

**COLLECTIVE
LABOUR
AGREEMENT**

SOURCE	Comp.		
TERMINATION DATE	94	09	16
START DATE	99	09	15
EMPLOYEES NOMBRE D'EMPLOYÉS	140		
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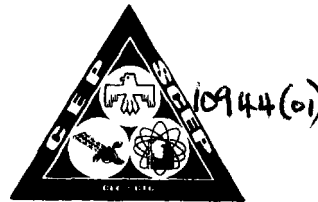
By and Between

**KRUGER INC.
(PACKAGING DIVISION)
(Rexdale Plant 280 Belfield Rd.)
(Rexdale, Ontario)**

and

**COMMUNICATION ENERGY AND
PAPERWORKERS UNION
and it's
Rexdale Local 1646**

September 16th, 1994 to September 15th, 1999



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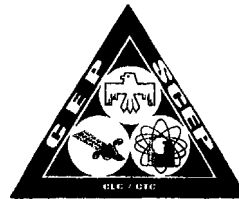
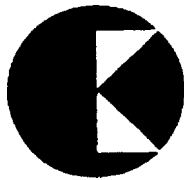


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**ARTICLE 1
PARTIES TO THE AGREEMENT**

1-01 This agreement is made and entered into force as of the 3rd day of March 1995 (date of ratification), by **Kruger Inc.**, Packaging Division, **Rexdale, Ontario (Rexdale Plant 280 Belfield Road)** (hereinafter called the Company), party of the first part and **Communication Energy and Paperworkers Union, and its Rexdale Local 1646**, (hereinafter called the **Union**) party of the second part.

**ARTICLE 2
DURATION OF THE AGREEMENT**

2-01 The present agreement shall be in force from the 16th day of September 1994 to and ~~including the 15th day of September 1999~~. ~~Either party to this Agreement desiring its renewal with or without changes, shall give to the other party in writing notice of its intention, during the ninety (90) days preceding the expiration of the present Agreement.~~

**ARTICLE 3
MANAGEMENT RIGHTS**

3-01 The Union recognizes that the Company has the exclusive rights to manage and operate its Plant and equipment and to carry on its business as it sees fit, subject only to the restrictions imposed by law and by this Agreement, the Company retaining all rights and privileges not specifically relinquished or modified in this Agreement.

**ARTICLE 4
RECOGNITION**

4-01(a) The Company recognizes the Union as the sole representative for purposes of collective bargaining in respect to rates of pay, hours of work, and other conditions of employment for all hourly paid employees of the Company, excluding Managers, Superintendents, Coordinators, Office Salaried Personnel, Watchmen and Guards, as decreed by the Labour Relations Board of the Province of Ontario, recognition certificate issued in favour of the Union on the twenty-fifth of May 1964.

4-01(b) Employees excluded from the bargaining unit will not perform work normally performed by members of the bargaining unit except in cases of instruction.

4-01(c) In cases where an employee is selected to act as Lead Hand he/she remains covered by the Collective Agreement, and he/she will not administer discipline. When a Lead Hand performs the full functions of a coordinator, he/she will not perform work normally performed by members of the bargaining unit.

When acting as Lead Hand, but not replacing a coordinator, he/she may perform work that he/she normally performs.

Lead Hands shall only work overtime after all other bargaining unit employees in the Department have been first offered the overtime.

Lead Hands shall only be used to replace Coordinators for a period of not more than six (6) consecutive months.

4-02 An employee who voluntarily accepted a position outside the bargaining unit shall maintain and continue to accumulate plant seniority for a period of six (6) months for the purpose of transferring back into the bargaining unit. If an employee returns to the bargaining unit, either by the Company's or his/her own choice, he/she shall return to an open job in the bargaining unit while not disturbing any posted employees unless to avoid a lay-off. The application of Section 4-02 shall only apply once to any individual involved except in a case mutually acceptable to the parties of this Agreement.

Any bargaining unit employee accepting a position outside the bargaining unit must continue to pay union dues on a normal basis during the period of time spent outside the bargaining unit.

4-03(a) The Company recognizes the right of its employees to become members of the Union and agrees that there will be no discrimination, interference, restraint or coercion exercised or practised by the Company or any of its representatives with respect to any employee because of his/her membership in, or connection with the Union.

4-03(b) Federal and Provincial Legislation deal with the matter of discrimination in employment against employee and union members on account of race, colour, creed, sex, national origin. As a matter of record, the Company and the Union subscribe to the principles of such legislation.

4-04 The Union agrees that there will be no intimidation, interference, restraint, or coercion exercised or practised upon employees of the Company by it or any of its' members or representatives, and there will be no other member activity during an employee's working hours or on Company leased property, except as herein expressly permitted in writing by the Company

ARTICLE 5 UNION SECURITY AND CHECK-OFF

5-01(a) New Employees shall sign the Union Dues Deduction Authorization Form on the date of hire, to be effective on the first day of the pay period immediately following the day of employment,

5-01(b) Members of the bargaining unit shall as a condition of employment maintain membership in good standing for the duration of this Agreement. In the event the Local Union resolves to

suspend or expel a member for non-maintenance of membership or for cause, the Company shall be notified by the Local Union at least seven (7) days prior to the effective date of such action.

5-01(c) Upon completion of employee's probationary period, new employees shall join the Union.

5-01(d) Upon receipt of the Union Deduction Authorization Form signed by the new employee, the Company will deduct the initiation fee into Local 1646 on the pay period following completion of the employee's probationary period. A duplicate copy of the Union Deduction Authorization Form will be forwarded to the Treasurer of Local 1646. If there should be any change in the amount of such deduction, the Company shall be advised of such change by the Union two (2) weeks prior to the effective date.

5-02 The Company will pay the amount so collected to the Financial Secretary of the Union within the first ten (10) days of the month following the month within which the deductions were made.

5-03 The Union will save the Company harmless from any claims that may arise, either from any deduction from wages in respect to check-off, of the monthly assessment or any action taken at the request of the Union in case of refusal by an employee for check-off of the monthly assessment.

5-04 Should the Company decide to close and to move from its present premises at 280 Belfield Road in Itexdale, Ontario, to another location within the Province of Ontario, the present collective agreement and the Union certification shall continue to apply at the new location, mutatis mutandis.

ARTICLE 6 SHOP STEWARDS

6-01 The Company recognizes the right of the Union to elect nine (9) stewards in total as representatives of the employees on matters that may cause or create grievances or other Union business under the terms of the present Agreement.

6-02 A Steward shall, after notice to and permission from the Coordinator in charge of the Department, or in the Coordinator's absence, the Plant Manager or his/her representative, be allowed to leave his/her job or department after making known his/her destination for the purpose of pursuing his/her responsibilities, such permission shall not be unreasonably withheld. Permission will not be withheld in cases of disciplinary action. The time spent during his/her regular hours of work shall be with no loss of pay.

6-03 The Union will provide the Company with a written list giving the name of each Steward and the area of the Plant to which he/she is assigned. In the event a Steward is changed, the Company is to be advised within forty-eight (48) hours by written memorandum.

6-04 The Company will provide the Union with office space, desk, chair and filing cabinet. The Union to provide their own direct telephone line. Office hours to be restricted to off-shift employees.

ARTICLE 7
EMPLOYEE MOBILITY

7-01(a) LINES OF PROGRESSION

In the case of a vacancy which arises in the line of automatic progression, the employee with the most job seniority in the job classification next in line of progression shall be given a trial and training period of not less than fifteen (15) consecutive working days. Should the senior employee fail to develop the necessary ability to perform the normal work requirements, the next senior employee shall be given the same trial and training period and so on down the line of seniority until an employee is satisfactory to perform the normal work requirement.

The trial period may be prolonged with agreement of the parties. Should an employee not meet the normal job requirements, the employee will be returned to his/her former job.

7-01(b) When a vacancy arises at the entry of a line of progression, the Company will post on the Plant Bulletin Boards for a period of three (3) working days, the vacant position. All employees interested in the vacancy must make application within the (3) working days of the posting. Employees applying for the vacancy realize that they are expected to move within the lines of progression and learn all the jobs to be performed. The job posting for the entry job in a line of progression shall be awarded on the basis of seniority, provided the employee has the ability to progress through the lines of progression as defined in this Collective Agreement. Copies of all job postings will be given to the Union for their files.

This is to apply only to application after November 1, 1978. However, during the life of the agreement, the parties will attempt to resolve the problem associated with automatic progression within the lines of progression. The employee's ability shall be determined after the minimum trial and training period of fifteen (15) consecutive working days on the job or such longer period as may be mutually agreed by the parties.

7-02 PROMOTIONS & DEMOTIONS

Promotion or demotion shall be done on a job seniority basis provided the employee is qualified to do the job in question at the time of the promotion or demotion. No employee shall be precluded from applying for a job in lateral or lower position.

7-03(a) JOB POSTINGS

(f) When a vacancy arises or a new job is created, other than those referred to in 7-03(b) (selected jobs), this position will be posted on the Bulletin Board for three (3) working days. All employees interested in the vacancy must make application within three (3) working days from the time the position is posted.

(ii) The position must be awarded on the basis of seniority.

(iii) Job posting disposition must be announced within **five (5)** working days following the expiry date of posting.

(iv) Trial and training period to commence within ten **(10)** working days following the current work schedule unless mutually agreed by **both** parties.

(v) In a case of promotion if it is evident, after a trial period of not less than **(U)** consecutive working days on this new **job** that the selected employee **does** not have the necessary ability or competence to perform the normal work requirements or if in the opinion **of** the employee concerned the new job **is** not satisfactory, he/she shall **return** to his/her original **job** and the next senior qualified employee will be selected. Trial period may be extended as mutually **agreed** by both parties.

(vi) Copies of all job postings will be given to the Union for their files.

7-03(b) PRESELECTION

(I) In the case of selected jobs, the **Company** will post for spares as required in accordance with 7-03(a).

(II) The successful applicant will receive a training period of not less than fifteen **(15)** working days and should the employee not have the necessary ability or competence to perform the normal work requirements, or if in the opinion of the employee, the new job is not satisfactory within the fifteen **(15)** days, he/she shall return to his/her original job and the next senior employee will be selected. Trial period may be extended as mutually agreed.

(III) Should the job become open on a permanent basis, the successful applicant shall have the option to decline the permanent job, however he/she shall perform the **job** duties until such **time** the vacancy has been filled as per 7-03(a). It is **understood** that an employee can only hold one **(1)** back-up position at a time.

