

ALL DATES REMOVED

**LABOUR AGREEMENT
20XX – 20XX**

This Agreement By and Between

SUPREMEX INC.

8189 River Way Delta, B.C. V4G 1G9

- and -

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

707 12th Street New Westminster V3M 4J7

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THIS AGREEMENT made and entered into by and between

SUPREMEX INC.

8189 River Way Delta, B.C. V4G 1G9

(Hereinafter referred to as the "Company")

PARTY OF THE FIRST PART

- and -

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

707 - 12th Street New Westminster, B.C. V3M 4J7

(Hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

ARTICLE 1 GENERAL PURPOSE OF AGREEMENT

Section 1

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

Section 2

It is also the purpose of this Agreement to provide for orderly collective bargaining, the prompt disposition of grievances and the negotiation of wages, hours of work and other terms and working conditions to the extent and in the manner provided herein; and that further, this Collective Agreement and attendant Policy Letters (if any) represent the total understanding between the parties except as augmented by legislation, and supersedes and replaces all previous agreements and practices, both oral and written.

Section 3

No strikes or lockouts: It is agreed that there shall be no strikes or walkouts by the Union or lockouts by the Company so long as this agreement continues to operate.

ARTICLE 2 RECOGNITION

Section 1

The Company recognizes Local 5, Pulp, Paper and Woodworkers of Canada as the only agency representing all employees as defined in this Agreement for the purpose of collective bargaining.

Section 2

Wherever used in this Agreement, including Exhibits, the word "employees" shall mean all employees, except salespersons and those excluded by the certified bargaining unit.

Section 3

The Company agrees that any employee who, at the date of this Agreement is a member of the Union, or any employee who hereafter during the life of this Agreement becomes a member of the Union shall, as a condition of continued employment, maintain membership in good standing.

Section 4

All new employees hired after the signing date of this Agreement shall become members of the signatory Union within thirty (30) calendar days after date of employment.

Section 5

The Company agrees that it will inform any new employee who may be hired subsequent to the date of this Agreement that the Union is the only bargaining agency for the employees, and present him or her with a copy of this Agreement.

Section 6

The management and operation of the business and the direction and promotion of its working force is the exclusive right of the Company except as limited by the provisions of this Agreement.

ARTICLE 3 TERM OF AGREEMENT AND CHANGES IN AGREEMENT

Section 1

This Agreement shall be in effect from Month, 1, **20XX** and shall remain in effect until Month, 1, **20XX**

Section 2

All notices given under the provisions of this Section on behalf of the signatory Union shall be given by the President (or his or her representative) of the signatory Union, and similarly, notices on behalf of the signatory Company shall be given by the President of the signatory Company (or his or her representative).

Section 3

This Agreement may be opened for collective bargaining as to changes as follows:

Either party desiring any changes to this collective agreement shall send to the other party, notice, in writing, by registered mail or facsimile, anytime within four (4) months preceding the expiry of the Agreement. Where notice is not given as set out above by either party, ninety (90) days prior to the expiry of the Agreement, both parties shall be deemed to have given notice.

Section 4

- (a) If notice of desire for changes has been given, the parties shall, as soon as agreeable to the parties following such notice, meet for collective bargaining, the signatory Company being represented in such negotiations by a Bargaining Committee appointed by the Company, and the signatory Union being represented by a Bargaining Committee and selected by said Union. Any agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this Agreement. If such negotiations cannot be completed prior to **September 1**, following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to said **September 1**.
- (b) Bargaining shall begin within ten (10) days after the parties exchange agendas. The aforementioned ten (10) days can be waived upon mutual agreement of the parties. Every effort will be made by the Company and the Union to commence collective bargaining before the expiry date of the Agreement.

Section 5

In case negotiations conducted in accordance with the above break down, they shall be in accordance with provisions of the Industrial Relations Act of British Columbia, Section 137.3.

137 Jurisdiction of Court.

- (3) Despite this Code or any other Act, a court must not, on an application made without notice to any other person, order an injunction to restrain a person from striking, locking out or picketing, or from doing an act or thing in respect of a strike, lockout, or dispute or difference arising from or relating to a collective agreement.

Section 6

It is mutually agreed that the operation of Subsection (2) & (3) of Section 50 of the Labour Relations Code of British Columbia, are hereby excluded.

50.

2. Subject to subsection (4), if a collective agreement is for a term of more than one year, either party may at any time after the agreement has been in operation for 8 months apply to the minister for leave to notify the other party that the agreement will be terminated on its next anniversary date.
3. If the minister consents to the application under subsection (2) and the notice to terminate is served on the other party at least 3 months before the date on which the agreement is to be terminated, the agreement is terminated on that date.

ARTICLE 4 HOLIDAYS

Section 1

Overtime shall be paid for all work performed during holidays at the rate hereinafter specified.

Section 2

If a paid holiday falls within the employee's vacation period, the employee and Company will mutually agree to have one (1) day added to the vacation period or it may be used as an agreed random day.

Section 3

In the event that any holiday falls on a Sunday, the following Monday will be observed, and the Graveyard shift will start on that Monday.

A holiday, which falls on a Saturday, shall be observed on the following Monday provided this closure is general within the paper and envelope trade and meets with customer and industry requirements. In the event the holiday will not be observed on the following Monday, notification will be given within four (4) weeks, where possible.

Section 4

1	New Year's Day	7	Labour Day
2	Good Friday	8	Thanksgiving Day
3	Easter Monday	9	Remembrance Day
4	Victoria Day	10	Christmas Day
5	Canada Day	11	Boxing Day
6	B.C. Day		

"Any Statutory Holiday declared by the Federal or Provincial Government will be observed as a paid Holiday."

The floating holiday will be observed on Easter Monday.

In addition to any other compensation earned, any employee who is on the payroll of the Company on any of the Holidays specified in Section 4 shall receive **a day's** pay at his or her regular straight time hourly rate subject to compliance with the following conditions:

1. A new employee must have worked not less than twenty (20) working days immediately preceding such holiday, and
 - (b) Every employee must have worked their scheduled work day before and after the holiday unless failure to do so was due to any of the following events:
 - i) When the employee is on his or her authorized vacation;
 - ii) When the employee is unable to work by reason of an occupational illness or accident as recognized by the Workers' Compensation Board or a bona fide non-occupational illness or accident, providing such employee provides medical evidence if required by the Company;
 - iii) When the operation which the employee is engaged is curtailed or discontinued by the decision of the Management and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before or after such a holiday. However, an employee shall not be granted payment for a holiday or holidays unless he or she has worked at least four (4) days in the thirty (30) days just preceding any given holiday;

- iv) When a trade in shifts agreed upon between employees and approved by Management results in a temporary change in the scheduled work day before, or the scheduled work day after, the holiday, provided the employee works the shift agreed upon; and that the result of such shift trading which prevents the disqualifying of one employee does not effectively qualify the other.
- v) When an employee is serving as a subpoenaed witness as defined in Article 17.

Section 5

Relating to weeks where there is a statutory holiday and employees work the three 10 hour 40 minute shifts, it is imperative that the Company get the corresponding amount of production. That is to say, employees are not to book off short on full scheduled time on this sort of week thereby causing other employees to lose time or to book off short in any instance. Abuses of this nature will be regarded as grounds for the Company to discontinue the shift.

ARTICLE 5 HOURS OF WORK

Section 1

The regular workweek shall be forty (40) hours per week.

Section 2

All employees in the classification of folding adjuster will be placed on rotating shifts. If scheduling permits it and providing the total number of employed adjusters is at least ten (10), one position per shift will not rotate.

Senior employees will have preference in *these available non-rotating positions*.

Any temporary shift changes must be at the mutual agreement of the Company and the employees requesting the change.

The Company and Union agree to meet annually to discuss the rotation of folding adjusters.

The Company agrees to meet the employees affected to discuss rotation options prior to the implementation of the initial rotation system.

Section 3

- (a) The Company shall post shift schedules no later than 2:30 p.m. Thursday for the following week. If Management deems subsequent changes are required, the affected employees will be advised.
- (b) Employees on long term leave (W.I., L.T.D. and W.C.B) will report to employer every two (2) weeks as to the status of their leave. The employee will give employer one week's notice of their expected date of returning to work.
- (c) When an employee is unable to report for work, the employee shall notify a manager or Lead Hand and advise, if possible, their expected return date. When the employee cannot give a return date, he/she shall notify a manager or Lead Hand the day prior to reporting to work, or sooner.

