

COLLECTIVE AGREEMENT
BETWEEN
SHOREWOOD PACKAGING CORPORATION
SPC CORPORATION LIMITED
AND
GRAPHIC COMMUNICATIONS
INTERNATIONAL UNION, LOCAL 763-S
(Smiths Falls Plant)

FEBRUARY 1ST, 2000 TO JANUARY 31ST, 2003

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**ARTICLE 1
PURPOSE**

1.01

The general purpose of this Agreement is to establish and maintain collective bargaining relations between the Company and its employees who are members of the Union, and to provide for the prompt and equitable disposition of grievances, and to establish and maintain mutually satisfactory working conditions, hours and wages for the parties who are subject to the provisions of this Agreement.

**ARTICLE 2
RECOGNITION**

2.01

The Company recognizes the Union as the bargaining agency for all employees of Shorewood Packaging, SPC Corporation Limited, in Smiths Falls, save and except Supervisors, persons above the rank of Supervisor, office staff and sales staff.

**ARTICLE 3
MANAGEMENT RIGHTS**

3.01

The Union acknowledges that it is the exclusive function of Management to:

- a) Maintain order, discipline and efficiency.
0
- b) Hire, discharge, classify, transfer, promote, demote or discipline employees, provided that a claim of discriminatory promotion, demotion or transfer, or a claim that an employee has been discharged or disciplined without reasonable cause may be subject of a grievance and dealt with as provided.
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- c) Generally to manage the industrial enterprise in which the Company is engaged, and without restricting the generality of the foregoing to determine the number and location of plants, the products to be manufactured, methods of manufacturing, schedules of production, kinds and locations of machines and tools to be used, processes of manufacturing and assembling, the engineering and designing of its products, and the control of materials and parts to be incorporated in the products produced.

ARTICLE 4

UNION SECURITY

4.01

The Company and the Union agree that all employees must be supporters of the agency authorized to negotiate on their behalf, and it shall be a condition of employment that every employee covered by this agreement must pay dues to the Union. It shall further be required that each employee must apply for membership in the Union within sixty working days of commencement of employment, but if however, the employee is refused membership by the Union, or subsequently has a disagreement with the Union about his/her membership, they shall not be discharged by the Company.

4.02

Assistants Shift Managers and/or Shift Managers will not perform work normally carried out by the members of the bargaining unit except for the purposes of training, evaluating equipment or in the case of emergency.

ARTICLE 5 COMPULSORY CHECK-OFF

5.01

The Company agrees to deduct Union dues from the first pay of each month of all employees certified as the bargaining unit. If any such employee is absent at the time of deduction, the dues for this month are to be deducted together with the next month's dues. The Company will remit the money thus collected to the Treasurer of the local Union during the month in which the deduction is made.

ARTICLE 6 SHOP COMMITTEE

6.01

The Company acknowledges the right of the Union to appoint or otherwise elect a Shop Committee of not more than three (3) employees plus the local Union President chosen from different job classifications and the groups listed below. The Company will recognize and deal with the said Committee with respect to any matters which properly arise from time to time during the life of this Agreement, including grievance and negotiations.

- GROUP A: Electrician, Maintenance Mechanic,
Maintenance Assistant, Rotary
Die Maintenance, Gluer Operator,
Platen Die Man.
- GROUP B: Press Operator, Press Assistant,
Cutter Creaser Hot Foil Stamping Operator,
Third Pressman - Lemanic
- GROUP C: Assistant Reel Feed Operator,
Reel Feed Operator,
Shipper/Receiver, Ink Room
Attendant, General Labour.
- GROUP D: Audit Inspector, Materials Evaluator, Janitor
MQE Pre Make-Ready
- GROUP E: Inspector/Sorter/Packer, Board Trimmer.

6.02

The above Shop Committee will also assist employees in presenting their grievances. The Union agrees to supply the Company with the names of the employees constituting the Shop Committee and to keep such list up to date at all times.

6.03

The Union recognizes that Shop Committee members have regular duties to perform in their employment and that such members will not leave their regular duties or absent themselves unreasonably without first obtaining permission from the person in charge. In accordance with this understanding, the Company will compensate such employees for time spent in investigating or adjusting grievances which involve meetings between the Company and the Union during their regular working hours and at their regular rates of pay.

6.04

The Company will not compensate a member of the Shop Committee for time spent travelling to or from or in attendance at any arbitration or conciliation proceedings arising out of this Agreement.

6.05

The Company will compensate the Shop Committee employees involved in negotiation meetings between the Company and the Union during regular working hours and at regular rates of pay. It is understood that no overtime rates will be paid to the Shop Committee employees involved in negotiations.

6.06

The Company agrees that the Union President and the Vice-President (or their respective designates) may attend a maximum of two (2) conventions per calendar year, provided written notice of at least thirty (30) days has been submitted to the Human Resources Department.

ARTICLE 7 CO-OPERATION

7.01

The Company agrees to co-operate with the employees, and the employees agree to co-operate with the Company, and in particular in matters concerning economy of operation, quality and quantity of output, protection of property, thereby ensuring peace and harmony existing throughout the plant.

7.02

The Union and the Company mutually agree to promote safe working conditions throughout the plant and the Company agrees to appoint a Safety Committee comprised of both Union and Management personnel.

7.03

The Union Committee agrees to assist the Company in the maintenance of order and cleanliness throughout the plant.

7.04

It is each employee's responsibility to report for work in proper physical condition in order to perform his/her assigned duties.

7.05

As long as it can be shown that the current employees can efficiently perform the work, no regular employee will be laid off as a result of contracting out.

7.06

Any employee requesting to see and read his/her personal office record may do so through his supervisor and with the assistance of the Union President.

7.07

An employee who, for a period of nine (9) consecutive months, does not incur any disciplinary action for absenteeism will be considered as having a clean record for absenteeism should any future discipline be warranted.

7.08

Any disciplinary action, for reasons other than absenteeism, contained in an employee's personal file, will be disregarded in the application of discipline, after a period of eighteen (18) months, except in the re-occurrence of an offense of a similar nature.