7-04(a) LAY-OFF

In the event it becomes necessary to release or lay-off employees because of major curtailment in operation, line of progression in inverse order shall apply to the level of the lowest job in the department concerned. Where the lowest job in the department is concerned, the employee with the shortest plant seniority shall be released first and the employee with the longest plant seniority shall be released last, provided he/she has the skill and ability to perform the work required. **An** employee subject to lay-off who claims he/she **possesses** the skill and ability to perform the normal duties of the job in question shall be given a familiarization period of not less than five **(5)** working days to exhibit such qualifications.

7-04(b) With the exception of trade classifications (mechanics, electricians and stationary

engineers), it is **agreed** that in all cases of lay-off, probationary employees including students, will be released first.

7-05 Employees will receive not less than two (2) days notice regarding lay-off, except that employees working the first (11-7) scheduled shift of the week shall receive not less than one (1) day notice of lay-off. Such notice to be given in writing to the employees, at work, or by telegram or courier to their last known address and telephone number.

7-06 RECALLS

Recalls following lay-off shall be in inverse order to the lay-off procedure provided the employee has the ability to perform the normal requirements of the work required. Employees who were transferred to other jobs as well as employees being recalled, shall be returned to their regular job classification as soon as a vacancy exists.

7-07(a) TEMPORARY VACANCY

A temporary vacancy is defined as a job of less than thirty (30) working days duration being caused by absence of an employee by reason of illness, accident, vacation, paid leave or approved leave of absence.

7-07(b) FILLING TEMPORARY VACANCIES WITHIN LINES OF PROGRESSION

Filling temporary job vacancies within lines of progression that occur following the posting of the next weeks' work schedule that cannot be filled by promoting a qualified incumbent in the lines of progression on the shift where the vacancy exists, then the vacancy may be filled by assignment for that reference work week following which Article 7, Section 7-01 will apply.

7-07(c) FILLING TEMPORARY VACANCIES OUTSIDE LINES OF PROGRESSION

Filling temporary job vacancies not in lines of progression will normally be filled with qualified employees within the Department, provided that any qualified employee may be assigned to fill the job without disrupting the shift schedule, except in cases where temporary vacancy exists through illness, and/or accident and the estimated return to work date is known, and that such date is in excess of thirty (30) working days duration then the vacancy shall be subject to the application of Article 7, reference Article 7-03(b).

**ARTICLE 8
SENIORITY**

8-01 The parties to this Agreement recognize three (3) types of seniority:

- (a) Job Seniority
- (b) Departmental Seniority
- (c) Plant Seniority

8-02 "Job Seniority" shall accrue from the last day of entry into a regular job classification upon completion of thirty (30) continuous worked days in that classification, except as acquired in 7-07.

8-03 "Departmental Seniority" shall accrue from the last date of entry into the department, to a regular employee, on completion of thirty (30) continuous worked days in the department, except as acquired in 7-07.

8-04 "Plant Seniority" shall accrue from the last date of entry into the service of the Company, to a regular employee, on completion of his/her probationary period.

8-05 "Probationary Employee" is defined as being an employee who has less than forty-five (45) calendar days of uninterrupted service with the Company. Such an employee will not accrue seniority with the Company nor have recourse to the provisions of Article 9 "Adjustment of Grievances". However, in all other aspects of his/her employment he/she shall be governed by the terms of this Agreement.

8-06 AN EMPLOYEE SHALL FORFEIT ALL SENIORITY RIGHTS WITH THE COMPANY

(a) If he/she voluntarily leaves the employ of the Company.

(b) If he/she is discharged and not reinstated pursuant to the provisions of the grievance procedure.

(c) If he/she has been laid off for a period equal to his/her length of service or a period of two (2) years (24 months). Whichever is less.

(d) If, after a lay-off, he/she fails to return or give a legitimate reason for being unable to do so within five (5) working days after being recalled by telegram or courier or registered mail sent to his/her last known address.

(e) If he/she fails to return for work at the expiration of an approved "leave of absence".

(f) If an employee refuses to pay Union dues and/or assessments.

8-07 If an employee is absent because of sickness or accident, his/her seniority will accumulate for a period equal to his/her length of service up to a maximum of twenty-four (24) months whichever is less following which his/her seniority will be maintained to such time that the employee is declared medically fit to resume the functions of whatever job is available at that time.

8-08 SUMMER STUDENTS

- (a) Summer Students may be hired during the period from the 1st Monday in May up to and including the Labour Day week-end.
- (b) Union dues are payable as per Collective Agreement
- (c) Seniority does not accrue during summer employment.
- (d) Summer students do not benefit of the grievance procedure in case of termination nor the benefits package. Summer students shall be paid the hourly student's rate as set in Appendix "A".
- (e) Overtime will be offered to regular on shift employees in the department before it being offered to the summer students in that department.
- (f) Weekend overtime will be offered to all regular employees in the Department before being offered to the Summer Students.

ARTICLE 9 ADJUSTMENT OF GRIEVANCES

9-01(a) ~~Should~~ a grievance arise it shall be handled as follows. Prior to filing a formal grievance, an employee will, with the assistance of his/her Steward if he/she so desires, refer the matter on an informal basis to his/her immediate Coordinator. This discussion must take place within five (5) working days of the occurrence of the event giving rise to the complaint. If the grievance cannot be settled as a result of this discussion, then it may be dealt with as follows.

STEP 1 - The employee shall file a written grievance with his/her immediate Coordinator within five (5) working days of discussing the matter with his/her Coordinator. The Coordinator shall answer the grievance within three (3) working days. Except in cases of disciplinary action, the written grievance shall state the matter at issue in concise terms and shall state precisely in what respect the Agreement has been violated or misinterpreted by reference to the specific clauses or clauses relied upon and shall also stipulate the nature of relief or remedy sought.

STEP 2 - If the grievance is not resolved at the STEP 1, it may be referred to the Personnel Coordinator within five (5) working days after receipt of the Coordinator's reply at STEP 1. The Personnel Coordinator shall convene a meeting with the Local Union Vice-president within five (5) working days after receipt of the grievance and shall answer the grievance in writing within five (5) working days of such meeting.

STEP 3 - If the grievance is not resolved at STEP 2, it may be referred to the General Manager or his/her appointed representative within five (5) working days after receipt of the Personnel Coordinator's reply at STEP 2. The General Manager or his/her appointed representative shall

convene a meeting with the Local Union President within five (5) working days after receipt of the grievance and shall answer the grievance in writing within five (5) working days of such meeting.

STEP 4 - If the grievance is not resolved at STEP 3, it may be referred to the Corporate I.R. Director within five (5) working days after receipt of the General Manager's or his/her appointed representative's reply at STEP 3. The Corporate I.R. Director shall convene a meeting with the Communication, Energy and Paperworkers Union Representative and the Local Union Executive within ten (10) working days after receipt of the grievance and shall answer the grievance in writing within ten (10) working days of such meeting. Failing a satisfactory settlement, the grievance may be referred to arbitration by the Union within a further thirty (30) calendar days.

(b) Any grievance involving disciplinary action shall be referred to STEP 3 of the grievance procedure.

(c) No employee shall be disciplined or discharged without just cause.

(d) A Union or Company grievance may be presented, starting at STEP 3, on matters of a general nature relating to the application, administration or interpretation of the Collective Labour Agreement provided such grievance cannot be otherwise brought forward as the grievance of an employee or group of employees.

The Union or Company's decision shall be given in writing and, failing satisfactory settlement, the grievance may be subject to the arbitration procedure.

(e) The time limits specified in this Article may be extended by mutual agreement of both parties.

(f) In the event the Union or the Company decided to submit the grievance to arbitration, the grievance will be referred to a single Arbitrator chosen by the parties, or failing agreement, an Arbitrator designated by the Minister of Labour of the Province of Ontario.

(g) In cases of arbitration under the procedure outlined above, the Arbitrator to whom any grievance shall be submitted, shall have jurisdiction and authority to interpret the provisions of this Agreement in so far as shall be necessary to the determination of such grievances, but shall not have jurisdiction or authority to alter in any way the provisions of this Agreement.

Except, however, in determining any grievance arising out of discharge or other discipline, the Arbitrator may dispose of the claim by affirming the Company's action and dismissing the grievance or by setting aside the disciplinary action involved and restoring the griever to his/her former position with or without compensation or in such manner as may in the opinion of the Arbitrator be justified. Such decision shall be final and binding on both parties to this Agreement.

Two Shift Schedule:
7:00 a.m. to 3:00 p.m. (includes a 20 minute paid lunch period).
3:00 p.m. to 11:00 p.m.

Three Shift Schedule:
7:00 a.m. to 3:00 p.m. (includes a 20 minute paid lunch period)
3:00 p.m. to 11:00 p.m.
11:00 p.m. to 7:00 a.m.

STATIONARY ENGINEERS AND FIREMEN

One Shift schedule:
6:00 a.m. to 3:00 p.m. (includes a 20 minute paid lunch period).

Two Shift Schedule:
6:00 a.m. to 3:00 p.m. (includes a 20 minute paid lunch period).
3:00 p.m. to 11:00 p.m.

Three Shift Schedule:
7:00 a.m. to 3:00 p.m. (includes a 20 minute paid lunch period).
3:00 p.m. to 11:00 p.m.
11:00 p.m. to 7:00 a.m.

11-03(a) The above schedule for hours of work are not to be interpreted as a guarantee from the Company of daily or weekly hours of work.

11-03(b) All Plant personnel scheduled on machinery which is running continuously shall be entitled to a thirty (30) minute paid meal period, without shutting the equipment down.

All personnel shall take their meal periods as follows, without shutting the equipment down.

Day Shift:	between 11:00 a.m. and 1:30 p.m.
Afternoon Shift:	between 7:00 p.m. and 9:30 p.m.
Night Shift:	between 3:00 a.m. and 5:30 a.m.

However, as regards continuous operations during rest and meal periods, it is agreed that a minimum of two (2) employees shall operate equipment designated to run continuously.

Further, if an additional person is required on another machine during rest and meal periods, they shall be provided as needed.

It is further understood that this method of continuous operation during rest and meal periods is not intended to reduce the number of employees per machine.

11-04 Employees shall be at their respective working place ready to begin work at the designated starting time and shall not leave their working place without permission from their immediate coordinator until the regular hours of work have been completed. "Except that all employees on Presses and Flexos shall be allowed a five (5) minute wash-up before their regular quitting time".

11-05(a) It is the duty of each and every employee to report for his/her regular shift unless he/she has arranged for a leave of absence on the day before, or if unavoidably prevented from reporting for his/her regular shift on the day he/she is scheduled to work, he/she notified the Company (telephone Number 675-6223) at least two (2) hours before the start of his/her own shift and obtain leave of absence.