Section 4

All employees in the classification of machine operator will be placed on rotating shifts. If scheduling permits it, one position per shift will not rotate. Senior employees will have preference in these available non-rotating positions. Any temporary shift changes must be at the mutual agreement of the company and the employees requesting the change.

ARTICLE 6 OVERTIME

Section 1

Overtime shall be paid for at the rate of time and one-half the employee's regular rate of pay or of the regular rate of pay for the overtime job assignment, whichever is higher, subject to the following circumstances:

- (a) For the first three (3) hours of overtime worked in a day except as provided otherwise in Section 2;
- (b) For the first eight (8) hours of overtime worked in a week except as provided otherwise in Section 2;
- (c) For all maintenance work performed on a Saturday or Sunday except as provided otherwise in Section 2;
- (d) For all maintenance work performed on a Statutory Holiday, in addition to any pay received in accordance with Section 1 of Article 4;
- (e) The Lead Hand and/or first aid attendant premiums are included in overtime calculations.

An employee who has not completed 8 hours of work at his/her regular rate of pay without valid reason shall not be paid overtime rates until 8 hours at regular pay are worked.

Section 2

Overtime shall be paid for at the rate of double time in the following cases:

- (a) For all overtime worked in excess of the three (3) hours in a day;
- (b) For all hours worked in excess of forty-eight (48) hours in a week;
- (c) For all work, except maintenance work, performed on Sundays, and Statutory holidays;
- (d) For all overtime hours relating to physical inventory counts.

Section 3

- (a) The employee has the right to voluntarily agree to or to refuse to work overtime.
- (b) Reasonable co-operation of the employee is expected in those instances of unusual circumstances or emergency situations where the Company would deem overtime as necessary to the economic operation of the Plant.
- (c) Overtime will be offered on a rotation basis (by seniority) to employees within the job classification where the work is normally done.
- (d) Meal Allowance

Any employee required to work for more than two (2) hours beyond the end of his/her regular eight (8) hour-scheduled shift, or who is required to report for work more than two (2) hours before the start of his/her regular scheduled shift and who is expected to work more than ten (10) consecutive hours shall be granted a meal allowance of **Ten** dollars (**\$10.00**).

An employee working more than two (2) hours beyond their eight (8) hours will be allowed a thirty (30) minute break.

Example: An employee starting at 7:30 a.m. who volunteers for four hours overtime will be permitted a 30 minute break between 4:00 p.m. and 8:30 p.m.

In the case of the plant, it is expected that there will be no downtime on machines while meals are scheduled and the only paid break will be one (1) paid break interval.

Section 4 – OVERTIME BANKING

1. The Company agrees to participate in an overtime banking plan which allows employees compensating time off work with pay in lieu of the overtime rate payment for work performed pursuant to the overtime provisions of the Collective Agreement under the following conditions:
2. Deferred overtime hours shall be calculated on the following basis:
 - i. One-half ($\frac{1}{2}$) hour for each overtime hour that would have been paid at time and one-half as provided in Section 1.
 - ii. One (1) hour for each overtime hour that would have been paid at double time as provided in Section 2.

Examples:

- a) If four (4) overtime hours are worked at time and one-half, two (2) hours will be banked and four (4) hours will be paid at straight time.
 - b) If eight (8) overtime hours are worked at double time, eight (8) hours will be banked and eight (8) hours will be paid at straight time.
3. Compensating time off shall be accumulated in units of eight (8) hours. Time off must be taken in multiples of eight (8) hours. At the end of the accumulating period (Jan1 – Dec 31 in each year) for any balance of hours, the employee shall receive the payment he/she was entitled to under the Collective Agreement.
 4. Accumulated Bank Time is to be limited to an accumulated total of forty (40) hours per year.
 5. The granting of compensatory time off shall be subject to the staffing requirements as determined by the Company and at such time as quality and quantity of production will not be impaired.

Employees requesting regular vacations, supplementary vacations and Floating Stat. more than ten (10) days prior to period when compensating time off has been granted shall receive priority.

Employees must request compensating time off at least ten (10) days in advance of the week in which compensating time off is desired. Except as noted within this paragraph, once compensating time off has been granted, it shall not be changed except by mutual consent.

6. It is the employee's responsibility to mark his/her time card if the overtime is to be banked. Failure to mark the card will result in payment being made and will not be reversed.
7. All banked hours will be paid out at the same wage rate that was in effect at the time of banking.

ARTICLE 7 WAGE SCHEDULE "A"

All employees already employed before August 31, 1994 will come under the following wage schedule.

Position	Months		Year 1	Year 2	Year 3	Year 4	Year 5
	From	To					
Folding Adjuster	-	6	21.46	21.89	22.30	22.53	22.98
	7	12	21.59	22.02	22.44	22.67	23.12
	13	18	21.70	22.14	22.56	22.78	23.24
	19	24	22.08	22.52	22.95	23.18	23.64
	25	30	22.49	22.94	23.37	23.60	24.07
	31	36	22.84	23.30	23.73	23.97	24.45
	37	48	23.56	24.03	24.47	24.71	25.21
	48	60	24.38	24.87	25.32	25.57	26.09
	Over 60		25.09	25.59	26.05	26.31	26.83
Operator	-	2	19.52	19.91	20.11	20.31	20.72
	Over 2		20.40	20.81	21.02	21.23	21.65
Shipper	-	-	22.90	23.36	23.59	23.83	24.30
Senior Warehouse	-	6	21.15	21.58	21.79	22.01	22.45
	7	12	21.70	22.13	22.35	22.57	23.03
	13	18	21.94	22.38	22.60	22.83	23.29
	Over 18		22.15	22.60	22.82	23.05	23.51
Warehouse	-	6	20.75	21.16	21.37	21.59	22.02
	7	12	21.27	21.69	21.91	22.13	22.57
	13	18	21.46	21.89	22.11	22.33	22.78
	Over 18		21.68	22.11	22.33	22.55	23.00
Die Cutter	-	6	21.27	21.69	21.91	22.13	22.57
	7	12	21.39	21.82	22.04	22.26	22.70
	13	24	22.29	22.73	22.96	23.19	23.65
	Over 24		23.41	23.88	24.12	24.36	24.84
Truck Driver	-	6	16.50	16.83	17.00	17.17	17.52
	7	12	17.37	17.72	17.90	18.07	18.44
	13	24	18.24	18.60	18.79	18.98	19.36
	Over 24		19.00	19.38	19.58	19.77	20.17

ARTICLE 7 WAGE SCHEDULE "B"

This wage schedule affects employees hired after August 31, 1994 but before September 30, 2001.

Position	Months		Year 1	Year 2	Year 3	Year 4	Year 5
	From	To					
Folding Adjuster	-	6	21.46	21.89	22.30	22.53	22.98
	7	12	21.59	22.02	22.44	22.67	23.12
	13	18	21.70	22.14	22.56	22.78	23.24
	19	24	22.08	22.52	22.95	23.18	23.64
	25	30	22.49	22.94	23.37	23.60	24.07
	31	36	22.84	23.30	23.73	23.97	24.45
	37	48	23.56	24.03	24.47	24.71	25.21
	48	60	24.38	24.87	25.32	25.57	26.09
	Over 60		25.09	25.59	26.05	26.31	26.83
Operator	-	6	13.19	13.45	13.59	13.72	14.00
	7	12	14.75	15.04	15.19	15.35	15.65
	13	18	16.30	16.63	16.79	16.96	17.30
	19	24	18.13	18.49	18.67	18.86	19.24
	Over 24		20.40	20.81	21.02	21.23	21.65
Shipper	-	-	22.90	23.36	23.59	23.83	24.30
Warehouse	-	6	15.96	16.28	16.45	16.61	16.94
	7	12	17.60	17.95	18.13	18.31	18.67
	13	18	19.22	19.60	19.80	20.00	20.40
	19	24	20.57	20.98	21.19	21.41	21.83
	Over 24		21.68	22.11	22.33	22.55	23.00
Die Cutter	-	6	21.27	21.69	21.91	22.13	22.57
	7	12	21.39	21.82	22.04	22.26	22.70
	13	24	22.29	22.73	22.96	23.19	23.65
	Over 24		23.41	23.88	24.12	24.36	24.84
Truck Driver	-	6	16.50	16.83	17.00	17.17	17.52
	7	12	17.37	17.72	17.90	18.07	18.44
	13	24	18.24	18.60	18.79	18.98	19.36
	Over 24		19.00	19.38	19.58	19.77	20.17

ARTICLE 7 WAGE SCHEDULE "C"

This wage schedule affects employees hired after September 30, 2001.