ARTICLE 8 SENIORITY

8.01

The Company and the Union each recognize that length of continuous service will be recognized for each employee in the bargaining unit. In any given situation of equal qualifications of skill and ability, the employee having the longest period of service with the Company shall be regarded as having the greater seniority.

8.02

A seniority list shall be published on October 1st of each year and maintained on a continuous basis consistent with employee changes. The list shall be available to the Union Shop Committee at any time.

8.03

New employees will be on probation for a period of sixty (60) working days after which time their seniority will date from the last date of hiring.

8.04

- d) Whenever there is an opportunity for transfer or promotion to a different classification, a notice with particulars of the position stated therein, will be posted on the bulletin board for a period of eight (8) consecutive days. The senior applicant shall have first consideration, and providing that in the opinion of Management, he/she has qualifications and ability equal to those of any other applicant, that senior employee shall be given the position. An employee serving a probationary period in any job classification may not be regarded as an eligible applicant for a posted vacancy unless job posted is for a higher classification.

If, within a period of four (4) weeks from the original posting date, a requirement arises in the same classification as on the posted notice, either as a replacement for the initially successful applicant, or as an addition, a new posting will not be required unless the requirement cannot be filled from the list of original applicants.

- b) When there is an opportunity for transfer or promotion in the Press Room, in the gluing department or in the Shipping department, applicants will be considered on the basis of the following classification progression:

Press Room Progression:

General Labour
Assistant Reel Feed Operator
Reel Feed Operator - MST
Ink Room Attendant
3rd Pressman - Lemanic
Press Assistant - MST/Chesnut/Lemanic
Press Operator - MST/Chesnut
Press Operator - Lemanic

Gluing Department Progression:

General Labour
Gluer Operator

Shipping Department Progression

General Labour
Shipper/Receiver

8.05

After a job posting or job probationary period, the unsuccessful applicants will be given an explanation from the Shift Manager/Assistant Shift Manager indicating the reason for their failure to obtain/retain the position.

8.06

- e) Where it is necessary to reduce the working staff in any classification, seniority on a plant wide basis will be the general rule so long as it does not prevent the Company from maintaining a working force of employees who are qualified (have attained the Journeyman rate) and are willing to do the work available. Employees hired within the last sixty (60) working days will be laid off first. Employees with the least seniority on a plant wide basis will be next, providing the required complement for that classification can be met by transfer of more senior and qualified persons from the next nearest classification. When such lay-offs are necessary, the Company and the Union Shop Committee shall meet to discuss the persons affected and the problems of accomplishing the reduced work load.

- b) Where it is necessary to reduce the working staff in the positions of Maintenance Mechanic and/or Rotary Die Maintenance, seniority on a plant wide basis will be the general rule, so long as it does not prevent the Company from maintaining a workforce of employees who are qualified (hold Millwright or Tool and Die Trade Papers) and are willing to do the work available. Employees hired within the last sixty (60) working days will be laid off first. Employees with the least seniority on a plant wide basis will be next, providing the required complement for these classifications can be met by transfer of more senior and qualified persons. When such lay-offs are necessary, the Company and the Union Shop Committee shall meet to discuss the persons affected and the problems of accomplishing the reduce work load.

8.07

In the event of a lay-off, employees who have not attained the Journeyman rate for their classification, as referred to in Article 8.06 (a), shall not be deemed sufficiently skilled to claim seniority rights within that classification but this will not affect his/her claim to seniority on a plant wide basis. This shall affect all employees who enter into any job classification after April 1st, 1994.

In the event of a lay-off, employees who do not hold the Trade Papers referred to Article 8:06(b), shall not be deemed to be sufficiently skilled to claim seniority rights within that classification but this will not affect his/her claim to seniority on a plant wide basis.

8.08

Unless an employee signifies his/her intention to return to work within three (3) days after being recalled, his/her name shall be passed over.

8.09

An employee loses all seniority if he or she:

- f) leaves voluntarily; or
- c) is discharged and not reinstated under the provisions of Article 10; or
- c) is laid off for a period in excess of one (1) year; or
- d) fails to actually return to work within five (5) working days of being recalled, without there being an acceptable reason for being unable to do so. If an employee is recalled for a temporary or short term period, "Acceptable" reason will include the employee having accepted alternative temporary employment while on lay-off but will not include refusal based on "Employment Insurance" issues or reluctance to return to work on a temporary or short-term basis.
- e) is absent and unaccounted for, for a period of four (4) consecutive work days. His/her absence shall be considered a voluntary separation and shall be recorded as such; or
- f) becomes disabled permanently and unable to perform any work for the Company; or
- g) is absent due to illness and his/her sick leave credits have expired. This time period may be extended in exceptional circumstances.
- h) cannot be reached for recall purposes; (as long as there has been a phone call and a registered letter).

8.10

The Company will communicate with employees at the telephone number and address on file with the Company, or a registered letter directed to the employees at the last address given shall be deemed sufficient notification. In the event of failure of any communication to reach an employee because a change of address was not given to the Company by letter, and acknowledged, the responsibility will be the employee's and the Company will consider that the employee is no longer interested and his name shall be removed from the seniority list.

8.11

An employee who is transferred to a position outside the bargaining unit shall maintain his/her seniority within the Union for a period of six (6) months. If it is deemed by Management that the temporary assignment should extend beyond the stipulated six (6) months, Management will request a meeting with the Union Executive to mutually agree upon the possibility of extending the time period. Should, during this period of time, an employee not elect to pay Union Dues, he/she will not maintain his/her seniority within the Union.

An employee electing to return to the bargaining unit in accordance with the terms contained in the paragraph above, will be returned to his/her previous position in the bargaining unit with full seniority rights as though he/she had never left. It is understood that an employee temporarily transferred to an administrative position for the purpose of vacation relief, or to replace a staff member on sick leave, will be deemed not to have left the bargaining unit for the purpose of this Article.

During his/her term of office, the Union President or designate shall be considered as having Leading Seniority for the purpose of lay-off due to work shortage.

ARTICLE 9 CLASSIFICATIONS AND JOB CHANGES

9.01

For changes in classification within the same group, the scale shown is maintained by moving vertically in the appropriate column to the new classification.