11-05(b) In the event an employee is unavoidably prevented from reporting to work on time he/she shall:

1. Advise his/her coordinator as soon as possible by telephone.

OR

2. Report to his/her coordinator upon arrival at the plant.

11-06 All employees on two or three shift schedules shall rotate from shift to shift in sequence weekly, unless by mutual agreement the shift schedule is changed.

ARTICLE 12 OVERTIME

12-01 OVERTIME PREMIUM PAY

(a) Time and one-half (1 - 1) the employees occupational rate of pay for all hours worked in excess of eight (8) hours per day, in excess of forty (40) hours worked per scheduled work week.

(b) Double (2) time the employees occupational rate of pay for all overtime hours in excess of eight (8) hours of work between 11:00 p.m. Saturday and 11:00 p.m. Sunday and all overtime hours worked in excess of eight (8) hours of work on credited paid holidays recognized by this Agreement.

12-02 Employees may be requested to work a longer work day or a longer work week when in the opinion of the Company such additional time is necessary. However, it is recognized that such overtime is voluntary.

12-03 When overtime is to be worked at the end of a shift which appears to be of two (2) hours duration but less than four (4) hours, a ten (10) minute rest period shall be allowed at the end of a regular shift. If such overtime is continued for a period of four (4) hours or more, an additional thirty (30) minute paid lunch period shall be allowed.

12-04(a) Overtime will be distributed as evenly as possible among all employees on same job classification and within the Department.

12-04(b) Overtime distribution will be reviewed on a quarterly basis

12-04(c) All overtime hours worked and/or refused will be entered in a log provided for this purpose and kept up to date by the coordinator.

12-04(d) Actual overtime worked shall be posted and overtime requested and refused will be posted with an "R".

12-04(e) The log will be made available upon request to the Union for review in the event of a dispute. The overtime log compiling the distribution of overtime will revert to zero (0) January 1st of each year.

12-04(f) Four (4) copies of the overtime list will be made available to the Local Union in the first week of each month, one (1) of which will be posted.

12-05 OVERTIME DISTRIBUTION

Should overtime occur during the week (i.e. Monday to Friday) the following procedure will apply.

12-05(a) OUTSIDE LINES OF PROGRESSION

1. The on shift employees scheduled on the same job classification for which overtime work is required, will first be asked to work such overtime hours. Failing this,

2. Said overtime will be offered to the on shift qualified employee of the department. Failing this,

3. Said overtime will be offered to the on shift qualified employee outside the department. Failing this,

4. Said overtime will be offered to the off shift employee on the same job classification.

5. Where said overtime is expected to be of eight (8) hours duration, the next scheduled employee on the same job classification on the off shift, will be called to share the overtime with the previous on shift employee. Should he/she refuse, another qualified employee will be assigned.

12-05(b) WITHIN LINES OF PROGRESSION

1. Where a vacancy cannot be filled by upward mobility and results in overtime to be worked

2. Said overtime will be offered to the on shift employee on the same job classification. Failing this,

3. Said overtime will be offered to qualified employees on the on shift and in the same department. Failing this,

4. Qualified employees outside the department on the same shift will be offered the overtime. Failing this,
5. The overtime will be offered to the off shift employee on the same job classification.
6. Where said overtime is expected to be of eight (8) hours the next scheduled employee on the same job classification on the off shift, will be called to share the overtime with the previous on shift employee.

12-06 WEEKEND OVERTIME

Should overtime be required during the week-end, the following will apply: To employees scheduled on the machine centre within the same job classification;

12-06(a) The day shift from the previous week will first be offered Saturday overtime and Sunday overtime will be offered to the day shift of the following week.

12-06(b) The midnight shift will first be offered Friday night overtime.

12-06(c) The afternoon shift will be asked to fill-in declined opportunities.

12-06(d) As concerns the position of "Truckers" and for the sole purpose of overtime distribution, will be considered as departments: Press, Finishing and K-Litho. Overtime will be distributed as above failing which, overtime will then be offered to employees with the least overtime on the same job classifications in other departments and the same rules as above will apply.

12-06(e) For overtime purposes, an employee working three (3) days on the job where the overtime is to be worked of the scheduled work week, shall be recognized as being scheduled on the same job classification, as long as he/she is not absent when such overtime is being requested.

If no one is scheduled on the same job classification, the overtime shall be distributed to the employee on the machine centre, with the least overtime in accordance with 12-06 (b) and (c).

12-07 If following the review of overtime distribution, the Company and Union agree that the differential of overtime hours exceeds an acceptable level between employees on the same jobs, the employee with the lowest hours, shall be offered the week-end overtime until such time that the margin is acceptable.

12-08 Overtime generated due to an employee being absent because of sickness, accident, vacation and leave of absence will not be included in the calculation of the imbalance for purposes of overtime and equity comparison.

12-09 When it becomes necessary to assist with general plant clean-up and/or painting, a notice will be posted for those employees interested to apply. The employee with the least overtime that

has applied will be selected. It is understood that the overtime listing on the day the notice is taken down, will be used to determine which employee is eligible for the overtime.

12-10 For overtime purpose, holidays recognized by this agreement, falling on Saturday and/or Sunday shall be celebrated on the following Monday, and if worked, shall be paid as specified in article 12, section 12-01.

ARTICLE 13
SHIFT CHANGE, TRANSFER, ETC.

13-01 An employee wishing to change shifts with another employee shall first obtain permission to do so from his/her immediate coordinator. His/her request must be submitted in writing, except in cases of emergency, on the form available from the Company and signed by the two (2) employees. Any shift changes arranged between two (2) or more employees shall not under any circumstances occasion a request for overtime or other premium pay as a result of the shift change. Permission shall not be unreasonably withheld.

13-02 When a coordinator or Plant Manager requests an employee to change shifts during the normal work week for the convenience of the Company, the employee will receive time and one-half for his/her first shift unless the shift change is in lieu of lay-off. For reasons other than lay-off, an employee that is required to change shifts will not work less hours than his/her normal scheduled hours for that week.

13-03 If it becomes necessary to transfer an employee temporarily at a lower rated job, he/she shall be paid at his/her regular job rate except:

(a) When the transfer is made at the request of the employee.

(b) When a transfer is made in lieu of a lay-off, in such cases, he/she shall be paid at the rate of the job to which he/she is assigned.

13-04 An employee who is temporarily assigned to a higher rated job shall be paid at the higher rate, for the actual hours worked on the higher rated job.

13-05 When new job classifications are created or existing job classifications substantially changed, Management and the Union shall meet and discuss such additions or changes and, if possible, reach agreement on wages before such additions or changes are put into effect. If agreement cannot be reached, the rate proposed by Management, will be instituted, but will be subject to further negotiations held for the purpose of renewing the Collective Labour Agreement, unless either party wished to submit the matter to arbitration in the manner described under Article 9 "Adjustment of Grievances" starting at 9-01(f).

ARTICLE 14
WAGES

14-01 The scale of wages of regular employees affected by this Agreement will form Appendix "A" and will be considered as part of this Agreement.

14-02 SHIFT DIFFERENTIAL ADJUSTMENTS

All shift employees shall be entitled to a shift differential on the following basis:

Date of ratification	9/17/95	9/15/96	9/14/97	9/13/98
3:00 pm to 11:00 pm	.45	.50	.55	.60
11:00 pm to 7:00 am	.65	.70	.75	.80
			.80	.90

Subject to the following exceptions:

- (i) Hours worked to complete a day shift.
- (ii) When premium rates are applied.
- (iii) When calculating holiday pay or overtime.

14-03 MEAL ALLOWANCE: Effective date of ratification: \$6.00.

A meal allowance will be paid to each employee who works more than ten (10) consecutive hours in any one (1) day.

ARTICLE 15
JOB RANKING

15-01 The company will continue to monitor the status of the job ranking program which is being reviewed in other sectors of the Eastern Corrugated Industry. The purpose of the monitoring will be to evaluate and discuss with the Union what possible future impact, if any, such a program could have on the wage rate structure of the Plant. It is understood that this is not a commitment to implement a job ranking program.

ARTICLE 16
PAID HOLIDAYS

16-01 The following days shall be observed as paid holidays

- | | |
|--------------------|-------------------|
| New Year's Eve Day | Civic Day |
| New Year's Day | Dominion Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Christmas Eve Day |
| Labour Day | Christmas Day |
| January 2nd | Boxing day |

16-02(a) All hourly paid employees who have been in the employ of the Company for at least fifteen (15) working days immediately preceding any of the above holidays shall be entitled to eight (8) times the employee's regular hourly rate for each of the above holidays, provided he/she has worked their last scheduled shift preceding the holidays and their first scheduled shift following the holidays and provided that he/she has worked at least one day during the thirty-five (35) working days immediately preceding the holiday, unless he/she is absent with prior written permission from the Coordinator or for a reason acceptable by the Plant Manager.

16-02(b) Except the employee who is absent from work during the period preceding such holidays as provided above through sickness and/or accident shall be credited for the paid holiday. Medical proof of such absence will be required.

16-03 Any of the above mentioned holidays may be changed to a more suitable day when such change is agreeable to the Company and the Union. Such agreements shall be in writing and suitable notice of change shall be posted on the bulletin board.

16-04 An employee requested to work on any of the above mentioned holidays shall be paid in accordance with Article 12, Section 12-01 plus the eight (8) hours holiday pay.

16-05 In the event a paid holiday falls within an employee's vacation period, he/she shall have a day off with pay, at a mutually convenient time to the employee and coordinator.

ARTICLE 17 VACATION LEAVE

17-01 It is agreed that all hourly paid employees of the Company who meet the following requirements will be granted a vacation leave with pay.

(a) Employees with less than one (1) year of continuous service with the Company as of April 30th of the current year shall be entitled to a vacation leave of one half (1/2) day for each completed month of service from their most recent date of hire and will receive as payment four (4) percent of their earnings for the period used in determining their vacation leave.

(b) Employees with one (1) but less than four (4) years of continuous service with the company as of April 30th, of the current year shall be entitled to a vacation leave of two (2) weeks.

(c) Employees with four (4) but less than nine (9) years continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of three (3) weeks.

(d) Employees with nine (9) but less than twenty (20) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of four (4) weeks. Effective April 30th, 1996 twenty (20) years of continuous service is replaced by eighteen (18) years of continuous service.

(e) Employees with ~~more~~ twenty (20) but less than twenty-five (25) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of five (5) weeks. Effective April 30th, 1996 twenty (20) years of continuous service is replaced by eighteen (18) years of continuous service.

(f) Employees with more than twenty-five (25) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of six (6) weeks.

