing sufficient trained manpower is available, train the third hand on the other letter for back tending work, etc. However, it should be understood that a man formally trained to a higher position will be held responsible for keeping himself up-to-date on his training and not lose what he has been shown.
- (f) Employees within C.E.P. 306 who hold bulletins outside the departments affected by on-tour vacations, will be required to schedule their vacations within the department which they hold their bulletin in and will not be allowed to take on-tour vacations.
- (g) Employees working within departments affected by on-tour vacation, will not be allowed to schedule Sunday to Sunday vacations.
- (h) The four (4) hour bonus applicable to vacations taken during the winter period will be paid on the basis of tours taken and not on the basis of calendar week *off*. One (1) tour of vacation will be considered as one (1) week of vacation for this purpose.
- (i) Should the majority of vacation days fall within the week of Christmas or mid-term break, the four (4) hour bonus will not be paid.
- (j) The sample office will work under the general rule of no more than three (3) men off on vacation on any one day of

the week. The example quoted at our meeting of December 19, 1979 could be used and more elaboration can be given to the committee if required.

- (k) No more than one clothing man and two oilers off on vacation at any one time provided that the two oilers are not both spare clothing men.
- (l) Vacation pay will apply as per the Collective Agreement
- (m) Either party can opt out of the on-tour vacation system at any time should mutual agreement not be reached on any problem area.
- (n) Any C.E.P. 306 member not currently working a letter must indicate on which letter he wishes to take vacation.
- (o) This Clause 906 does not include employees in the Stock Preparation Department.

907 Scheduling Beater Engineers, Beater Engineer Assistant and

When scheduling for vacancies in the Beater Engineer classification that are less than the regular schedule during the work week in the Stock Prep department, the employer will fill such short term vacancies first by moving up on shift provided the Assistant Beater Engineer is qualified to move up.

If a shift move-up cannot be made, the Senior Assistant Beater Engineer will be assigned unless such schedule change would interfere with their long weekend. Move-up to Beater Engineer for long term vacancies (vacations, sickness, etc.) will continue to be made on a seniority basis even if such schedule change interferes with their long weekend. Move-ups from the Spare Assistant Beater Engineer classification will be made with the most senior spare unless such assignment would disrupt their long weekend, in which case the next senior spare will be set up.

## 1000 HEALTH & WELFARE PROVISIONS

- 1001 Sick Leave
- 1001.1 Upon completion of twelve (12) months of employment with the Company an employee shall be credited with five (5) days of sick leave credit. To receive credit for a month of employment for this purpose an employee must work twelve (12) days during the month.
- 1001.2 An employee who has fulfilled the eligibility requirements of Section 1001.1 shall at that time, and in each calendar year thereafter, be eligible to receive five (5) days sick leave pay in accordance with the following:
- (a) Each claim for sick leave pay must be supported by a certificate from a doctor licensed to practice medicine or a licensed chiropractor;
  - (b) Sick leave benefits will not be paid for absences due to any reasons other than illness or non-compensable accident;
  - (c) The employee must have been off work due to certified illness for three or more days and have been confined to his home or a hospital for three (3) days or more; in which case payment shall be made retroactive to the employee's first scheduled work day of such absence.
- 1001.3 Sick leave pay will be equal to seventy (70) percent of weekly earnings. Weekly earnings for this purpose shall be forty (40) times the employee's rate of pay of the last day worked.
- If a Papermaker is sick on the third day he is paid from the first day.
- If a Papermaker loses three (3) days of work he is paid 70% of 24 hours.
- If he is sick for four (4) days of work he is paid 70% of 32 hours.



If he is sick for five (5) working days in any seven day period he is paid 70% of 40 hours or the maximum of 28 hours prior to becoming eligible for Weekly Indemnity.

1001.4 An employee having unused sick leave credit as of any December 31 will carry forward into the following year a maximum of ten (10) days, i.e., the maximum sick leave credit an employee can have as of any January 1 shall be fifteen (15) days.

1001.5 Weekly Indemnity

- (a) The Company shall provide accident and sickness weekly indemnity benefits in accordance with the terms of the insurance policy covering the benefits on the basis of 1/7 of weekly benefit.
- (b) The Company agrees to supply the Union with a copy of the Weekly Indemnity Insurance Policy.
- (c) Disputed Workplace Safety and Insurance Board  
if an employee covered by the Weekly Indemnity Plan suffers a disability, payment for which is in dispute with the Workplace Safety and Insurance Board, Weekly Indemnity payments under the Weekly Indemnity Plan will be paid retroactive if requested by the employee and provided he has been off work at least ten (10) calendar days due to the disability without the Workplace Safety and Insurance Board having accepted the claim. If the Workplace Safety and Insurance Board claim is subsequently established, the employee will then repay the Weekly Disability payment to the insuring Company.
- (d) Effective September 3, 1980, an employee who is on an active claim arising from a disability that commenced before the effective date of a negotiated general wage increase and such weekly indemnity claim continues after the effective date of the negotiated general wage increase, the said employee shall have his benefit adjusted to reflect the increased rate.

If after thirty (30) calendar days an employee whose

W.S.I.B. claim is not in dispute, has not received his first payment and has not yet returned to work, the Company will assist the employee by paying Weekly Indemnity benefits retroactive as above.

**(e) Weekly indemnity dispute resolution mechanism**

The following weekly indemnity dispute mechanism will apply conditional to:

The employee has submitted the required claim forms properly filled; and

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

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

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

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

- c) Regardless of **b)** above, if there is a medical dispute as to the validity of a claim **and/or** the continuance of a claim and if the physicians of the employee and the Company or insurance carrier fail to reach an agreement, the dispute will be

**referred to a mutually agreed upon practicing specialist, picked from a list established yearly, who will render a final and binding decision. Payments will continue until that final and binding decision is rendered.**

1002 Funeral/Memorial Leave

- 10021 (a) Persons who have been employees of the Company for a minimum of thirty (30) calendar days shall be entitled to funeral/memorial leave. When death occurs to a member of an employee's immediate family, the employee will be granted leave of absence and will be paid for eight (8) hours at his regular straight time rate for up to three (3) consecutive scheduled working days lost in the eight day period beginning with the date of death.
- (b) Members of the immediate family are the employee's wife or husband, mother, father, brothers, sisters, sons, daughters, step-mother and step-father, grandmother, grandfather, step father-in-law, step mother-in-law and legal ward or guardian. Effective January 22, 1979, funeral/memorial leave will be increased to five (5) days in case of death of the following persons: husband, wife, son, daughter or stepchildren. In the event of the death of an employee's mother-in-law or father-in-law funeral/memorial leave will be paid to the employee. Pay will be at straight-time even though one or more of the days of the funeral/memorial leave occur on Sunday or a paid holiday. The regular straight-time rate means the straight-time rate of the job at which the employee would have worked had he not been on funeral/memorial leave. Application for this payment must be made by the employee within thirty (30) days after the time lost.

Common-law spouse is covered as "spouse".

- (c) If the death of one of the relatives specified in the Collective Agreement occurs while an employee is on vacation, the vacation will be interrupted so that the employee gets the

benefit at the end of the vacation period.

1003 Group Medical, Surgical and Hospitalization Insurance

1003.1 The Company will pay the cost of Standard Ward coverage for medical, surgical, and hospitalization insurance for each employee who is at work and who has worked for at least thirty (30) days in a position subject to the jurisdiction of the Union; except for employees who have worked less than ninety (90) days.

1003.2 Employees who have qualified by having worked thirty (30) days will receive the Company contribution for a calendar month if they have been at work at some time within that month.

1003.3 Employees hired for summer work or vacation replacement and who are so informed at time of hire, will not receive the contribution referred to in Section 1003.1 until they have completed ninety (90) days of work in a position subject to jurisdiction of a mill union.

1003.4 Absence on Workplace Safety and Insurance Board Claims

The Company will continue to pay O.H.I.P. and the Company portion of Group Life Insurance, Dental Plan and Drug Plan for a period of up to twelve (12) months for an employee who suffers a compensable injury and is in receipt of W.S.I.B. benefits, Weekly Indemnity or L.T.D. benefits. The Company may, after investigation, continue to pay O.H.I.P. and the Company portion of Life Insurance, Dental Plan and Drug Plan premiums beyond the twelve (12) months specified above for an employee who suffers a compensable injury and is in receipt of Workplace Safety and Insurance Board benefits.

If an employee ceases to draw W.S.I.B. benefits but is not capable of returning to work will be eligible to apply for L.T.D. benefits under the present benefit program.

1003.5 Welfare Plans for Dependents

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reasons of their own employment, the company will extend the coverage under the medical-surgical plan, the extended health benefit plan and the dental plan for a period of six (6) months, commencing on the first of the month

following the month in which the death occurs.

1003.6 Children With Disabilities

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

1004 Group Life Insurance

1004.1 The following amounts of Group Life Insurance are available to employees.

<u>Basic Insurance Paid For by the Company</u>	<u>Supplemental Ins. Available</u>	<u>Monthly Cost to Employees</u>
\$65,000.00 (Life)	\$40,000.00 (Life)	\$10.50
\$20,000.00 (AD&D)	\$20,000.00 (AD&D)	

1004.2 Participation in this Supplementary Contributory Group Life Insurance schedule shall conform with the conditions as set forth in Appendix C to this Agreement.

Effective August 1, 2004 Basic Life Insurance paid for by the Company will increase from \$65,000.00 to \$75,000.00.

Effective August 1, 2004 Accidental Death and Dismemberment Insurance paid for by the Company will increase from \$20,000.00 to \$50,000.00.

Optional Life Insurance

Effective January 1, 2005, optional life insurance, fully paid by the employee, will be made available to employees less than 65 years old. This optional life insurance will be available to a maximum of \$200,000 in increments of \$25,000. With notification to the Divisional Human Resources Department, employees will be permitted once a year to amend their level of coverage. Formal notification of such change must be made by November 30<sup>th</sup> of the preceding year to be effective January 1<sup>st</sup> of the following year or later, upon acceptance from the

insurance carrier following proof of good health.

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

Existing additional life insurance coverage is no longer available to new applications.

- 1004.3 The Company will provide fully paid Group Life Insurance in the amount of \$4,000.00 for employees retiring under Sections 7.01, 7.02 or 7.04 of the **Abitibi-Consolidated** Company of Canada Pension Plan for Mill Hourly Employees. The \$4,000.00 coverage will become effective at the expiration of the coverage provided by the Group Life Insurance (listed in 1004.1) which is in effect at the time of his retirement.

For employees retiring after August 1, 2004 the death benefit coverage will be increased from \$4,000.00 to \$5,000.00.

- 1004.4 Premium Waiver for Life Insurance

Waiver of premium for all life insurance plans ceases at age 65. Employees who are on waiver of premium on or before November 19, 1998 will maintain this benefit until death provided they meet the eligibility requirements.

- 1005 Long Term Disability Plan

The Company shall provide a Long Term Disability Plan in accordance with the insurance policy covering the benefits.

The Plan shall contain the following provisions:

- (a) Monthly Earning Calculation

Monthly earnings shall be 4.4 times weekly earnings. Weekly earnings shall be calculated as 40 times the rate for the job the employee was on on his last day worked prior to

disability for which benefits are paid. The Company agrees to upgrade Long Term Disability payments for all employees who have been continuously disabled for five (5) years or more to reflect the May 1, 1999, May 1, 2000, May 1, 2001, May 1, 2002 and May 1, 2003 general wage increase.

(b) Amount of Benefit

- (i) Fifty-five percent of (a) reduced by any disability payments made under the C.P.P., W.S.I.B., or any commercial group disability income plan. Benefits are not affected by individually purchased policies nor W.S.I.B. payments for partial disability due to previous injury which is unrelated to the present claim.
- (ii) Effective February 1, 1979, any new claim on or after that date the disability payment under Canada Pension Plan for dependent children will not be offset.
- (iii) Effective January 1, 1984 existing LTD premiums will no longer be diminished by future increases in CPP payments. As of January, 1984 new LTD claims will be offset by the then current CPP payment and thereafter will not be diminished by future increases in CPP payments.

(c) Commencement of Benefits

Eligibility for L.T.D. Benefits shall commence upon exhaustion of A & S benefits or, in case of W.S.I.B. 180 days from last day worked prior to disability.

(d) Duration of Benefits

Benefits shall be paid for the number of months equal to the employee's months of credit for vacation purposes or to age 65, whichever is the lesser.

**For new Weekly Indemnity claims after July 17, 2004**

that lead to **L.T.D.**, the monthly **L.T.D.** benefit will cease at the earliest of the following occurrences:

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

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

Effective July **17, 2004** the above language is replaced by the following:

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

Assignment of work will be subject to approval by the Company Medical Director after consultation with the employee's Doctor.

Proof that the employee continues to be totally disabled will be required at reasonable intervals by the Insurance Company. If the employee fails to furnish such proof, or if the employee refuses to be examined by a physician (designated and paid by the Insurance Company), the employee will no longer be considered totally disabled.



- (f) Exclusions: Coverage is not provided for self-inflicted injuries, future war or in the wilful commission of a felony.
- (g) Pension Accrual: While receiving benefits under this plan the employee will continue to accrue full pension credits as though still actually working, at no cost to the employee, based on the earnings used to establish the amount of his L.T.D.
- (h) L.T.D. Coverage shall apply to any employee actually at work on the first of the month following signing of the Agreement and for those not actively at work on their return to work.
  - (i) The Company agrees to change the Insurance Booklet where necessary to provide that any employee who goes on LTD benefits on or following September 3, 1980, will not have his company-paid life insurance reduced except as stated in 1004.4.

1006 Dental Plan

The Company paid Dental Plan covering employees will be updated to the **2003** Ontario Dental Association Schedule of Fees, effective **May 1, 2004**. In addition, the Company will provide a 50% co-insurance on orthodontic treatment, including correction of malocclusion as outlined in Schedule C of the Dental Plan. Details of the Dental Plan are included in Appendix D to this Agreement.

**For calendar year 2005, apply the 2004 schedule of fees.**  
**For calendar year 2006, apply the 2005 schedule of fees.**  
**For calendar year 2007, apply the 2006 schedule of fees.**  
**For calendar year 2008, apply the 2007 schedule of fees.**  
**For calendar year 2009, apply the 2008 schedule of fees.**

1007 Drug Plan

The Company will provide a Prescription Drug Plan. The Plan will provide 100% usual and customary expenses with a \$10.00 single deductible per calendar year, or with a \$20.00 family deductible per

calendar year.