Position	Months		Year 1	Year 2	Year 3	Year 4	Year 5
	From	To					
Folding Adjuster	-	12	18.90	19.27	19.67	19.86	20.26
	13	24	19.93	20.33	20.73	20.94	21.35
	25	36	20.97	21.39	21.80	22.02	22.46
	37	48	22.01	22.45	22.87	23.10	23.56
	49	60	23.05	23.51	23.94	24.18	24.67
	Over 60		25.09	25.59	26.05	26.31	26.83
Operator	-	12	13.19	13.45	13.59	13.72	14.00
	13	24	14.54	14.83	14.97	15.12	15.43
	25	36	16.35	16.68	16.84	17.01	17.35
	Over 36		17.66	18.01	18.19	18.37	18.74
Shipper	0	-	19.38	19.77	19.97	20.16	20.57
	13	24	20.66	21.07	21.28	21.49	21.92
	Over 24		21.90	22.34	22.56	22.79	23.24
Warehouse	-	12	15.96	16.28	16.45	16.61	16.94
	13	24	18.23	18.59	18.78	18.97	19.34
	Over 24		19.73	20.12	20.32	20.53	20.94
Die Cutter	-	12	17.66	18.01	18.19	18.37	18.74
	13	24	18.70	19.07	19.26	19.45	19.84
	25	36	19.73	20.12	20.32	20.53	20.94
	Over 36		20.77	21.18	21.39	21.61	22.04
Truck Driver	-	12	16.10	16.42	16.58	16.75	17.08
	13	24	17.14	17.48	17.65	17.83	18.19
	Over 24		18.18	18.54	18.73	18.91	19.29

Section 2 - Lead Hands

When the Company exercises its management function to appoint a lead hand, he or she shall be paid a premium of seventy-five cents (\$0.75) per hour in addition to the regular wage rate. The lead hand will be a responsible, experienced factory or warehouse employee.

Under the direction of the plant Supervisor or the Shift Foreman, the lead hand guides the activities of a number of employees within a shift. He or she co-ordinates work flow and assists supervision with respect to building security (if required) and the safety of employees.

Section 3 - First Aid Attendant

- (a) The employee designated to take the responsibility for First Aid on any shift will be paid a First Aid Certificate Bonus as follows:

Level 3 certificate holder	65¢ per hour
Level 2 certificate holder	55¢ per hour
Level 1 certificate holder	45¢ per hour

- (b) The bargaining unit First Aid Attendant authorized by the Company attending classes for obtaining, renewing or up-grading a First Aid Certificate will be compensated for lost regular straight time earnings based on eight (8) hours per day.

ARTICLE 8 STARTING AND STOPPING WORK

Section 1

Employees shall be at their respective posts ready to begin work at the time their pay starts and shall not quit work in advance of the time their pay stops.

Section 2

Shift hours currently in effect are:

FOLDING MACHINES (24 hour cycle)

Day Shift	6:45 a.m. - 2:45 p.m.
Afternoon Shift	2:45 p.m. - 10:45 p.m.
Graveyard Shift	10:45 p.m. - 6:45 a.m.

DIE CUTTING

Day Shift 6:45 a.m. - 2:45 p.m.
Day Shift 9:00 a.m. - 5:00 p.m.

WAREHOUSE

Day Shift **7:00** a.m. - **3:00** p.m.
Day Shift 10:00 a.m. - 6:00 p.m.

TRUCK DRIVER

Day Shift 7:00 a.m. - 3:00 p.m.

Employees will have two fifteen (15) minute rest breaks and one thirty (30) minute lunch break during their eight (8) hour shift.

In the event of an announcement of a change in permanent shift hours, a Committee member will be present.

Section 3

- (a) Where two or more shifts are being worked within a department, employees within that department may apply to be permanently scheduled on a specific shift. The Company agrees that applications received will be dealt with on a seniority basis with the most senior qualified employee being accepted (a plant posting for employees shift preference will be done every 6 months).

It is agreed that an employee who is re-scheduled to a shift of his or her choice shall not be permitted to use their seniority to effect a further change of shift until such time as an appropriate vacancy occurs on the preferred shift in question.

- (b) Employees within the same job category may trade shifts by mutual agreement with the Supervisor of the department concerned provided such change shall not involve additional cost to the Company.
- (c) In the absence of senior employees desiring a specific shift, the Company, at their discretion, will designate trained employees with the least job seniority to man the shift. The Company reserves the right to designate employees to man specific shifts under such occasion as covering for holidays, sickness or training.

Section 4

- (a) A differential or premium of **eighty cents (\$0.80)** per hour shall be paid for all hours actually worked on the afternoon shift and a premium of **ninety cents (\$0.90)** per hour shall be paid for all hours actually worked on the graveyard shift, regardless of whether the hours are worked on straight time or overtime.
- (b) Shift differential shall be paid for the hours stipulated in Section 2 for the Afternoon shift or the Graveyard shift.
- (c) No shift differential will be paid for hours worked between 2:45 p.m. and 6:45 a.m. when such hours are worked as a result of mutually agreed upon change in the hours of starting and stopping a regular shift, or on hours which are part of the regular day shift for a Day Worker.
- (d) Shift differential shall be paid in addition to an employee's regular rate of compensation but it is not to be added to the wage rates for the purpose of calculating overtime.

ARTICLE 9 BULLETIN BOARDS

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

ARTICLE 10 SENIORITY

Section 1

- (a) The Company recognizes the principle of seniority in the administration of lay-offs, recalls, transfers, demotions and permanent promotions. Plant seniority shall mean length of service in the employ of the Company at its Delta plant.
- (b) In the application of seniority under this Section, if an employee has the necessary qualifications and the ability to perform in accordance with the job requirements, seniority shall prevail.
- (c) All new employees shall have a probationary period of four hundred and eighty (480) active working hours without recourse to grievance procedure. The Company will issue progress reports at the end of one hundred and sixty (160) and three hundred and twenty (320) working hour intervals. This probationary period may be extended with the mutual agreement of the parties.

- (d) Upon completion of the probationary period, employees shall be credited with plant seniority effective the date of hire.
- (e) All employees shall continue to accumulate plant seniority throughout their length of service with the Company.

Section 2 - Lay-Off and Recall Regulations

- (a)
 - 1. In the event of a lay-off, new probationary employees will be the first to be laid off. Employees with seniority will be laid off in reverse order of seniority (last hired, first laid off) and recalled in order of seniority (last laid off, first to be recalled).
 - 2. If further lay-offs are necessary, the employee in the job or classification affected may elect to replace an employee with less seniority elsewhere in the factory or warehouse provided he/she is qualified to do the work.
 - 3. If the employee in the job or classification affected is not qualified to replace another employee with less seniority, he/she may elect to replace any other employee in the factory or warehouse with less seniority provided he/she is capable of performing the work with up to five (5) days training.
 - 4. Should an employee with seven (7) or more years' seniority be affected by lay-offs, he/she will be given up to ten (10) days training to qualify replacing another employee with less seniority.
 - 5. This position will be considered as such person's permanent category if not recalled to their previous classification in six (6) calendar months if their plant seniority is less than one (1) year at the time of layoff from the category. If his or her plant seniority is more than one (1) year at the time of the layoff, the position will be considered permanent if not recalled to their previous position in twelve (12) calendar months.
 - 6. The Company and Union recognize that from time to time extenuating circumstances may arise which would necessitate that an employee may have to be laid off or recalled out of the line of seniority to enable the plant to operate in an efficient manner, as well as protect the employees presently working.

These extenuating circumstances will be dealt with and mutually agreed between the Company and Union, bearing in mind that every possible effort will be made to protect the right of employment for the senior employee.
- (b)
 - 1. An employee other than a probationary employee with less than one (1) year's continuous service at the time of lay-off will be retained on the seniority list for a period of six (6) months from the date of lay-off.