17-02 Vacation pay will be calculated at 4%, 7%, 9%, 10% or 12% as applicable of gross earnings including vacation pay, from May 1st of the preceding year or forty (40) hours at the employee's regular straight time rate, whichever is greater, for each week of vacation leave, except if an employee's service is interrupted by an approved leave of absence, the forty (40) hours per week basis will not apply.

17-03 Employees within a department will be given the opportunity to choose with their coordinator, their vacation leave but under no circumstances will vacation leave be allowed to interfere with Plant operations. In cases where vacation leave requested conflict, preference will be given to the employee with the longest plant seniority.

17-04 Except as may be mutually agreed between Union and Management, vacation leave shall be taken at any time within the calendar year and at such time as, in the opinion of the Company, the services of the employee can be spared. Vacation pay to be paid weekly, at the pay period preceding each vacation period. Employees must take their vacation credits in the applicable vacation year.

17-05 The Company reserves the right generally to administer the vacation leave plan in accordance with the above provision and the Company's decision shall be final on all questions arising out of the administration of the plan. The Company will attempt to have the vacation schedule posted by May 1st of the vacation year. The Company will provide the Union with a copy of the vacation schedule and a record of any changes.

ARTICLE 18 BEREAVEMENT LEAVE

18-01 When death occurs in the immediate family of an active permanent employee, such employee will benefit from a paid leave as follows:

1. Five (5) consecutive working days paid leave for spouse and children of the employee.

2. Three (3) consecutive working days paid leave for his/her Father, Mother, Father-in-law, Mother-in-law, Brother, Sister, Brother-in-law, Sister-in-law, Grandparents, Grandparents-in-law, Grandchildren, Step-mother, Step-father, and Step-children of the Employee.

In order to be entitled to bereavement leave and pay, the employee must provide evidence of the death to the company.

18-02 The employee shall be paid for the number of hours he/she would have normally worked at his/her regular straight time occupational rate.

**ARTICLE 19
LEAVE OF ABSENCE**

19-01 Leave of absence, without pay for legitimate personal reason, may at the discretion of the Plant Manager, be granted for a period not to exceed three (3) months. The application must be made in writing and the reasons stated.

19-02 Leave of absence without pay, without loss of seniority or other benefits shall be granted to members of the Executive or their delegates for the purpose of attending or conducting essential Union activities.

It is understood that such leave will be granted provided that the Plant Manager receives prior notification of five (5) regular working days, and provided such leave does not affect the efficiency of the Plant operations.

19-03 MATERNITY LEAVE

The Company will be guided by the Government Legislation in granting Maternity leave.

Leave of absence, without pay up to six (6) months without loss of seniority may be granted in cases of pregnancy. An employee returning to work after maternity leave of absence must give Local Management a doctor's certificate showing that she is physically capable of going back to her normal duties.

The employee may keep her Life Insurance, Dental Care, and Hospital Medical Surgical Insurance in force, during the leave, provided she pays the full premium cost in advance.

**ARTICLE 20
JURY DUTY, CROWN OR SUBPOENAED WITNESS DUTY**

20-01 The Company will pay the difference in wages lost by an employee while serving on, or reporting for Jury Duty, Crown and Subpoenaed Witness Duty where the employee is not personally involved subject to the following conditions:

- (a) The employee has completed his/her probationary period.
- (b) The days eligible for such payments shall be scheduled working days upon which the employee would otherwise have worked.

(c) Providing he/she reports for work immediately upon being released from such duty if such release occurs eight (8) hours prior to the start of his/her next scheduled shift.

20-02 The above referred to wages means hisher regular scheduled hours paid at hisher normal occupational rate of pay and does not include any overtime or other premium pay.

ARTICLE 21
CALLING IN AND REPORTING ALLOWANCE

21-01 Any employee called in to work outside hisher regular hours of work, without previous warning, shall receive not less than four (4) hours pay or time and one half for the hours worked whichever is the greater.

21-02 An employee reporting for work at his/her regularly scheduled time when no work is available at his/her regular occupation, shall be entitled to a minimum of eight (8) hours pay at not less than his/her regular occupation rate, unless previously notified to the contrary no less than two (2) hours prior to the start of hisher scheduled shift. If requested by the Company, he/she shall be required to perform a minimum of eight (8) hours of such available work as the Company may assign. This article shall not apply in cases of major breakdown or other causes beyond the control of the Company.

ARTICLE 22
AUTOMATION

22-01 The Company will advise the Union as soon as possible, and in any case not less than ninety (90) days before introduction thereof, technological changes and/or automation which the Company had decided to introduce that will result in significant changes to the employment status of employees.

22-02 Any employee who is permanently set back to a lower paid job because of technological change or automation, will receive the rate of his/her regular job at the time of the set back for a period of six (6) months. For a further period of six (6) months, he/she will be paid an adjusted rate which will be midway between the rate of his/her regular job at the time of the setback and the rate of his/her new regular job. At the end of the twelve (12) month period, the rate of his/her new regular job shall apply.

22-03(a) Should the Company permanently close down the Plant and that as a result of this permanent close down terminates the services of an employee, such employee who is terminated will be entitled to separation pay as follows:

An employee will be entitled to a separation pay equal to two (2)% percent of hisher total earnings for the last full period of continuous employment.

22-03(b) In order to be eligible for severance pay under this section, the Employee must be actively employed at the time of the announcement of the plant closure and remain in the employ of the Company until the closing or until the employee's services are no longer required.

22-03(c) Employees eligible for severance pay as provided by the Government Legislation will receive either the Government Legislated provision or the Company's severance pay provision, whichever is greater.

ARTICLE 23
GROUP INSURANCE PROGRAM

23-01 Unless otherwise stated, the Company agrees to assume the full cost of the Insurance program as detailed in Appendix "B", Exhibits B-1 and B-2 as attached.

23-02 The Company will provide employees with written confirmation of his/her semi-private insurance coverage.

ARTICLE 24
CONDUCT RECORDS

24-01 If an employee's record contains:

(a) A written confirmation of verbal warning, such record shall be withdrawn after two (2) months provided no other records of a misdemeanor is filed during the two (2) month period.

(b) A written warning, such record shall be withdrawn after three (3) months provided no other record of a misdemeanor is filed during the three (3) month period.

(c) A notice of suspension, such record shall be withdrawn after six (6) months provided the employee's record indicated a complete six (6) month period free from any disciplinary reports.

(d) Should any discipline be imposed, it shall be imposed immediately following occurrence, but in no case more than three (3) working days after occurrence.

24-02 When a written record of any disciplinary action is necessary which shall become part of the employee's file, the employee, at his/her request may meet with his/her Union Representative prior to meeting with his/her Coordinator, provided the time required to meet is kept within reasonable limits.

24-03 An employee shall have the right, by appointment with the Personnel Coordinator, to consult his/her conduct record on file in the Company's office.

24-04 The Company will provide the Union with copies of any disciplinary action notices, changes of status notices and job postings of employees as such changes occur.

ARTICLE 25
SAFETY AND HEALTH EQUIPMENT

25-01 Effective date of ratification, the Company will pay \$77.00 not more than once per calendar year, to be applied towards the cost of a new pair of Safety Shoes (9/16/96: \$80.00; 9/14/97: \$85.00; 9/13/98: \$100.00).

25-02 The Company will pay 100% of the cost of providing coveralls for mechanical & electrical personnel in the maintenance department and to all employees while they are involved in machine clean-up at the corrugator and printing departments.

25-03 The wearing of Safety Shoes and other such Safety Equipment as is considered necessary in the opinion of the Company shall be mandatory. Safety shoes must be kept in good condition.

ARTICLE 26
GENERAL

26-01 All employees will be allowed one (1) ten minute rest period each work day to be taken at time designated by the Company. Employees will strictly respect the limitation of the rest period.

26-02 Pay cheques will be distributed in envelopes to employees on Thursday of each week before 3:00 p.m. and will represent the earnings of the previous week and showing Gross Earning year-to-date.

26-03 Whenever a scheduled payday falls on a bank holiday, every effort will be made to issue pay cheques before noon on the preceding day for the day shift.

26-04 It is the responsibility of each employee to ensure that the Company has his/her correct address and telephone number on file in the Payroll Office in order that the Company may quickly contact an employee to advise on lack of work, change of work schedule, etc.

ARTICLE 27
NO STRIKE OR LOCKOUT

27-01 The Union agrees that during the term of this Agreement, neither it nor any of its respective officers, agents or representatives shall cause, authorize, or sanction or permit its respective members to cause or take part in any strike, sit-down, stay-in, slow-down or stoppage of any of the Company's operations or in any curtailment of work or restriction of or interference with production or in any picketing of the Company.

27-02 The Company agrees that during the term of this Agreement, it shall not cause or sanction a lockout.

27-03 Any agreement entered into by the Company and the Union during the term of the present Agreement, shall be recorded in Writing and signed by both parties. Such Agreement shall be valid for the duration of the present Agreement or for such limited period of time as may be agreed to by the parties.

**ARTICLE 28
RESERVATIONS**

28-01 It is agreed that any clause of this Agreement being or becoming in conflict with Federal or Provincial Legislation of public character will be considered as void without affecting the validity of this Agreement.

**ARTICLE 29
HEALTH & SAFETY**

The following conditions have been jointly approved by your Safety Committee, the Executive and Membership of Local 1646 and the Management of Kruger Inc., Packaging Division, Rexdale, Ontario. These conditions are effective as of November 2, 1976.

It was made clear that while Management has a moral and legal responsibility to accident prevention, the same responsibility exists for the worker. The legal responsibility for both parties is clearly defined in the Industrial Safety Act of Ontario 1971, and subsequent amendments.

CONDITIONS APPLYING TO SAFETY COMMITTEE

1. The committee shall meet once a month with officials of the company to discuss matters dealing with Safety, Health and Environmental Conditions affecting employees at work.
2. The Company shall pay committee members for time lost while attending Safety meeting.
3. The company will furnish the Committee Co-Chairpersons with copy of any lost time injury reports as soon as the reports are available.