Effective January 1, 2005, brand name prescription drugs will be reimbursed at **80%**. ~~For~~ generic prescription drugs and drugs with no generic, the reimbursement will be **100%**. Brand name drugs will only be reimbursed at **100%** provided there is a medical justification from ~~the~~ treating physician **for** its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

1008 Semi-Private Coverage

Effective the first of the month following date of ratification and for the term of this agreement the company will pay 100% of the premium cost of semi-private coverage.

1009 Medical Forms

Effective October 1, 1980 the Company will make arrangements to pick up any cost charged by medical Doctors for completing Return to Work slips required by the Company and the insurance carrier Weekly Indemnity and Long Term Disability forms, up to a maximum of \$5.00 per form.

Effective July 16, 2004 change \$5.00 to \$15.00.

1010 Dependent Life Insurance

Dependent life Insurance is as follows:

Spouse: \$10,000.00

Each unmarried child:

(1) 14 days but less than one (1) year of age, \$5,000.00

(2) Each unmarried child:

(i) 14 days but less than 1 year - \$5,000.00

(ii) 1 year but less than 19 years (25 years when a student

full time) wholly dependent on the employee for support - \$5,000.

**Effective August 1, 2004 life insurance for spouse will increase from \$10,000.00 to \$15,000.00 and for children from \$5,000.00 to \$7,500.00.**

Life insurance for dependents will terminate upon the employee's retirement or death.

1011 Vision Care

Vision care expenses incurred by an employee and/or his covered dependents when recommended by a physician or an optometrist as follows:

Frames, lenses, and the fitting of prescription glasses, including contact lenses up to a total payment of \$125.00 per family member, in any two consecutive calendar years.

**Effective August 1, 2004, the maximum reimbursement per insured individual will be increased from \$125.00 to \$150.00.**

1012 Pregnancy Leave

Pregnancy leave is designed to protect a woman against a break in company service and the loss of benefits due to absence from work by reason of pregnancy. Up to 17 weeks of pregnancy leave is available if the employee has been continuously employed by the Company for at least one year. Pregnancy leave may begin no earlier than 11 weeks before estimated delivery date.

To apply for pregnancy leave, the employee must provide a medical certificate indicating the expected date of birth and notify her supervisor at least two weeks in advance. However, she should provide as much advance notice beyond the minimum as possible to allow the Company time to find a temporary replacement during her absence.

The employee is eligible for a fixed post-natal leave of six weeks after the actual date of birth, or no more than 17 weeks from the

beginning of the leave, whichever is greater.

At the end of the leave, if the employee is unable to return to work for medical reasons, the Company may extend the leave to ensure complete recovery. If the employee wishes to return to work less than six weeks after birth, she must provide a medical certificate stating that she is fit to return to work and must provide one week's advance notice.

The employee's service with the Company is unbroken during a pregnancy leave and she will be returned to her position or return to a position which her seniority entitles her to. Pregnancy leave is unpaid, but she may be eligible to receive Employment Insurance Benefits under provisions of the Employment Insurance Act.

The Company will pay all customary benefits and any employee paid benefits can be maintained by the employee by direct payment. Should an employee require special consideration prior to the commencement of the maternity leave the company will work with the employee and union to fit her into a job she can safely perform, seniority considered.

### **1013 Maternity / Parental Leave**

**In the case of maternity leave and parental leave, the eligible employee will be granted a leave of absence in accordance with the Federal and/or Provincial laws.**

### **1014 Retiree Benefits**

Effective May 1, 1993 the Company will set up a separate retiree benefit plan for future retirees and eligible dependents. The supplementary health care plan will include drugs and dental.

The full cost of the monthly premium will be borne by the retiree except for a monthly Company contribution of ten dollars (\$10.00) per participating retiree.

Fifty percent (50%) of eligible retirees must enroll in this plan or the

plan will be discontinued.

For employees that retire on or after September 1, 2004 brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

1015 Surviving spouse health care coverage

In the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company postdated cheques covering the coming year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease effective the date this benefit plan coverage would have expired for the retiree, or earlier if there is a change to the surviving spouse's marital status.

1100 JURY DUTY

1101 An employee who serves on jury duty or reports for jury duty roll call or who is subpoenaed by the Court as a witness shall be paid the difference between the pay received for such service and eight (8) times the rate of the job he would otherwise have been scheduled on for each day of such jury service subject to the following conditions.

- (a) The employee must have completed at least twelve (12) months of employment with the Company A month of

employment is any month in which the employee has worked at least ninety-six (96) hours.

- (b) An employee scheduled to work the 3-11 shift, who is released from jury duty or roll call one or more hours prior to his shift's starting time, shall be required to work that day.
- (c) An employee scheduled to work the 11-7 shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay for such shift. The employee is expected to report for work on his scheduled shift immediately following discharge from jury duty or roll call if released prior to 6:00 p.m.
- (d) The employee presents a voucher from the Clerk of Court showing the fees received.
- (e) Allowances received for travel and living expenses will continue to be retained by the employee.
- (f) An employee scheduled to work the day shift shall be excused from work with pay if the employee is discharged from jury duty by the court after 12 midnight.

#### **1200 DIFFERENCES**

- 1201 Differences arising between members of the Union and the Company shall be reported orally or in writing as required to the employee's immediate supervisor and he shall reply within ninety-six (96) hours, Sundays and holidays excluded, stating the adjustment he has made of the matter.
- 1202 Differences not settled satisfactorily in the above manner shall be referred to the superintendent in writing and a Union committee within five (5) days of the supervisor's reply. If agreement cannot be reached within seven (7) days, the matter shall be referred to the National President of the Union or his representative, and taken up in conference with the Resident Manager of the Company or his designated representative. If no settlement is reached within

ten (10) days, it shall be referred to arbitration. Failure to proceed to arbitration within thirty (30) calendar days after the date of the Resident Manager's written reply shall constitute a waiver by the aggrieved party to further consideration of the grievance.

Time limits may be extended by mutual agreement of the parties.

- 1203 In arbitration the Company and the Union shall each select an individual. These two shall select a third individual who will act as Chairman. This Arbitration Board shall convene and render a decision promptly and such decision shall be final and binding upon both parties to this Agreement. In the event of the two individuals selected by the respective parties failing to select a third member as provided above, they shall request the Provincial Minister of Labour to appoint a third member.
- 1204 It is understood that the function of the Arbitration Board shall be to interpret and apply the Agreement and it shall deal only with the specific questions as submitted. The Board shall have no authority to add to or subtract from, or to modify or extend any of the terms of the Agreement.
- 1205 A difference arising from the claim of any employee that he has been unjustly discharged or suspended must be presented in writing to the Company within forty-eight (48) hours after such discharge or suspension, Sundays and holidays excluded. Any employee found by the above method of settling differences to have been unjustly discharged or suspended shall be reinstated and shall receive full pay for the time lost by reason of such discharge or suspension. The Arbitration Board however, in respect to a grievance involving a discharge, shall be entitled to modify such a penalty as in its opinion is just and equitable.

### **1300 MILL RULES**

- 1301 Reporting for Work
- 1301.1 it is the duty of a tour worker to report for his regular shift unless he has already arranged with his foreman for a leave of absence.

1301.2 Each worker is required to be in his place when his tour begins and shall not leave his post to wash and dress until his mate relieves him and takes over the duties and responsibilities of the job.

1302 Unable to Report

1302.1 Should a tour worker be unable to report for work at the beginning of his shift he shall make satisfactory arrangements with his partners and notify the foreman on duty at least four (4) hours before his shift begins. If arrangements cannot be made he must report for duty except in case of emergency.

1302.2 If unavoidably prevented from reporting, he must give notice to his foreman or at the office, at least four (4) hours before his tour goes on duty, and the person receiving this notice must complete the standard report provided for recording such notice.

1302.3 If a tour worker does not report for his regular shift, his mate shall notify the department superintendent or his foreman. He shall then remain at his post until a substitute is secured.

1303 Wire Calls

All employees notified by the Boss Machine Tender to report for putting on a wire shall report at the hour specified. All employees reporting for a wire change will remain with the machine until the wire is put on and accepted by the Boss Machine Tender or the Superintendent.

1304 Absence from Work

1304.1 Reducing Absenteeism

The Unions undertake to co-operate with Management in reducing absenteeism.

1304.2 Penalties

(a) Employees who fail to report for work or who in any way penalize their mates or the Company under the



overtime arrangements of clause 701, will be subject to the applicable mill rules. Disciplinary action under these rules and regulations shall be subject to the grievance procedure.

- (b) Should investigation of a case of absenteeism fail to disclose a bona fide reason, Management shall discipline the absentee as follows:
  - (i) First case - Instruction and warning;
  - (ii) Second case - Instruction and up to three (3) days layoff;
  - (iii) Third case - Instruction and layoff subject to discharge
- (c) It is understood that should an employee have a clear record for a full twelve month period between steps 1 and 2, or steps 2 and 3, or after stage 3, his record shall be considered clear.
- (d) Should the unarranged absence of an employee be of sufficient length, or the reasons for the absence be of such a nature to indicate irresponsibility in the individual concerned, Management may discipline the offending employee with a layoff subject to discharge.
- (e) All cases of unarranged absenteeism will be recorded on the employee's record by the employment supervisor who will be given a written report on each case by the superintendent concerned. A copy of this report will be sent to the individual and secretary of the Union concerned.

#### 1304.3 Returning to Work

If an employee has been absent from work a day or more he shall give adequate notice to his foreman or superintendent of his intention to return. This notice should be given twenty-four (24) hours in advance, if possible, but at least in sufficient time to make

the necessary arrangements prior to the beginning of the regular work period in which he intends to resume duty. If the employee fails to give the supervisor sufficient notice to enable him to adjust the shifts back to the original schedule, the supervisor may send the returning employee home when he reports for work.

If an employee has been absent from work without arrangement, or without notice under clause 1304.2, he shall report to his superintendent for instructions before returning to work.

#### **1400 STRIKES OR LOCKOUTS**

1401 No strikes or lockouts shall occur during the life of this Agreement.

#### **1500 DOMINION AND PROVINCIAL STATUTES**

1501 **There shall be no discrimination, harassment or intimidation against anyone. Nothing in the Collective Agreement shall conflict with any Provincial or Federal legislation.**

#### **1600 SAFETY**

1601 Safety Shoes

Effective date of ratification the Company will contribute to the cost of safety shoes in the amount of \$100.00 per pair once a year provided the employee wears these shoes while working in the mill. Employees regularly scheduled to work will be supplied with an additional pair of safety shoes each year, if required, and the Company will contribute \$100.00 per pair toward the invoice cost of such shoes, if they are damaged during the course of performing his normal work. The employee shall present the damaged shoes to the Superintendent at the time of his request for a second pair of safety shoes under this provision. If an employee furnishes doctor certification for the necessity of wearing orthopedic shoes, the Company will contribute 50 percent (50%) of the difference between the orthopedic shoe and the standard safety shoe. Other mandatory safety equipment and apparel will be provided as at present.

1602 Prescription Eyeglasses

At the present time the Company provides safety prescription **eyeglasses** to an employee at no cost to the employee, except for a fitting fee. Effective May 1, 1984 the Company agrees to include a fitting fee cost of twenty dollars (\$20.00) for non-bifocal and twenty-five dollars (\$25.00) for bifocal for each regular employee, limited to one fitting fee every two years.

1603 Safety Hazards

The Company will issue to the Union information regarding Health and Safety as it becomes available on new and existing equipment and chemical usage.

**1700 CONFERENCE ROOM - NEGOTIATIONS**

1701 The Company will pay the cost of the main conference room for negotiations. All other expenses will be to the account of the party who incurred them.

**1800 GROUND RULES**

1801 Written agreements and practices relative to working conditions such as, but not limited to, coffee breaks, wash-up time, protective clothing, Papermakers hot meals, etc. are not affected by this settlement.

It is agreed that all existing agreements and practices be reduced to writing, discussed and mutually agreed upon.

These agreements and practices will be incorporated into the body of the agreement or appended as letters of understanding and will be signed by the Resident Manager and Union President.

**1900 PENSION PLAN**

1901 Pension benefits shall be provided in accordance with the Collective Agreement covering the Company Pension Plan for Ontario Hourly Employees. Subject to approval by the Ontario Pension Commission and Revenue Canada, the the Company Pension Plan for Ontario

Hourly Employees will be amended so as to provide:

- (a) Mandatory retirement will be age 65.
- (b) Effective May 1, 1983, increase from \$14.00 per month to \$15.00 per month per year of service for credited pension service prior to October 1, 1964.
- (c) The above benefit formula outlined in (b) of this section replaces all benefit formula for service prior to October 1, 1964. The 1/24 formula for the period October 1, 1966 to January 1, 1973; the \$2.00 per month supplement from October 1, 1966, to January 1, 1973; and the \$7.50 per month per year of service for the period from October 1, 1964, to September 30, 1966, will continue in effect.
- (d) Pre-Retirement Spouse Death Benefit

Upon the death of a participant at least age 55 with 15 years of service who was an active employee at the time of his death and who was married at least one year at the time of his death, in lieu of a refund of the deceased employee's contributions, his spouse shall be entitled to a monthly retirement benefit calculated as if the participant had retired on his date of death and elected a 50% (100%) joint and survivor option. Such computation shall include the adjustment for early retirement and the election of the joint and survivor option, the spouse would then receive 50% (100%) of such reduced amount.

An "active employee" for purpose of this section is an employee actively at work, on Weekly Indemnity benefits, on L.T.D. benefits or on W.S.I.B. benefits.

- (e) Early Retirement Bridging Supplement

If a Participant retires on or after May 1, 1987, after attaining age 58 with 20 years of service he shall be entitled

to receive a supplementary payment commencing on his early retirement date and ending on the earlier of the first day of the month following the attainment of age 65, or the first day of the month following the date of death of the Participant. The amount of such supplementary payment shall be calculated as follows:

- (1) For those who retire on or before the attainment of age 60, \$33.00 times the number of years of Credited Service not exceeding 30, with proportional allowance for completed months, reducing on the first day of the month following the attainment of 60 years of age to \$15.00 times such service.
- (2) For those who retire after the attainment of 60 years of age, \$16.00 times the number of years of Credited Service not exceeding 30, with proportional allowance for completed months.
- (3) For participants retiring after May 1, 1987, and who have attained age 62 or over on May 1, 1987 and who have also completed at least 20 years of service on May 1, 1987, shall receive a bridging supplement of \$18.00 per month for each year of credited service up to a maximum of 30 years. Such bridging supplement shall cease when the participant reaches age 65.
- (4) **Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced bridge benefit, subject to the minimum reductions imposed under the regulations of the Income Tax Act (Rule of 80).**

(f) Early Retirement

Participants who retire after age 55 and prior to age 58 with 20 or more years of service are eligible for early retirement with a percentage reduction of 1/2% per month for each month their retirement precedes age 58 (subject to

minimum reductions required under the Income Tax Act).

