

COLLECTIVE AGREEMENT

BETWEEN

LAYFIELD POLY FILMS LTD.

AND

**PULP, PAPER AND WOODWORKERS
OF CANADA, LOCAL NO. 5**

Effective August 1, 2002 to July 31, 2005

TABLE OF CONTENTS

<u>ARTICLE</u>		<u>PAGE</u>
ARTICLE 1	- PURPOSE	1
ARTICLE 2	- UNION RECOGNITION	1
ARTICLE 3	- MANAGEMENT RIGHTS	2
ARTICLE 4	- UNION SECURITY	2
ARTICLE 5	- SENIORITY	3
ARTICLE 6	- HOURS OF WORK	6
ARTICLE 7	- OVERTIME	8
ARTICLE 8	- WAGES AND NEW CLASSIFICATIONS	9
ARTICLE 9	- PLANT HOLIDAYS	10
ARTICLE 10	- VACATIONS	11
ARTICLE 11	- LEAVES OF ABSENCE	11
ARTICLE 12	- DISCIPLINE	12
ARTICLE 13	- GRIEVANCE PROCEDURE	13
ARTICLE 14	- ARBITRATION	14
ARTICLE 15	- SAFETY	15
ARTICLE 16	- ADJUSTMENT PLAN	16
ARTICLE 17	- GROUP BENEFITS	16
ARTICLE 18	- DURATION	18
APPENDIX A	- CLASSIFICATIONS, WAGE RATES AND EFFECTIVE DATES	
APPENDIX B	- GROUP INSURANCE BENEFITS	

ARTICLE 1 - PURPOSE

- 1.01 The purpose of this Agreement is to establish and maintain collective bargaining relations between the Company and its employees as represented by the Union, to establish rates of pay, hours of work and other conditions of employment; to establish a procedure for the disposition of grievances; and generally, through the full and fair administration of all terms and provisions contained herein, to develop and achieve a relationship among the Union, the Company and the employees which will be conducive to their mutual well-being.
- 1.02 The Union undertakes to instruct all its officers and members of committees to cooperate fully with the Company in carrying out the provisions of this Agreement. The Company undertakes to instruct all its Supervisory staff on the interpretation of this Agreement and instruct them to cooperate fully with the Union in carrying out the provisions hereof.
- 1.03 It is agreed that all employees covered by this Agreement will perform their work to the best of their ability.
- 1.04 The third person masculine gender when used throughout this Agreement shall be understood to mean the third person masculine and feminine gender.

ARTICLE 2 - RECOGNITION

- 2.01 The Company recognizes Local #5, Pulp, Paper and Woodworkers of Canada as the exclusive bargaining agent for all the employees within the bargaining unit as defined in 2.02 hereof.
- 2.02 The term ~~employees~~ as used in and for the purpose of this Agreement shall include all employees of the Company except those employees excluded by the certification issued by the Labour Relations Board of British Columbia, those employees excluded under the Labour Relations Code of British Columbia and those employees excluded by the mutual agreement of the Parties.
- 2.03 The Union and the Company recognize that salaried employees, including Supervisors, are excluded from the provisions of this Agreement. For the practical, efficient, and economic operation of the plant, there will be occasions when Supervisors must do bargaining unit work. Such occasions shall only be temporary in nature and must not result in the layoff of an employee or prevent the recall of a laid-off employee. The Union further recognizes that Supervisors may perform bargaining unit work for the purposes of instruction or for the purposes of developing and testing of new products or processes

or in the case of emergencies.

- 2.04 Work normally performed by members of the bargaining unit will not be contracted out if employees qualified to do the work will be laid off as a result of contracting out of the work.

ARTICLE 3 - MANAGEMENT RIGHTS

- 3.01 The Union recognizes that the Company has the sole and exclusive right to manage the affairs of the business and to direct the working forces of the Company, except as specifically limited by the express provisions of this Collective Agreement.
- 3.02 The Company agrees that such rights and powers will be exercised in a manner consistent with the terms of this Collective Agreement. Any exercising of these rights and powers in conflict with any provision(s) of this Agreement shall be subject to the provisions of the Grievance Procedure.

ARTICLE 4 - UNION SECURITY

- 4.01 All employees at the date of certification, must become members of the Union in good standing and maintain such membership as a condition of continued employment throughout this Agreement. Any new employee hired shall as a condition of employment, become a member of the Union within thirty (30) days of their date of hire. Any employee who fails to maintain his membership in good standing in the Union by reason of failure to pay dues or assessments, uniformly required of all members of the bargaining unit, shall be discharged after seven (7) days' written notice to the Company by the Union of the employee's failure to maintain his membership in good standing. If the Company is required to discharge an employee, upon notification from the Union, the Union agrees to indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company discharging such employee.
- 4.02 The Company agrees to deduct and remit dues from each employee according to the rules laid out in Section 16 of the Labour Relations Code of British Columbia.
- 4.03 All deductions shall be remitted to the Union once a month with a written statement containing the names of the employees from whom the deductions were made and the amount of the deduction.
- 4.04 In the event the amount of the deduction is to be increased or decreased during the term of this Agreement, the Company shall be given thirty (30)

days notice, in writing, and the deduction shall be adjusted accordingly thereafter.