APPENDIX "A"
WAGES

CLASSIFICATIONS

Effective	Actual	9/17/95 (1%)	9/15/96 (1.5%)	9/14/97 (2%)	9/13/98 (3%)
GRADE 1 General Help	14.47	14.61	14.83	15.13	15.58 <i>BR</i>
GRADE 2 Bundler Utility Slitter-Scorer Take-Off Bobst Take/Off	15.88	16.04	16.28	16.60	17.10
GRADE 3 Printer Slotter Take/Off Flexo Folder Take/Off Bandsaw Operator Trucker Service Person Hand/Partition Strapper Stitcher/Taper Take-Off	16.22	16.38	16.63	16.96	17.47
GRADE 4 Bobst 2nd Person Checker Towmotor Waste Baler Operator Palletizer - Auto Palletizer - Corrugator Litho Laminator 2nd Person	16.55	16.72	16.97	17.31	17.82

CLASSIFICATIONS

Effective	Actual	9/17/95 (1%)	9/15/96 (1.5%)	9/14/97 (2%)	9/13/98 (3%)
GRADE 5	16.91	17.08	17.34	17.68	18.21
Flexo Folder 2nd Person					
Semi-Auto Stitcher Operator					
Semi-Auto Taper Operator					
Slotter Person					
Receiver					
Stacker Operator					
Utility Operator					
Clamp Truck Operator					
GRADE 6	17.26	17.43	17.69	18.05	18.59
Assistant Shipper					
Double Backer					
Slitter Scorer Operator					
GRADE 7	17.58	17.76	18.02	18.38	18.93
Die Mounter					
Modular Slitter Scorer Operator					
GRADE 8	18.00	18.18	18.45	18.82	19.39
Bobst Press Operator					
Single-Face Operator					
Printer Slotter Operator					
Die Maker					
Flexo Rotary Operator					
Flexo Gluer Operator					
Consul Modular Slitter					
Scorer operator					
Litho Laminator Operator					

CLASSIFICATIONS

Effective	Actual	9/17/95 (1%)	9/15/96 (1.5%)	9/14/97 (2%)	9/13/98 (3%)
GRADE 1 Janitor	15.88	16.04	16.28	16.60	17.10
GRADE 1A Maintenance Utility Unskilled Maintenance Oiler Helper Stores Clerk	16.22	16.38	16.63	16.96	17.47
GRADE 2 Mechanic 3rd Class	16.43	16.59	16.84	17.18	17.70
GRADE 3 Mechanic 2nd Class	16.72	16.89	17.14	17.48	18.01
GRADE 4 Mechanic 1st Class Certified Maintenance Electrician	18.75	18.94	19.22	19.61	20.19
GRADE 5 Certified Mechanic "A" (Millwright)	19.57	19.77	20.06	20.46	21.08
GRADE 6 Electrician Electronic (Certified)	22.17	22.39	22.73	23.18	23.88

CLASSIFICATIONS

Effective	Actual	9/17/95 (1%)	9/15/96 (1.5%)	9/14/97 (2%)	9/13/98 (3%)
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BOILER ROOM

GRADE 1

Stationary Engineer 4th Class	17.60	17.78	18.04	18.40	18.96
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GRADE 2

Stationary Engineer 3rd Class	17.93	18.11	18.38	18.75	19.31
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Stationary Engineer 3rd Class (Chief Engineer)	18.76	18.95	19.23	19.62	20.20
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Note: Lead Hands will receive \$0.20 per hour more than the highest paid individual under their charge.

Note: Students will be paid at \$12.47 per hour.

APPENDIX "B"
Exhibit E-1

GROUP INSURANCE

The Company agrees to modify its insurance program and will make the following amendments to its insurance policies. All other provisions of the master policies will remain unchanged.

Subject to the provisions of the master policies, the following modifications will come into effect on the first day of the month following ratification, and will cover only those employees members of the bargaining unit actively at work on the effective date, as well as all new employees who will join the bargaining unit thereafter.

Membership to the plan is mandatory and applies to each type of guaranteed coverage.

1. LIFE INSURANCE

a) Basic Life Insurance

The Basic Life Insurance coverage will be completely paid by the Company and will be as follows:
Amount of insurance: \$25,000.

b) Optional Life

Additional Life Insurance shall be available, without proof of insurability, in multiples of \$10,000, to a maximum of \$50,000.

The optional Life Insurance coverage shall cease at age 65 or upon normal or early retirement.

The optional Life Insurance coverage can only be modified at the time of a change in civil status or by submitting the required proof of insurability to the insurer at the time of reopening of policies at each even-numbered year. The reopening period shall be limited to thirty (30) days and modifications shall take effect on January 1st of the following year.

The monthly premium is entirely paid by the employee and subject to modifications at each yearly renewal of the master contract.

2. ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

The full amount is equal to the Basic and Optional Life Insurance and the total premium shall be paid by the Company.

The percentage of the full amount payable varies depending on the extent of the loss, as shown in the following table.

Loss of Life	100%
Loss of both hands or both feet	100%
Loss of both eyes	100%
Loss of one hand and one foot	100%
Loss of one hand and one eye	100%
Loss of one foot and one eye	100%
Loss of one hand or one foot	50%
Loss of one eye	50%
Loss of one thumb and any finger of the same hand	25%

3. DEPENDENT LIFE INSURANCE

The amount of life insurance payable to the insured at the death of one of his/her dependants shall be as follows:

-Spouse:	\$5,000
-Child:	\$2,500

The total premium shall be paid by the Company.

4. DEPENDENT ACCIDENTAL DEATH INSURANCE

Amount of insurance:

-Spouse:	\$5,000
-Child:	\$2,500

The total premium shall be paid by the Company.

5. a) Hospitalization

No deductible.

100% for unlimited accommodation in semi-private room.

b) Major Medical

Deductible: \$25 per calendar year under both individual and family coverage.

Prescriptions: 100% of all drugs prescribed by a physician or dentist.

Other eligible expenses: 80% of other eligible expenses according to the provisions of the master policy.

The following benefits are part of the present coverage:

1. Services of a licensed, certified or registered physiotherapist up to \$10 per visit subject to a maximum of \$300 per person per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.

2. Services of a licensed, certified or registered chiropractor up to \$15 per visit, subject to a maximum of \$300 per person per calendar year. In addition, expenses of not more than \$20 per x-ray, for up to a maximum of 4 x-rays per person per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.

3. Treatment by a provincially licensed osteopath, naturopath or podiatrist up to \$7 per treatment, subject to a maximum of \$300 per person per calendar year for each such practitioner. In addition, expenses of not more than \$20 per x-ray, for up to one (1) x-ray per person per calendar year, in the case of the osteopath. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.

4. Orthopaedic shoes and foot prostheses will be reimbursed up to one pair per person per calendar year with an annual maximum of \$100.

c) Maximum Benefits

\$25,000 per person per period of 3 consecutive years.

6. DEFINITION OF DEPENDENT

a) Spouse

With respect to coverage currently in force under group benefits, the term "spouse" is defined as follows:

Any person of the opposite sex who:

- i) is legally married to the employee, or
- ii) cohabits with the employee and has been recognized as his/her spouse by their community, for at least one year.

b) Child

With respect to coverage currently in force under group benefits, the term "child" is defined as

follows:

For **Dependent Life and Accidental Death** Insurance – Child means a **person** who is aged more than **14** days but less than **nineteen (19)** years, or less than **twenty-five (25)** if dependent upon the employee for support and maintenance and in **regular** full-time attendance at an accredited institute of learning.

For coverage other than **Dependent Life and Accidental Death** Insurance – Child means a person who is less than **nineteen (19)**, or less than **twenty-five (25)** if dependent upon the employee for support and maintenance and in **regular** full-time attendance at an accredited institute of learning.

7. WEEKLY INDEMNITY

a) Term

1-1-4-52 weeks

1st day - Accident

1st day - Hospitalization(including certified outpatient surgery)

4th day - Sickness

52 - week period

Weekly indemnity shall be paid as follows: from the first **(1)** scheduled workday lost due to an accident or illness requiring hospitalization. The same conditions apply when an employee is admitted to the hospital as an outpatient for surgery.

In such a case, the company will provide the employee with a certificate to **be** completed and signed by the surgeon that completed the surgery and such certificate should be returned to the Company to **be** submitted to the insurer.

The Weekly Indemnity Benefit will be equal to 70% of the employee's regular hourly straight-time rate of his/her permanent classification in effect on January 1st of each year multiplied by the number of hours of his/her regular schedule, for each scheduled workday lost due to total disability payable up to a maximum of five (5) days a week and fifty-two (52) weeks a year.

Effective April 1st, 1995 the benefit will be paid up to \$450 or, if greater, the maximum U.I.C. benefit. This will be integrated with other negotiated and disability benefit.

No benefit will be payable for sickness or accident that occurs during vacation. However, if sickness occurs so that the waiting period is covered during that period of vacation, the benefit will be paid from the first day the employee would have normally been scheduled to return to work.

Benefits will cease upon employee reaching his/her 65 year birthdate or upon termination.

The cost of this benefit will be completely paid by the Company.

b) Joint Committee on Claims Review

A Joint Committee will be established consisting of two (2) members of the local union and two (2) members of management.

This Committee shall deal with **cases** where there is a disagreement between an employee submitting a claim and the insurer.

Said Committee will meet within five (5) working days of the final decision from the insurance company. However, before any meeting can be scheduled, the employee will have to provide the Company with a waiver to allow and discharge the insurer and/or the Company to release and disclose all information pertaining to the claim to the members of the Committee.

If necessary, the national representative of C.E.P. and the Company representative may attend said meeting.

If a disagreement persists, the employee shall have access to the grievance procedure as referred to in **Article 9**.

8. LONG TERM DISABILITY (L.T.D.)

Subject to the other provisions of the Master Policy, the L.T.D. plan will be amended as follows and the cost will be totally paid by the Company.

Eligible Employees: Regular employees who have completed one (1) year of seniority.

Waiting period: Fifty-two (52) weeks.

Maximum Monthly Benefits: 50% of the monthly earnings based on the regular hourly straight time rate of his/her permanent classification, excluding overtime, in effect on January 1st prior to his/her disability (i.e. hourly rate x 2080 hours / 12 x 50%).

Effective April 1st, 1995 the maximum benefit shall be increased from \$1,500 per month to \$1,600 per month.

Effective January 1, 1998, the maximum benefit shall be increased from \$1,600 per month to \$1,700 per month.

Effective January 1, 1999, the maximum benefit shall be increased from \$1,700 per month to \$2,000 per month.

Note: These increases to the maximum benefit will apply only to those employees actively at work on the effective date of the increase. For example, an employee receiving weekly indemnity benefit or on long term disability on the first day of the month following ratification will still be capped at \$1,500 per month.

On January 1st of each year the monthly long term disability benefits in course of payment will be recalculated to incorporate the general wage increase granted during the term of the Labour Agreement subject, however, to the maximum monthly payment in force at the onset of disability.

Integration: Subject to integration with other disability government benefits.

Duration of benefit: Maximum of five (5) years but no payment will be made or shall cease when the employee reaches age fifty-eight (58) if the total pension (including bridge) payable at age 58 is higher than the long term disability benefits payable to the employee. In any case, the long term disability benefits will cease at age 60.