Participants over age 55 with 20 years of service who retire before age 58 will be eligible for the bridging supplement with a reduction of 2/3 of 1% per month for each month that retirement precedes age 58.

**Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced pension, subject to the minimum reductions imposed under the regulations of the Income Tax Act (Rule of 80).**

(g) Administrative and Legislative Changes

During the term of this Labour Agreement, the Company will be making certain administrative changes to the pension plan regarding the way management responsibilities are carried out. These changes in no way affect the participant's benefits nor affect the responsibilities of the Pension Committee.

Certain changes are required from time to time as a result of Federal and/or Provincial legislation in the pension area. Our pension Plan texts are reviewed on a periodic basis and where necessary changes are made to meet current legislation.

The Company agrees to discuss changes in the pension text with the pension committee recognizing that any changes required by law will be complied with by the company.

(h) Employee Mandatory Contributions

Each mill group participant who is a member of a participating mill group union shall contribute to the plan, 4.5% of his earnings as defined in the Plan up to the Year's Maximum Pensionable Earnings, and 6.0% of his earnings

as defined in the Plan in excess of the Year's Maximum Pensionable Earnings. Employee's earnings for regularly scheduled hours at the employee's classified rate of pay will be the total of all regularly scheduled straight time hours of work including those hours scheduled and worked on Sundays and Statutory Holidays (calculated at straight time for the purpose of this calculation) plus all monies paid for vacation.

**Effective January 1, 2005, the employee contribution changes to 6% of his earnings as defined in the Plan.**

**Effective May 1, 2007, the employee contribution changes to 6.5% of his earnings as defined in the Plan.**

**Effective May 1, 2008, the employee contribution changes to 7% of his earnings as defined in the Plan.**

**Effective May 1, 2009, the employee contribution changes to 7.5% of his earnings as defined in the Plan.**

(i) Pension Formula

Effective May 1, 1998, the pension benefit formula for years of service after December 31, 1972, shall be:

2% of Final Average Earnings for regularly scheduled hours worked after December 31, 1972, times years of credited service after December 31, 1972, less 2.2/10 of 1% of Final Average Earnings or, if less, the average of the Canada Pension Plan Earnings levels for the last five (5) calendar years of employment, multiplied by Credited Service after December 31, 1972, to a maximum of 35 years. Final Average Earnings for regularly scheduled hours worked at the employee's classified rate of pay shall be the highest five consecutive calendar years of accumulated earnings during the employee's last 15 years of employment. Earnings for the purpose of this calculation shall be the accumulation of earnings for regularly scheduled hours worked calculated in (h) above.

Effective May 1, 2005, the CPP offset will be 1.5/10 of 1%.

Effective May 1, 2009, the CPP offset will be 0.8/10 of 1%.

(j) Minimum Pension

Subject to approval by Pension Commission of Ontario and Revenue Canada the Abitibi-Consolidated Company of Canada Pension Plan for Ontario Hourly Employees will be amended so as to provide:

Effective May 1, 2004, the minimum pension provided under the Plan shall be effective until the later of April 30, 2014, or the date the applicable Labour Agreement covering the period May 1, 2004, through April 30, 2014, is terminated under the provision thereof:

1.65% of the employee's average base earnings during the five years prior to May 1, 2014, for which his earnings were highest times years of credited service prior to retirement.

Effective May 1, 2005, the Pension Plan will be amended so that for an active member retiring on or after May 1, 2005, the minimum pension will be calculated as follows: 1.70% of average base earnings as defined in the Pension Plan multiplied by the number of years of service recognized under the Plan.

Effective May 1, 2009, the Pension Plan will be amended so that for an active member retiring on or after May 1, 2009, the minimum pension will be calculated as follows: 1.75% of average base earnings as defined in the Pension Plan multiplied by the number of years of service recognized under the Plan.

Earnings for purposes of this calculation shall be the employee's classified rate of pay as of May 1 times his number of hours normally scheduled during the following 12



months. The number of hours shall be 2080 for employees who work 40 hours per week, 2184 for employees who work an average of 42 hours per week and 1885 for employees who work 36 1/4 hours per week.

In the event that an employee's earnings in any of the five 12-month periods immediately preceding retirement do not reflect a normal annual schedule of hours for that period for reasons other than a leave of absence, the employee's earnings for that period will be adjusted to reflect his normal annual schedule of hours, provided the employee has been actively at work for at least three months during that 12-month period.

"Best Five Year Average Earning" shall mean the average of the Participant's earnings in his highest 5 earnings years prior to the expiry of the May 1, 2004 to April 30, 2009 Labour Agreement, while he was employed by the Company as a Qualified Employee. (For Pension purposes the expiry is April 30, 2014.)

(k) Post-Retirement Adjustment

Effective January 1, 2005, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2005 and on January 1, 2007. Effective January 1, 2009, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2009, January 1, 2011 and January 1, 2013. Members eligible for these adjustments are those who were eligible for the post-retirement adjustment provided by the collective agreement that expired on April 30, 2004, as well as all active members who will retire on or after May 1, 2004.

The post-retirement adjustment is equal to the amount of the minimum pension of the member, excluding the bridging benefit, multiplied by 50% of the increase of the Consumer Price Index for the 12-month period ending in October of the preceding year (rounded to the nearest tenth of one per cent), subject to a

maximum 5% adjustment. For calculation purposes, the Consumer Price Index means the all-items index (1992=100) published by Statistics Canada.

The calculation of the adjustment is prorated based on the number of months since the commencement of pension payments if the commencement occurred in the twelve (12) months preceding the date of the adjustment.

The Company agrees to administer the pension plan in accordance with the Teplitsky award dated 4/18/89.

- 1) When an employee retires while receiving a long-term disability benefit, his pension benefit will be calculated based on the greater of:
- 1) this rate at the time of disability as defined in his collective agreement or
  - 2) the base rate in the mill (labour rate) in each of the years used to calculate his pension.

(m) Pension Portability

Effective the first day of the month following ratification of the collective agreement, active employees participating in Abitibi-Consolidated pension plans that are transferred within the Company, with no interruption in employment, will be eligible for pension portability. For an employee who has been laid off for a period of less than twelve (12) consecutive months, the Company will proceed with his pension transfer if he has not received his severance pay or withdrawn his pension entitlement. In cases where the former mill and the new mill have different registered pension plans, the following will apply:

The employee will enter into the pension plan of the new mill. This plan will recognize the service completed under the former pension

plan for purposes of eligibility for ancillary benefits (early retirement and bridge benefit).

The employee will stop accruing years of credited service in the former plan. Years of service and pensionable earnings at the new mill will be recognized in the former plan for purposes of eligibility for ancillary benefits and calculation of final average earnings.

Such employee will therefore have pension entitlements in two different registered pension plans.

#### 2000 DISCIPLINE

- 2001 It is agreed that disciplinary action or discharge taken by the Company will be for just cause.

The Company will give the employee affected and the Union a copy of any letter of discipline or a written memorandum of a verbal reprimand issued to an employee that is placed in their personnel file.

#### 2100 DURATION AND RE-OPENING

- 2101 Period

The Company and the Union agree one with the other that they will abide by the articles of this Agreement from May 1st, 2004, to April 30, 2009, and from year to year thereafter, unless changed through mutual agreement.

- 2102 Right to Open

Either party to this Agreement shall have the right to open negotiations for changes therein by the serving of written notice upon the other party at least thirty (30) days prior to the expiration date of this Agreement.

- 2103 Discussion of Individual Rates

Either party shall have the right to discuss local adjustments prior to May 1, 2005, May 1, 2006, May 1, 2007, May 1, 2008 and May 1, 2009. Discussions will be limited to those items submitted prior to April 1st each year. It is understood that "local adjustments" are construed to mean the consideration of individual job rates in cases of gross inequality or major changes in job responsibility. Failure to agree on any such cases shall in no way interfere with the terms of the Collective Agreement concerned.

### **2200 PUBLISHING LABOUR AGREEMENT**

The Company will print enough contract books for the Union in a number equal to its current membership plus enough for the local Union's administration (to be declared by the local Union prior to printing).

### **2300 JOB SECURITY**

In the event of the introduction of technological *change or* automation by the Company which will result in significant changes in the employment, the Company agrees to first discuss such change with the Union and to examine potential alternatives for coping with the impact of such changes on the employment status of employees.

### **2400 FLEXIBILITY**

1. (a) Any member of Local 306 working alone or as a part of a group performs any work within his/her Local's jurisdiction for which he/she has the ability and training. Such tasks are shown *in* the Flexibility List.
- (b) An employee's primary job duties will continue to be tasks associated with his/her bulletined classification, seniority and department. However, the employee may be required to perform tasks which are outside his/her normal job duties but are within his/her Local's jurisdiction.
2. (a) The Company will provide the necessary training to implement the

changes described in (a) and (b) above in an efficient, progressive and safe manner.

- (b) A committee comprised of the Union Executive and the Company's representatives will discuss training requirements. This committee also has the power to make additions and/or deletions to the Flexibility list described in 1(a) should the need arise during the term of the agreement. Should a problem occur both parties will meet to resolve the problem in the spirit of this agreement.
3. (a) No member of Local 306 as of the date of ratification of the 1993 Labour Agreement will be laid off as a result of this flexibility agreement.
  - (b) An agreed to list of protected employees will be supplied to the Union prior to ratification.
  - (c) All reductions as a result of flexibility will be accomplished through attrition.
4. The above provisions replace all practices and/or verbal or written agreements which contravene or prevent the application of this flexibility agreement. The above provisions are not intended to amend existing Collective Agreement provisions which do not relate to flexible work assignments, as called for by the flexible work practice agreement.

#### FLEXIBILITY LIST

1. BT'S to control pulpers at D.E. (stop/start, adjust level)
2. 3H7 to control winder pulper (stop/start)
3. MT7 to fill silo, fill filtered W.W. chest so W.E. can be started up without B.Eng.
4. MT's to control couch/press pits (stop/start, adjust levels)
5. MT's to look after clay screen PM#5 & #7

6. BT's to do their own caliper strip checks on grade changes.
7. B.Eng/B.E.H. to do their own colour checks on grade changes.
8. MT's to make lube checks on W.E. equipment.
9. BT's to make lube checks on dryers/stack/reel.
10. B.E.H. To make lube checks on pumps/agitators/refiners.
11. 3HD's to make lube checks on winders.

SIGNED at Fort Frances, Ontario, this **16th day of July, 2004.**

Abitibi-Consolidated  
Company of Canada

Len Robinson (signed)

Communications, Energy and  
Paperworkers Union, Local 92

Gord Bell (signed)

William Shine (signed)

APPENDIX A  
WAGE SCHEDULE  
Papermakers Wage Schedule (newsprint)  
WIDTH OF MACHINES IN INCHES

	150	160	170	180	190	200	210	220	230	240
700	12	13	14	15	16	17	18	19	20	21
750	13	14	15	16	17	18	19	20	21	22
800	14	15	16	17	18	19	20	21	22	23
850	15	16	17	18	19	20	21	22	23	24
900	16	17	18	19	20	21	22	23	24	25
950	17	18	19	20	21	22	23	24	25	26
1000	18	19	20	21	22	23	24	25	26	27
1050	19	20	21	22	23	24	25	26	27	28
1100	20	21	22	23	24	25	26	27	28	29
1150	21	22	23	24	25	26	27	28	29	30
1200	22	23	24	25	26	27	28	29	30	31
1250	23	24	25	26	27	28	29	30	31	32
1300	24	25	26	27	28	29	30	31	32	33
1350	25	26	27	28	29	30	31	32	33	34
1400	26	27	28	29	30	31	32	33	34	35
1450	27	28	29	30	31	32	33	34	35	36
1500	28	29	30	31	32	33	34	35	36	37
1550	29	30	31	32	33	34	35	36	37	38
1600	30	31	32	33	34	35	36	37	38	39
1650	31	32	33	34	35	36	37	38	39	40
1700	32	33	34	35	36	37	38	39	40	41
1750	33	34	35	36	37	38	39	40	41	42
1800	34	35	36	37	38	39	40	41	42	43
1850	35	36	37	38	39	40	41	42	43	44
1900	36	37	38	39	40	41	42	43	44	45
1950	37	38	39	40	41	42	43	44	45	46
2000	38	39	40	41	42	43	44	45	46	47
2050	39	40	41	42	43	44	45	46	47	48
2100	40	41	42	43	44	45	46	47	48	49
2150	41	42	43	44	45	46	47	48	49	50
2200	42	43	44	45	46	47	48	49	50	51
2250	43	44	45	46	47	48	49	50	51	52
2300	44	45	46	47	48	49	50	51	52	53
2350	45	46	47	48	49	50	51	52	53	54
2400	46	47	48	49	50	51	52	53	54	55
2450	47	48	49	50	51	52	53	54	55	56
2500	48	49	50	51	52	53	54	55	56	57

	<u>150</u>	<u>160</u>	<u>170</u>	<u>180</u>	<u>190</u>	<u>200</u>	<u>210</u>	<u>220</u>	<u>230</u>	<u>240</u>
2550	49	50	51	52	53	54	55	56	57	58
2600	50	51	52	53	54	55	56	57	58	59
2650	51	52	53	54	55	56	57	58	59	60
2700	52	53	54	55	56	57	58	59	60	61
2750	53	54	55	56	57	58	59	60	61	62
2800	54	55	56	57	58	59	60	61	62	63
2850	55	56	57	58	59	60	61	62	63	64
2900	56	57	58	59	60	61	62	63	64	65
2950	57	58	59	60	61	62	63	64	65	66
3000	58	59	60	61	62	63	64	65	66	67

### APPENDIX A

**Widths:** Widths of machines are definitely established. Starting with 100 inches and up to, but not including, 110 inches is a group unit called Class 1. Starting with 110 inches and up to, but not including 120 inches is a group unit called Class 2. This same rule applies all the way across the width differential line.

**Speeds:** Starting with 400 feet and up to, but not including, 450 feet is a group unit called Class 1. Starting with 450 feet and up to, but not including, 500 feet is a group unit called Class 2. In the speed line the classifications of machines will advance if the speed is increased sufficiently to put them over the 50 foot differential line into higher classes.