- 4.05 The Company agrees to deduct all assignments and assessments as requested by the Union within thirty (30) days of receipt of said request in writing. The Union agrees to indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company complying with such request.
- 4.06 The Company shall incorporate the yearly dues total on the employee's T4 statement.
- 4.07 The Union shall elect from its members employed by the Company a Union Plant Committee and Shop Steward(s), who shall represent the Union on matters arising out of this Agreement including the processing of grievances. The Union Plant Committee shall consist of one Chairperson, one Secretary, and one Alternate.
- 4.08 The Union agrees to notify the Company, in writing, of the names of its Plant Committee Members and Shop Steward(s) and shall notify the Company, in writing, of any changes in these positions.
- 4.09 The Company agrees that the Union Plant Committee and/or Shop Steward(s) will be compensated for reasonable time lost during their regularly scheduled work days at their regular rate of pay when discussing grievances, pursuant to Article 13, with the Company. The Union agrees that the servicing of such grievances shall be subject to the operating efficiency and safety of the plant. At times other than approved breaks, the Union Plant Committee member, Shop Steward and the employee involved shall obtain the permission of the Production Supervisor. Permission will not be unreasonably withheld.
- 4.10 Authorized representatives of the Union shall be granted reasonable access to the plant upon receiving permission from the Company. Permission will not be unreasonably withheld. It is agreed that access to the plant by a Union representative will not disrupt production.
- 4.11 The Company agrees to permit the posting of notices of Union meetings and other official Union correspondence directly pertaining to employees on a Union bulletin board, located in the Plant. Notices to be placed on the bulletin board are to be signed by a member of the Union Plant Committee or a Shop Steward.

ARTICLE 5 - SENIORITY

- 5.01 Seniority shall be defined as the length of service since the last date of hire.

- 5.02 (a) The Company recognizes the principle of seniority in the administration of promotions, demotions, transfers, layoffs and recalls. In this application of seniority under this section, if the employee has the necessary qualifications and the skill and ability to perform in accordance with the job requirements, seniority shall prevail.
- 5.02 (b) Seniority shall be a factor given consideration by the Company when assigning Shift Leaders and Leadhands. The Company will select Shift Leaders and Leadhands from those qualified in the job classification for which the Shift Leader or Leadhand is required.
- 5.03 (a) New employees shall be regarded as probationary employees for the first four hundred and eighty (480) hours of employment. After the employee successfully completes probation he will be considered a permanent employee and his seniority will be backdated to the start of the probation period.
- (b) The Company reserves the right to terminate probationary employees, who are considered unsuitable, at any time during the probationary period.
- (c) Probationary employees who remain employed shall be given an oral progress report by their Supervisor. The report shall be given between the 200th and 280th hour worked. If the employee is not making satisfactory progress, the Shop Steward or the Union Plant Committee will be advised.
- 5.04 An employee's seniority shall cease if the employee:
- (a) voluntarily resigns from the Company;
- (b) retires;
- (c) is discharged and is not reinstated through the grievance procedure;
- (d) is absent without reasonable cause and/or does not notify his supervisor within two (2) working days of an absence;
- (e) fails to return from an authorized leave of absence;
- (f) fails to report for work on recall or make satisfactory arrangements with the Company within five (5) days after personal notification to such

employee, or after written notification to such employee by registered mail, telegram, or messenger has been sent by the Company to his last known address;

(g) is laid off for a period in excess of his recall rights under 5.07.

5.05 In the event of a layoff, the Company may lay off employees by department. Seniority will be applied within a department as provided for in 5.02(a) above. When such layoff is necessary, the Union Plant Committee will be advised of the date of the layoff and those employees involved in the layoff at the earliest possible date.

5.06 A permanent employee who is subject to a layoff in his department which is anticipated to be longer than seven (7) consecutive days, may bump a less senior employee in a similar or lower classification in another department, provided the senior employee has the necessary skill and ability to perform in accordance with the job requirements.

5.07 Employees shall retain recall rights as follows:

(a) for employees with less than one (1) years seniority; six (6) months;

(b) for employees with one (1) or more years seniority; six (6) months plus one (1) month for each year of service to a maximum of one (1) year;

It is the responsibility of laid off employees to keep the Company informed at all times of their current address and telephone number.

5.08 When a vacancy exists for a full-time position in the bargaining unit, the Company shall post the vacancy for a period of five (5) working days. Applicants will fill out an internal job posting application, supplied by the Company, within the five (5) working day period.

5.09 All permanent employees are eligible to apply for job postings.

5.10 The applicant with the highest seniority rank from among those employees with the necessary aptitude and qualifications will receive first consideration for the job vacancy. Such applicant must demonstrate during a trial period on the job, which will include training, that he has the necessary skill and ability to perform in accordance with the job requirements.