This will apply as of to active employees who can retire voluntarily with an unreduced pension at age 58.

Definition of Total Disability "Totally disabled" means:

a) For Weekly Indemnity: a state of incapacity which is due to bodily injury or sickness, preventing the employee from performing the duties of his/her normal occupation.

b) For a benefit other than Weekly Indemnity: wholly and continuously disabled by sickness or accidental bodily injury which prevents the employee from engaging in any occupation for which he/she is or may become fitted by education, training or experience.

This is as stipulated in the Master Policy.

9. MEDICAL CERTIFICATES

Physician's fees for the preparation of additional medical certificates requested by the insurer for claims under the Weekly Indemnity and Long Term Disability plans, will be reimbursed up to a maximum of \$20 per certificate. This reimbursement of fees will not apply to the original medical certificates or for routine supplementary reports that must be completed to extend the period of benefits.

The premium shall be paid by the Company.

10. VISION CARE

The following vision care expenses incurred by the insured employee or his/her insured dependents will be reimbursed provided they are prescribed by a doctor or an optometrist: frames, lenses and fitting of prescribed glasses, including contact lenses up to a total payment of \$75 per covered person in any two (2) consecutive years from the date of last purchase.

Effective on the ratification date, the maximum benefit is increased to \$100, per person per 24 months.

Effective September 16, 1995, the maximum benefit is increased to \$125, per person per 24 months.

This benefit will cease when an employee is absent from work due to illness or accident for a period exceeding twelve (12) months.

The premium will be entirely paid by the Company.

11. DENTAL PLAN

Effective the first of the month following ratification, the Company will amend its Master Policies to provide eligible expenses under the existing Dental Plan, deemed necessary and incurred while the employee is insured, shall be reimbursed according to the ONTARIO DENTAL ASSOCIATION SCHEDULE OF FEES for the previous year, and accordingly for each year of the agreement.

The Company's maximum monthly contributions to the Plan shall be as follows:

Single coverage: up to \$16.00
Family coverage: up to \$29.00

Effective April 1st, 1995 the maximum of \$1,000 per person per year on other than orthodontics is increased to \$1,500 per person per calendar year.

Effective April 1st, 1995 the lifetime maximum of \$1,000 per person is increased to a lifetime maximum of \$1,500 per person.

The Company is willing to assume the increase in premium, if any, for the above benefits until January 1, 1996. Effective January 1, 1996, the Company's portion of the premium will be limited to the above maximum.

In regards to the Group Insurance program all other provisions of the Master Policies will remain unchanged.

12. GENERAL

a) Extension of Coverage (excluding O.H.I.P)

i) Leave of absence: (other than maternity and Union business) Life insurance, Hospitalization, Major Medical and Dental Plan coverage can be maintained provided the employee agrees to pay the full premiums and this for a period of three months.

ii) Maternity Leave: Life Insurance, Hospitalization, Major Medical and Dental Plan coverage can be maintained provided the employee agrees to pay the full premiums and this for the period provided by the provincial governing legislation.

iii) Lay-off: Life Insurance, Hospitalization, Major Medical and Dental Plan coverage can be maintained provided the employee agrees to pay the full premiums and this for a period equivalent to their length of service before lay-off subject to a maximum of six (6) months.

iv) Absence Due to Sickness or Accident: During the first twelve (12) months of disability due to sickness or accident, insurance coverage will be maintained provided the employee continues to pay her his/her premiums he/she was paying while at work, if any.

If total disability persists after such period of twelve (12) months, all benefits will cease except Life Insurance and Major Medical provided the employee agrees to pay the full premiums. However, if a waiver of premiums is granted to the employee, no premiums will be required for Life Insurance. This coverage can be maintained for a maximum period of five (5) years.

b) Benefits Upon Retirement

i) Life Insurance: Life Insurance will be reduced to \$5,000 upon early or normal retirement and the cost will be paid by the Company.

ii) Major Medical for Early Retirement: The Company will extend this benefit to employees who will elect early retirement after May 1, 1989 if the employees accept to pay the total premiums and this coverage will cease at age 65 or death if earlier.

c) U.I.C. Rebate

In view of the above improvements, the five-twelfths (5/12) U.I.C. reduction of premium shall be retained by the Company.

d) O.H.I.P. Rebate

The Company agrees to assume the full cost of O.H.I.P. for the duration of this Labour Agreement.

e) Definition of Common-Law Spouse (O.H.I.P.)

A Common-law spouse is a person of the opposite sex as defined under the Federal Old Age Security Pension with whom the employee is cohabiting in a husband and wife relationship at any particular time provided that the Company had been notified of the name of the common-law spouse within thirty (30) days of the cohabitation so as to permit enrolment as requires by O.H.I.P.

f) New Underwriter

During the life of this Agreement, the Company will maintain all benefits covered by Appendix "B" without restriction to the Company to elect a new underwriter.

Exhibit B-2

DENTAL PLAN

The services provided under this plan are divided into three categories:

CATEGORY A - Basic Treatments
(Preventive, diagnostic and routine treatments)

CATEGORY B - Major treatments
(Major restorative treatments and prothesis)

CATEGORY C - Orthodontic treatments

DEDUCTIBLE

No deductible shall apply to the eligible expenses incurred during one or any calendar year.

PAYMENT OF BENEFIT

Effective January 1, 1983 the plan will provide reimbursement of 100% for Basic treatments, 50% for major treatments and 50% for Orthodontic treatments recommended by a Physician or Dentist and which are not in excess of the suggested fee provided, for the previous year, Ontario Dental Association Schedule of Fees. In no event shall such payments exceed the Maximum Amount.

Effective January 1, 1986 the Company will amend its Master Policy to provide for eligible expenses under the existing Dental Plan, deemed necessary and incurred while the employee is insured, shall be reimbursed according to the Ontario Dental Association Schedule of Fees for the previous year, and accordingly for each year of the agreement.

MAXIMUM AMOUNT

Effective April 1st, 1995 the maximum of \$1,000 per person per year on other than orthodontics is increased to \$1,500 per calendar year per person.

Effective April 1st, 1995 the maximum on orthodontics of \$1,000 per person per lifetime is increased to \$1,500 per person per lifetime.

A- BASIC SERVICES

Only those treatments listed below are eligible:

Diagnostic: All the necessary procedures to assist the dentist in evaluating the existing conditions and the dental care required. These services include:

- a) Examinations and consultations.
- b) Roentgenology and pathological reports as required by the attending Dentist.
- c) Full Mouth x-rays not more often than once every 24 month period.
- d) Bite-wing x-rays once every 6 months.

Preventive Therapy:

- a) Prophylaxis (cleaning and scaling of teeth) once every 6 months. This treatment is eligible if performed by a Dentist, or a Dental Hygienist under the direct supervision of a Dentist.
- b) Topical anti-cariogenic applications, once every 6 months. This treatment is eligible if performed by a Dentist, or a Dental Hygienist under the direct supervision of a Dentist.
- c) Space maintainers; when placed primarily to maintain space and not for orthodontic purposes and provision of habit breaking appliances.
- d) Injections of antibiotic drugs by the attending Dentist.

Oral Surgery:

Extractions and other surgical procedure normally performed by a Dentist, including pre and post-operative care.

Minor Restorative Dentistry:

Procedures to restore the natural teeth to normal function restricted to amalgam, silicate, plastic, synthetic porcelain and composite fillings.

Endodontics:

Necessary procedures for treatment of pulpally involved teeth including non-vital teeth and root canal therapy.

Periodontics:

Procedures necessary for the treatment for the soft tissue and the bone surrounding and supporting the teeth.

B- MAJOR SERVICES

Only those treatments listed below are eligible:

- a) The creation of **an** initial removed partial or complete denture.
- b) The replacement of an existing removable partial or complete denture only under the circumstances set out below.
 - 1. If the existing denture cannot be made serviceable.
 - 2. If the existing denture is temporary and is replaced with a permanent denture within 12 months of the date the temporary denture was installed.
- c) The repairing of an existing denture.
- d) Services of a licensed Denturist when practising within the scope of his/her license.

C-

The only treatment eligible is **necessary** dental treatment which has as its objective, the correction of malocclusion of the teeth.

EXCEPTIONS AND LIMITATION

No payments will be made for claims resulting from:

- a) Intentional self-inflicted injuries or illness while **sane** or self-inflicted injuries or illness while insane.
- b) Any disability for which the insured **person** is entitled to indemnity or compensation under any Workers' Compensation Act.
- c) Examination required for use of a third party.
- d) **Charges** levied by a Physician or Dentist for his/her time spent travelling, broken appointment, his/her transportation cost or for advice given by him by telephone or other means of telecommunications.
- e) Cosmetic surgery or treatment (when **so** classified by the Insurer) unless such surgery or treatment is for accidental injuries and commenced within **90 days** of an accident.
- f) **Injury** resulting directly or indirectly from insurrection, war service in the armed forces of **any country** or participation in a riot.

g) Services or treatment payable by a government under any government plan of insurance, or services or treatment insurable only by a government under any government plan of insurance.

h) Dental treatment received from a dental or medical department maintained by an employer, an association, or a labour union.

i) The replacement of an existing appliance which has been lost, mislaid or stolen.

j) Services and supplies rendered for full month-re-construction, for a vertical dimension correction, or for a correction of Temporal Mandibular Joint Dysfunction.

In the event that optional procedures are possible, the procedure involving the lowest fee that is consistent with good dental care will be considered as the eligible expense.

MEMORANDUM OF AGREEMENT
between
KRUGER INC. (PACKAGING DIVISION)
and
COMMUNICATION ENERGY AND PAPERWORKER UNION OF CANADA
LOCAL 1646

Pension Plan for Hourly-Paid Employees
at the Packaging Division
Rexdale, Ontario

The Company agrees to amend the Pension Plan for Hourly-Paid Employees at the Packaging Division - Rexdale, Ontario (hereinafter referred to as the "Pension Plan"), subject to the approval of the Pension Commission of Ontario and Revenue Canada.

AMENDMENTS TO THE PENSION PLAN

The Company accepts to amend the Pension Plan as required to include the changes described herein. ~~These~~ changes shall be subject to the approval of the Pension Commission of Ontario and Revenue Canada.

~~Unless~~ otherwise specified, the amendments herein shall come into effect on January 1, 1996, and will cover members of the bargaining unit actively employed by the Company on the effective date, as well as all new employees who will join the bargaining unit thereafter.