9.02

- g) For changes in classification which are a promotion to a higher group, the scale commences in the new group at the first three months position. In the case of a promotion, the probationary period will be (60) sixty working days for employees working eight (8) hour shifts and (40) working days for employees working twelve (12) hour shifts.
- b) Anyone promoted to a higher position and requesting to go back to their previous job

will not be eligible to apply to a posted vacancy until the expiration of their original sixty (60) day probationary period (for employees working eight hour shifts) or forty (40) day probationary period (for employees working twelve hour shifts).

c) Anyone requesting to be bypassed for a position, must submit that request in writing and it will remain in effect for a minimum period of one (1) year. Following that one (1) year period, should the employee wish to remove that written request, he/she must do so in writing and only then will be considered when a vacancy arises in that position.

1

d) Anyone requesting to be removed from a position must give the company 10 working days notice in writing.

9.03

The application of all wage rate increases as set out in this Agreement will take place on the first full payroll date after the specified dates for such.

9.04

Notwithstanding the job classification of any employee; whenever lay-offs are in effect and as a consequence employees are performing other than their usual duties; after the first four (4) weeks the rate to be paid for the lower job category which the employee has temporarily accepted will be the rate for that lower category at the scale which allows full credit for his/her total length of service.

9.05

However, if an employee is recalled to a lower classification after being laid off, he/she will be paid the rate of the lower classification immediately.

9.06

The relationship and grouping of skills in the list of classifications has been mutually arrived at so that equal duties, responsibilities, skill and experience are paid equally; and that groups are correctly placed, one to the other in significant order. Changes in sequence of established classifications should not be made unless the function of that classification has substantially changed. Should such a change be desirable, since it affects the relationship to all other employees, it should have the consent of the majority of employees in each group.

9.07

Temporary Assignment

All employees moved by Management to a higher wage rate job, on a temporary basis, will be paid at the first three months position if the transfer is for one (1) hour or more. Should the temporary assignment exceed thirty (30) consecutive working days, such a period will then be credited to the employee as valid training and experience under Appendix "A". This will not, however, affect the probation period on a promotion job. Should the first three (3) months position in the temporary position be less than the employee's current wage rate, he or she will then be paid his/her current wage rate.

9.08

Supervisory Work

An hourly paid employee requested by Management to perform supervisory duties will receive an additional \$0.50 per hour.

Article 10 GRIEVANCE PROCEDURE

10.01

A grievance is defined as a difference arising between an employee and the Company with respect to the interpretation or application of this Agreement. In the event of a difference arising, the grievance shall be presented as soon as possible, but in no event later than five (5) working days after the occurrence causing the grievance. Any grievance not so presented shall be deemed to be abandoned and shall not be entitled to consideration thereafter.

10.02

In an employee considers that he/she has any grievance against the Company arising out of the terms of this Agreement, an earnest effort to resolve the grievance shall be made as quickly as possible between himself/herself and the Shift Manager.

10.03

If the grievance remains unresolved, it shall be dealt with in the following manner:

Step 1:

The grievance must be presented by the employee in writing to the Shift Manager within five (5) working days after the occurrence causing the grievance. The department Steward may be present at this meeting if the employee so desires.

Step 2:

If the grievance remains unresolved following Step 1, then it shall be referred within three (3) working days of the receipt of the Shift Manager's written decision to the Plant Manager and Human Resources Manager, who will discuss the matter with the parties concerned, including the Shop Committee and shall render a decision in writing within six (6) working days.

Step 3:

If the decision of the Plant Manager and Human Resources Manager does not dispose of the grievance, it shall then be referred within five (5) working days of the Plant Manager or Human Resources Manager's written decision to the General Manager and Director of Human Resources (Canadian Divisions). A meeting will be scheduled with the Union Business Agent, Management and the Shop Committee within ten (10) working days following receipt of the grievance by the General Manager and the Director of Human Resources (Canadian Divisions). If the grievance is not settled within ten (10) working days, as a result of the meeting referred to above, then any grievance dealing with a violation, misinterpretation, or non-application of the Agreement may be referred to Arbitration at the request of either party.

10.04

Failure of the Company or of the Union to reply within the time limitations prescribed above shall mean that the grievance is allowed or abandoned, as the case may be.

10.05

The time limitations specified herein, may be extended in writing by mutual consent of the parties involved.

**ARTICLE 11
DISCHARGE CASES**

11.01

A claim by an employee that he/she has been discharged without proper cause shall be treated as a grievance and shall be lodged in writing with the Shop Committee and the Company within three (3) working days after the employee ceases to work with the Company. The grievance shall thereupon be processed commencing with the meeting, provided for in Step 2, Article 10.03. If the employee's claim is found to be justified, he/she shall be reinstated in his/her employment with full compensation for the time lost at regular rates and without loss of seniority rights; or, without such less compensation as may appear just and equitable to the conferring parties, the Arbitrators or the Chairman of the Arbitration Board as the case may be.

ARTICLE 12 POLICY GRIEVANCES

12.01

If either the Company or the Union shall consider they have a grievance on a matter of policy, as distinguished from an employee grievance, then the grievance shall be stated in writing to the other party within five (5) working days after the occurrence causing the grievance. Such a grievance, so presented, shall be deemed to have fulfilled the notification called for in Step 3, Article 10.03, and shall proceed from that point with all previous steps being waived. By mutual consent of the Company and the Union, the time limit of Article 10.03, Step 3, may be extended if a satisfactory disposition of the policy grievance would be facilitated thereby.

ARTICLE 13 ARBITRATIONS

13.01

When a difference between the parties relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, has been registered as an employee grievance or a policy grievance under the foregoing procedure and remains unsolved, it shall be considered as a grievance requiring settlement by arbitration.

13.02

Whenever either party to this Agreement desires to submit any grievances to Arbitration, written

notice shall be given to either party within ten (10) days after the last step in the grievance procedure, formally stating the subject of the grievance and at the same time nominating an Arbitrator. Within seven (7) days after the receipt of such notice, the other party shall name an Arbitrator.