5.11 All promotions outlined in 5.10 above shall be subject to a trial period of thirty (30) working days. During the trial period an employee may voluntarily return to his former job or be returned by Management with no loss of seniority.

5.12 If employees with the aptitude and qualifications are not obtained in accordance with the job posting procedure, new employees may be hired.

5.13 The Union recognizes the Company's requirement for relief employees to work as helpers to provide relief for peak work load periods, work backlogs and for the replacement of regular full-time employees on leave of absence, vacation or those absent due to illness or accident. The Company agrees that relief

employees shall not be utilized to avoid the hiring of regular full-time employees.

- 5.14 Relief employees shall not be used by the Company if regular full-time employees who are laid-off with recall rights in accordance with 5.07 above, are available for the work.
- 5.15 Relief employees shall not have seniority status and the Company reserves the right to terminate the employment of relief employees, who are considered unsuitable, at any time. The Company agrees to deduct and remit Union dues for relief employees in accordance with 4.02 and 4.03 of Article 4 - Union Security. A relief employee who is hired by the Company as a regular full-time employee shall serve a probationary period as outlined in 5.03(a) above, but shall have the probationary period reduced by the hours worked as a relief employee to a maximum reduction of two hundred and forty (240) hours. At the time of being hired, such relief employee shall be credited with one (1) week of seniority for each forty (40) hours worked as a relief employee.
- 5.16 Any relief employee who accumulates four hundred and eighty (480) hours within a three (3) month time period will be offered regular full-time employment and will serve the probationary period as outlined in 5.15 above.

ARTICLE 6 - HOURS OF WORK

6.01 (a) Twelve Hour Shifts:

Seven (7) days per week, from 7:00 a.m. to 7:00 p.m. and from 7:00 p.m. to 7:00 a.m. inclusive of a thirty (30) minute paid meal period.

The shift schedule will be made up of consecutive cycles of: 2 day shifts - 2 days off - 3 day shifts - 2 days off - 2 day shifts - 3 days off - 2 night shifts - 2 days off - 3 night shifts - 2 days off - 2 night shifts - 3 days off.

The work week will average forty-two (42) hours over an eight (8) consecutive week period.

Employees working a twelve (12) hour shift shall be allowed a fifteen (15) minute paid break in each half of the shift.

(b) Eight Hour Shifts:

Five (5) days per week, from 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m. and 11:00 p.m. to 7:00 a.m., inclusive of a twenty (20) minute paid meal period. The shift schedule will be made up of 5 shifts and 2 days off, forty (40) hours per week. Shift rotation is bi-weekly.

(c) Day Work:

Eight (8) hours per day, 7:00 a.m. to 3:30 p.m. or 8:00 a.m. to 4:30 p.m., exclusive of a thirty (30) minute unpaid meal period, five (5) days per week, forty (40) hours per week.

If the Company requires an employee to be available for work during his meal period, such time shall be considered as time worked.

Employees working an eight (8) hour shift in (b) and (c) above shall be allowed a ten (10) minute paid break in each half of the shift.

- 6.02 The above schedules are intended to define the normal hours of work. They shall not be construed as a guarantee of minimum or maximum hours of work per day or per week, or of days of work per week, or of working schedules.
- 6.03 The shift starting times outlined in 6.01 above may be changed by mutual agreement between the Company and the Union. An employee may change his individual shift starting time with the approval of his Supervisor.
- 6.04 Mutual shift changes will be permitted when requested by the employees involved and approved by the Supervisor.
- 6.05 When an employee reports for his regular shift and no work is provided, he shall receive two (2) hours pay at his regular rate.
- 6.06 When an employee has commenced his regular scheduled shift, he shall receive a minimum of four (4) hours pay, unless the work is suspended for reasons beyond the Company's control.
- 6.07 An employee who is called back at the Company's request, for work not continuous with his shift, shall be paid for three (3) hours work at his regular rate or for actual hours worked at the overtime rate provided for in Article 7, whichever is the greater.
- 6.08 An employee who is required by the Company to take a training course shall be paid his regular wage rate for all hours spent attending such training course. Any such hours which exceed the employee's regular work day or work week shall not be subject to the payment of overtime rates. The training time must be agreeable to the employee. The Company will reimburse the employee for the course tuition/fees and required training material.