1. NORMAL RETIREMENT PENSION

An active member retiring on his/her Normal Retirement Date on or after January 1, 1996 but before the expiry of the current Collective Agreement, shall be entitled to a monthly pension calculated as follows:

(i) Service before January **1, 1990**

For service before January 1, 1990 the member shall be entitled to a monthly pension calculated as follows:

\$13.50 multiplied by his/her number of years of credited service prior to January 1, 1990,
plus

(ii) Service after December **31, 1989** but prior to January **1, 1996**

For service after December 31, 1989 but prior to January 1, 1996, the member shall be entitled to a monthly pension calculated as follows:

1/12th of 50% of the member's required contributions made after December 1989, but before January 1, 1996.

(iii) Service after ~~December 31, 1995~~

For service after December 31, 1995, the member shall be entitled to a monthly pension calculated as follows:

1/12th of 40% of the member's required contributions made after December 31, 1995.

2. TEMPORARY FORMULA

However, an active member retiring on his/her Normal Retirement Date on or after October 1, 1994 but before the expiry of the current Collective Agreement, shall receive a monthly pension for his/her years of credited service after December 31, 1989, equal to the greater of the amount calculated in subsection 1. above or the amount calculated as the excess of (i) over (ii) as follows:

(i) 1.65% of the member's average monthly earnings over his/her best five years of earnings preceding his/her retirement, multiplied by his/her number of years of contributory credited service between January 1, 1990 and his/her date of retirement;

(ii) 1/35th of the maximum monthly pension payable under the Canada Pension Plan in the year the member retires, to an individual retiring at age 65, multiplied by his/her number of years of contributory credited service between January 1, 1990 and his/her retirement date to a maximum of 21/35ths. For a member retiring on or after January 1, 1999 but before the expiry of the Collective Labour Agreement, the maximum should read 14/35ths instead of 21/35ths.

Earnings for pension calculation purposes under paragraph (i) of this subsection 2. shall correspond to regular earnings; it excludes overtime taxable benefits, call-back pay, attendance allowances, special payments, benefits or any other payments of this nature. Should a member's earnings during one of the five 12-month periods immediately preceding his/her retirement not reflect his/her normal annual schedule of hours for this period as a result of absences attributable to illness, earnings of the said member for such a period shall be adjusted to reflect his/her normal annual schedule of hours, provided the member was actively at work for at least three months during this 12-month period.

3. EARLY RETIREMENT

a) An active member of age 58 or over retiring early on or after January 1, 1990, after completion of a least 20 years of continuous service shall be entitled to benefits calculated as for a normal retirement pension but based on his/her years of credited service and earnings up to his/her early retirement date.

b) ~~An~~ active member under age 58 retiring early ~~on~~ or after January 1, 1990, after completion of at least 20 years of continuous service shall be entitled to a portion of the pension that would have been payable had he/she retired on his/her normal retirement date, and base on his/her years of credited service and earnings up to his/her retirement date. The portion of the pension payable shall vary according to the member's age at the time of his/her early retirement as follows:

Age	% Payable
57	92
56	84
55	76

4. BRIDGING SUPPLEMENT

a) Any active member who elects to retire early ~~on~~ or after January 1, 1992 and has attained age fifty-eight (58) and completed at least twenty (20) years of continuous service, shall be entitled to a bridging supplement in addition to his/her pension benefit. This bridging supplement is equal to

(i) Twenty-four dollars (\$24) per month multiplied by the number of his/her full years of Credited Service up to a maximum of thirty (30) years (with no proportionate allowance for a fraction of a year), with the twenty-four dollars (~~\$24~~) reducing to fifteen dollars (\$15) per month from the first of the month immediately following his/her sixtieth (60th) birthday.

(ii) An active member retiring ~~on~~ or after January 1, 1996, twenty-eight dollars (~~\$28~~) per month multiplied by the number of his/her full years of Credited Service up to a maximum of thirty (30) years (with no proportionate allowance for a fraction of a year), with the twenty-eight dollars (\$28) reducing to fifteen dollars (\$15) per month from the first ~~of~~ the month immediately following his/her sixtieth (60th) birthday.

(iii) An active member retiring ~~on~~ or after January 1, 1999 and before the expiry of the Collective Labour Agreement: Thirty dollars (\$30) per month multiplied by the number of his/her full years of Credited Service up to a maximum of thirty (30) years (with no proportionate allowance for a fraction of a year), with the thirty dollars (\$30) reducing to fifteen dollars (~~\$15~~) per month ~~from~~ the first of the month immediately following his/her sixtieth (60th) birthday.

b) The bridging supplement will commence ~~on~~ the early retirement date and will cease with the payment made ~~on~~ the first day of the month during which the member reaches age sixty-five (65) or dies, whichever is earlier.

5. MAXIMUM PENSION

The total basic monthly pension calculated in accordance with the provision of the Pension Plan shall not exceed 1/12th of the lesser of a) and b) below:

a) 2% of the member's average annual earnings calculated during his/her best five consecutive years of earnings; and

b) \$1,715 multiplied by the number of his/her years of credited service up to a maximum of 35 years.

6. ENROLMENT IN THE PLAN

a) Any employee shall enrol on the first day of the month following completion of 12 months of continuous service.

b) Before enrolling in the Pension Plan, an employee shall sign the enrollment form provided to him by the Administrator. This form includes an authorization for payment of contributions to the Pension Plan through payroll deduction, a beneficiary designation or, if applicable, the name of the new beneficiary as well as any required information, such as a birth certificate of the member or of the Joint Survivor, if any.

7. MEMBER'S REQUIRED CONTRIBUTIONS

a) Effective January 1, 1990, each member, during his/her membership in the Pension Plan, shall contribute to the Pension Plan an amount equal to:

(i) 2.2% of that portion of his/her total earnings on which he/she contributes to the Canada Pension Plan, plus

(ii) 4% of that portion of his/her total earnings on which he/she does not contribute to the Canada Pension Plan.

Effective January 1, 1996, each member, during his/her membership in the plan, but not beyond his/her normal retirement date shall contribute an amount equal to :

(i) 3.5% of that portion of his/her earnings up to the yearly maximum pensionable earnings (YMPE) as defined under the Canadian Pension Plan for the year, plus

(ii) 5.0% of that portion of his/her total earnings in excess of the YMPE for the year.

b) A member's contribution shall be deducted directly from his/her salary and shall be deposited monthly into the Pension Fund.

c) No employee shall withdraw his/her contributions from the Pension Plan as long as he/she is actively employed by the Company.

d) A member shall not be entitled to a refund of his/her contribution to the Pension Plan during a lay-off period, except if his/her recall rights have expired according to the Collective Agreement.

e) Credited **Interest**: The annual rate of interest credited for a given year shall be equal to the average yield of **Cansim** series **B14045** (as reported in the Bank of Canada Review) over the preceding calendar year.

8. DEATH BEFORE RETIREMENT

i) With less than 2 years of credited service:

Upon the death of a member who has accumulated at least 2 years of credited service, his/her beneficiary is entitled to receive a lump sum payment equal to the member's accumulated contributions with interest.

ii) With ~~at~~ least 2 years of credited service:

Upon the death of a member who have accumulated at least 2 years of credited service, his/her spouse (if no spouse, his/her beneficiary) is entitled to receive the commuted value of the member's deferred pension for credited service after January 1, 1987. The member's deferred pension is calculated as if the member had terminated his/her employment instead of dying.

In addition, the member's spouse (if no spouse, his/her beneficiary) is entitled to a lump sum payment equal to the excess, if any, of the member's accumulated required contribution over 50% of the benefit referred to in the preceding paragraph.

9. TERMINATION OF EMPLOYMENT

i) With less than 2 years of credited service:

A member whose employment with the Company is terminated and who has less than 2 years of credited service is entitled to a refund of his/her contributions accumulated with interest.

ii) With 2 years of credited service:

A member whose employment with the Company is terminated after completion of at least 2 years of credited service is entitled to a monthly deferred pension payable from his/her normal retirement date calculated as a normal retirement pension but based on his/her years of credited service from January 1, 1987 and also his/her earnings up to his/her date of termination of employment.

In addition, the member is entitled to a lump sum payable equal to the excess, if any, of his/her required contribution over 50% of the commuted value of the deferred pension referred to in the preceding paragraph.

iii) With 10 years of continuous service and attainment of age 45:

A member whose employment with the Company is terminated after attainment of age 45 and completion of 10 years of continuous service is entitled to a monthly deferred pension payable from his/her normal retirement date calculated as a normal retirement pension but based on his/her years of credited service up to January 1, 1987 and his/her earnings up to his/her date of termination of employment.

Upon the member's request, the deferred pension to which a member may be entitled to under the preceding subparagraphs ii) and iii) can become payable within a 10-year period preceding the member's normal retirement date. However, the pension payable prior to a member's normal retirement date shall be reduced on an actuarial equivalent basis.

Upon a member's termination of employment prior to age 55 he/she may request the Company to pay an amount equal to the commuted value of his/her deferred pension,

- to another registered pension plan
- to a locked-in registered retirement savings plan, or
- to purchase a prescribed annuity with an insurance carrier.

10. DEFINITIONS AND GENERAL PROVISIONS

a) Year of credited Service

Years of credited service before January 1, 1990, shall be calculated according to the provisions of section VI of the existing Pension Plan text.

From January 1, 1990, the years of contributory credited service shall be calculated in years and part of years expressed as 1/12th of a year and represent the number of months during which the member contributed to the Pension Plan.

b) Long-Term Disability

Even if the member does not contribute to the Pension Plan while receiving long-term disability (LTD) benefits, his/her pension shall be calculated according to Section 1 b) 2. of this document as if he/she had continued to contribute to the Pension Plan and the Canada Pension Plan and his/her earnings were at the same level as at the outset of his/her disability. However, this disability period shall not be included in the member's years of contributory credited service. Furthermore, deemed contributions used for pension calculation purposes will not be included in the member's accumulated contributions with interest.

11. JOINT COMMITTEE

a) Setting-up for the Joint Committee

i) A Joint Committee shall be set up and shall be composed of seven members: four appointed by the Company, including the committee president, and three by the Union representing the employees participating in the Pension Plan, including the national representative appointed by the Union. The Company shall also appoint a secretary to keep track of the activities and minutes of the meetings of the Joint Committee.

ii) The Company shall designate three substitute members to replace any of the three members appointed by the Company which may not be present at a committee meeting, except the committee president. In addition, the Union shall designate their respective deputy members.

iii) During any meetings held by the Joint Committee, quorum shall be reached when five members are present, including necessarily the president, two other members appointed by the Company and two members appointed by the Union. The president shall have a casting vote in any meetings held by the Joint Committee.

b) Assignment of the Joint Committee

The joint Committee shall have the following assignments:

i) Encourage members to familiarize themselves with and understand the Plan;

ii) Review, at least once a year, financial, actuarial and administrative aspects of the Pension Plan.

c) Information

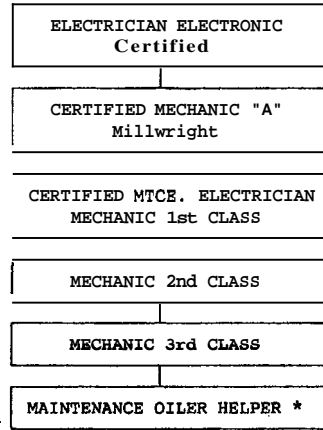
The Company shall provide the Joint Committee with the information necessary to fulfil its duties.