2. An employee with one (1) or more years of continuous service at the time of lay-off will be retained on the seniority list for a period of one (1) year from the date of lay-off.
- (c) Unless an employee signifies his or her intention to return to work within three (3) working days after being recalled, his or her name shall be passed over and unless within eight (8) working days of being recalled he or she returns to work or gives a legitimate reason for being unable to do so, he or she will be struck off the seniority list.
 - (d) The Company will communicate with employees at the address left with the Company. A registered letter directed to the employee at the last address left with the payroll clerk shall be deemed sufficient notification. In the event of failure of any communication to reach an employee because of the fact that the employee has changed his or her address and failed to advise the Company, the responsibility will be the employee's and the Company will consider that the employee is no longer interested and his or her name will be removed from the seniority list.
 - (e) When an employee is recalled from lay-off, then:
 1. his or her previous period of employment and the lay-off period will be included for the purpose of seniority, but not for wages or vacation entitlement.
 2. he or she will be eligible for the next holiday, as listed in Article 4, provided he or she qualifies.
 3. Benefit plans in existence will be reinstated upon his or her return to work. Benefit plans will be terminated at the end of the period for which deductions have been made.
 - (f) No employee shall be paid vacation pay upon layoff unless he or she requests payment and vacation pay has been earned.
 - (g) An employee resigning shall sign a form stating his/her voluntary termination. By signing the form, an employee is requesting all monies to be paid and renounces all seniority and employment rights.

Section 3 - Job Posting

- (a) When a permanent job vacancy occurs in the factory or warehouse, the Company will post a notice for a minimum of three (3) working days indicating the qualifications essential to fill the vacancy. In selecting a person for permanent appointment, the Company shall take into consideration seniority, the employee's necessary qualifications, and ability to perform in accordance with the job requirement.
- (b) When an employee exercises plant seniority to transfer to a different job category in which such employee has no previous qualifications, the employee shall be transferred within three (3) weeks of the posting. An employee promoted to a new position shall be probationary in that position for sixty (60) working days. During the sixty (60) working days probationary period, the employee may be demoted to his/her former classification either by the Company or by his/her own volition. Providing such an employee demonstrates, during said period, that he/she has the ability to perform in accordance with the job requirements, he/she shall be deemed to be promoted to the new job. Any extension of the above probationary period shall be by mutual agreement and limited to twenty (20) working day intervals during which time all conditions above shall apply.
- (c) An employee promoted to another job with a training period of more than eighteen (18) months cannot apply for another posting for twelve (12) months unless he/she is the only applicant.

Section 4 - Temporary Transfers

- (a) When a temporary vacancy occurs because of an employee's illness, injury, vacation or leave of absence, the temporarily vacant position will be filled by another employee selected on the basis of seniority provided he/she can perform the job without any training. If an employee with the most departmental seniority cannot perform the job without any training, he/she may apply for special training, at a time mutually convenient to the employee and the Company, to qualify for future temporary transfers.
- (b) The employee who is temporarily transferred will be paid at the rate of the job to which he/she has transferred or his/her own wage rate, whichever is greater.
- (c) Temporary, for the purpose of this section, is defined as less than 22 working days. Temporarily vacant positions that extend beyond 21 working days will be posted, under the provisions of Section 3 - Job Posting, with the understanding that when the absent employee returns, he/she may reclaim the position and the employee posted to the position during the absence reverts to his/her former classification and rate.

Section 5 - Promotion Outside of Bargaining Unit

An employee promoted to a supervisory or staff position which removes him or her from the bargaining unit shall retain his or her Company and Department Seniority within the bargaining unit for a period of sixty (60) working days only, during which time he or she shall maintain Union membership.

Any extension of the above shall be by mutual agreement and limited to twenty (20) working day intervals during which all conditions above shall apply.

Section 6

The Company agrees to post a Seniority List every six (6) months. Any dispute involving this list is to be brought to the attention of a shop steward or management within thirty (30) days.

Section 7 - Skilled Trade Importation

When it becomes necessary to import skills not available from within the Vancouver bargaining unit, it is agreed that the importation of the new skills will only be used to up-grade skills in the bargaining unit. Management is to advise the Union Plant Committee in advance of engaging the person.

Section 8 – Bumping

Re: Shift Selection Subsequent to Bumping

1. For the first two (2) weeks that an individual bumps into a category, they will assume the schedule of the most junior individual in that category who was displaced as a result of bumping.
2. During these two (2) weeks, the employee will make their shift preference within the category known to management.
3. This preference will be applicable for all subsequent weeks worked in the bumped category and will remain valid unless the employee returns to his or her own category for more than four (4) weeks.
4. It is understood that the proceeding will not prevent the employee from exercising seniority to fill a temporary vacancy.

ARTICLE 11 ADJUSTMENTS OF COMPLAINTS

Section 1

The Company shall not dismiss or discipline an employee bound by this Agreement except for just and reasonable cause. When, in the opinion of the Company, disciplinary action involving suspension or discharge becomes necessary the Union shall be notified of that intent and the reasons prior to such action being taken, if prior notice is practical under the specific instance. In the event that an employee has been suspended or discharged and it is alleged that the employee has been unjustly dealt with, the grievance shall be reduced to writing and dealt with within five (5) working days, commencing with Step 3 of the Grievance Procedure. This five (5) day period may be extended by the mutual agreement of both parties.

Section 2 - Standing Committee

- (a) The Branch Manager shall appoint a Company Standing Committee, which shall represent the Company.
- (b) The Union members employed in the branch will elect a Union Standing Committee of two (2) to four (4) individuals who shall represent the Union.

Section 3 - Grievance Procedure

Should there be any dispute or complaint as to the interpretation or application of any of the clauses of this Agreement, or any grievances arising out of the operation of this Agreement, it shall be dealt with in the following manner:

Step 1

The employee involved shall, within five (5) working days where practical take up the matter with the Shop Steward and the Foreman or Supervisor. If the grievance is not satisfactorily resolved within forty-eight (48) hours, the employee may refer it to the Standing Committee.

Step 2

Upon notification of the existence of a grievance, the Standing Committee will meet at a mutually agreed upon time within five (5) working days. If the grievance is not satisfactorily resolved within three (3) working days, it may be reduced in writing and dealt with at the next Step within ten (10) working days.

Step 3

The written grievance shall be dealt with by the Standing Committee and the Union Counsellor of Local 5. If a satisfactory settlement is not then reached within five (5) working days it may within ten (10) working days be referred to an Arbitrator as hereinafter provided.

The time limits set forth in this Article may be varied by mutual consent.

ARTICLE 12 ARBITRATION PROCEDURES

Section 1

Where a difference arises between the parties relating to the dismissal or discipline of an employee, or to the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether or not a matter is arbitrable, either of the parties without stoppage of work, may, after exhausting any grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference to arbitration and the parties shall agree on a single arbitrator. The arbitrator shall hear and determine the difference and shall issue a decision and the decision is final and binding upon the parties and any person affected by it.

Section 2

In the event of the parties of this Agreement being unable to decide upon a single arbitrator within twenty (20) working days then either party may make application to the Minister of Labour under Section 95 of the Industrial Relations Act of British Columbia, Chapter 122.

Section 3

The parties to this Agreement will each bear the expense and charges of its representatives to any arbitration hearings and shall bear equal proportion of the expenses and allowances of the arbitrator.

ARTICLE 13 VACATIONS

Section 1

All employees as defined in this Agreement shall be granted a vacation with pay subject to the following regulations:

- (a) The vacation period shall be the twelve months commencing on **January 1** and ending on the following **December 31**. Employees qualify for full vacation entitlement in the current vacation year if they have worked 1200 hours during the previous vacation period ending December 31. Vacation entitlement will be prorated in the current vacation year if the employee worked less than 1200 hours in the previous vacation period
- (b) Vacation Schedule - vacations will be calculated to the nearest whole day (page 30 and 31).

- (c) Vacation pay shall be computed at 2% of the total wages earned by the employee during the twelve (12) months immediately preceding the said July 1 for each week of vacation granted, (or forty (40) hours at the hourly rate of the employee's regular job) whichever is greater. Vacation for less than a week shall be pro-rated at 4% of the employee's gross earnings.
- (d) In the case of employees leaving the service of the Company, the following regulations shall apply:
1. Those employees who have qualified for vacations under Subsection (b) above and have not taken such vacation with pay, shall be paid the amount due them, according to their service with the Company, i.e. 4%, 6%, 8%, 10%, 12% or 14% of gross earnings for the qualifying period.
 2. An employee will only be entitled to receive such vacation payments while on Workers' Compensation for a period of up to but not exceeding one (1) year from the date of the employee's accident or injury.
- (e) No employee may continue to work and draw vacation pay in lieu of taking a vacation.
- (f) For each week's vacation due, the employee shall take seven (7) consecutive calendar days off. No employee shall be permitted to take more than two (2) weeks vacation during the months of June, July and August when the vacation plans of another employee could be adversely affected. Should the Company decide to plan a shutdown during the year employees will be notified of a shutdown prior to their scheduling a vacation as set out in Article 13, Section 1(i). Notification will be given within four (4) weeks where possible. It is understood that the warehouse may be required to operate during any shutdown period. Crews will be scheduled by seniority. Employees must take their vacation during the shutdown period.
- (g) Vacations cannot be taken until earned. Vacations are not cumulative and must normally be taken within the vacation period. However, the Company will endeavour in discussion with the employees or the Union to arrange vacations at a mutually convenient time outside of the normal vacation period.
- (h) Time lost as the result of an accident as recognized by the Workers' Compensation Board suffered during the course of employment shall be considered as time worked for the purpose of qualifying for vacation.