ARTICLE 7 - OVERTIME

- 7.01 (a) Employees whose shifts are eight (8) hours per day shall be compensated at one and one-half (1 1/2) times the regular wage rate for all hours worked in excess of eight (8) in a day and for all hours worked in excess of forty (40) in a week and two (2) times the regular wage rate for all hours worked in excess of eleven (11) in a day and for all hours worked in excess of forty-eight (48) in a week. For the purpose of calculating weekly overtime, only the first eight (8) hours worked by an employee in each day are counted.
- (b) Employees whose shifts are twelve (12) hours per day shall be compensated at one and one-half (1 1/2) times the regular wage rate for two (2) hours in any week of the eight (8) week shift cycle that they work their scheduled number of hours and one and one-half (1 1/2) times the regular wage rate for all time worked on the first extra working day during a week and two (2) times the regular wage rate for all hours worked in excess of twelve (12) in a day and two (2) times the regular wage rate for all time worked on any subsequent days off during that week.
- 7.02 Overtime shall be on a voluntary basis. However, if an insufficient number of employees with the ability to perform the work volunteer for the overtime, the Company shall have the right to assign such overtime on a reverse seniority basis amongst those employees with the ability to perform the work.
- 7.03 Overtime shall be distributed as equitably as possible among the employees who normally perform the work. The Company shall keep up to date posted records of all overtime work for the purpose of equal distribution on a monthly basis. Any employee refusing overtime work within his classification shall have the offered time recorded as time offered.
- 7.04 An employee who works overtime at the end of his regular shift shall receive a ten (10) minute paid break, at the overtime rate, before commencing the overtime work. An employee who works two (2) or more hours of overtime shall be given a twenty (20) minute paid meal period, at the overtime rate, after two (2) hours of overtime. Where overtime of two (2) or more hours is requested on the same day that it is required, an employee working such overtime will be provided with a meal allowance of \$10.00 by the Company.
- 7.05 (a) An employee entitled to overtime pay shall have the option of banking the premium portion of such overtime pay to a maximum of forty-eight

(48) hours to be used for compensating time off work. It is the employee's responsibility to inform his Supervisor if the eligible hours are to be banked. Failure to do so will result in payment being made.

- (b) The granting of compensating time off shall be subject to staffing requirements as determined by the Company and must be taken in units equivalent to the employee's regular shift hours. Compensating time off will be paid at the rate at which it was accumulated.
- (c) An employee may upon seven (7) working days' notice, prior to the month end pay period, request that all or part of his banked overtime hours be paid out. Such payment will be at the rate at which it was accumulated and will be paid with the regular month end payroll.

ARTICLE 8 - WAGES AND NEW CLASSIFICATIONS

- 8.01 (a) The job classifications, effective dates and rates of pay listed in the attached Wage Schedule is agreed upon by both Parties and is set out as Appendix A of this Collective Agreement.
- (b) The rates for the classifications set forth in this Agreement and for any subsequent, mutually agreed to additions hereto, are the agreed upon rates for these classifications. Any employee assigned to a classification shall be paid the listed rate for that classification, except as otherwise provided for herein.
- 8.02 (a) If any new job classification(s) are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties agree to negotiate a rate for the job(s) in question.
- (b) If the Parties are unable to reach agreement, then the dispute will be settled through the Grievance and Arbitration Procedures of this Agreement.
- 8.03 (a) When an employee changes to a lower classification, he shall receive the wage rate in his new classification corresponding to the same hours' level that he reached in his previous classification.
- (b) When an employee changes to a higher classification, he shall receive the start rate in his new classification, except where an employee's existing

wage rate is higher than the start rate in his new classification, the employee shall retain his existing wage rate until his accumulated time in his new classification results in a higher wage rate, after which he will follow the progression of his new classification.

8.04 Employees covered by this Collective Agreement shall be paid bi-weekly.

ARTICLE 9 - PLANT HOLIDAYS

9.01 The following holidays shall be paid holidays subject to the conditions set forth below.

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
B.C. Day	Boxing Day

and all other Holidays which may hereinafter be required to be observed under the Statutes of Canada and/or the Province of British Columbia.

9.02 Holiday pay shall consist of eight (8) hours pay at the regular wage rate for all employees.

9.03 To qualify for holiday pay for the plant holidays outlined in 9.01 above, an employee must be employed by the Company for a minimum of thirty (30) calendar days and must work on his last scheduled shift before the holiday and on his first scheduled shift following the holiday unless failure to do so is due to any of the following:

- (a) When the employee is on paid vacation.
- (b) When the employee's absence is due to a bona fide sickness or injury. In such cases, the Company may require a medical certificate.
- (c) When the employee's absence is due to being subpoenaed for jury duty, crown witness or coroner's witness.
- (d) When the employee is on an approved leave of absence for Union business of not more than one (1) week.
- (e) When the employee is on bereavement leave.
- (f) when the employee's absence is due to an approved trade in shifts.

9.04 Plant holidays falling on a Saturday will be observed on the preceding day, plant holidays falling on a Sunday will be observed on the following day. Exceptions will be made only by the mutual consent of the Union Plant

Committee and the Company.

9.05 An employee covered by this Agreement who works on any of the Holidays listed in 9.01 above shall be paid at one and one-half (1 1/2) times the regular wage rate for all hours worked on such Holiday, plus the applicable Holiday pay.