The arbitrators representing the two parties shall, within forty-eight (48) hours, attempt to agree upon a Chairman of the Arbitration Board and failing such an agreement, the Minister of Labour for the Province of Ontario will be requested to name such a Chairman.

13.03

As soon as the Arbitration Board has been completed by the selection of a Chairman, it shall meet and hear the evidence and representation of both parties. It shall render a decision as soon as possible, the intention being that all decisions shall be given within seven (7) days after Arbitration proceedings have commenced.

13.04

Each of the parties hereto will bear the expenses of the Arbitrator appointed by them, and the parties will jointly bear the expenses, if any, of the Chairman of the Arbitration Board and other incidental expenses incurred directly by such an Arbitration.

13.05

No matter may be submitted to Arbitration which has not been properly processed through all previous steps of the grievance procedure.

13.06

The Arbitration Board shall not have authority to add to, alter, modify or amend this Agreement, nor shall it be authorized to make any decision inconsistent with the provisions of this Agreement.

13.07

In accordance with the Labour Relations Act, Statutes of Ontario, the decision of the Arbitration Board is final and binding upon the parties and upon any employee affected by it.

ARTICLE 14 **HOURS OF WORK AND WORKING CONDITIONS**

TWELVE-HOUR SHIFTS - CONTINUOUS OPERATIONS

14.01

Work Week

The plant will normally operate on a continuous basis, 24 hours per day, 7 days per week.

The work week shall begin at 7:00 a.m. on Sunday. The schedule will be comprised of four crews, working twelve (12) regular shift hours per day or night, as per the work schedule chosen. The Company and the Union expect this arrangement to be continued for the majority of employees. Any change to this schedule will be mutually arranged between the Company and the Union.

14.02

Hours of Work

Under this shift arrangement, the working time which has been established mutually between the employees and Management is as follows:

- a) Day Shift - 7:00 a.m. to 7:00 p.m.
- b) Night Shift - 7:00 p.m. to 7:00 a.m.
- c) The schedule for breaks shall be as follows:
 - after 2 hours - 10 minute break
 - after 4 hours - 30 minute break
 - after 6 hours - 10 minute break
 - after 8 hours - 30 minute break
 - after 10 hours - 10 minutes break
- d) Under the continuous shift schedule, employees will work thirty-six (36) and forty-eight (48) hour weeks.

14.03

Regular Overtime

- a) On the weeks in which thirty-six (36) hours are scheduled and worked, the thirty-six hours will be paid at straight time.
- b) On the weeks in which forty-eight (48) hours are scheduled and worked, the first forty-four (44) hours will be paid at straight time and the last four (4) will be paid at time and one-half.

14.04

Statutory Holidays

- b) Statutory holidays begin at 7:00 a.m. on the day of the holiday and end at 7:00 a.m. on the following day.
- c) A twelve hour statutory pay will be paid for all statutory holidays.
- c) At the present time, it is the Company's intention to close on statutory holidays; however, should overtime be required on a statutory holiday, double time will be paid for all hours worked. This is in addition to the normal statutory pay referred to above.

14.05

Shift Premiums

- c) Effective February 1, 1996, a premium of eighty cents (\$0.80) per hour shall be paid for all hours scheduled and worked between 7:00 p.m. and 7:00 a.m.
- d) Effective February 1, 1997, a premium of ninety cents (\$0.90) per hour shall be paid for all hours scheduled and worked between 7:00 p.m. and 7:00 a.m.

Weekend Premium

A premium of one dollar (\$1.00) per hour shall be paid for all hours scheduled and worked between 7:00 p.m. Friday night and 7:00 p.m. Sunday night. This weekend premium will not be included in the determination of overtime premium.

EIGHT HOUR SHIFTS - FIVE DAY WORK WEEK

14.06 Work Week

Should the workload in this plant be reduced to a point whereby it is deemed expedient by Management to revert to a five day, forty (40) hour work week, it shall be on the basis of eight (8) regular shift hours per day or night through five consecutive working days.

14.07 **Hours of Work**

Should this decision be made, the arrangement of working time is as follows:

d) Day Shift

7:00 a.m. to 3:00 p.m. Monday to Friday and inclusive of a ten (10) minute break in the period prior to a (30) minute paid lunch break, and a (10) minute break in the period following.

e) Afternoon Shift

3:00 p.m. to 11:00 p.m. Monday to Friday and inclusive of ten (10) minute break in the period prior to a thirty (30) minute paid lunch break, and a ten (10) minute break in the period following

d) Night Shift

11:00 p.m. to 7:00 a.m. Monday to Friday and inclusive of a ten (10) minute break in the period prior to a thirty (30) minute paid lunch break, and a ten (10) minute break in the period following.

14.08 **Shift Premiums**

e) Effective February 1, 1996, a premium of eighty cents (\$0.80) shall be paid for all hours scheduled and worked on the afternoon and night shifts.

f) Effective February 1, 1997, a premium of ninety cents (\$0.90) shall be paid for all hours scheduled and worked on the afternoon and night shifts

14.09 **Overtime**

All work performed on the second day following the completion of forty (40) regular shift hours shall be paid for on the basis of double time.

**TWELVE-HOUR SHIFTS & EIGHT
HOUR SHIFTS**

- 14.10 Employees must be at their place, ready to work, at the starting time of their shift and it is agreed that machines must be kept operating through the break periods, lunch periods and shift change. In order to make this possible, break and lunch periods will be staggered.
- 14.11 At the end of each shift, a five minute period is to be allowed to employees to wash-up and this wash-up period is also to be staggered over a twenty minute span prior to the shift change, in order to maintain continuous operation.
- 14.12 In cases where employees from the oncoming shift are late, the outgoing employees are expected to co-operate in keeping the equipment operating until the incoming personnel arrive.
- 14.13 In case where an employee from the oncoming shift will be absent from work for any cause, they shall notify the Shift Manager or Assistant Shift Manager, or charge hand (if the Shift Manager is not on shift) of their absence, at least two (2) hours ahead of the commencement of their shift whenever possible.
- 14.14 The Company will not require full time employees to work less than their regular scheduled shift in any day or night during their regular work week, except at the employee's request for time off, or in circumstances due to fire, accident, power failure, heating failure, or any emergency over which the Company has no control.
- 14.15 Except where it is beyond the reasonable control of the Company where the shifts to be worked in a work week are to be changed, any employee involved in the said change will be given a minimum of forty-eight (48) hours notice.
- 14.16 **Out of Town Assignment**

An employee who has an out-of-town assignment at the Company's request will be compensated up to a maximum of eight hours per day at straight time if he/she normally works an eight hour shift, or up to a maximum of twelve hours per day at straight time if he/she normally works a twelve hour shift.