A 100 inch machine is established as a minimum width for all machines less than 100 inches in width. Fourdiner widths shall be determined by the face width of the breast roll. All speed calculations will be taken at the reel drum (finished end).

Specialty speeds will be calculated in accordance with present practice.

#### Frequency of Speed Rate Adjustments:

Rates will be adjusted either upward or downward as required



by this scale according to the average speed, excluding start-ups and shut-downs, over a two-week period while running standard newsprint.

Stack Adjustment:

While running double calendar stacks the Back Tender's rate will be adjusted upward by four classes and the respective rates of the remainder of the crew by two classes.

On machines equipped with a breaker stack the Back Tender's rate will be adjusted upward by two classes and the respective rates of the remainder of the crew by one class.

It is understood and agreed that the in-line stack is not considered to be "double Calendar stacks" when this stack is being run and two back tenders are being utilized as is the present practice.

However, if this in-line stack is being run and only one back tender is being utilized the scale "double calendar stack adjustment will be implemented.

BOSS MACHINE TENDERS

Boss Machine Tenders or Foreman on paper machines shall receive 5% higher than the rate paid to the highest paid operating Machine Tender over which he has charge.

Relief Paper Mill Shift Superintendent

During any period that an employee replaces a salaried Paper Mill Shift Superintendent at the request of the Company, the employee shall receive 5% higher than the highest operating classified rate supervised.

BEATER ENGINEERS

Beater Engineers, or by whatever name they might be called, shall receive either Class "A" or Class "B" rate.

- Class "A" - In a mill where coloured paper (NOT shades of Standard White Newsprint) is manufactured the hourly rate for the Beater Engineer, or whatever name he might be called, shall equal the highest Machine Tender rate on the machine(s) to which he furnishes stock.
- Class "B" - In a mill where any other paper, except coloured paper, is manufactured the hourly rate for the Beater Engineer, or by whatever name he might be called, shall equal the highest Back Tender rate on the machine(s) to which he furnishes stock.

#### CLOTHING MAN

Highest Third Hand Rate less 50¢ per hour.

#### BEATER ENGINEER ASSISTANT

Beater Engineer Assistant shall receive the Third Hand rate #6 Paper Machine less \$1.20 per hour.

#### LUBRICATION LEAD HAND

Lubrication Lead Hand - Third Hand #5 Paper Machine, plus \$0.10 add on

#### PAPER INSPECTION

Head Paper Inspector - Third Hand rate #5 Paper Machine plus **twenty-five cents (25¢)** per hour.

Paper Inspectors - Highest paid Fourth Hand rate.

#### OILERS

Oilers will be paid the 4th Hand rate, #7 Paper Machine, plus \$0.20 add on. When Oilers perform Clothing work they will receive a minimum of four (4) hours Clothing Man's pay.

#### REWINDER OPERATORS

Rewinder Operators will be paid the #5 Paper Machine 4th Hand rate plus 10¢ per hour. Rewinder Helper will be paid the lowest 6th Hand rate.

### **#6 Paper Machine**

**Fifth Hand #6 - Fifth Hand #6 Plus 40 ¢ Add-On**

**Fourth Hand #6 - Fourth Hand #6 Plus 40 ¢ Add-On**

### #7 Paper Machine

Fifth Hand #7 - Fifth Hand #7 Plus 40 ¢ Add-On

Fourth Hand #7 - Fourth Hand #7 Plus 40 ¢ Add-On

Specialty Paper Manufacture

When a paper machine is running specialty papers the employee shall be paid up three classes above the newsprint scale.

### Supervisory Replacement

During any period that an employee replaces a salaried supervisor at the request of the Company he shall receive fifty cents (50 ¢) an hour above the highest rate supervised.

### Shift Differential

The shift differential is 0-40-60.

**Effective August 1, 2004 the shift differential is 0-50-70.**

### Instructor's Pay

The Company will pay twenty-five cents (25 ¢) per hour to an employee who is required to instruct a group of other employees in a formal classroom. This pay is not applicable to normal machine crew training, etc.

**MANDO GLOSSLINE OF PROGRESSION**

As per our recent discussions, the following constitutes the understanding reached between the Company and Local 306 in regards to the Mando Gloss line of progression. As I have previously stated, the Company is strongly committed to our belief that from a process standpoint the line of progression must be from BT6 directly to MT6. The grade line and technology involved in making Mando Gloss only dictate this change.

The following were agreed to by both parties:

<u>Line of Progression</u>	<u>Rate</u>
MT7	As per Papermaker's wage scale
MT5	As per Papermaker's wage scale
MT6	MT5 less \$.25
BT6	MT5 less \$.50
BT7	As per Papermaker's wage scale
BT5	As per Papermaker's wage scale
3H7	As per Papermaker's wage scale

Employees would progress through this line in a normal fashion. This line of progression will commence with the start-up of the hot/soft calenders in mid-1996.

For other employees working on P. M. 6 (i.e. 3H6, 4H6, 5H6) the rates will be adjusted upwards for the additional stacks as per the Collective Agreement (6 Classes).

This agreement will be revised should PM6 ever become senior to PM5 through speed increases.

This agreement in no way alters, amends or modifies any of the provisions of the present Collective Agreement except for those items specifically addressed in this agreement.

Signed on this the 18<sup>th</sup> day of December 1995

For the Company:

John Harrison

For the Union:

Don Baldwin

**PAPERMAKERS' RATES**  
*April 30, 2004*

<u>Class</u>	<u>MT</u>	<u>BT</u>	<u>3rd</u>	<u>4th</u>	<u>5th</u>	<u>6th</u>
35	30.53	29.20	27.39	24.61	24.05	23.35
36	30.65	29.25	27.48	24.64	24.07	23.28
37	30.73	29.35	27.51	24.71	24.09	23.28
38	30.90	29.42	27.58	24.72	24.10	23.28
39	31.01	29.59	27.65	24.83	24.15	23.28
40	31.09	29.66	27.76	24.84	24.15	23.31
41	31.19	29.78	27.82	24.91	24.21	23.31
42	31.28	29.89	27.87	24.92	24.23	23.31
43	31.39	30.03	27.96	24.99	24.34	23.31
44	31.51	30.12	28.00	25.14	24.39	23.34
45	31.64	30.21	28.13	25.14	24.40	23.34
46	31.71	30.33	28.21	25.26	24.41	23.34
47	31.80	30.42	28.26	25.28	24.42	23.46
48	31.89	30.53	28.40	25.30	24.44	23.49
49	32.04	30.66	28.44	25.31	24.49	23.50
50	32.09	30.73	28.50	25.41	24.55	23.52
51	32.24	30.76	28.56	25.44	24.61	23.54
52	32.35	30.97	28.62	25.50	24.64	23.55
53	32.43	31.05	28.67	25.53	24.69	23.59
54	32.56	31.10	28.83	25.56	24.71	23.61
55	32.67	31.22	28.93	25.58	24.72	23.64
56	32.70	31.38	28.97	25.62	24.76	23.68
57	32.82	31.46	29.06	25.63	24.82	23.70
58	32.97	31.61	29.14	25.67	24.83	23.78
59	33.06	31.68	29.21	25.73	24.84	23.79
60	33.21	31.77	29.38	25.76	24.87	23.80
61	33.27	31.98	29.43	25.79	24.92	23.82
62	33.38	32.04	29.50	25.86	25.08	23.84
63	33.44	32.09	29.57	25.91	25.12	23.85
64	33.59	32.24	29.65	25.96	25.14	23.89
65	33.68	32.35	29.70	25.96	25.16	23.90
66	33.80	32.44	29.89	26.02	25.23	23.91
67	33.88	32.57	29.96	26.05	25.26	23.93
68	34.03	32.67	30.02	26.10	25.28	24.00
69	34.11	32.73	30.06	26.12	25.30	24.05

**PAPERMAKERS' RATES**  
**May 1, 2004 (+\$0.70)**

<b>Class</b>	<b>MT</b>	<b>BT</b>	<b>3rd</b>	<b>4th</b>	<b>5th</b>	<b>6th</b>
35	31.23	29.90	28.09	25.31	24.75	24.05
36	31.35	29.95	28.18	25.34	24.77	23.98
37	31.43	30.05	28.21	25.41	24.79	23.98
38	31.60	30.12	28.28	25.42	24.80	23.98
39	31.71	30.29	28.35	25.53	24.85	23.98
40	31.79	30.36	28.46	25.54	24.85	24.01
41	31.89	30.48	28.52	25.61	24.91	24.01
42	31.98	30.59	28.57	25.62	24.93	24.01
43	32.09	30.73	28.66	25.69	25.04	24.01
44	32.21	30.82	28.70	25.84	25.09	24.04
45	32.34	30.91	28.83	25.84	25.10	24.04
46	32.41	31.03	28.91	25.96	25.11	24.04
47	32.50	31.12	28.96	25.98	25.12	24.16
48	32.59	31.23	29.10	26.00	25.14	24.19
49	32.74	31.36	29.14	26.01	25.19	24.20
50	32.79	31.43	29.20	26.11	25.26	24.22
51	32.84	31.46	29.26	26.14	25.31	24.24
52	33.05	31.67	29.32	26.20	25.34	24.25
53	33.13	31.75	29.37	26.23	25.39	24.29
54	33.26	31.80	29.53	26.26	25.41	24.31
55	33.37	31.92	29.63	26.28	25.42	24.34
56	33.40	32.08	29.67	26.32	25.46	24.38
57	33.52	32.16	29.76	26.33	25.52	24.40
58	33.67	32.31	29.84	26.37	25.53	24.48
59	33.76	32.38	29.91	26.43	25.54	24.49
60	33.91	32.47	30.08	26.48	25.57	24.50
61	33.97	32.68	30.13	26.49	25.62	24.52
62	34.08	32.74	30.20	26.56	25.78	24.54
63	34.14	32.79	30.27	26.61	25.82	24.55
64	34.29	32.94	30.35	26.66	25.84	24.59
65	34.38	33.05	30.40	26.66	25.86	24.60
66	34.50	33.14	30.59	26.72	25.93	24.61
67	34.58	33.27	30.66	26.75	25.96	24.63
68	34.73	33.37	30.72	26.80	25.98	24.70
69	34.81	33.43	30.76	26.82	26.00	24.75

**PAPERMAKERS' RATES**  
**May 1, 2005 (+2.5%)**

<u>Class</u>	<u>MT</u>	<u>RT</u>	<u>3rd</u>	<u>4th</u>	<u>5th</u>	<u>6th</u>
35	32.01	30.65	28.79	25.94	25.37	24.65
36	32.13	30.70	28.88	25.97	25.39	24.58
37	32.22	30.80	28.92	26.05	25.41	24.58
38	32.39	30.87	28.99	26.06	25.42	24.58
39	32.50	31.05	29.06	26.17	25.47	24.58
40	32.58	31.12	29.17	26.18	25.47	24.61
41	32.69	31.24	29.23	26.25	25.53	24.61
42	32.78	31.35	29.28	26.26	25.55	24.61
43	32.89	31.50	29.38	26.33	25.67	24.61
44	33.02	31.59	29.42	26.49	25.72	24.64
45	33.15	31.68	29.55	26.49	25.73	24.64
46	33.22	31.81	29.63	26.61	25.74	24.64
47	33.31	31.90	29.68	26.63	25.75	24.76
48	33.40	32.01	29.83	26.65	25.77	24.79
49	33.56	32.14	29.87	26.66	25.82	24.81
50	33.61	32.22	29.93	26.76	25.88	24.83
51	33.76	32.25	29.99	26.79	25.94	24.85
52	33.88	32.46	30.05	26.86	25.97	24.86
53	33.96	32.54	30.10	26.89	26.02	24.90
54	34.09	32.60	30.27	26.92	26.05	24.92
55	34.20	32.72	30.37	26.94	26.06	24.95
56	34.24	32.88	30.41	26.98	26.10	24.99
57	34.36	32.96	30.50	26.99	26.16	25.01
58	34.51	33.12	30.59	27.03	26.17	25.09
59	34.60	33.19	30.66	27.09	26.18	25.10
60	34.76	33.28	30.83	27.12	26.21	25.11
61	34.82	33.50	30.88	27.15	26.26	25.13
62	34.93	33.56	30.96	27.22	26.42	25.15
63	34.99	33.61	31.03	27.28	26.47	25.16
64	35.15	33.76	31.11	27.33	26.49	25.20
65	35.24	33.88	31.16	27.33	26.51	25.22
66	35.36	33.97	31.35	27.39	26.58	25.23
67	35.44	34.10	31.43	27.42	26.61	25.25
68	35.60	34.20	31.49	27.47	26.63	25.32
69	35.68	34.27	31.53	27.49	26.65	25.37

**PAPERMAKERS' RATES**  
**May 1, 2006 (+\$0.60)**

<b>Class</b>	<b>MI</b>	<b>BT</b>	<b>3rd</b>	<b>4th</b>	<b>5th</b>	<b>6th</b>
35	32.61	31.625	29.39	26.54	25.97	25.25
36	32.73	31.30	29.48	26.57	25.99	25.18
37	32.82	31.40	29.52	26.65	26.01	25.18
38	32.99	31.47	29.59	26.66	26.02	25.18
39	33.10	31.65	29.66	26.77	26.07	25.18
40	33.18	31.72	29.77	26.78	26.07	25.21
41	33.29	31.84	29.83	26.85	26.13	25.21
42	33.38	31.95	29.88	26.86	26.15	25.21
43	33.49	32.10	29.98	26.93	26.27	25.21
44	33.62	32.19	30.02	27.09	26.32	25.24
45	33.75	32.28	30.15	27.09	26.33	25.24
46	33.82	32.41	30.23	27.21	26.34	25.24
47	33.91	32.50	30.28	27.23	26.35	25.36
48	34.00	32.61	30.43	27.25	26.37	25.39
49	34.16	32.74	30.47	27.26	26.42	25.41
50	34.21	32.82	30.53	27.36	26.48	25.43
	34.36	32.85	30.59	27.39	26.54	25.45
52	34.48	33.06	30.65	27.46	26.57	25.46
53	34.56	33.14	30.70	27.49	26.62	25.50
54	34.69	33.20	30.87	27.52	26.65	25.52
55	34.80	33.32	30.97	27.54	26.66	25.55
56	34.84	33.48	31.01	27.58	26.70	25.59
57	34.96	33.56	31.10	27.59	26.76	25.61
58	35.11	33.72	31.19	27.63	26.77	25.69
59	35.20	33.79	31.26	27.69	26.78	25.70
60	35.36	33.88	31.43	27.72	26.81	25.71
61	35.42	34.10	31.48	27.75	26.86	25.73
62	35.53	34.16	31.56	27.82	27.02	25.75
63	35.59	34.21	31.63	27.88	27.07	25.76
64	35.75	34.36	31.71	27.93	27.09	25.80
65	35.84	34.48	31.76	27.93	27.11	25.82
66	35.96	34.57	31.95	27.99	27.18	25.83
67	36.04	34.70	32.03	28.02	27.21	25.85
68	36.20	34.80	32.09	28.07	27.23	25.92
69	36.28	34.87	32.13	28.09	27.25	25.97