ARTICLE 10 - VACATIONS

10.01 All employees covered by this Agreement shall be granted a vacation with pay in accordance with the following:

- (a) One (1) year of completed employment but less than four (4) years of completed employment - two (2) weeks full pay or four percent (4%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is the greater.
- (b) Four (4) continuous years of completed employment but less than nine (9) years of completed employment - three (3) weeks pay or six percent (6%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is the greater.
- (c) Nine (9) continuous years of completed employment but less than fourteen(14) years of completed employment - four (4) weeks pay or eight percent (8%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is the greater.
- (d) Fourteen (14) continuous years of completed employment and thereafter - five (5) weeks pay or ten percent (10%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is the greater.

10.02 An employee's vacation time and vacation pay shall be calculated from his date of hire with the Company and subsequent anniversary dates. Each year employees must schedule and take any vacation earned up to their last anniversary date.

10.03 Prior to January 31, vacations shall be granted based on seniority. After January 31, vacations will be granted based on the date the request was made.

ARTICLE 11 - LEAVES OF ABSENCE

11.01 Employees who have completed their probationary period, who are summonsed

or subpoenaed for jury selection, jury duty, or as a witness, shall be paid the difference between their regular pay and the pay received for any of the above, for each working day lost while so serving. The employees must show satisfactory proof of receiving the summons or subpoena, and must provide the Company with a statement of the pay received when claiming the pay difference. Employees, released before four (4) hours who would have been otherwise working on the day of such duty, are expected to report for work for the balance of the day.

11.02 In the event of a death in the immediate family of an employee, the Company shall grant up to five (5) days leave of absence with pay. The number of days that will be granted with pay will be based on length of service with the Company as follows:

<u>Service with the Company</u>	<u>Number of Days with Full Pay</u>
Less than 6 months	1
6 months but less than 2 years	3
2 years but less than 5 years	4
over 5 years	5

The term ~~“immediate family”~~ shall mean spouse, child, step-child, parent, mother-in-law, father-in-law, guardian, sibling, grandchild, grandparent or any person living with an employee as a member of the employee’s family.

11.03 In the case of serious illness or injury of a relative, the Company will make every effort to grant an employee up to four (4) weeks compassionate leave of absence without pay.

11.04 The Company will make every effort to grant personal leave of absence for sufficient cause for a reasonable length of time. Requests for such leaves shall be submitted in writing and shall be granted in writing.

11.05 The Company shall grant maternity and parental leave in accordance with the provisions of Part 6 of the Employment Standards Act of British Columbia.

11.06 If any employee should be elected to act as a delegate for the Union, he shall be allowed, upon sufficient notice, reasonable leave of absence without pay; provided that not more than two (2) employees shall be absent at any one time.

11.07 Seniority shall accumulate during the period of all approved employee leaves of absence.

ARTICLE 12 - DISCIPLINE

12.01 The Company agrees that an employee bound by this Agreement can only be disciplined for just and reasonable cause.

12.02 The Company agrees to set out its written reasons for any discipline.

12.03 The Company agrees that if it intends to suspend or discharge an employee, a Shop Steward or a member of the Union Plant Committee shall be present.

12.04 The Company agrees that an employee may have access to his personnel file, during normal work hours in the presence of the employee's Supervisor. Furthermore, the Company shall, at the request of the employee, furnish the employee with copies of any information contained in the file.

12.05 Whenever an employee signs a document pertaining to discipline, he does so only to acknowledge that he has been notified accordingly.

ARTICLE 13 - GRIEVANCE PROCEDURE

13.01 For the purposes of handling grievances, the Union and the Company shall seek to resolve any differences in accordance with the procedures outlined herewith. Should any grievance arise on the part of an employee, the Parties hereto desire that it should be adjusted as promptly as possible in the following manner, and when a joint decision is reached at any step of the procedure, it shall be binding on all Parties.

13.02 Step One

If an employee has a complaint, that employee, along with his Shop Steward shall submit the complaint to the Supervisor within five (5) days after the employee became aware of the matter. The Supervisor shall respond within five (5) days after the complaint was lodged. If the answer is not satisfactory, the complaint may be reduced to writing as a grievance.

13.03 Step Two

The written grievance shall briefly describe the nature of the incident or occurrence giving rise to the grievance and it shall provide a statement as to the remedy or relief being sought. The grievance shall be submitted to the Operations Manager within five (5) days following the receipt of the answer at Step One. The Operations Manager or other management representatives shall meet with the Union Plant Committee as soon as possible, but within thirty (30) days, and management shall submit a written reply to the Grievor and the Union within five (5) days following the date of such meeting.

13.04 Step Three

If a settlement is not reached at the second step, and the Union wishes to pursue the grievance to the third step, it shall notify the President within five (5) days after receipt of the answer at Step Two. The grievance will then be reviewed by representatives of the Company and the Union Plant Committee, and a representative of the Union at the earliest mutually convenient date, but within forty-five (45) days. The Company shall submit its written answer to the Union Plant Committee and the Union representative within ten (10) days following such meeting. If the grievance is not resolved by the foregoing steps, it may be submitted to Arbitration as provided for in Article 14.