Time lost as a result of non-occupational accident or illness up to a period of one (1) year, shall be considered as time worked for the purpose of qualifying for vacation provided:

(1) That the employee has been on the payroll for not less than one (1) year;
and

(2) That he or she returns to his or her employment.

It is understood that the employer shall have the right to require a certificate from a qualified medical practitioner.

- (i) ***The Company will post a vacation planner by October 15th, and employees shall request preferred vacation dates by November 1st of each year for the following year. After November 1st, available vacation time will be allotted on a first come, first served basis. Vacations scheduled before November 1st shall be awarded on a seniority basis. Those employees who have not indicated their choice of appropriate time by September 15th of the vacation year may have their vacation scheduled at the discretion of the Company.***
- (j) All employees who qualify for full vacation (minimum two (2) weeks) shall receive an additional amount of vacation pay equivalent to the following to be paid on the first pay period in December; twenty (20) hours at the employee's regular wage rate.
- (k) Shift lists will be posted by 2:30 p.m. each Thursday. It is the responsibility of the employee to check with the Company so as to know which shift to report to on the week following, or on their return from vacation.
- (l) ***Minimum manning requirements, one adjuster off at a time and one operator off Jan 6 to May 31 and Sept 1 to Dec 14. Two operators off June 1 to Aug 31 and Dec. 15 to Jan 5. Two adjusters off June 1 to Aug 31 and Dec. 15 to Jan 5 (if ten or more adjusters are employed). One away in shipping at a time.***
- (m) Leave of absence for Union business is to be counted on as time worked for vacation entitlement.
- (n) Scheduling Vacation during the Winter Season:

In order to allow all employees the opportunity to schedule vacation during the winter season the parties agree to the following:
 - 1. The winter holiday season shall be defined as December 15 to January 5 of the following year
 - 2. Employees shall be granted vacation on a rotational basis beginning with the 1998 winter holiday season.
 - 3. The rotation shall begin with the employee with the earliest seniority date.

4. The rotation shall continue through the seniority list in descending order.
5. Employees who take vacation during the winter holiday season shall revert to the bottom of the rotational list.
6. Employees who do not take vacation during the winter holiday season shall maintain their position on the rotational list.
7. The employer shall ensure the rotational list is updated and posted on a regular basis.
8. In the event the company elects to close the plant at any time during the winter holiday season, and the employee chooses to take vacation time during the plant closure, the employee will not rotate on the winter holiday vacation schedule.

ARTICLE 13 VACATION SCHEDULE

Section 2 - *Vacation schedule for plant employees hired before October 4, 1998*

VACATION PAY: The Greater of either Column 1 or 2

		1. PERCENTAGE OF THE TOTAL EARNED BY THE EMPLOYEE DURING THE PRECEDING VACATION PERIOD	2. HOURS OF PAY AT THE HOURLY RATE OF THE EMPLOYEE'S REGULAR JOB
(a) Employed less than one (1) year and less than 1200 total hours	¼ day for each week of employment	4% of gross pay earned during the preceding vacation period	¼ day for all time over one (1) day – rounded to nearest whole day
(b) Employed less than one (1) year and more than 1200 total hours; or, completed one (1) year but less than two (2) years	2 weeks	4% of gross pay earned during the preceding vacation period	80 hours at straight time earned
(c) Completed three (3) years but less than seven (7) years	3 weeks	6% of gross pay earned during the preceding vacation period	120 hours at straight time earned
(d) Completed seven (7) years but less than fifteen (15) years	4 weeks	8% of gross pay earned during the preceding vacation period	160 hours at straight time earned
(e) Completed fifteen (15) years but less than twenty-two (22) years	5 weeks	10% of gross pay earned during the preceding vacation period	200 hours at straight time earned
(f) Completed twenty-two (22) years but less than twenty-eight (28) years	6 weeks	12% of gross pay earned during the preceding vacation period	240 hours at straight time earned
(g) Completed twenty-eight (28) years or more	7 weeks	14% of gross pay earned during the preceding vacation period	280 hours at straight time earned

ARTICLE 13 VACATION SCHEDULE

Section 3 - *Vacation schedule for plant employees hired after October 4, 1998*

VACATION PAY:

<u>Employees With:</u>	<u>Will Receive:</u>
One (1) full year but less than three (3) full years employment	Two (2) weeks vacation with pay during the vacation year or 4% of gross earning, whichever is greater.
Three (3) full years but less than nine (9) full years employment	Three (3) weeks vacation with pay during the vacation year or 6% of gross earning, whichever is greater.
Nine (9) full years but less than twenty (20) full years employment	Four (4) weeks vacation with pay during the vacation year or 8% of gross earning, whichever is greater.
Eighteen (18) full years employment, or more	Five (5) weeks vacation with pay during the vacation year or 10% of gross earning, whichever is greater.

There shall be no supplementary vacations for plant employees hired after October 4th, 1998.

ARTICLE 14 SUPPLEMENTARY VACATIONS

Section 1

After completing five (5) or more years of continuous service with the Company, an employee shall, in addition to the regular vacation to which he or she is entitled, become eligible to receive Supplementary Vacation with pay each five (5) years as set forth below:

<u>Years of Completed Service</u>	<u>Weeks of Supplementary Vacation</u>
after five (5)	one (1)
after ten (10)	two (2)
after fifteen (15)	two (2)
after twenty (20)	three (3)
after twenty-five (25)	three (3)
after thirty (30)	four (4)
after thirty-five (35)	four (4)
after forty (40)	five (5)

Section 2

The Supplementary Vacation may be taken in conjunction with the regular vacation to which the employee is entitled provided such regular vacation is not scheduled to be taken during the months of July or August, in which event the Supplementary Vacation shall be taken at a time to be agreed upon by the Company and the employee.

An employee shall not be granted the option of taking comparable earnings for all or portion thereof as outlined in Section 1 of this Article.

Section 3

The Supplementary Vacation must be taken prior to the employee becoming eligible for his or her next earned period of Supplementary Vacation as provided for in Section 1 above.

Section 4

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

Section 5

For the purpose of determining eligibility for Supplementary Vacation, an employee's service shall be calculated from the date of his or her joining the Company.

Section 6

- (a) An employee who terminates his or her employment shall receive compensation for all unused Supplementary Vacation earned at the last preceding entitlement anniversary.
- (b) An employee who retires after completing ten (10) or more years of service will be entitled to the compensation outlined in Subsection (a). In addition such an employee will also receive the amount of Supplementary Vacation pay which he or she has earned toward their next Supplementary Vacation entitlement.

Section 7

There shall be no supplementary vacations for plant employees hired after October 4th, 1998.

Section 8

There shall be no supplementary vacations for the office staff.

ARTICLE 15 ALLOWANCE FOR FAILURE TO PROVIDE WORK

Section 1

- (a) In case an employee reports for his or her regular scheduled, or overtime shift, being ordered to report for such work and then no work is provided, he or she, nevertheless, will receive four (4) hours pay, for so reporting, at the rate normally paid to the employee if he or she did the required work. The Company has the right to assign such an employee any other work not necessarily part of the said employee's regular job.
- (b) In any case where an employee has commenced his or her regular scheduled shift, he or she shall receive a minimum of four (4) hours pay.
- (c) In any case where an employee is transferred to a lower paid job, he or she will continue to receive the regular rate of pay they were paid at the beginning of the shift for the balance of the shift.
- (d) An employee transferred to a higher paid job shall receive the higher job rate for all hours worked at the higher rated job.

ARTICLE 16 BEREAVEMENT LEAVE

Section 1

When a death occurs to a member of a regular full-time employee's immediate family, the employee will be granted, within five days of the death an appropriate leave-of-absence.

Should notification be delayed due to the employee being unavailable to receive notification of the death due to vacation or some other circumstances, the five-day period will be waived. He/she shall be compensated at his/her regular straight time hourly rate for hours lost from their regular schedule for a maximum of **five (5)** days for a family member listed in Section 2 and three (3) days for a family member listed in Section 3.