**PAPERMAKERS' RATES**  
**May 1, 2007 (+2%)**

<b>Class</b>	<b>MT</b>	<b>BT</b>	<b>3rd</b>	<b>4th</b>	<b>5th</b>	<b>6th</b>
35	33.26	31.88	29.98	27.07	26.49	25.76
36	33.38	31.93	30.07	27.10	26.51	25.68
37	33.48	32.03	30.11	27.18	26.53	25.68
38	33.65	32.10	30.18	27.19	26.54	25.68
39	33.76	32.28	30.25	27.31	26.59	25.68
40	33.84	32.35	30.37	27.32	26.59	25.71
41	33.96	32.48	30.43	27.39	26.65	25.71
42	34.05	32.59	30.48	27.40	26.67	25.71
43	34.16	32.74	30.58	27.47	26.80	25.71
44	34.29	32.83	30.62	27.63	26.85	25.74
45	34.43	32.93	30.75	27.63	26.86	25.74
46	34.50	33.06	30.83	27.75	26.87	25.74
47	34.59	33.15	30.89	27.77	26.88	25.87
48	34.68	33.26	31.04	27.80	26.90	25.90
49	34.84	33.39	31.08	27.81	26.95	25.92
50	34.89	33.48	31.14	27.91	27.01	25.94
51	35.05	33.51	31.20	27.94	27.07	25.96
52	35.17	33.72	31.26	28.01	27.10	25.97
53	35.25	33.80	31.31	28.04	27.15	26.01
54	35.38	33.86	31.49	28.07	27.18	26.03
55	35.50	33.99	31.59	28.09	27.19	26.06
56	35.54	34.15	31.63	28.13	27.23	26.10
57	35.66	34.23	31.72	28.14	27.30	26.12
58	35.81	34.39	31.81	28.18	27.31	26.20
59	35.90	34.47	31.89	28.24	27.32	26.21
60	36.07	34.56	32.06	28.27	27.35	26.22
61	36.13	34.78	32.11	28.31	27.40	26.24
62	36.24	34.84	32.19	28.38	27.56	26.27
63	36.30	34.89	32.26	28.44	27.61	26.28
64	36.47	35.05	32.34	28.49	27.63	26.32
65	36.56	35.17	32.40	28.49	27.65	26.34
66	36.68	35.26	32.59	28.55	27.72	26.35
67	36.76	35.39	32.67	28.58	27.75	26.37
68	36.92	35.50	32.73	28.63	27.77	26.44
69	37.01	35.57	32.77	28.65	27.80	26.49

PAPERMAKERS' RATES  
May 1, 2008 (+\$0.60)

<u>Class</u>	<u>MI</u>	<u>RI</u>	<u>3rd</u>	<u>4th</u>	<u>5th</u>	<u>6th</u>
35	33.86	32.48	30.58	27.67	27.09	26.36
36	33.98	32.53	30.67	27.70	27.11	26.28
37	34.08	32.63	30.71	27.78	27.13	26.28
38	34.25	32.70	30.78	27.79	27.14	26.28
39	34.36	32.88	30.85	27.91	27.19	26.28
40	34.44	32.95	30.97	27.92	27.19	26.31
41	34.56	33.08	31.03	27.99	27.25	26.31
42	34.65	33.19	31.08	28.00	27.27	26.31
43	34.76	33.34	31.18	28.07	27.40	26.31
44	34.89	33.43	31.22	28.23	27.45	26.34
45	35.03	33.53	31.35	28.23	27.46	26.34
46	35.10	33.66	31.43	28.35	27.47	26.34
47	35.19	33.75	31.49	28.37	27.48	26.47
48	35.28	33.86	31.64	28.40	27.50	26.50
49	35.44	33.99	31.68	28.41	27.55	26.52
50	35.49	34.08	31.74	28.51	27.61	26.54
51	35.65	34.11	31.80	28.54	27.67	26.56
52	35.77	34.32	31.86	28.61	27.70	26.57
53	35.85	34.40	31.91	28.64	27.75	26.61
54	35.98	34.46	32.09	28.67	27.78	26.63
55	36.10	34.59	32.19	28.69	27.79	26.66
56	36.14	34.75	32.23	28.73	27.83	26.70
57	36.26	34.83	32.32	28.74	27.90	26.72
58	36.41	34.99	32.41	28.78	27.91	26.80
59	36.50	35.07	32.49	28.84	27.92	26.81
60	36.67	35.16	32.66	28.87	27.95	26.82
61	36.73	35.38	32.71	28.91	28.00	26.84
62	36.84	35.44	32.79	28.98	28.16	26.87
63	36.90	35.49	32.86	29.04	28.21	26.88
64	37.07	35.65	32.94	29.09	28.23	26.92
65	37.16	35.77	33.00	29.09	28.25	26.94
66	37.28	35.86	33.19	29.15	28.32	26.95
67	37.36	35.99	33.27	29.18	28.35	26.97
68	37.52	36.10	33.33	29.23	28.37	27.04
69	37.61	36.17	33.37	29.25	28.40	27.09

This schedule will not reduce any existing rate.

Rates are based on seven-day operation.

Where the common labour or base rate is higher than the applicable class rate the common labour or base rate will be applied.

**BASE (LABOUR) RATE**

The base (labour) rate in the mill is as follows:

<b>May 1, 2004</b>	<b>22.96</b>
<b>May 1, 2005</b>	<b>23.53</b>
<b>May 1, 2006</b>	<b>24.13</b>
<b>May 1, 2007</b>	<b>24.61</b>
<b>May 1, 2008</b>	<b>25.21</b>

**Minimum Speeds**

The Company agrees to update the minimum paper machine speeds to the following:

- NO. 5 P.M. -- 2200 - 2249 F.P.M.
- NO. 6 P.M. -- 1400 - 1449 F.P.M.
- NO. 7 P.M. -- 1600 - 1649 F.P.M.

These minimum speeds will be used to calculate rates that apply for payment of wages irrespective of actual speeds being run and will remain constant throughout the life of this agreement.

With each increase of 50 feet in speed classification, the rates increase in accordance with the Papermaker's wage schedule.

## PAPERMAKERS RATES....

This schedule of rates will be extended beyond Class 69 by applying the following increases for each class increase:

Machine Tender	.05
Back Tender	.04
Third Hand	.03
Fourth Hand	.025*
Fifth Hand	.02
Sixth Hand	.01
Seventh Hand	.01

\*When applying the Fourth Hand increase, no half cent will be used. The rate will be adjusted upwards by three cents on the first class increase and two cents on the next. This formula will apply to subsequent class increase.

**APPENDIX B**  
**MILL RULES**

1. REPORTING FOR WORK

1.1 General

It is the duty of every worker to report for his regular shift unless he has previously arranged with his foreman for a leave of absence.

1.2 Starting

(a) DAY WORKERS

Day workers shall be at their respective posts of duty and ready to begin work at 8:00 a.m. and 12:30 p.m.

(b) NIGHT WORKERS

The same provision as contained in paragraph (a) of this rule shall apply to night workers on regularly

assigned schedules (not TOUR workers) except that the hours specified shall be the regular times of starting and ending work.

(c) TOUR WORKERS

Tour workers shall be at their respective posts of duty at the scheduled beginning time of their shift or tour.

2. LEAVING THE JOB OR PLANT

2.1 During Working Hours

No employee shall leave the plant during working hours without the permission of the head of the department.

3. RESPONSIBILITY OF THE INDIVIDUAL

Each employee will be held responsible for the condition of that part of the plant under his control and everything in and about the plant shall be kept clean and in good order.

4. ACCIDENT PREVENTION

4.1 Instructions

It is the duty of the foreman to instruct every new employee exactly as to how machinery around which he regularly works may be stopped.

4.2 Clothing

Employees must not wear clothing which can readily become entangled in machinery. When not in use, clothing must be kept in lockers provided for that purpose. Shoes shall be worn while on duty. Employees are required to see that their lockers are kept in a clean and neat condition.

4.3 Safeguards

It is a violation of the ~~laws of the Province~~ of Ontario to remove safety guards and ~~anyone so doing~~ without the permission of his superintendent or foreman is liable to penalty provided by law.

#### 4.4 Accidents

Reports of all accidents must be made to the foreman at once by all witnesses and by the injured employee when possible; the foreman will make up an accident report in duplicate for the superintendent.

#### 4.5 Do Not Start or Lockout Tags

The following procedure must be taken to ensure the non-operation of equipment that is shut down for repair or other service for the protection of employees performing that repair or service.

- a) Stop the machinery in the usual manner.
- b) Pull the isolating switch. If location of switch not known, call an electrician who will isolate switch.
- c) (i) Place your tag on switch. If more than one person working on equipment, each person shall place his tag on switch.  
  
(ii) In case of paper machine drives, call electrician who will pull proper switch and attach special blue tag. All men working will then place their tags on top of blue tag.
- d) The first man to tag switch shall try start button to ensure that equipment will not operate.
- e) Each person shall personally remove his own tag when his part of job is complete.
- f) Where *it* is not practical *for* some reason to fully

apply this procedure, exceptions may **be** made on instructions of the superintendent involved.

5. ELEVATORS

All employees using freight elevators for other than freight purposes do so at their own risk.

6. FIRE PREVENTION

All employees must assist in preventing destruction of the Company's property in case of fire. Fire apparatus must not be removed from its place or used except in the case of fire or by order of the superintendent.

7. BULLETIN BOARDS

Bulletin boards for the sole use of the Unions will be provided in and about the mill and no Union notices shall be posted elsewhere.

8. MANAGEMENT

Superintendents, foremen, watchmen, and office forces are part of the Management of the Company.

### **APPENDIX C**

#### **RULES GOVERNING PARTICIPATION IN THE SUPPLEMENTARY CONTRIBUTORY GROUP LIFE INSURANCE POLICY**

- 1 New employees will be enrolled for "basic" group life insurance coverage at the time of hire. Employees will be eligible for the contributory group life insurance coverage at the same time they are covered under the "basic" group life. If the additional contributory insurance is waived, the employee shall sign a waiver card. **Such employee may apply for the contributory supplementary insurance by November 30<sup>th</sup> of the preceding year to be effective January 1<sup>st</sup> of the following year or later, upon acceptance from the insurance carrier following proof of good health.**

2. Employees who do not initially sign up for or who cancel the contributory coverage may re-enroll not **less** than thirty (30) days prior to each ensuing November **30th** and must produce evidence of insurability when applying.
3. If an employee is off work because of illness or accident, his contributory insurance coverage will be continued for three (3) months providing his own portion of the premium is paid each month, extendable in three (3) month intervals with Company approval to a maximum of twelve (12) months.
4. Employees who wish to take advantage of contributory insurance coverage must apply for and accept no less than **\$25,000.00 additional** coverage. **This** optional life insurance will be available to a maximum of **\$200,000** in increments of **\$25,000**.
5. January **1st** each year is the effective date and the anniversary date of the Group Life Policy.

#### APPENDIX D

#### **DENTAL EXPENSE INSURANCE (For Employees and Dependents)**

#### HOW BENEFITS BECOME PAYABLE

While insured, you or your dependent-incurred covered dental expenses (as defined below) as a result of a nonoccupational injury or a nonoccupational disease.

#### HOW MUCH IS PAYABLE

1. Effective May **1, 2004**, for each procedure in Schedule A, the benefit percentage is 100% of the amount payable according to the **2003** Ontario Dental Association Schedule of Fees for Dental Procedures by General Practitioners.

For calendar year **2005**, apply **the 2004** schedule of fees.  
For calendar year **2006**, apply the **2005** schedule of fees.



**For calendar year 2007, apply the 2006 schedule of fees.**

**For calendar year 2008, apply the 2007 schedule of fees.**

**For calendar year 2009, apply the 2008 schedule of fees.**

2. Effective **May 1, 2004**, for each procedure in Schedule B, the benefit is 50% of the amount payable according to the **2003** Ontario Dental Association Schedule of Fees for Dental Procedures by General Practitioners.

**For calendar year 2005, apply the 2004 schedule of fees.**

**For calendar year 2006, apply the 2005 schedule of fees.**

**For calendar year 2007, apply the 2006 schedule of fees.**

**For calendar year 2008, apply the 2007 schedule of fees.**

**For calendar year 2009, apply the 2008 schedule of fees.**

3. For all procedures in a calendar year, the total **benefit** payable shall not exceed the calendar-year maximum of \$1,500.

#### EXTENSION OF BENEFITS

If you or your dependent are wholly disabled as a result of a dental condition for which benefits are payable under this coverage on the date dental expense insurance is terminated and if charges are incurred as a result of that dental condition within one year after the year in which insurance terminates and during continuance of that disability, the same benefits shall be payable for charges so incurred that would have been payable if incurred while insured.

#### WHAT ARE "COVERED DENTAL EXPENSES

The charges made for any of the following:

1. Extractions.
2. Fillings.
3. Oral surgical procedures and necessary preoperative treatment during hospital confinement and customary postoperative treatment furnished in connection with oral surgical procedure.

4. Anesthesia and its administration in connection with oral surgical procedure, extractions or other covered dental services.
5. Dental X-rays.
6. Treatment of periodontal and other diseases of the oral cavity.
7. Root canal therapy.
8. Initial installation of a removable partial or full denture including adjustments after three months following insertion.
9. Replacement of an existing removable partial or full denture or the addition of teeth to an existing removable partial or full denture to replace extracted natural teeth, but only if evidence satisfactory to the Insurance Company is presented that the existing denture cannot be made serviceable.
10. Repair or relining of removable partial or full denture.
11. Emergency treatment for relief of pain only.
12. Charges for service performed by a Denturist.
13. Oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays but not more than one examination in any period of six consecutive months.
14. Oral hygiene instructions.