13.05 It is understood that wherever there is a reference to ~~5~~days in this procedure, Saturdays, Sundays, and Holidays shall be excluded.

13.06 The Company agrees that the Shop Steward(s) and the Union Plant Committee shall be compensated for reasonable time lost during their regularly scheduled work days at their regular straight time rate of pay when discussing grievances with the Company up to but not including Arbitration.

13.07 Whenever, throughout this grievance procedure, a time limit is stated, the set time may be extended by mutual consent of the Parties.

13.08 Any dispute arising directly between the Company and the Union may be submitted at Step Three of the grievance procedure.

13.09 All grievances relating to the termination of an employee shall be submitted at Step Three of the grievance procedure. Any grievance relating to a suspension may be submitted at Step Three of the grievance procedure.

ARTICLE 14 - ARBITRATION

14.01 Where a difference arises between the Parties relating to the discipline or discharge of an employee, or to the interpretation, application, operation or alleged violation of this Collective Agreement, including a question as to whether a matter is arbitrable, either of the Parties may, after exhausting the grievance procedure in Article 13, notify the other Party, within forty-five (45) calendar days of receipt of the reply at Step Three, of its desire to submit the grievance to Arbitration in a manner as set out below.

14.02 The Parties agree that a Single Arbitrator shall be used as provided for in the Labour Relations Code of B.C.. The Company and the Union shall make

every effort to agree on the selection of an Arbitrator within ten (10) working days after the Party requesting Arbitration has delivered written notice to the other Party.

14.03 In the event that the Parties fail to agree on the choice of an Arbitrator, they shall forthwith request the Director of the Collective Agreement Arbitration Bureau to appoint an Arbitrator.

14.04 The authority of the Arbitrator shall be as set out in Section 89 of the Labour Relations Code of B.C. The Arbitrator shall not be vested with the power to change this Agreement or to alter, modify or amend any of its provisions.

14.05 The decision of the Arbitrator shall be final and binding on the Parties and any person affected by it.

14.06 Each Party shall bear one-half (1/2) of the cost of the Arbitrator.

ARTICLE 15 - SAFETY

15.01 (a) The Union and the Company agree to cooperate to the fullest extent in promoting safety in the Plant. To assist in this mutual purpose, a joint safety committee shall be established, comprising of two (2) members appointed by the Company and two (2) members elected by the bargaining unit. The safety committee shall meet once a month, or more frequently if required.

(b) Members of the safety committee shall be paid for all hours spent in safety meetings or accident investigations.

15.02 Where the use of Safety Toe Boots are required by the Company, employees shall be responsible for providing their own, CSA approved, Safety Toe Boots. The Company agrees to reimburse an employee, who has completed their probationary period, up to one hundred dollars (\$100.00) towards the cost of approved safety footwear, once every calendar year, upon remittance of a proof of purchase.

15.03 The Company agrees to provide protective aprons for the Press Department.

15.04 (a) Shift Leaders are required to hold a current Level I Occupational First Aid Certificate and shall have six (6) months to obtain such Level I Certificate. A Shift Leader who fails to obtain a Level I Certificate within the required six (6) months shall have his Shift Leader's

premium reduced by twenty-five cents (\$0.25) per hour.

- (b) The Company shall designate the number of additional First Aid Attendants, as may be required by the Industrial Health and Safety Regulations of the Workers' Compensation Board of B.C. Vacancies for positions of First Aid Attendants in the bargaining unit shall be posted in accordance with Article 5 - Seniority.
- (c) The Company agrees to pay for the lost time hours, at the regular hourly wage rate for any Shift Leader or designated First Aid Attendant in the bargaining unit who attends a training program for an Occupational First Aid Certificate. The Company also agrees to pay for the tuition and course materials for any Shift Leader or designated First Aid Attendant in the bargaining unit who successfully completes the training for an Occupational First Aid Certificate.
- (d) (d) The premium for First Aid Attendants, other than Shift Leaders, who may be members of the bargaining unit shall be:

- Level I - Twenty-five cents (\$0.25) per hour.
- Level II - Seventy-five cents (\$0.75) per hour.

ARTICLE 16 - ADJUSTMENT PLAN

16.01 If the Company introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions or security of employment of a significant number of employees, the provisions of Section 54 of the Labour Relations Code of B.C. shall apply.

16.02 The provisions of 16.01 above shall apply in the case of Plant Closure or Technological Change which is defined as the introduction or replacement of equipment that affects the terms, conditions or security of employment of a significant number of employees.

ARTICLE 17 - GROUP BENEFITS

17.01 (a) The Company's group insurance benefits as summarized in Appendix B will be provided for employees covered by this Agreement. Participation in the group insurance benefits shall be mandatory for all eligible employees. The cost of the premiums for Basic Group Life Insurance, Dependent Life Insurance, Accidental Death and Dismemberment (AD&D), Extended Health Plan, Dental Plan and Short Term Disability shall be shared; sixty percent

(60%) by the Company - forty percent (40%) by the employee. Effective August 1, 2003, the cost of the premiums shall be shared; sixty-five percent (65%) by the Company - thirty-five percent (35%) by the employee. Effective August 1, 2004, the cost of the premiums shall be shared; seventy percent (70%) by the Company - thirty percent (30%) by the employee. The Company will pay one hundred percent (100%) of the cost of the premium for the Employee Assistance Program (EAP). The employee shall pay one hundred percent (100%) of the cost of the premiums for Voluntary Group Life Insurance and Long Term Disability.