The employee may be required to produce proof of death at the request of the Company. Such leave is not to be deferred nor used for any other purpose.

Section 2

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

Section 3

Members of the employee's immediate family are defined as mother-in-law, father-in-law, step-parents, grandchildren, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, uncles and aunts.

Section 4

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

Section 5

An employee will not be eligible to receive pay under this Article if a death occurs during the time that he or she has been granted leave of absence without pay for any reason or is laid off, on WI, LTD or WCB. No extra pay allowance will be granted for multiple deaths occurring within any three-day period, except for a spouse and children.

ARTICLE 17 JURY DUTY

Section 1

Any regular full-time employee who is required to perform jury duty on a day on which he or she would normally have worked, or who is subpoenaed to appear as a Crown witness, will be reimbursed by the Company for the difference between the pay received for jury duty and his or her regular straight time hourly rate of pay for his or her regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for jury duty. The employee will be required to furnish proof of jury service and jury duty pay received.

Section 2

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

Section 3

Hours lost from employment when an employee reports for jury duty but is not required to serve due to postponement or cancellation without prior notice shall be paid for by the Company provided the employee returns to the Plant for the remainder of his or her shift without undue delay. However, no lost wages will be paid if an employee fails to inform the Company by telephone as soon as he or she becomes aware that no attendance on their part is required that day.

Section 4

Jury duty is understood to include service as a Crown witness and attendance at a Coroner's inquest, having been subpoenaed for these duties.

ARTICLE 18 MINIMUM CALL FOR EMPLOYEES

Section 1

- (a) Any employee required to go on duty after he or she has completed his or her designated shift shall receive two (2) hours' call time at the straight time day rate plus actual time worked except that such call time shall not be payable when notification has been given before punching out and the interval between the designated shift and the return to work does not exceed two (2) hours.

- (b) Any employee required to report for work on his or her designated day off shall receive two (2) hours' call time at the straight time day rate except that such call time shall not be payable when notification has been given during his or her second shift preceding the work involved.
- (c) When an employee commences his or her following day's work within his or her designated day off or on a holiday as specified in Article 4 of this Agreement, or on a Sunday, no call time is payable if the period of work within the day off, the holiday or the Sunday does not exceed two (2) hours and if at least thirty-six (36) hours' notice thereof has been given prior to the start of such work.
- (d) When an employee is required to report for duty in advance of his or her regular shift or when his or her regular scheduled shift is changed to another regular shift, he or she shall receive two (2) hours' call time at the straight time day rate subject to the following exceptions:
 - (i) When the change in starting time does not exceed one (1) hour in advance of the regular scheduled shift, no call time is payable
 - (ii) When the employee is given thirty-six (36) hours' notice of the change in starting time and such notice is given during the employee's regular working hours, no call time is payable.

It is understood and agreed that in payment of call time on the basis provided in this Article, a minimum of four (4) hours' pay will be paid for each call when work has actually commenced; it being understood that such payment will include the payment for the time worked whether at straight time or at an overtime rate.

ARTICLE 19 TECHNOLOGICAL CHANGE

Section 1

In view of the interest and concern by the parties in the impact of manpower and conditions of employment resulting from mechanization, technological changes and automation, it is recommended that the parties utilize to the best advantage of the Company and the employees, all scientific improvements.

Section 2

A joint committee on automation will be established at the Plant, which shall consist of two (2) persons representing Management and two (2) persons representing the Union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the Plant, and to make such recommendations as are agreed upon to the Plant Manager, to ensure that the interests of the Company and of the employees is fairly and effectively protected.

Section 3

The Company will advise the appropriate committee as soon as possible and in any case, not less than ninety (90) calendar days before the introduction thereof of mechanization, technological change and/or automation which the Company has decided to introduce, and which will result in termination or other significant changes in the employment status of employees.

Section 4

- (a) In the event that it is necessary, crews will be reduced in accordance with Article 10, Seniority, of this Agreement.
- (b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his or her regular job at the time of the set back for a period of three (3) calendar months and, for a further period of three (3) calendar months, he or she will be paid an adjusted rate which will be midway between the rate of his or her regular job at the time of the set back and the rate of his or her new job. At the end of this six (6) calendar month period, the rate of his or her new regular job will apply.

However, such employee will have the option of terminating his or her employment and accepting severance pay as outlined in Subsection 5 (a) below, provided he or she exercises this option within the above referred to six (6) month period.

Section 5

An employee with one (1) or more years of continuous service for whom no job is available because of mechanization, technological changes or automation will, upon termination, receive a severance allowance calculated by the following method:

- (a) One (1) week's pay for each year of employment during his or her last period of continuous service, computed on the basis of forty (40) straight time hours at the employee's regular rate, the maximum severance allowance payable being twenty-six (26) weeks' pay.
- (b) Such employees for whom no employment is available will be given at least thirty (30) calendar days notice of separation.

Section 6

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

Section 7

In the event that the factory or warehouse at 8189 River Way, Delta is moved to another location, the Company will provide work at the new location to employees with seniority.

ARTICLE 20 HEALTH & WELFARE INSURANCE

Section 1

The medical plan with the carrier will be continued on a premium-sharing basis according to the rate structure as defined in Exhibit A.

Section 2

The Health and Welfare Insurance Plan as outlined in Exhibit A shall form part of this Agreement.

Section 3

Medical and Group Life Insurance for employees with more than three (3) calendar months service but less than five (5) years service shall be continued at the employee's option for three (3) calendar months from the end of the period for which deductions have already been made provided the employee pays his or her portion of the premium in advance. Employees laid off with five (5) or more years of service will have their medical and life insurance coverage continued for six (6) calendar months from the end of the period for which deductions have already been made provided the employee pays his or her portion of the premium in advance. Benefit plans in existence will be re-instated upon the employee's return to work.

Employees who have been terminated for cause will have their medical and life insurance coverage continued until the end of the period for which deductions have already been made.

ARTICLE 21 SAFETY

Section 1

The Company and the Union undertake to promote safety education among all employees in an effort to prevent accidents and occupational health problems.

Section 2

The Company and Union shall cooperate in selecting joint management/union safety committees as per W.C.B. regulations. The committee will meet monthly or at such other times as deemed necessary.

The Safety Committee shall recommend safety programs and procedures which shall be given every consideration by the Management.

Section 3

Employees are not expected to operate with unsafe equipment or work under unsafe working conditions. Employees shall report immediately, any unsafe equipment or conditions to their supervisor. Such reports may be brought up at the next safety committee meeting.

Section 4

The Union agrees that it will co-operate in the enforcement of safety rules and regulations.

Section 5

Safety shoes are mandatory for all Adjusters, Warehouse personnel, and Die Cutters. Consideration will be given to employees with special medical restriction in these job categories that submit a written doctor's report.

The Company will reimburse an employee 100% of the receipted cost of the safety shoes (CSA Approved) to a total maximum of two hundred dollars (\$200.00) every two years.

ARTICLE 22 LEAVE OF ABSENCE

Section 1

The Company may, upon receiving a written request, grant a leave of absence with or without pay and without loss of seniority to a regular employee requesting such leave for good and sufficient cause. Leave of absence is not to be counted as time worked for vacation entitlement. Granting of such leave shall be in writing. Such request shall not be unreasonably denied.

Section 2

Leave of absence will be granted on written request to an employee who has been elected or appointed to Union, Federal or Provincial Office for the term for which he or she was elected or appointed. In no case shall this leave of absence exceed five (5) years. This leave may be extended through mutual agreement of the parties for a further period of up to two (2) years.

Section 3

Maternity leave is covered by the Employment Standards Act of British Columbia and its benefits as of July 7, 1982 will be honoured.

Section 4

The period granted for leave of absence will be included for the purpose of seniority, but not for wage or vacation entitlement.

ARTICLE 23 WAGE RATE ADJUSTMENTS

Section 1

Should the Company introduce a new or changed job classification during the term of the Agreement, the following procedures shall apply:

- (a) The Company will notify the Union as far in advance of applying the new rate as is practical; however, if a new or changed job classification will be caused by the introduction of new machinery or equipment, then notice as required in Section 3, Article 19 of this Agreement will be given;
- (b) The Company will welcome comment from and discussion with the Union regarding the compatibility of the new rate prior to applying the new rate; and
- (c) The Company agrees that any failure to resolve any differences that there may be after discussion may result in the Union filing a grievance as herein provided, alleging that the new rate is incompatible with relevant internal and external comparisons.