#### EXCLUSIONS

"Covered Dental Expenses" does not include charges for or in connection with the following:

1. Original installation of the repair and/or replacement of onlays, inlays and fixed bridgework.
2. Services or supplies that are primarily for beautification.
3. Orthodontia or correction of malocclusion.

4. **Any item received before you or your dependent became insured** under this coverage.
5. Any item furnished by or through any government or any subdivision or agency thereof or the charge for which is paid or payable or reimbursable by or through any plan or program of any government or subdivision or agency thereof other than a plan or program established for the civilian employees of government or subdivision or agency thereof.
6. Any charge that would not have been made in the absence of insurance or that the employee or dependent is not legally obligated to pay.
7. Any charges excluded under General Exclusions

**DENTAL CHARGE LIMITATION:**

No payment shall be made unless a dental chart satisfactory to the insurance carrier and without expense to it is submitted. Such dental chart shall indicate prior extractions and shall be completed by the attending dentist at the time you or your dependent first visit the dentist on or after the date you or your dependent become insured.

**PREDETERMINATION OF BENEFITS**

If a course of treatment can reasonably be expected to involve dental expenses in excess of \$100, a description of the procedures to be performed and an estimate of the dentist's charges must be filed prior to starting treatment.

Predetermination requirement does not apply to courses of treatment under \$100 or to emergency treatment, oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays.

A course of treatment is a planned program of one or more procedures or

services for the correction of a dental condition diagnosed by the attending dentist as a result of an oral examination. The total of the fees for the course of treatment will include the charges for oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays.

#### DENTAL CLAIMS

When you or one of your dependents incur expenses that qualify for Dental Expense insurance benefits, you may submit a claim. Claim forms are available from your dentist.

#### DENTAL PLAN

The Company will provide a dental plan to permanent employees and their eligible dependents effective October 1, 1975.

An employee will qualify after completion of ninety (90) calendar days with the Company and a minimum of sixty (60) days of work.

The definition of a "dependent" is the same as that in the present Group Hospital Plan except children over 21 who are regularly attending school and dependent upon subscribers for support will be covered to age 23.

#### **Children with disabilities**

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

SCHEDULE APROCEDURE

Periodontal Services  
(Diagnosis & Treatment of  
Gum Tissue)

Treatment planning &  
consultations

Application of dressings

Supragingival & sub-  
gingival scaling (above  
and below gum line)

Root planing

Polishing

Emergency treatment of  
periodontal abscess

Treatment of oral infections

Desensitization of tooth  
surface (a temporary  
measure to relieve pain)

Splinting-provisional

Provisional occlusal splint  
(night guard)

Gingival scaling (deep scaling  
below gum)

Gingivoplasty & Gingivectomy  
(reshaping tissue to help  
periodontal condition)

PROCEDURE

Mucogingival surgery (Moving  
healthy tissue to cover healthy  
tissue)

Post surgical treatment  
(dressings)

Endodontic Services  
(Diagnosis & Treatment of  
Pulp and Root Canals)

Emergency endodontic  
procedures

Incision & drainage -  
thorough pulp canal

Pulp capping

Pulpotomy (partial removal  
of nerve)

Smoothing

Repositioning of displaced  
tooth

Replantation of totally  
displaced tooth

Pulpectomy (removal of  
nerve)

Biomechanical (instrumental)  
preparation of root canal

Chemotherapeutic (chemical)  
treatment of root canal

SCHEDULE APROCEDURE

Gingivectomy with  
Osteoplasty (reshaping tissue  
& bone)

Gingivectomy with Curretage  
(reshaping tissue & deep  
scaling)

Flap surgery (laying tissue  
open and deep scaling)

Amputation of roots  
intentional extraction root  
canal obliteration and  
repositioning of tooth

Endodontic management of  
primary teeth

Surgical services

Alveoloplasty - reshaping  
bone arch to prepare for  
dentures

Frenoplasty-reshaping of  
tissue that connects the lip  
with the gingiva

Exposure of tooth for  
repositioning

PROCEDURE

Obliteration of root canal

Endodontic services involving  
Periradicular roots surgery

Root end fillings and silver  
points

Bleaching of treated tooth

Post surgical treatments

Removal of root or foreign  
body from Sinus

Examinations  
initial examination of a new  
patient

Reexamination of a previous  
patient

Specific examination

Emergency examination and/  
or consultation

Consultations  
With patient

SCHEDULE APROCEDURE

Enucleation of toothfollicle  
(removal of uneruptedtooth)

Repair of soft tissue  
lacerations (placing stitches  
to repair gum tissue)

Incision & Drainage (drainage  
of infection by surgical  
incision)

Fractures – consultation &  
repair jaw fractures

Removal of **growths**-  
including biopsy

Treatment of  
Temporomandibular joint  
(repositioning of dislocated  
jaw)

Sialolithotomy (opening of  
salivary duct)

Intramuscular injection  
(antibiotics, etc.)

Preventive Services

Scaling and Polishing

PROCEDURE

With another dentist

Specific diagnostic  
procedures

Biopsy

Oral Pathology

Cytology Report

Cytological Examination

Dental Caries Susceptibility  
Test

General Vitality Test

Specific Vitality Test

Bacterial examination

Radiographic Examination  
and Interpretation (X-Ray)

Soft tissue coverage

Bone tissue coverage

Anaesthesia Services

General anaesthesia-  
separate anaesthetist

First unit of time

Each additional unit of time

General anaesthesia- using  
auxiliary personnel

SCHEDULE APROCEDURE

Topical Fluoride Treatment  
 Oral Hygiene Instruction  
 Occlusal Equilibration  
 Treatment of Dental Caries  
 (fillings)  
 Removal of carious lesion and  
 dressing  
 Amalgam Restorations  
 Permanent Molars  
 Silicate cement and direct  
 resin restorations  
 Surgical Services— Removal  
 of teeth  
 Single tooth  
 Removal of single erupted  
 tooth (complicated)  
 Pit and Fissure treatment

PROCEDURE

First unit of time  
 Each additional unit of time  
 Amalgam Restorations  
 Bicuspids, permanent  
 anteriors all primary teeth  
 Plastic Composite  
 Restorations  
 Removal of Erupted tooth  
 (uncomplicated)  
 Each additional tooth in same  
 quadrant  
 Removal of single unerupted  
 tooth  
 Removal of residual roots



SCHEDULE BPROCEDURE

Prosthetic Services  
 Complete maxillary (upper) or  
 mandibular (lower) denture  
 Complete maxillary and  
 mandibular dentures  
 Remount & equilibration  
 - (dentures repaired to  
 establish new bite)  
 Immediate Dentures  
 - (inserted immediately  
 following the extraction of  
 teeth)  
 Maxillary and mandibular  
 partial dentures  
 One complete denture and  
 one partial denture  
 Maxillary or mandibular  
 partial denture

PROCEDURE

Provisional denture  
 (temporary)  
 Unilateral-- (a type of  
 denture)  
 Stressbreaker -- (relieves  
 stress on clasped tooth  
 holding partial denture)  
 Denture adjustments (after 3  
 months from insertion)  
 Denture repairs  
 Denture relines - temporary  
 and permanent  
 Tissues conditioning -  
 (treatment) for inflamed, sore  
 gum tissues  
 Maxillary or mandibular  
 denture with precision  
 attachments

SCHEDULE C**INSURED ORTHODONTIC SERVICES**

To the extent that such Dental Care is necessary according to the standards of good dental practice.

Payment will be made on the basis of 50% of the Dentist's usual charge or 50% of the suggested fee guide for general practitioners issued by the Ontario Dental Association as shown on your certificate, whichever is less. Orthodontic services are subject to the limitations of your Dental Care Plan 7. The maximum payment under this rider is \$1,500 in total per person effective December 1, 1998.

ORTHODONTIC SERVICES

Consultations  
 Pretreatment diagnostic Services  
 Diagnostic Models, X-rays  
 Cephalometric work-up  
 Preventive and interceptive Orthodontics  
 Habit inhibiting  
 Space Regaining  
 Space Maintenance  
 Cross Bite Correction, etc.  
 Corrective Orthodontics  
 Removable and Fixed Appliance Therapy  
 Retention

**PLEASE NOTE:**

Orthodontic treatment plans should be submitted for consideration and review to establish the extent of payable benefit.

Prior to commencement of orthodontic treatment the dentist should prepare a report to the insurance carrier outlining the Details with respect to malocclusion, diagnosis, treatment plan and applicable fees.

**MEMORANDUM OF AGREEMENT**

**BETWEEN**

**ABITIBI-CONSOLIDATED COMPANY OF CANADA  
FORT FRANCES DIVISION**

**AND**

**COMMUNICATION, ENERGY & PAPERWORKERS UNION OF CANADA  
LOCAL 306**

- 1) In full settlement of all items and subject to ratification, which the bargaining committees representing the above parties agree to recommend, the Collective Agreement to be in effect from May 1, 2004 to April 30, 2009 shall be on the same terms as the 1998-2004 Collective Agreements, except as hereinafter amended.
- 2) All terms of this memorandum will become effective on the date of ratification except as herein specified to the contrary.

(Words importing the masculine gender shall include the feminine and vice versa)

All language in each collective agreement (referred to herein as the "collective agreement") will remain unchanged unless: (1) amended in this document; or (2) amended by local bargaining on contract language and local issues.

**Duration of labour agreement**

May 1, 2004 to April 30, 2009.

**Wage increases**

General wage increases as follows:

\$0.70	effective May 1, 2004
2.50%	effective May 1, 2005
\$0.60	effective May 1, 2006
2.0%	effective May 1, 2007
\$0.60	effective May 1, 2008

**Papermaker's wage scale**

The Union has accepted the Company's verbal commitment regarding extending the scale.

**Shift premiums**

Effective the first day of the month following ratification of the collective agreement, the shift premiums for hours worked between 4:00 p.m. and 12:00 p.m. and for hours worked between 12:00 p.m. and 8:00 a.m. will be increased by \$0.10.

**Vacations**

Starting with vacation year 2005:

A fifth (5) week of annual vacation after 17 years of service.

**Humanity Fund**

During the term of the 2004-2009 collective agreement, the Company will match each employee contribution to the Humanity Fund up to a maximum of \$20 per year with a Company-wide maximum of \$50,000 per year.

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

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

**Pension Plan**

A long term agreement of ten (10) years, from May 1, 2004 to April 30, 2014.

The Company and the Union will jointly approach the government authorities with the objective of getting permission to extend the amortization period of the solvency deficit payment. A letter of intent supporting this commitment is attached as Appendix B.

For the former Rainy River plan, the current offset of 0.22% will be reduced

as follows:

- 1.70% formula = 0.15% offset up to YMPE
- 1.75% formula = 0.08% offset up to YMPE

In addition, the Company agrees to update the minimum pension provisions as they apply to locals 92, 238 and 306 at Kenora and Fort Frances

Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced pension and bridge benefit, subject to the minimum reductions imposed under the regulations of the Income Tax Act (Rule of 80).

The plan design is presented below.

<b>PENSION PLAN</b>										
Benefits	Year 1 2004	Year 2 2005	Year 3 2006	Year 4 2007	Year 5 2008	Year 6 2009	Year 7 2010	Year 8 2011	Year 9 2012	Year 10 2013
	(Effective May 1, except when specified otherwise.)									
Formula (%)		1.70%				1.75%				
Post-retirement adjustment (January 1) CPI x 50%, Max: 5%		√		√		√		√		√
Employee Contributions			6%	6.5%	7%	7.5%	7.5%	7.5%	7.5%	7.5%
Employer Contributions		Jan-01	May-01	May-01	May-01	May-01	May-01	May-01	May-01	May-01
Contributions		Jan-01								

Note: The pension adjustment formula is based on the Consumer Price Index for the 12-month period ending in October of the preceding year (rounded to the nearest tenth of one per cent), subject to a maximum 5% adjustment. For calculation purposes, the Consumer Price Index means the all-items index (1981=100) published by Statistics Canada.

### Portability

Effective the first day of the month following ratification of the collective agreement, active employees participating in Abitibi-Consolidated pension plans that are transferred within the Company, with no interruption in employment, will be eligible for pension portability. For an employee who

has been laid off for a period of less than twelve (12) consecutive months, the Company will proceed with his pension transfer if he has not received his severance pay or withdrawn his pension entitlement. In cases where the former mill and the new mill have different registered pension plans, the following will apply:

- The employee will enter into the pension plan of the new mill. This plan will recognize the service completed under the former pension plan for purposes of eligibility for ancillary benefits (early retirement and bridge benefit).
- The employee will stop accruing years of credited service in the former plan. Years of service and pensionable earnings at the new mill will be recognized in the former plan for purposes of eligibility for ancillary benefits and calculation of final average earnings.

Such employee will therefore have pension entitlements in two different registered pension plans.

### **Pension Plan Solvency**

The Company agrees to continue to share pertinent funding information with the Union.

### **Job security**

The Company agrees to renew all existing job security provisions and letters relative to the job security for the duration of the collective agreement.

The Company will also update these provisions and letters where applicable, changing the effective date to May 1, 2004, and all lists of regular employees will be updated and renewed as of May 1, 2004, and if requested by the local union, as of November 1, 2006.

### **Severance pay**

Each collective agreement will be amended to include the following language:

Permanent lay-off

In the event of a permanent paper machine, department or mill closure, the

maximum amount of severance pay will be one **and** one-half (1.5) weeks of pay per year of continuous service.

Lay-off – 12 consecutive months

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

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

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

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

### **Contracting out**

The Company agrees to renew all existing contracting out provisions for the duration of the collective agreement.

### **Weekly indemnity dispute resolution mechanism**

For all mills, the following weekly indemnity dispute mechanism will apply conditional to:

- The employee has submitted the required claim forms properly filled;
- and
- The employee has given authorization to the Company and/or the insurer to have access to the information they require to adjudicate the claim.

a) If requested by the employee, the Company will make advance payments at normal pay intervals until the claim is processed. The employee will sign a promissory note stating that he will reimburse the Company for any advance payments received.

b) The Company and/or insurer reserves the right to demand physical examinations throughout the duration of the employee's absence due to disability.

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

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

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

## **Benefits**

### SECTION A – FOR ACTIVE EMPLOYEES

The Company confirms that the cost of health care plans will be paid 100% by the Company.

#### Dental Plan Benefits

The existing provisions of the dental care plan coverage will be maintained for the duration of the collective agreement. Furthermore, Class I expenses will be reimbursed at 100% for all locals up to the applicable limits.