- (b) The Medical Services Plan of B.C. (MSP) will be provided for employees covered by this Agreement. Employees become eligible for MSP, Single, Couple or Family coverage, on the first day of the month, coincident with or next, following three (3) months of continuous service with the Company by the employee. The cost of the premiums for MSP shall be shared: sixty percent (60%) by the Company - forty percent (40%) by the employee. Effective August 1, 2003, the cost of the premiums for MSP shall be shared: sixty-five percent (65%) by the Company - thirty-five percent (35%) by the employee. Effective August 1, 2004, the cost of the premiums for MSP shall be shared: seventy percent (70%) by the Company - thirty percent (30%) by the employee.

17.02 (a) Provided the employee agrees to pay one hundred percent (100%) of the cost of the premiums, the group insurance benefits, with the exception of Short Term Disability and Long Term Disability, may continue in the case of leaves of absence and in the case of layoff, to a maximum of six (6) months.

- (b) Provided the employee agrees to pay the required contributions, all group insurance benefits shall continue during maternity leave taken in accordance with the provisions of Part 6 of the Employment Standards Act of British Columbia.

17.03 The Company shall make available a Group Registered Retirement Savings Plan (RRSP) to employees covered by this Agreement. All permanent full-time employees who have completed two (2) years of service with the Company shall be eligible to participate in the Plan. The Company will match employee contributions to the Plan in accordance with the following:

- (a) For employees with two (2) years of completed service with the Company but less than five (5) years of completed service, the maximum matching Company contribution shall be two percent (2%) of the employee's monthly earnings.
- (b) For employees with five (5) years of completed service with the Company but less than ten (10) years of completed service, the maximum matching Company contribution shall be three percent (3%) of the employee's monthly earnings.

- (c) For employees with ten (10) years or more of completed service with the Company, the maximum matching Company contribution shall be four percent (4%) of the employee's monthly earnings.

Effective August 1, 2004, for employees with ten (10) years of completed service with the Company, but less than fifteen (15) years of completed service, the maximum matching Company contribution shall be four percent (4%) of the employee's monthly earnings.

- (d) Effective August 1, 2004, for employees with fifteen (15) years or more of completed service with the Company, the maximum matching Company contribution shall be five percent (5%) of the employee's monthly earnings.

ARTICLE 18 - DURATION

18.01 This Agreement shall remain in full force and effect from August 1, 2002 to and including July 31, 2005, subject to the right of either Party to this Agreement within four (4) months immediately preceding the expiration, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement, or a new Collective Agreement.

18.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union has given strike notice and such strike has been implemented or the Company has given notice of a lockout and such lockout has been implemented, or the Parties conclude a renewal or revision of the Agreement or a new Collective Agreement.

18.03 During the term of this Agreement, including during the continuation period provided for in 18.02 above, there shall be no strikes, walkouts, slowdowns, or other interruptions of work by the employees nor shall the Union declare, engage in, or condone any such activity and there shall be no lockouts by the Company.

18.04 The Parties understand and declare that in case any of the provisions of this Agreement are now or hereafter inconsistent with, or not in conformity with any applicable public laws, Government orders, regulations or rulings, such provisions shall be thereby rendered null and void, or applied in such a manner as will conform with such laws, orders, regulations or rulings and the other provisions of this Agreement shall not be affected thereby.

18.05 The Parties agree to exclude the provisions of Section 50(2) and 50(3) of the B.C. Labour Relations Code.

This Agreement made and entered into this _____ day of _____, 2002.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement.

LAYFIELD POLY FILMS LTD .