This, however, will not apply to educational and/or training-related assignments.

**ARTICLE 15
OVERTIME PROVISIONS**

- 15.01 It is understood that the Company may require employees to perform work in excess of their regular scheduled hours with the understanding that overtime is voluntary.

- 15.02 Any authorized work performed by an employee in excess of their regular shift period shall be considered as overtime and paid for at the rate of time and one-half for the first four hours and double time thereafter. Overtime shall be computed on a daily basis.
- 15.03 All work performed by an employee on his/her scheduled day off will be paid as follows:
- f) during the months of June, July and August
 - on the basis of double time for all hours worked;
 - g) for all months other than those noted above
 - on the basis of time and one-half for the first three hours and double time thereafter.
- 15.04 In cases of acceptable absenteeism, employees will not be required to make up regular shift hours in order to qualify for the overtime provisions for the 2 previous paragraphs; however, employees disciplined for unauthorized absenteeism must first make up their regular shift hours if called upon to work an additional day.
- 15.05 All overtime work is to be performed by Union Members and will be shared as equitably as circumstances permit among all employees actually performing the overtime work or from the same department. However, in order to keep the plant operative and where no qualified employee is prepared to work overtime, a staff member can be substituted.
- 15.06 No employee will be required to work excessive amounts of overtime.
- 15.07 The overtime rate will be calculated at the rate of normal shift and not the shift during which overtime is worked.
- 15.08 When an employee agrees to work overtime on a specific shift of activity, it is a commitment to the Company. Therefore, failure to actually report for work at the specified time on an overtime shift will be treated by the company in the same way as failure to report on a regular shift.
- 15.09 **Call Time**
- Any employee who is specially called in outside his/her normal shift time will be paid two hours at double time for the call-in. Normal overtime rates will then be applied to all hours worked up to the starting time of his/her regular shift. One hour's pay at straight time will be paid if the plant phones for a call-in and the problem is solved by the

telephone call, which must be authorized by Management.

Call Time is intended to address instances where an employee is called in to work, outside of his /her regular hours, because of a specific emergency situation, and he/she is required to report to the plant as soon as possible.

15.10 **Overtime Break**

An employee who works on an overtime basis for four (4) hours immediately prior to or following his/her scheduled shift, will be entitled to a thirty (30) minute break to be taken at shift change and a ten (10) minute break to be taken at the scheduled break time for the shift.

15.11 When overtime is required for the Inspector/Sorter/Packer category, the following is the order in which employees are to be asked, in order to ensure that overtime is distributed on a fair and equitable basis:

- g) the Inspector/Sorter/Packer on the pertinent shift, by rotation;
 - h) the General Labourers on the pertinent shift, by rotation;
 - e) the Inspector/Sorter/Packer on the other two shifts, by rotation;
 - d) the General Labourers on the other two shifts, by rotation;
 - e) the Board Trimmers on the pertinent shift, by rotation;
 - f) the Board Trimmers on the other two shifts, by rotation.
- 0
- g) the Janitor on the pertinent shift, by rotation;
 - 1
 - h) the Janitor on the other two shifts, by rotation.

When employees are changed from one shift to another, they are to be placed in proper order of seniority.

Probationary employees are not to be asked to work overtime until all of the above employees have had the opportunity to accept or refuse.

When an employee refuses overtime, it shall be counted as having been worked for the purpose of rotation.

For health and Safety reasons, overtime preceding or following regular scheduled twelve hour

shifts will not be allowed, except in cases of dire emergency.

ARTICLE 16 BEREAVEMENT LEAVE

- 16.01 In the event of a death in an employee's immediate family as defined below, the company will grant leave with pay to the employee, for the purpose of making arrangements and attending the funeral.
- h) Five (5) calendar days leave of absence with pay for husband, wife, children, mother or father.
 - i) Three (3) calendar days leave of absence with pay for step-mother, step-father, sister, brother, mother-in-law, father-in-law, grandparent, grandchild, or any other person for whom the employee has been receiving tax relief as a wholly dependent person maintained by the employee.
 - f) One (1) day leave of absence with pay will also be granted on the day of the funeral of a brother-in-law, sister-in-law and spouse's grandparents.
- 16.02 Pay shall be at the employee's regular base rate and shall be paid only for claims which occur on a day or days on which the employee would be regularly scheduled to work and shall not be applicable to paid holidays, vacations or non-paid leave of absence.
- 16.03 Should a death, as noted in Article 16.01, occur during the vacation of the employee, the stipulated number of bereavement days (calendar) shall be added to the end of said vacation period. These days may not be transferred to any other time.

ARTICLE 17 JURY DUTY AND CROWN WITNESS

17.01 Jury Duty

The Company will pay an employee who is required to serve on a jury the difference between his/her normal pay and the amount of compensation received for such

service. The employee will present proof of service and the amount of pay received.

17.02 Crown Witness

The Company will pay an employee who is required to appear as a crown witness in any court of law in Ontario the difference between his/her normal pay and the amount of compensation received for such service. The employee will present proof of service and the amount of pay received.

**ARTICLE 18
LEAVE OF ABSENCE**

18.01 The Company may grant a leave of absence without pay to any employee for legitimate personal reasons and any person who is absent with written permission shall not be considered to be laid off. In the case of a leave of absence without pay, seniority will be frozen at the level attained prior to the leave of absence. In this case, all costs (employee and employer costs) of normal benefits will be payable by the employee.

18.02 Contingent upon its efficient operation, the Company may grant leave of absence without pay to a maximum of five (5) Union Representatives in order to attend labour conventions, etc.