#### Dental Plan – Schedule of Fees

Where a collective agreement does not mention a schedule of fees for 2004, the 2003 schedule of fees will apply starting May 1, 2004.

- For calendar year 2005, apply the 2004 schedule of fees.
- For calendar year 2006, apply the 2005 schedule of fees.
- For calendar year 2007, apply the 2006 schedule of fees.
- For calendar year 2008, apply the 2007 schedule of fees.
- For calendar year 2009, apply the 2008 schedule of fees.

#### Long Term Disability

The existing maximum monthly benefit will increase by \$200 for employees



actively at work on or after the first day of the month following ratification of the collective agreement and by another \$100 effective May 1, 2007. These improvements will be fully paid by the Company.

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

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

Current provisions will not be reduced by this proposal

#### Supplementary Health Care

Effective January 1, 2005, brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

The parties recognize that the use of generic drugs is an important element for containing costs in a health care plan. Consequently, the parties agree to meet and develop a mutually agreed upon plan to increase the use of generic drugs. This initiative will take place in all divisions within 12 months of the ratification of the collective agreement. The plan could include promotional campaigns to improve doctors and pharmacists' awareness regarding generic drug use.

#### Vision Care

For existing vision care plans, effective the first day of the month following ratification of the collective agreement, the maximum reimbursement per insured individual will be increased to \$150.

#### Basic Life Insurance

Effective the first day of the month following ratification of the collective agreement, Basic Life Insurance will increase by \$10,000 and the improvement will be fully paid by the Company. The adjustments will be made as per past

practice.

#### Accidental Death & Dismemberment

Effective the first day of the month following ratification of the collective agreement, Accidental Death and Dismemberment Insurance will increase by \$5,000 and will be at a minimum coverage level of \$50,000 for all eligible employees. This improvement will be fully paid by the Company.

#### Optional Life Insurance

Effective January 1, 2005, optional life insurance, fully paid by the employee, will be made available to employees less than 65 years old. This optional life insurance will be available to a maximum of \$200,000 in increments of \$25,000. With notification to the Divisional Human Resources Department, employees will be permitted once a year to amend their level of coverage. Formal notification of such change must be made by November 30<sup>th</sup> of the preceding year to be effective January 1<sup>st</sup> of the following year or later, upon acceptance from the insurance carrier following proof of good health.

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

Existing additional life insurance coverage provided by some collective agreements is no longer available to new applications.

#### Dependent Life Insurance

Effective the first day of the month following ratification of the collective agreement, life insurance will increase by \$5,000 for spouse and \$2,500 for children and the improvement will be fully paid by the Company.

#### SECTION B - FOR FUTURE RETIRES

For employees retiring after the first day of the month following ratification of the collective agreement, the death benefit coverage will be increased by \$1,000.

Effective September 1, 2004 brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

#### Surviving Spouse Health Care Coverage

In the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company postdated cheques covering the coming year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease effective the date this benefit plan coverage would have expired for the retiree, or earlier if there is a change to the surviving spouse's marital status.

The current provisions for group insurance as well as the cost sharing will be maintained for the duration of the collective agreement.

#### SECTION C- FOR CURRENT RETIREES

The current provisions for group insurance as well as the cost sharing will be maintained for the duration of the collective agreement.

#### Surviving Spouse Health Care Coverage

In the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company postdated cheques covering the coming

year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease effective the date this benefit plan coverage would have expired for the retiree, or earlier if there is a change to the surviving spouse's marital status.

### **Disability Definition**

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

### **Children with disabilities**

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

### **Maternity / parental leave**

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

### **Non-Discrimination**

There shall be no discrimination, harassment or intimidation against anyone. Nothing in the Collective Agreement shall conflict with any Provincial or Federal legislation.

### **Health and Safety Conference**

During the term of the 2004-2009 Collective Agreement, a joint Abitibi-Consolidated Company of Canada / Communications, Energy & Paperworkers Union Health and Safety Conference will be held once every two years. This conference will be held in October or November with the date and location

being subject to mutual agreement

The purpose of the conference will be to develop and support joint participation in the Health and Safety Program in all mills involved.

Two (2) delegates from each mill union local, one of whom is a member of the mill joint health and safety committee, may attend the conference. These delegates shall be compensated for scheduled hours lost as a result of attending the two (2) day conference and one (1) preparation day. In addition, those delegates required to absent themselves from their regular shifts to travel to and from the conference will be compensated for any loss of scheduled hours they would have otherwise worked to a maximum of two (2) additional days. The Company will compensate delegates for transportation expenses and will contribute \$75 per day for incurred living expenses.

In the event there is a mill shutdown during the week in which the Health and Safety Conference occurs, delegates attending the conference from the mill will be compensated in accordance with the above, using a schedule of work which would have applied had the mill been operating.

Conference planning and the agenda will be the responsibility of a joint committee selected by Abitibi-Consolidated Company of Canada and the Communication, Energy and Paperworkers Union. The agenda will be confined to those policy matters affecting the health and safety of employees at the respective mills. Mill Joint Health and Safety Committees may be asked to submit agenda items to the Joint Planning Committee.

**Joint Retirement Board**

A letter of intent is attached as Appendix C.

**Appendix B**

**LETTER OF INTENT  
BETWEEN ABITIBI-CONSOLIDATED COMPANY OF CANADA  
AND  
CEP and its locals**

**59N, 63, 84, 84-35, 88, 90, 92, 101, 109, 132, 138, 139, 161, 209,  
220, 227, 238, 253, 306, 352, 375, 1093, 1258, 1455**

**Pension Plans-- Joint Request to Government Authorities**

The Union and the Company agree to present a joint request to the Quebec Pension Board or the Financial Services Commission of Ontario, and to the Canada Revenue Agency. The objective of the joint request will be to obtain from the government authorities permission to amortize starting in 2004, any solvency deficit over a period of 10 years instead of the prescribed periods under the law and the applicable regulations.

**Appendix C****LETTER OF INTENT****BETWEEN ABITIBI-CONSOLIDATED COMPANY OF CANADA  
AND THE  
COMMUNICATION, ENERGY AND PAPERWORKERS UNION OF CANADA**

The Company agrees to hold an annual meeting on the Pension Plans for union employees of Abitibi-Consolidated Company of Canada with union representatives chosen by each local union.

Current local agreements and practices related to attendance to the annual meeting shall remain.

Each mill representative will be paid as follows: for each regular working day lost, he will be paid his straight-time rate for the number of hours he would have worked.

Reasonable expenses related to transportation and hotel, if necessary, will be reimbursed for each mill representative. The Company will also contribute \$35 per day for incurred living expenses.

**MEMORANDUM OF AGREEMENT FOR LOCAL ISSUES  
and CONTRACT LANGUAGE**

- BETWEEN-

**ABITIBI-CONSOLIDATED COMPANY OF CANADA  
Fort Frances Division**

- AND -

**COMMUNICATION, ENERGY AND PAPERWORKERS UNION OF CANADA  
Local 306**

The bargaining committee representing the above parties, all of whom have been duly authorized to negotiate and settle, and do hereby confirm settlement of all outstanding local **issues** and contract language between them and agree to extend the terms and conditions of the current Collective Agreement which expires on April 30, 2004 subject to the following amendments contained in this Memorandum of Agreement for Local **Issues** and Contract Language.

Subject to ratification by the Union under their internal rules and procedures, this Memorandum of Agreement for Local **Issues** and Contract Language will, upon such ratification change the current Collective Agreement, which will become the new Collective Agreement between the Union and Company in accordance with the terms herein.

1. Change all references from Abitibi-Consolidated Inc. to Abitibi-Consolidated Company of Canada
2. Memorandum and Dates  
Replace the expired Memorandum of Agreement with the new Memorandum of Agreement. Update all dates to reflect the term of the new labour agreement.
3. Wet End Control Room  
The Company agrees to spend up to \$100,000 on a new climate controlled control room with ergonomic furniture and lunch facilities at either the wet end of 5 & 6 or the wet end of 7. The actual location will be determined by the Company. This will be completed no later than December 31, 2005.



4. Line of Progression  
**The Company and the Union agree to discuss and resolve deadhead/freezing of members on a case-by-case basis. These discussions will be meaningful and will explore all alternatives brought forward by the parties.**
5. Women's Locker Room  
 The Union agrees, in an effort to resolve this issue to meet with the Employer and a group of female employees.
6. Apprenticeship  
 Local 306 members will have equal opportunity to apply for apprenticeship bulletins. It should be understood by both parties that Local 306 reserves the right to challenge any or all qualifiers on these bulletins. The Company reserves the right to set qualifications for apprenticeships and the Union reserves the right to challenge the qualifications.
7. Drinking Water Quality  
 The Company cannot agree to expand the use of bottled water beyond what is absolutely necessary. The Company agrees to investigate and remedy any drinking water quality issues, at the water fountains, brought forth by the local union.
8. Add new Section 406 12 Hour Shifts:  
**406 12 Hour Shifts**
- (a) It is agreed that the implementation and utilization of the 12-Hour Shift Schedule will not, in any way, increase costs to the Company or the Union from that applicable to the eight (8) hour schedule reflected in the Collective Agreement.
- (b) It is understood the 12 hour shift schedule applies only to a 7-day and 24 hour continuous operation. Operating areas not covered by a 7-day and 24-hour continuous operation will be given consideration towards 12 hour shifts.

- (c) No overtime hours shall be paid as a result of transferring to or reverting from the 12 hour schedule.
- (d) i) Employees holding bulletins within Local 306 may hold only one (1) bulletin within Local 306 in addition to their paper machines priority.
- ii) When an employee with bulletin rights within Local 306 secures a bulletin outside Local 306, he/she will be granted a six month trial period whereby he/she retains the right to return to his/her bulletin within Local 306. After the trial period he/she loses all rights within Local 306.
- iii) Employees currently holding more than one (1) bulletin within Local 306 in addition to their paper machine priority will be Grandfathered on these specific bulletins until such time as they relinquish them; then (d)(i) applies.
- (e) For the purpose of this agreement the average work week for tour workers will be defined as forty-two (42) hours per week.
- (f) Schedule changes for the Master Lists will be as mutually agreed.
- (g) Hours of Work
- (i) The schedule of hours for tour workers and hours at which tours shall change shall be from 7:00 a.m. to 7:00 p.m. and from 7:00 p.m. to 7:00 a.m., or as mutually agreed. Employees working their regular scheduled shift prior to a shutdown holiday will be paid for all hours worked at straight time rates. Employees working their regular scheduled shift immediately following a shutdown holiday will be paid for all hours worked at straight time rates. The above work performed on Sunday will be paid at time and one-half (1-1/2).
- (ii) Relief should not be earlier than fifteen (15) minutes before the hour.

- (iii) Employees reporting to work late will lose pay in increments of thirty (30) minutes.
- (iv) Spares within the CEP 306 operating departments where 12 hour shift schedules are in force will continue to be called on a priority basis as is the case now.
- (v) When making up the weekly schedule, full tours to the extent they are available, will be assigned from the most senior bulletin employee on down. Once all available full tours are occupied, all other vacancies will be filled by the appropriate spares.
- (vi) If, on the Thursday schedule a spare is scheduled on a "letter" comprised of three 12 hour shifts, holding a classified job (not as an extra person over the normal crew complement), then he/she will be deemed to have a full workweek. If a 4th shift is required it will be at overtime rates.
- (vii) If, on the Thursday schedule, a spare is scheduled on a "letter", comprised of three 12 hour shifts, as an extra person over the normal crew complement, then he/she may be scheduled a fourth 12 hour shift at straight time rates at any time before or after Sunday 8:00 a.m.
- (viii) If a spare is not scheduled on a "letter" on the Thursday scheduled but, through revisions to the schedule, is subsequently scheduled on a "letter" then the rules as outlined in paragraphs (vi) and (vii) apply.
- (ix) If a spare is scheduled on a "letter" on the Thursday schedule in accordance with paragraph (vi) but, through revisions to the schedule, is subsequently taken off letter then the rules as outlined in paragraph (vi) no longer apply.
- (x) For general spare employees not scheduled to work a full week in accordance with an established 12 hour schedule, the following hours of work will constitute a full work week.

$4 \times 12$  hours plus  $0 \times 8$  hours = **48** hours  
 $3 \times 12$  hours plus  $1 \times 8$  hours = **44** hours  
 $2 \times 12$  hours plus  $2 \times 8$  hours = **40** hours  
 $1 \times 12$  hours plus  $4 \times 8$  hours = **44** hours  
 $0 \times 12$  hours plus  $5 \times 8$  hours = **40** hours

(h) Rates of Pay

- (i) Regular straight time rates shall be paid for all hours worked for each 12 hour shift, except for Sundays where the first 12 hours will be paid at the rate of 1.5 times.
- (ii) Time and one-half (1.5) shall be paid for all hours worked in excess of 12 hours except:
  - (a) When such work of up to two (2) hours in excess of a tour worker's regular shift is to replace an employee who is tardy.
  - (b) After the sixteenth (16th) hour of continuous work or after the sixteenth (16th) hour of work in any one day between 7:00 a.m. and 7:00 a.m. or the starting and stopping times as mutually agreed, at which time the employee shall receive double time.
  - (c) Sundays where work in excess of 12 hours will be paid at the double time rate.
  - (d) When such work in excess of 12 hours is caused by an exchange of shifts by employees. Such exchanges must be approved by a supervisor.
- (iii) For purposes of off-the-job training the following shall apply:
  - (a) The rate of pay will be for the job for which the employee was scheduled or the rate of pay for the job which the employee is being trained, whichever is greater.
  - (b) Employees who will not receive 42 or 48 hours of pay during a week, depending upon their regular

schedule, as a result of the training schedule, may request make-up time. This request must be made to the Paper Mill Scheduler no later than 8:00 a.m. Thursday of the week prior to the training. The employee will be given adequate notice that make-up hours are required. These make-up hours will be paid at straight-time rates and at the rate of pay for the job which the employee is being trained. Employees who would normally be scheduled to work Sunday through Wednesday but, for purposes of training, must attend classes Monday through Friday (40 hours) will work their Sunday shift. The subsequent training, Monday through Friday, will be paid at straight time rates. All work done on make-up hours will be done within the jurisdiction of Local 306.

- (c) No shift differential will be paid to employees training on the day shift.
- (iv) Clause 703.2 Work on Wires, Payment shall be interpreted as follows:

Payment: For removal and/or replacement of one wire, crew members will receive ten (10) hours regular and ~~sk~~ (6) hours wire change pay. For removal and/or replacement of both wires, crew members will receive eight (8) hours regular and twelve (12) hours wire pay.