PULP, PAPER AND WOODWORKERS OF CANADA, LOCAL NO. 5

_____	_____

_____	_____

_____	_____

APPENDIX A

CLASSIFICATIONS, WAGE RATES AND EFFECTIVE DATES

		<u>Effective</u> <u>Aug. 1/02</u>	<u>Effective</u> <u>Aug. 1/03</u>	<u>Effective</u> <u>Aug. 1/04</u>
EXTRUSION/PRESS/ BAG MACHINE OPERATOR	Start	15.93	16.25	16.58
	After 1,000 hrs.	16.49	16.82	17.16
	After 2,000 hrs.	17.05	17.39	17.74
	After 4,000 hrs.	18.16	18.52	18.89
	After 6,000 hrs.	19.28	19.67	20.06
HELPER/ PACKER	Start	13.14	13.40	13.67
	After 1,000 hrs.	13.69	13.96	14.24
	After 2,000 hrs.	14.81	15.11	15.41
	After 4,000 hrs.	15.38	15.69	16.00
RELIEF WORKER		11.46	11.69	11.92
SHIPPER/ RECEIVER	Start	15.93	16.25	16.58
	After 1,000 hrs.	16.49	16.82	17.16
	After 2,000 hrs.	17.05	17.39	17.74
	After 4,000 hrs.	18.16	18.52	18.89
	After 6,000 hrs.	19.28	19.67	20.06
WAREHOUSEMAN 1	Start	12.58	12.83	13.09
	After 1,000 hrs.	13.14	13.40	13.67
	After 2,000 hrs.	13.69	13.96	14.24
	After 4,000 hrs.	15.38	15.69	16.00
WAREHOUSEMAN 2	Start	14.95	15.25	15.56
	After 1,000 hrs.	15.51	15.82	16.14
	After 2,000 hrs.	16.07	16.39	16.72
	After 4,000 hrs.	17.19	17.53	17.88

		<u>Effective Aug. 1/02</u>	<u>Effective Aug. 1/03</u>	<u>Effective Aug. 1/04</u>
MAINTENANCE JOURNEYMAN		24.28	24.77	25.27
MAINTENANCE HELPER	Start	14.81	15.11	15.41
	After 1,000 hrs.	15.38	15.69	16.00
	After 2,000 hrs.	15.93	16.25	16.58
	After 4,000 hrs.	17.05	17.39	17.74
	After 6,000 hrs.	18.16	18.52	18.89

NOTE: Incremental advancement is subject to satisfactory job performance, provided the employee was afforded the necessary training to achieve satisfactory job performance. Any withholding of incremental advancement may be subject to review under the Grievance and Arbitration provisions of this Agreement.

PREMIUMS:

SHIFT LEADER	\$3.00
LEAD HAND	\$1.50
AFTERNOON SHIFT	\$0.35
NIGHT SHIFT	\$0.60
CONTINUOUS (7/24)	\$1.10
MAINTENANCE HELPER WITH JOURNEYMAN'S TICKET	\$0.50

APPENDIX B

GROUP INSURANCE BENEFITS

The following represents a summary only of the Group Insurance Benefits coverage available to employees covered by this Collective Agreement. Specific Rights and Benefits, including termination of coverage, are governed by the terms of the Group Insurance Policy, Plan Document or Plan text providing the Group Insurance Benefits.

ELIGIBILITY

Employees and their eligible dependents become eligible for membership in the benefits program on the first day of the month, coincident with or next, following three (3) months of continuous service with the Company by the employee.

BASIC GROUP LIFE INSURANCE

- Amount - Three (3) times annual earnings taken to the next higher \$1,000.00
- Maximum benefit is \$300,000.00
- Coverage reduces by fifty percent (50%) at age 65 and ceases at age 70

- Conversion - Upon termination of employment prior to age 65, life insurance may be converted to an individual life insurance policy without evidence of insurability

DEPENDENT LIFE INSURANCE

- Amount - Spouse - \$10,000.00
- Each Dependent Child - \$ 5,000.00

VOLUNTARY GROUP LIFE INSURANCE

- Amount - Employee and/or Spouse - units of \$10,000.00 to a maximum of \$200,000.00

ACCIDENTAL DEATH AND DISMEMBERMENT

- Principal Sum - Equal to three (3) times annual earnings, rounded to the next higher \$1,000.00
- Maximum benefit equals \$300,000.00
- Coverage reduces by fifty percent (50%) at age 65 and ceases at age 70

EXTENDED HEALTH PLAN

- Annual Deductible - \$25.00 for single
- \$50.00 for family
- Benefit - 100% of eligible expenses
- Out of province/out of country - emergency coverage
- No lifetime maximum
- Vision Care - \$200.00 every two (2) calendar years
Effective August 1, 2003 - \$225.00 every two (2) calendar years
Effective August 1, 2004 - \$250.00 every two (2) calendar years

DENTAL PLAN

- Annual Deductible - Nil
- Benefit - Basic Dental - 90% of the cost of routine dental care (Part A)
- Major Restorative Treatment - 50% (Part B)
- The maximum limit per calendar year (Parts A & B combined) - \$1,500.00 per insured person
- Coverage based on current Provincial Dental Fee Schedule
- Orthodontic Treatment - 50% per dependent child to age 21, or to age 25 if attending full-time at University or a similar institution - \$1,750.00
- lifetime maximum per dependent child

SHORT TERM DISABILITY

- Benefit - 60% of basic weekly earnings
- Maximum weekly benefit equal to current U.I.C. maximum
- Coverage period - 17 weeks

LONG TERM DISABILITY

- Benefit - 60% of basic monthly earnings if ~~totally disabled~~
- Maximum monthly benefit - \$3,500.00
- Total Disability - 24 months - own occupation
- thereafter - any gainful occupation
- Reduction - Benefit reduced by disability benefits received from WCB, CPP or other Employer sponsored group insurance or pension plan