Requests for such leave shall be submitted to the Company in writing at least ten (10) working days in advance of such leave.

The Company will continue to pay the employee's benefits and the Union will reimburse the employee for his/her wages for the period of such leave.

**ARTICLE 19
STATUTORY HOLIDAYS**

19.01 a) The following will be recognized by the Company as paid statutory holidays:

New Years Day

Labour Day

Easter Holiday	Thanksgiving Day
Victoria Day	Day Before Christmas
Dominion Day	Christmas Day
August Civic Holiday	Boxing Day

j) Additional Holidays

Employees shall be entitled to two (2) additional holidays to be taken each year during Christmas week. One of these days may be taken on the employee's birthday, provided the Company is notified in writing of this intention no later than February 1st of the year in which the holiday is to be taken. Pay for the above stated holiday(s) shall be subject to conditions (a) and (b) of Article 19.02.

In addition to the above, any employee attaining twenty-five (25) to twenty nine (29) years of service will be entitled to one (1) day paid holiday each year on the anniversary date or on the closest day to it, should it fall on a non-scheduled working day.

19.02 To qualify for statutory holiday pay, both of the following conditions must be fulfilled:

- i) The probationary period for newly hired employees must be completed; any statutory holiday occurring during this period will be paid for retroactively after the employee's first sixty (60) working days.
- k) Provided the employee works the full working day before and the full working day after the holiday, except in cases of legitimate illness, and then only if the employee has worked sometime during the week before or the week after the holiday, or in cases specifically authorized by Management the employee will be paid a regular day's pay at his/her current basic rate.

19.03 Should a Statutory Holiday occur on a normally scheduled working day within an employee's vacation period, the vacation period will be extended by one (1) day, either at the beginning or at the end of the vacation period. Should the Statutory Holiday occur on a non-scheduled working day within an employee's vacation period, one day's wages calculated at the employee's base rate of pay will be paid for the Statutory Holiday.

- 19.04 An employee required to work on any of the above statutory holidays will receive his/her regular pay plus payment at double the basic rate for all hours worked.

Compensation for Statutory and Additional Holidays is based on the normal hours of work (i.e. eight hour/twelve hour shifts) at the time at which the Holiday is taken.

ARTICLE 20 VACATIONS

- 20.01 For employees with less than one (1) year's service, the Company will comply with the provisions of the Employment Standards Act.
- 20.02 Employees with one (1) year of service as of the last Saturday in June shall be entitled to two (2) weeks vacation at four percent (4%) of total earnings for the previous year.
- 20.03 Employees with four (4) years of service as of the last Saturday in June shall be entitled to three (3) weeks vacation at six percent (6%) of total earnings for the previous year.
- 20.04 Employees with nine (9) years of service as of the last Saturday in June shall be entitled to four (4) weeks vacation at eight percent (8%) of total earnings for the previous year.
- 20.05 Employees with twenty (20) years of service as of the last Saturday in June shall be entitled to five (5) weeks vacation at ten percent (10%) of total earnings for the previous year.
- 20.06 Vacation pay will be computed annually on the twelve month working period ending at 11:00 p.m. on the last Saturday in June.
- 20.07 In the event the employee has scheduled vacation prior to the availability of the previous year's earnings information, the employee will receive, immediately prior to proceeding on vacation, an advance approximately equivalent to one week's vacation pay at his/her basic rate in effect, or as of the last Saturday in June, for each week of vacation entitlement being taken.
- Any adjustment required further to the above mentioned advance will be made once the earnings information has been determined.
- 20.08 Should an employee leave the service of the Company, he/she shall be entitled to vacation pay in accordance with his/her length of service and earnings received to the date of termination.
- 20.09 Vacations must be taken annually within twelve months of the last Saturday of June and are not cumulative.

- 20.10 Lay-off time will be counted as service for vacation pay purposes up until such time as the employee is stricken from the seniority list.
- 20.11 Vacations, other than those taken during the summer shutdown, must be requested in writing a minimum of two (2) weeks in advance and must be mutually agreed upon between the employee and his/her Shift Manager in order to ensure the orderly operation of the plant, yet the choice of the fourth (4th) week of vacation will be granted on the basis of seniority.
- 20.12 Employees will be allowed to take either their fourth or fifth week of vacation entitlement in two separate increments provided each increment is taken within a given week and provided they submitted their request for such increments to the Human Resources Department in writing at least one month prior to the earliest requested increment. Approval for such requests will be granted on the same basis as outlined in Article 20.11. The vacation pay will be paid out at the time the vacation is taken.

ARTICLE 21
SAFETY SHOES AND PROTECTIVE
CLOTHING

- 21.01 The Company agrees to subsidize the purchase of approved safety shoes for all employees up to a maximum of ninety (\$95.00) as of the date of ratification.

Such subsidy shall be paid once each calendar year, provided the employee submits the required proof of purchase. All employees are required to wear safety shoes during working hours.

- 21.02 The Company agrees to provide one additional pair of safety shoes per year to Pressmen, Assistant Pressmen, Third Pressme-Lemanic, Ink Room Attendants and General Labourers, where required.

The Company agrees to provide one additional pair of safety shoes for those I.S.P. who are regularly working on the make-ready for the presses.

- 21.03 The Company agrees to provide standard work clothes to maintenance personnel on an annual basis as follows:

- two pairs of pants and two shirts; or
- two coveralls; or
- two shop coats

- 21.04 a) The Company agrees to provide three pairs of coveralls to Ink Room personnel in rotation (laundered).

- l) The Company agrees to provide one pair of short-sleeved coveralls to each Press Crew member, such clothing to be maintained by the employee.

21.05 **Tool Replacement Policy**

The Company agrees to replace lost tools (providing this does not result in obvious abuse, in the perception of Management - in which case discussions will be held with the Union Committee pertaining to continuation of this particular policy). Additionally, broken and worn out tools will be replaced by the Company upon presentation of these items to the Maintenance Department Manager. This policy only applies to hourly personnel employed within the Maintenance Department.