Clause 703.2 Work on Wires, General (1) shall be interpreted as follows:

General: (1) For the purpose of determining the applicable wire change shift, times of shift changes shall be considered as 7:00 a.m. and 7:00 p.m. or as mutually agreed.

- (v) When a tour worker who works the second shift, works into the day shift for a period in excess of two hours due to his relief not showing up, "not to include the exercise of seniority to claim such work, the applicable overtime rate shall be applied to such work on the day shift.

(i) Floating Holidays

- (i) After completion of ninety (90) calendar days with the Company and a minimum of 480 hours of work, an employee shall be entitled to four (4) floating holidays, each with twelve (12) hours straight time pay at his regular rate, except as provided in section (ii) below. These floating holidays are to be taken at the convenience of the Company and without interruption of production, as per existing practices.
- (ii) Employees hired for summer work or vacation replacement and who are so informed at the time of hire, will not be eligible for the floating holidays referred to in section (i) above, until they have completed 720 hours of work in a position subject to jurisdiction of a mill union.

(j) Shift Differentials

Shift differentials will be as follows:

7:00 a.m. to 7 p.m.	\$0.00
7:00 p.m. to 7 a.m.	\$0.80

This applies only to employees covered by the 12 hour shift agreement.

(k) Vacations

Vacations shall be taken on a tour to tour basis

(l) Company Sick Pay

**The Company sick pay will be based on 70% of what the employee would have been scheduled in the 7 day period.**

The total number of accumulated sick days allowed will be ten (10) working days.

The waiting period will be two (2) days or twenty-four (24) hours.

To receive credit for a month of employment for purposes of sick leave an employee must work ninety-six (96) hours in that month.

(m) Weekly Indemnity

If during any seven (7) day period an employee is sick and is paid the maximum sick pay the employee is then eligible for Weekly Indemnity.

(n) Jury Duty

Employees working 12 hour shifts will be paid the difference between the payment received for such duties and the regular pay they would have received for each scheduled 12 hour workday lost. An employee scheduled to work the 7:00 pm. to 7:00 a.m. shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay from the Company for such shift. The employee is expected to report for work on his/her scheduled night shift immediately following discharge from jury duty or roll call if released prior to 2:00 p.m. An employee scheduled to work the day shift shall be excused from work with pay, if the employee is discharged from jury duty by the court after 12 midnight.

(o) Automation

For employees on 12 hour shifts, Article 503(c) will be interpreted as follows: A permanent employee with one year's continuous employment is an employee who has worked a twelve-month period of no less than thirty-two (32) hours per week, without interruption due to lack of work, resignation or discharge.

(p) Vacation Credits

Vacation credits will be computed as per current practice

(q) Funeral/Memorial Leave

The following provisions will apply.

- i) In the case of funeral/memorial leave of three (3) days duration, a maximum of two (2) consecutive scheduled shifts

will be substituted within the eight (8) day period stated in the Collective Agreement.

- ii) In the case of funeral/memorial leave of five (5) days duration, a maximum of four (4) consecutive scheduled shifts will be substituted (maximum pay **forty-eight (48)** hours) within the eight (8) day period as above. The employee may choose only three (3) consecutive scheduled shifts off with thirty-six (36) hours pay. All hours paid are at straight time.

(r) **Statutory Holiday Pay**

- (i) Unworked Statutory Holiday Pay will be in accordance with the following:

Holiday	Period	Unworked Straight Time Holiday Pay
Easter Sunday	24 Hours	12 Hours
Canada Day	24 Hours	12 Hours
Labour day	24 Hours	12 Hours if scheduled to work 8 Hours if not scheduled to work
Christmas	48 Hours	12 Hours
New Years Day	24 hours	12 Hours

- (ii) Pay for Work on a Statutory Holiday

**The pay practice for employees who are scheduled to work on a Statutory Holiday will be paid as follows:**

- Double time for all hours worked
  - An employee who works a 12 hour shift will receive a day off with 12 hours pay at a later date.
- (iii) An employee covered under a 12 hour shift agreement who normally works 12 hour shifts but as a volunteer changes to a day worker on this day and works 8 hours will receive one 12 hour shift off with 8 hours pay. If he works 12 or more hours he will receive one 12 hour shift off with 16 hours pay. These days to be taken within one year.
- (iv) For those employees who would be scheduled to work on a statutory holiday, holiday pay will be based on each employee's normal schedule (8 or 12 hour shifts). Those employees not scheduled to work will receive pay as defined in the collective agreement.



(s) Coverage

- i) in cases where a worker is needed for relief purposes and if the strength of the crew permits, the established line of progression shall be moved upwards and a trained general spare employee will be placed at the bottom job in the line of progression. If the crew is unable to be moved up, any available qualified worker will be called.
- ii) If, at any time during the term of the Collective Agreement, employees covered by this 12 hour shift schedule fail to make themselves available for coverage for unforeseen absences, the Company may, upon 30 calendar days written notice, cancel this 12 hour shift agreement and employees will revert back to 8 hour shifts.

(t) Eligibility for Benefits

An employee will qualify after completion of 90 days with the Company and a minimum of 480 hours of work.

(u) Provision for Elections

On election days if an employee requests time off during polling hours to vote, time will be granted as per the Ontario Labour Law. Both parties will encourage those employees covered by this twelve hour agreement to avail themselves of this right in a responsible fashion, in recognition of the impact on operations, and the applicability of this law to this region.

- (v) This agreement in no way alters, amends, or modifies any of the provisions of the present Collective Agreement except for those items specifically addressed in this agreement.

9. 708 Hot Meal Clause

Amend to read:

When an employee is required to work one (1) hour or more beyond his scheduled shift or day of work, he will be provided a hot meal or a meal allowance. An employee required to work five (5) hours or more beyond his scheduled shift or day of work will be eligible for an additional hot meal or a meal allowance, and a hot meal or a meal allowance will be provided

every four (4) hours thereafter until the employee is relieved from the overtime work assignment.

Effective February 9, 2000 the meal allowance shall be increased from \$5.00 to \$12.00.

Meal allowance will be added to employee's regular pay cheque

10. 800 Paid Holidays  
Add paragraph 801.1(e):  
For those employees who would be scheduled to work on a statutory holiday, holiday pay will be based on each employee's normal schedule (8 or 12 hour shifts). Those employees not scheduled to work will receive pay as defined in the collective agreement.
11. 802 Floating Holidays  
Add paragraph 802.1 (c):  
For scheduling purposes, Statutory Holidays have the same status as H-days currently have.
12. 906 On-Tour Vacations – Paper Machines  
Add paragraph 906 (b) (iii):  
The Company agrees to allow doubling up on vacation groups as usual, plus allow members to move back one group for purposes of doubling up, at the discretion of management.
13. 1001.5 Weekly Indemnity  
Remove 1001.5 (e).
14. 1009 Medical Forms  
Change \$5 to \$15.
15. Update Appendix A Wage Schedule to reflect the following wage adjustments agreed to during the term of the 1998-2004 agreement:

Paper Inspectors:	Highest paid Fourth Hand rate
PM6 Fourth Hand:	PM6 Fourth Hand plus \$0.40
PM6 Fifth Hand:	PM6 Fifth Hand plus \$0.40

16. Appendix A  
Update Base (Labour) Rate  
Head Paper Inspector – Third Hand rate #5 Paper Machine plus twenty-five cents (\$0.25) per hour.
17. Appendix B Mill Rules  
Delete paragraph 3 Punching In and Out and renumber paragraphs accordingly.

**Letter of Understanding#1****Between****Abitibi-Consolidated Company of Canada  
Fori Frances Division****-and-****Communications, Energy and Paperworkers of Canada  
Local 306**

in settlement of CEP 306 grievance 99-09, the parties agree to the following:

The Company will pay Union Representatives for time lost during normal working hours for attendance at meetings between the Company and the Union. This includes attendance at grievance meetings held under the provisions of Article 1200, Differences.

For Company-called meetings that occur outside of working hours, the Company will pay Union Representatives, at straight time rates, one hour for every hour spent in meetings, to the nearest one-half hour, with one hour pay as a minimum. If a Union Representative is on paid time, paid by either the Company or Union there shall no further pay from the Company (i.e. on an H-Day or Union Business).

For meetings called by the Union that occur outside of working hours, there shall be no pay from the Company to the Union Representatives. This includes Union Representative attendance at grievance and/or discipline meetings. When a follow up meeting is required, as a result of these meetings, there shall be no pay for the follow up meeting.

This agreement may be cancelled by either party with written notice to the other party.

The above language replaces all practices and/or verbal or written agreements which contravene or prevent the application of this Letter of Understanding.

**Letter of Understanding#2**

Between

**Abitibi-Consolidated Company of Canada  
Fort Frances Division**

-and-

**Communications, Energy and Paperworkers of Canada  
Local 306****PAY FOR OH&S MEETING ATTENDANCE**

Where either party discovers a problem with this agreement the Company and the Union shall meet to resolve the problem by mutual agreement. Should resolution not be attained either party may serve notice of cancellation of this agreement.

**A. Regular Monthly Meeting (Typically last Tuesday of the month)**

Meeting Date	Case 1	Case 2	Case 3	Case 4	Case 5	Case 6	Case 7	Case 8
Scheduled Shift	D	D	N	N	O	O	O	O

**Case 1 (Meeting on 1<sup>st</sup> Day Shift)**

Attend OH&S meeting; (and any subcommittee meetings if arranged) after meeting remain at mill until 4:00 p.m. performing safety work and be paid as if you worked your normal shift on that day.

**Case 2 (Meeting on 2<sup>nd</sup> Day Shift)**

Same as Case 1 above.

**Case 3 (Meeting on 1<sup>st</sup> Night Shift)**

i) Attend OH&S meeting at overtime rate and work scheduled night shift. Overtime rate starts at 8:00 am.

ii) Change schedule to "Days" on **this** day. Attend OH&S meeting; (and any subcommittee meetings if so arranged) after meeting remain at the mill until 4:00 p.m., performing safety work. The pay for this day will be as if you worked "Nights".

**Case 4 (Meeting on 2<sup>nd</sup> Night Shift)**

i) Attend OH&S meeting at overtime rate and work scheduled night shift  
Overtime rate starts at 7:00 am to provide for prep time.

**Case 5 (Meeting on 1<sup>st</sup> Day Off)**

Attend OH&S meeting at overtime rate. Pay will be at the applicable overtime rate computed to the nearest one-half hour worked with six (6) hours straight time pay as a minimum.

Get Monday (day before meeting) as day off (change in schedule). Attend OH&S meeting; (and any subcommittee meetings if so scheduled) after meeting remain at the mill until 4:00 p.m., performing safety work. The pay for this day will be as if you had worked "Nights" on the day before.

**Case 6, 7 & 8 (Meeting on 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> Day Off)**

Attend OH&S Meeting at overtime rate. Pay will be at the applicable overtime rate computed to the nearest one-half hour worked with six (6) hours straight time pay as a minimum.

Attend OH&S Meeting; (and any subcommittee meetings if so scheduled) after meeting remain at the mill until 4:00 p.m., performing safety work. There will be **no pay** for this day but you can select an alternate day off, during the current work week and receive pay as if you worked that day.

**Goals Review/Goals Setting Meetings - Off Or On Site**

Meeting Date	Case 1	Case 2	Case 3	Case 4	Case 5	Case 6	Case 7	Case 8
Scheduled Shift	D	D	N	N	O	O	O	O

**Case 1 (Meeting on 1<sup>st</sup> Day Shift)**

you worked your normal shift on that day

**Case 2 (Meeting on 2<sup>nd</sup> Day Shift)**

Attend meeting At the end of the meeting you can go home and be paid as if you worked your normal shift on that day

**Case 3 (Meeting on 1<sup>st</sup> Night Shift)**

Attend meeting At the end of the meeting you can go home and be paid as if you worked your normal shift that night

**Case 4 (Meeting on 2<sup>nd</sup> Night Shift)**

Change schedule to work "Days", 12 hours, on your first Nightshift (day before meeting) Get paid as if working Nights on this day On the **next** day (Meeting day), attend the meeting and at the end of the meeting you can go home and be paid as if you worked your normal shift that night

**Case 5 (Meeting on 1<sup>st</sup> Day Off)**

The day before (last Night shift) you will be given the day off and paid as if you worked that shift. The next day attend the meeting. At the end of the meeting you go home; there will be no pay for this day.

**Case 6, 7 & 8 (Meeting on 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Day Off)**

- i) Attend meeting at overtime rate. Pay will be at the applicable overtime rate (time and one-half) with eight (8) hours minimum at his/her job classification.
- ii) Attend meeting with no pay. Select an alternate day off, during the current work week and relieve pay as if you worked that day.

**HOUSEKEEPING TOURS**

Pay for this will be same as always. Employee taken off their shift for the full 12 hours to do the tour and complete the report. Employees must remain at the mill for the full 12 hours doing the tour and completing the report and receive pay as if they are working at regular job.

**OH&S OUT OF TOWN**

Pay will be as before. Taken off schedule Sunday and Saturday and paid as if working. This assumes an out of town duration for the week, i.e. Course/Conference/Meeting and travel. Shorter out of town duration will be discussed on a case by case basis to ensure mutual agreement of the schedule, days off. etc.

**OH&S IN TOWN**

As described in I B above.

**OH&S CO-CHAIR**

As described in IA or I B above

**ACCIDENT INVESTIGATIONS**

OH&S representation at an accident investigation will be by a member who is working on shift and in their jurisdiction at that time. If it is determined that an OH&S member is required and one is not available in his/her jurisdiction, then a member will be "called in" and call in pay shall apply.

**OH&S SAFETY SUBCOMMITTEES**

It is most desirable to conduct this when employees are in for the OH&S meeting. If a meeting is arranged outside of this period, i.e. on a day off or already working then pay will be as described in 1A or 1B above.



**LETTER OF UNDERSTANDING#3****between****ABITIBI - CONSOLIDATED COMPANY OF CANADA  
Fort Frances Division****-and-****COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA  
LOCAL 306**

The following agreement has been agreed to by the above parties and will be effective date of signing. This Letter of Understanding will be incorporated into the 2004 Collective Agreement.

The parties agree to amend section 708 as follows:

Change \$ 5.00 to \$12.00

Change "ticket" to "allowance"

Add the following to section 708:

Meal allowance will be added to employee's regular pay cheque

The above language replaces all practices and/or verbal or written agreements which contravene or prevent the application of this Letter of Understanding.

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