Section 2

The Company agrees that any change in the new rate that may result from grievance procedure, discussions or from an arbitration decision will be made retroactive to the date on which the new rate was first applied or the date on which the job changed, whichever first occurs, providing the issue is within the terms of the existing contract.

ARTICLE 24 - TRAINING

The Company recognizes its responsibilities in the training of its employees and will make every effort to train employees as necessary under the direction of a Lead Hand or qualified employee. This will provide each employee with the opportunity to perform his or her job satisfactorily and ensure the required complement of trained personnel to maintain the efficient operation of the Plant at all times.

The Company may hire qualified employees in situations where new equipment is added. The Company may hire qualified employees in any other situation where training an existing employee is not feasible with the mutual agreement of the parties.

For the purpose of assessing a new trainee adjuster, be it a new hire, or an employee of the Company, the probationary period shall be six (6) months with an addition of one (1) three (3) month extension upon mutual consent of the Union and Company. This is not intended to be a new probationary period for new hires. New hires covered under Article 10 Seniority.

ARTICLE 25 CLARIFICATION OF WORK PERFORMED BY SUPERVISORS

The Union and the Company recognize that salaried supervisors are excluded from the provisions of the Labour Contract and, accordingly, it is improper for salaried supervisors to do the kind of work which is done by those defined as employees in the Contract.

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

ARTICLE 26 PULP & PAPER INDUSTRY PENSION PLAN

The members of **Supremex Inc.** covered by this Agreement are included in the Pulp and Paper Industry Pension Plan.

The Company agrees to pay into the Pulp and Paper Pension Plan for all regular employees in accordance with the rules and regulations of the Plan effective July 1, 1987.

For employees who choose to retire early, at or after the age of 61, a bridge benefit of \$15.00 per year of service (as defined by the Plan) will be provided payable from the date of retirement and ceasing on the first of the month prior to the employees' 65th birthday.

Employees who are not a part of the Industry plan shall remain in their current plans. These plans shall remain in effect without change for the life of this agreement and thereafter unless a change is agreed to by both parties. The Company undertakes to present an information package to each employee not covered by the Industry Plan. This package will contain, in summary form, information on the plan that covers the employee.

ARTICLE 27 - PLANT CLOSURE

Section 1

In the event of a plant closure, each employee terminated as a result of such closure shall receive one week's severance pay for each year of service to a maximum of fifty-two (52) weeks.

YEARS OF SERVICE	SEVERANCE PAY
1 TO 10	1 WEEK PER YEAR OF SERVICE
10 TO 15	1.25 WEEKS PER YEAR OF SERVICE
MORE THAN 15	1.5 WEEKS PER YEAR OF SERVICE

Section 2

The Company will notify the Union as soon as possible of a permanent closure of the plant.

Section 3

Upon lay-off in excess of thirteen (13) weeks an employee shall have the option of receiving severance pay as per Section 1 of this Article, or remaining on the recall list as per Article 10, Section 2.

Any employee covered by this agreement shall receive severance pay, as per Section 1 of the Article, if said employee loses his/her recall rights due to lay-off.

If the lay-off is anticipated to be longer than thirteen (13) weeks the employee may be offered the option of receiving severance pay at the time of lay-off.

ARTICLE 28 CONTRACTING OUT

Section 1

It is not the company's intention to cause any regular full time employee to be demoted or laid off by bringing in outside contractors to perform the work they normally perform.

ARTICLE 29 MISCELLANEOUS

Section 1

Clothing

The company will provide employees with authorized work clothing on an “as needed” basis as determined by the Company. Employees must wear this clothing during plant tours. Cleaning will be the responsibility of the employee.

Section 2

The Company will pay for prescription safety glasses that conform to safety standards, with non-breakable lenses and protective shields on the frames, for employees who require corrective lenses and work in areas that so warrant these glasses. Employees who require such eye protection will be reimbursed once every two (2) years upon Company approval and presentation of receipt.

ARTICLE 30 OFFICE STAFF

Hours of work for the office staff shall be scheduled between 7:00 am and 5:00 pm. Each day shall consist of eight (8) consecutive hours a day. The eight (8) hours shall include a one half hour paid lunch break.

There shall be no bumping between the office and the plant.

There shall be no bumping within the office staff.

The office staff shall be covered by the same health and welfare package that covers the other bargaining unit members.

Office staff hired prior to October 4, 1998 shall have their salary converted to an hourly wage; see wage schedule attached. Current office staff shall receive the greater of their current wage rate plus general wage increases, or the wage rate for office staff hired after October 4, 1998.

Office staff hired after October 4, 1998 shall receive an hourly rate as per the attached wage schedule.

Except as limited by Article 30, the office staff shall be covered by all provisions of the Collective Agreement.

Office staff vacation schedule:

Employees With:

Will Receive:

One (1) full year but less than
Three (3) full years employment

Two (2) weeks vacation with pay
during the vacation year or 4%
Of gross earnings whichever is greater.

Three (3) full year but less than
Nine (9) full years employment

Three (3) weeks vacation with pay
during the vacation year, or 6%
of gross earnings, whichever is greater.

Nine (9) full years but less than
Twenty (20) full years employment

Four (4) weeks vacation with pay
during the vacation year, or 8% of gross
earnings, whichever is greater.

Eighteen (18) full years
Employment or more

Five (5) weeks vacation with pay
during the vacation year, or 10% of gross
earnings, whichever is greater.

There shall be no supplementary vacations for the office staff.

ARTICLE 30 OFFICE STAFF

This wage schedule affects office staff hired after October 4, 1998.

Position	Months		Year 1	Year 2	Year 3	Year 4	Year 5
	From	To					
Switchboard OR Receptionist	-	6	11.29	11.52	11.63	11.75	11.98
	6	24	11.84	12.08	12.20	12.32	12.57
	24	36	12.97	13.23	13.37	13.50	13.77
	Over 36		14.23	14.51	14.66	14.81	15.10
C.S.R.	-	6	14.93	15.23	15.38	15.54	15.85
	6	24	15.64	15.95	16.11	16.27	16.60
	24	36	17.16	17.50	17.67	17.85	18.21
	Over 36		18.89	19.27	19.46	19.66	20.05
Production Assistant	0	6	16.88	17.22	17.39	17.56	17.92
	6	24	17.70	18.05	18.23	18.41	18.78
	24	36	19.43	19.82	20.02	20.22	20.62
	Over 36		21.33	21.75	21.97	22.19	22.64
Accounting Clerk	-	6	14.93	15.23	15.38	15.54	15.85
	6	24	15.64	15.95	16.11	16.27	16.60
	24	36	17.16	17.50	17.67	17.85	18.21
	Over 36		18.89	19.27	19.46	19.66	20.05

HEALTH AND WELFARE INSURANCE - EXHIBIT A

This Exhibit sets forth the coverage and benefits of the Health & Welfare Insurance Plan.

For the purposes of dependents' coverage under the Plan, eligible dependents include the wife or husband and unmarried children from birth to their 19th birthday. Also unmarried children 19 years of age and over who are regularly attending school and depend solely upon the employee for support are eligible as dependents until their 23rd birthday. No person may be eligible for benefits both as an employee and as a dependent or as a dependent of more than one employee. Dependents become eligible on the same date as the employee, or if acquired later, on the date they become eligible dependents.

(1) Group Term Life Insurance

The Health & Welfare Insurance Plan will include Group Term Life Insurance. Benefits will be payable as a result of death from any cause, on a twenty-four (24) hour coverage basis.

Coverage: Two (2) times the employee's annual base salary.

(2) Accidental Death and Dismemberment Insurance

In addition to the above Group Term Life Insurance coverage, the Health & Welfare Insurance Plan will include Accidental Death and Dismemberment Insurance, on a twenty-four (24) hour coverage basis.

Coverage: (Accidental Death)
\$60,000.00 per employee

(3) Medical Plan

Includes Extended Health Care for various items not provided for under the Medical Services Act.

(4) Non-Occupational Accident and Sickness Insurance

(a) Weekly Indemnity: qualifying period effective date of ratification; first day of accident, first day of hospitalization, fourth day of illness; benefit payment will be 66 2/3% of regular hourly rate for a maximum period of 15 weeks.

If an employee undergoes outpatient surgery in a hospital or clinic during the first four (4) days of a work absence, not due to Workers' Compensation Board injury, then benefits will commence on the first day such surgery is undergone.