- 21.06 If an employee should leave the Company within four (4) weeks of receiving payment for safety shoes and/or protective clothing, the amount forwarded will be deducted from his/her cheque.
- 21.07 The Company agrees to provide eyeglass coverage for the employee and his dependents, as prescribed by a licenced optometrist or ophthalmologist, up to a maximum of \$150.00 once every 24 months . It is a requirement that eyeglasses worn by employees in the plant have approved safety lenses.

**ARTICLE 22
GROUP WELFARE PLAN**

- 22.01 The Company agrees to pay for all regular employees the current premium cost of the supplementary benefit plans for extended hospital and medical services, sickness and accident, weekly indemnity, long-term disability, dental care, life, accidental death and dismemberment insurance and employee assistance program, which are described in the Group Insurance booklet.
- 22.02 The Company will continue such benefit payments on behalf of regular employees as long as they are in receipt of normal wages from the Company.

In the event of absence due to illness or maternity leave, the Company will maintain benefit coverage, at its expense, on behalf of the employee for a period up to six (6) months following the beginning of the absence.

**ARTICLE 23
SEVERANCE PAY**

23.01 In the event the Company permanently discontinues all of its manufacturing operations at its Smiths Falls, Ontario facility, the Company and the Union agree that an employee's sole entitlement to severance pay, however characterized, shall be to receive the notice or payment in lieu of notice under Section 57 of the Ontario Employment Standards Act (the "Act") and 150% of the severance pay stipulated under Section 58 of the Act. Such notice and/or notice and payment shall be in full satisfaction of all statutory payments to which employees may be entitled under Section 57 and 58 of the Act or awards for wrongful termination, wrongful discharge or awards under similar or related common law principles. The payments under this section are intended to be a "contractual severance pay scheme" under section 58 (7) (b) of the Act.

**ARTICLE 24
SPECIAL AGREEMENTS**

24.01 **Short Term Absence**

The Company may move employees to a higher classification on a short term basis (not to exceed two (2) consecutive days per week) in order to decrease the hardship caused by last minute approvals for time off and late notification of absenteeism.

24.02 **Professional Development**

The Professional Development (Training) Program is provided as an instrument to increase and enhance the level of training for all employees in various positions throughout the plant. It ultimately will provide each person with the opportunity to become familiar with different jobs and to assess whether or not that individual might wish to apply for other positions in the future. By the very nature of the Program, job appreciation is enhanced through the workforce.

The method of implementation is as follows:

1. A "training position" is posted, similar to a job posting. The selection is made using the same criteria as is used for job postings.
2. The "trainee" is paid at his/her present rate of pay.
3. The "trainee" is placed with the employee who holds the job and who will provide the training. The "trainee" is an additional person and is not responsible for doing the job on his/her own. However, should this occur, the "trainee" would then receive

the base rate for that position, provided there is no qualified person to step in.

4. This period of training does not replace the probationary period of any position , however, it is agreed that the time spent by the employee will be credited to him/her should that employee successfully post for the position at such time as it might become available.

24.03 During the life of this Agreement, any agreement reached by the Management and the Union on a matter which may arise and is not already covered by this Agreement, will be put in writing and approved by both parties.

ARTICLE 25 NOTICES

25.01 Notices shall be given in writing and deemed to be properly served if delivered by registered mail to:

Shorewood Packaging Corporation
SPC Corporation Limited
6 Hershey Drive
Smiths Falls, Ontario
K7A-4T6

Graphic Communications International Union
Local 763-S
C/O Shorewood Packaging Corporation
6 Hershey Drive
Smiths Falls, Ontario
K7A-4T6

ARTICLE 26 STRIKES AND LOCK-OUTS

26.01 The Union and the Company agree that no strikes, lock-outs or work stoppages shall occur during the life time of this Agreement by virtue of any grievance. The Union reserves the right to refuse to execute any struck work received from any other employer whose employees belong to or are affiliated with the Union. Orders transferred by a customer shall not be defined as struck work.

ARTICLE 27

DURATION OF AGREEMENT

27.01 This Collective Agreement shall be effective from the date of signing and shall remain in effect until January 31, 2003. Either party may, within ninety (90) days prior to the expiration of the Agreement, give notice of desire to the other party to bargain for renewal of the Collective Agreement.

Dated at Smiths Falls this 10th day of July 2000.

**SHOREWOOD PACKAGING
CORPORATION
SPC CORPORATION LIMITED**

**GRAPHIC COMMUNICATIONS
INTERNATIONAL UNION
LOCAL 763-S**

APPENDIX "A"

**CLASSIFICATIONS AND HOURLY RATES OF PAY, FEBRUARY 1, 2000 TO JANUARY 31, 2001
TRAINING AND EXPERIENCE PERIODS IN CLASSIFICATION GROUP**

Classification	Group	1 to 3 Months	4 Month	10 Month	16 Month	22 Month	28 Month	1 to 3 Months	Journey There After
Press Operator Lemanic Charge Hand	1	22.25	22.79	23.31	23.84	24.39	24.91	24.39	24.91
Press Operator MST/ Chesnut-Charge Hand	2	21.13	21.67	22.25	22.77	23.33	23.88	23.33	23.88
Platen Dieman	2	21.13	21.67	22.25	22.77	23.33	23.88	23.33	23.88
Press Assistant	4	19.08	19.43	19.65	19.85	20.06	20.43	20.06	20.43
Cutter/Creaser/Hot Foil/ Stamping Operator	4	19.08	19.43	19.65	19.85	20.06	20.43	20.06	20.43
Maintenance Mechanic	5	18.34	18.76	19.17	19.59	20.01	20.43	20.01	20.43
Rotary Die Maintenance	6	17.99	18.47	18.95	19.44	19.93	20.43	19.93	20.43
Gluer Operator	6	17.99	18.47	18.95	19.44	19.93	20.43	19.93	20.43
Materials Evaluator	7	17.99	18.23	18.45	18.68	18.89	19.14	18.89	19.14
Third Pressman Lemanic	8	16.52	16.87	17.22	17.58	17.93	18.29	17.93	18.29
Ink Room Attendant	9	16.19	16.51	16.88	17.23	17.62	17.99	17.62	17.99
Maintenance Assistant	9	16.19	16.51	16.88	17.23	17.62	17.99	17.62	17.99
Reel Feed Operator	10	15.75	15.90	16.05	16.19			16.05	16.19
Shipper/Receiver	11	15.53	15.75	15.98	16.19			15.98	16.19
Quality Assurance Technician	11	15.53	15.75	15.98	16.19			15.98	16.19
MQE-Pre-Make Ready	11	15.53	15.75	15.98	16.19			15.98	16.19
Assistant Reel Feed Operator	12	14.79	15.16	15.53	15.75			15.53	15.75
Board Trimmer	13	14.79	15.16	15.53				15.16	15.53
Janitor	13	14.79	15.16	15.53				15.16	15.53
General Labour	15	14.55	14.74	14.99	15.14			14.99	15.14
Inspector/Sorter/Packer	15	14.30	14.49	14.74	14.89			14.74	14.89