- (b) Long-Term Disability Insurance: after 15 weeks on Weekly Indemnity, the Long-Term Disability benefits will become effective and continue until the end of the illness or retirement, whichever comes first, at 50% of the hourly rate paid monthly to a maximum of \$1,750 per month. Benefits will be calculated at 50% of pre-disability gross earnings to a maximum of \$1,750.00, with a maximum from all sources equal to 75% of net pre-disability earnings.
- (c) In the event of a Workers' Compensation Board claim being disputed, the employee will be eligible for Non-occupational Accident and Sickness Insurance provided that if the Workers' Compensation Board claim is subsequently established the employee will then repay the weekly indemnity payment received to the insurance company.
- (d) The Union agrees that the U.I.C. premium rebate received by the Company on behalf of the employees will be retained by the Company.
- (e) The company will compensate an employee to a maximum of thirty dollars (\$30.00) towards the fee charged by a physician for the completion of the medical certificate of illness. If such certificate is required to support an employee's claim for benefits pursuant to the weekly indemnity and long term disability plans. Payment will be initiated upon production of a formal receipt from attending physician.

(5) **Dental Plan**

The pulp and paper industry prepaid Dental Plan forms part of the Health & Welfare Insurance Plan. The Company reserves the right to change carriers if so desired, provided the benefits remain unchanged.

The maximum benefit payable to any insured individual during any calendar year is \$2,000.

Plan A (100% Coverage)

- (i) Diagnostic Services: all necessary procedures to assist the dentist evaluating the existing conditions to determine the required dental treatment, including oral examinations, consultation, X-rays (complete mouth X-rays will be covered only once in a three (3) year period).
- (ii) Preventative Services: all necessary procedures to prevent the occurrence of oral disease, including cleaning and scaling, topical application of fluoride, space maintainers.

- (iii) Surgical Services: all necessary procedures for extractions and other surgical procedures normally performed by a dentist.
- (iv) Restorative Services: all necessary procedures for filling teeth with amalgam, synthetic porcelain, and stainless steel crowns. Gold inlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restorations.
- (v) Prosthetic Repairs: all necessary procedures required to repair and reline fixed or removable appliances.
- (vi) Endodontics: all necessary procedures required for pulpal therapy and root canal filling.
- (vii) Periodontics: all necessary procedures for the treatment of tissues supporting teeth.

Plan B (subject to 50% co-insurance)

- (viii) Prosthetic Appliances and Crown and Bridge Procedures:
 - (a) Crown and bridges
 - (b) Partial and/or complete dentures but not more than once in five years

Plan C (subject to 50% co-insurance)

Orthodontic treatment with a lifetime benefit of \$2,500.00 per insured family member.

Note: The above Dental Care Plan is compulsory to all employees.

Experience with the Plan will be reviewed annually by the Company and the Union with the understanding that no changes will be effected without the mutual agreement of both parties.

(6) **Vision Care Plan**

The plan will provide for **\$225.00 in year 1 and \$250.00 in year 3** for the purchase of one set of single vision, bifocal, or trifocal lenses (including contact lenses or prescription sunglasses) and frames every 24 months for employees and eligible dependents over age 19; and every 12 months for employees or eligible dependents under age 19.

With the understanding that the employees Group Insurance Plan is a National plan and changes may not be able to be made specific to a Branch, the Branch agrees to cover vision care expense up to, and including, the specific amounts given above. A receipt must be submitted to claim this expense.

(7) **Cost Sharing**

Costs of the coverage and benefits made available to participating employees under the Health & Welfare Insurance Plan will be shared between the employees and the Company as follows:

	<u>COMPANY</u>	<u>EMPLOYEES</u>
a) Group Term Life Insurance	100%	-
b) Accidental Death and Dismemberment Insurance	100%	-
c) Medical Plan Extended Health Care and Extended Health Co. Insurance	100%	-
d) Weekly Indemnity	100%	-
e) Long-Term Disability	-	100%
f) Dental Care Plan	100%	-
g) Vision Care	100%	-

(8) **Employee Eligibility**

All employees on attaining three (3) months service are covered under the group insurance plans subject to the terms and conditions outlined and described in the Company booklet.

(9) CARRIER PAYING BENEFITS

If there is a delay in an employee receiving medical benefits after 2 weeks of submitting properly completed application forms, the employee will be placed on the Company payroll and receive their benefit monies directly from the Company. Such monies to be paid back to the Company immediately upon receipt of benefit monies from the Carrier.

(10) MEDICAL INFORMATION

The Company recognizes an employee's right to privacy. With this in mind it is the Company's policy that no employee will be privy to an employee's medical information, except for the following senior managers: General Manager; Administration Manager; and Plant Manager, unless a proper release of medical information has been given by the employee affected.

SEVEN DAY OPERATIONS - EXHIBIT B

The Company may introduce seven days operations provided the Company gives the Union three months notice. Seven-day operations will be established on the following conditions:

Capable volunteers will first be solicited to work the seven (7) days schedule. If not enough capable volunteers are found, junior employees will be required to work these shifts;

There will be no implementation or discontinuance costs for the Company (i.e.: changes from eight (8) to twelve (12) hour shifts, or their reversal);

Since every problem or situation, which may arise, cannot be anticipated, it is understood that any problems will be resolved in the spirit that no financial gain for either party will occur.

The Company will not be required to pay any cost or make any payments greater than those established by the labour agreement.

The shift schedule will be determined through mutual agreement of the parties.

If the Company and Union agree to a schedule, which averages a forty-two (42) hour work week, employees may bank the excess hours (i.e.: two (2) hours). The rules regarding banking are set out in Article 6, page 13.

The parties agree to try to find a forty (40) hour schedule to cover the seven (7) day operations in which case the provisions of the collective agreement will not have to be amended.

If however, the parties are unsuccessful in their goal and a forty-two (42) average hour schedule is implemented the following changes to the agreement will apply:

- a) Vacations/supplemental vacations - one (1) week of vacation equals **forty two (42)** hours pay;
- b) Statutory holidays - as per Article 4, Section 4;
- c) Article 10, Section 2 - training - change from ten (10) days to eighty (80) hours;
- d) Bereavement leave - Change from a maximum of three (3) [eight (8) hour] days to a maximum of two (2) [twelve (12) hour] days;

- e) Probationary period - change from (60) days to four hundred, eighty (480) hours worked;
- f) Overtime - If agreed to schedule is irregular, (i.e.: if it is forty-eight (48) hours one (1) week and thirty-six (36) hours next) the overtime will be paid hours beyond the normal schedule (i.e.: over forty-eight (48) hours in one (1) week and in excess of thirty-six (36) in the next. If twelve (12) shifts are implemented, time and one half will be paid for the first three (3) hours of overtime. Double time will be paid for all overtime in excess of three (3) in a day. No overtime will be paid to employees working their normal shifts on Saturdays and Sundays. Employees who work on a statutory holiday, as part of their regular shift will be paid double time for all hours worked (plus their normal statutory holiday pay as set out above).
- g) If twelve (12) hour shifts are established, a meal allowance **Ten dollars (\$10.00)** will be paid if an employee works for more than (2) hours beyond the end of his/her regular twelve (12) hour shift or is required to work more than two (2) hours before the start of his/her regular shift.
- h) Shift differentials for twelve (12) hours shifts will be calculated using the existing premiums for eight hour shifts and recalculating them based on the schedule devised. For example if the twelve (12) hour shift runs from 6:00 a.m. to 6:00 p.m. 6:00 a.m. shift premiums will be as follows:

6:00am to 6:00pm Employees will received forty-five (45c) for all hours worked from 3:00pm to 6:00pm

6:00pm to 6:00am Employees will received fifty-five (55c) for all hours worked from 11:00pm to 6:00am.
- i) The Company and Union will meet in good faith to deal with any problems that may arise.

The parties to the Collective Agreement between **Supremex Inc (20XX – 20XX)** and the P.P.W.C., local 5 agree that Exhibit B - Seven day operations, subsection (h) will be administered as follows:

6:00 am to 6:00 pm - No premium

6:00 pm to 6:00 am - 67c per hour worked.

This charge does not change the terms originally agreed to in negotiations, but is made to facilitate administrative simplicity.

SIGNED IN DELTA BC

Dated at Delta BC, This _____ Day of _____ 20XX

SUPREMEX INC.

PULP, PAPER AND WOODWORKERS
OF CANADA LOCAL 5

Eusebio Andre

Rick Jackson

David Richardson

Mike Pigeau

Tony Lai

Glenn Jackson