APPENDIX "A"

**CLASSIFICATIONS AND HOURLY RATES OF PAY, FEBRUARY 1, 2001 TO JANUARY 31, 2002
TRAINING AND EXPERIENCE PERIODS IN CLASSIFICATION GROUP**

Classification	Group	1 to 3 Months	4 Month	10 Month	16 Month	22 Month	28 Month	1 to 3 Months	Journey There After
Press Operator Lemanic Charge Hand	1	22.77	23.31	23.83	24.36	24.91	25.43	24.91	25.43
Press Operator MST/ Chesnut-Charge Hand	2	21.65	22.19	22.77	23.29	23.85	24.40	23.85	24.40
Platen Dieman	2	21.65	22.19	22.77	23.29	23.85	24.40	23.85	24.40
Press Assistant	4	19.60	19.95	20.17	20.37	20.58	20.95	20.58	20.95
Cutter/Creaser/Hot Foil/ Stamping Operator	4	19.60	19.95	20.17	20.37	20.58	20.95	20.58	20.95
Maintenance Mechanic	5	18.86	19.28	19.69	20.11	20.53	20.95	20.53	20.95
Rotary Die Maintenance	6	18.51	18.99	19.47	19.96	20.45	20.95	20.45	20.95
Gluer Operator	6	18.51	18.99	19.47	19.96	20.45	20.95	20.45	20.95
Materials Evaluator	7	18.51	18.75	18.97	19.20	19.41	19.66	19.41	19.66
Third Pressman Lemanic	8	17.04	17.39	17.74	18.10	18.45	18.81	18.45	18.81
Ink Room Attendant	9	16.71	17.03	17.40	17.75	18.14	18.51	18.14	18.51
Maintenance Assistant	9	16.71	17.03	17.40	17.75	18.14	18.51	18.14	18.51
Reel Feed Operator	10	16.27	16.42	16.57	16.71			16.57	16.71
Shipper/Receiver	11	16.05	16.27	16.50	16.71			16.50	16.71
Quality Assurance Technician	11	16.05	16.27	16.50	16.71			16.50	16.71
MQE-Pre-Make Ready	11	16.05	16.27	16.50	16.71			16.50	16.71
Assistant Reel Feed Operator	12	15.31	15.68	16.05	16.27			16.05	16.27
Board Trimmer	13	15.31	15.68	16.05				15.68	16.05
Janitor	13	15.31	15.68	16.05				15.68	16.05
General Labour	15	15.07	15.26	15.51	15.66			15.51	15.66
Inspector/Sorter/Packer	15	14.82	15.01	15.26	15.41			15.26	15.41

APPENDIX "A"

**CLASSIFICATIONS AND HOURLY RATES OF PAY, FEBRUARY 1, 2002 TO JANUARY 31, 2003
TRAINING AND EXPERIENCE PERIODS IN CLASSIFICATION GROUP**

Classification	Group	1 to 3 Months	4 Month	10 Month	16 Month	22 Month	28 Month	1 to 3 Months	Journey There After
Press Operator Lemanic Charge Hand	1	23.30	23.84	24.36	24.89	25.44	25.96	25.44	25.96
Press Operator MST/ Chesnut-Charge Hand	2	22.18	22.72	23.30	23.82	24.38	24.93	24.38	24.93
Platen Dieman	2	22.18	22.72	23.30	23.82	24.38	24.93	24.38	24.93
Press Assistant	3	20.13	20.48	20.70	20.90	21.11	21.48	21.11	21.48
Cutter/Creaser/Hot Foil/ Stamping Operator	3	20.13	20.48	20.70	20.90	21.11	21.48	21.11	21.48
Maintenance Mechanic	4	19.39	19.81	20.22	20.64	21.06	21.48	21.06	21.48
Rotary Die Maintenance	5	19.04	19.52	20.00	20.49	20.98	21.48	20.98	21.48
Gluer Operator	5	19.04	19.52	20.00	20.49	20.98	21.48	20.98	21.48
Materials Evaluator	6	19.04	19.28	19.50	19.73	19.94	20.19	19.94	20.19
Third Pressman Lemanic	7	17.57	17.92	18.27	18.63	18.98	19.34	18.98	19.34
Ink Room Attendant	8	17.24	17.56	17.93	18.28	18.67	19.04	18.67	19.04
Maintenance Assistant	8	17.24	17.56	17.93	18.28	18.67	19.04	18.67	19.04
Reel Feed Operator	9	16.80	16.95	17.10	17.24			17.10	17.24
Shipper/Receiver	10	16.58	16.80	17.03	17.24			17.03	17.24
Quality Assurance Technician	10	16.58	16.80	17.03	17.24			17.03	17.24
MQE-Pre-Make Ready	10	16.58	16.80	17.03	17.24			17.03	17.24
Assistant Reel Feed Operator	11	15.84	16.21	16.58	16.80			16.58	16.80
Board Trimmer	12	15.84	16.21	16.58				16.21	16.58
Janitor	12	15.84	16.21	16.58				16.21	16.58
General Labour	13	15.60	15.79	16.04	16.19			16.04	16.19
Inspector/Sorter/Packer	14	15.35	15.54	15.79	15.94			15.79	15.94