12. PLAN TEXT

The other rules defined in the Pension Plan presently in force remain unchanged.

This agreement document is only a summary of the new provisions that will be included in the Pension Plan for hourly Paid Employees at the Packaging Division - Rexdale, Ontario. For interpretation purposes, only the rules of the Pension Plan shall apply.

APPENDIX "C"
LINES OF PROGRESSION



Additional Personnel reporting to Maintenance Department:

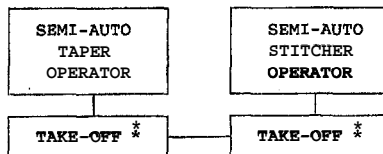
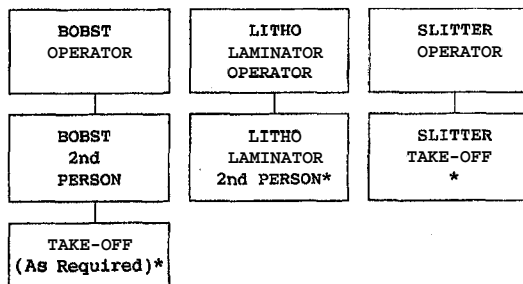
Stationary Engineers
Janitor
Stores Clerk.
Maintenance Utility
(Unskilled)

Job Posting

Tool Allowance (Maintenance Department Only): The Company will replace any approved tools broken in the course of an employee performing their job providing there is no evidence of neglect present. In the case where tools have to be replaced by reason of the adoption of the metric system such tools will be replaced at no cost to the employees.

APPENDIX "C"
LINES OF PROGRESSION

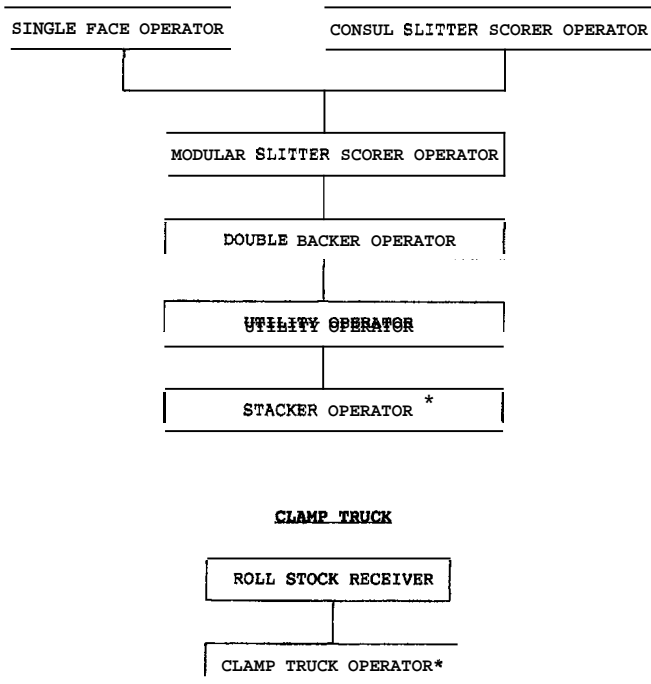
FINISHING DEPARTMENT



Band Saw (Plant) *
Bundler Utility Plant *
Trucker Plant *
General Helper Plant *

*Job Posting

APPENDIX "C"
LINES OF PROGRESSION
CORRUGATOR DEPARTMENT

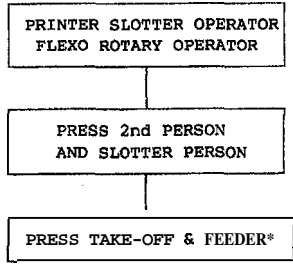


Palletizer Operator *
Baler Room Operator *

Job Posting

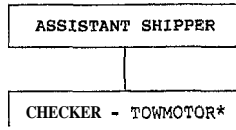
APPENDIX "C"
LINES OF PROGRESSION

PRESS DEPARTMENT

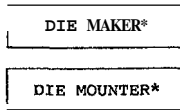


Palletizer Auto *
Trucker Plant *

SHIPPING DEPARTMENT



DIE ROOM DEPARTMENT



* Job Posting

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

The Company will make available an opportunity for employees in the Maintenance Department to upgrade themselves that they may qualify for the Certified Millwright classification as such vacancies arise.

APPRENTICESHIP PROGRAM

a) When a trainee vacancy occurs in the Maintenance Department a notice will be put on the Plant Bulletin Board.

b) Employees interested will be given approved tests prescribed and administered by the Provincial approved colleges. The results of the test will serve as a basis in selecting an employee for training.

c) The selected employee will be required to enrol in and complete the apprenticeship programme as set out by the Provincial Government Agency.

d) The wages level upon entering the programme will be as follows:

- 1st year ----- Grade 1
- 2nd year ----- Grade 2
- 3rd year ----- Grade 3
- 4th year ----- Grade 4
- 5th year ----- Grade 5 (Millwright)

LETTER OF INTENT
between
KRUGER INC.- REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

CONTRACTING OUT

The Company agrees not to contract out work presently performed by members of the bargaining unit to the extent that employees presently employed are deprived of a job or by doing so would create an immediate lay-off.

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

CREDIT UNION

It is agreed that as soon as enabling modifications have been completed for the computers, a payroll deduction system will be implemented whereby employees can have requested to the Credit Union regular Payments for credits to their accounts.

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

COMPENSABLE ACCIDENT

Where there is a question as to whether or not an illness or accident is compensable and no payment is forthcoming under the W.C.B., pending resolution of the case, the employee may apply for W.I. benefits under the Company Plan within 90 days.

According to the terms of the insurance contract, the employees shall submit a W.I. form. A "reimbursement Agreement" form is also to be signed. Upon receipt of the income benefits from W.C.B., the employee shall reimburse in full the amount received from the insurer.

In the event the claim is refused by W.C.B., the insurer will then evaluate its responsibility towards the disability of the claimant, according to the terms of the insurance contract with the employer.

Should the claim also be refused by the insurer, the employee will then be required to reimburse the income benefits received from the W.I. plan, either by deductions from his/her pay or by any other arrangements made with the employer.

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

SPECIAL LUMP-SUM PAYMENT

Between March 1, 1995 and August 31, 1995, should pre-tax profits reported on the monthly financial statements reflect a profit in excess of \$100,000, per month for three (3) consecutive months, all regular employees in the employ of the Company at date of ratification, will be entitled to receive a \$200, lump-sum payment payable at the same time as the general wage increase for the second year of the C.L.A.

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPER WORKERS UNION
Local 1646

WEEKEND WORK (HOURS OF WORK)

Once the Company has exhausted the normal hours available in a five-day operation, and requires more than two additional eight-hour shifts, notwithstanding the provisions of the Collective Labour Agreement and more specifically clause 8-08, and article 12 (Overtime), the Company will schedule week-end shifts as per the following:

1. The normal work week will remain Monday to Friday and the Company will schedule ~~weekend shifts~~ on Saturday and Sunday as follows:
 - (a) Saturday 7:00 am to 7:00 pm and Sunday 7:00 am to 7:00 pm.
 - AND/OR
 - (b) Friday 11:00 pm to Saturday 11:00 am, Saturday 11:00 am to 11:00 pm, Saturday 11:00 pm to Sunday 11:00 am and Sunday 11:00 am to 11:00 pm.
2. At all times, when "Weekend Work" is required, the Company will post a schedule at least ten (10) calendar days prior to implementation. Such special schedule will be in effect for a minimum of two (2) consecutive weekends.
3. Crewing requirements will be done through posting and awarded first on the basis of job ~~seniority to ensure~~ that all necessary positions are filled. Failing which, the positions will be awarded on the basis of plant seniority provided the candidate has the skills and ability to perform the work required. For the first year, such posting will be done within three (3) months from date of ratification and annually in the month of January for subsequent years, so as to allow qualified employees to demonstrate their interest for weekend work. Once the employees have been awarded the weekend positions, this will become their regular shift when required throughout the year. When weekend shifts are not required, employees assigned to the special schedule will return to the normal work week (Monday to Friday) and apply their job seniority rights accordingly.
4. The Company will hire additional employees to replace those regular employees reassigned to weekend work as per section 3 hereabove or to complete the weekend crew(s) if not enough regular employees applied as per section 3 hereabove. Those additional employees will be laid-off with no notice or penalty to the Company when weekend shifts are not required and this notwithstanding lay-off provisions of the C.L.A. and more specifically clauses 7-04 (a), 7-04 (b) and 7-05.

5. Temporary vacancies in the normal work week (Monday to Friday) when weekend work is being done, will be filled by an upward movement in the lines of progression.
6. With exception of those employees hired as per section 4 above, regular employees will be exempted from lay-off for a period of three (3) weeks following the temporary interruption of weekend shifts. However, this guarantee does not apply in cases of major breakdowns or Act of God.
7. Those employees hired as per section 4 above, will be paid at straight time for weekend work. Such employees will be entitled to the prevailing rates and will pay Union dues but will not accrue seniority. In addition, those employees will not be entitled to any benefits and will not have access to the grievance procedure in cases of termination or lay-off.
8. Regular employees assigned to the weekend schedule will be paid on the following basis:

For all work performed between Friday 11:00 pm and Saturday 11:00 pm employees will be compensated as follows: straighttime for the first four (4) hours and time and one half for the last eight (8) hours;

For all work performed between Saturday 11:00 pm and Sunday 11:00 pm employees will be compensated as follows: time and one half for the first eight (8) hours and double time for the last four (4) hours.
9. Vacation schedules will be honoured in the application of the weekend shifts. The parties will meet to establish an equitable method for dealing with vacation and holiday pay as well as all other aspects pertaining to benefits, at no additional cost for the Company.
10. It is understood that unforeseen situations could arise in the application of this Letter of Intent. In such cases the parties will meet to resolve these situations at no additional cost to the Company.

LETTER OF INTENT
between
KRUGER INC. - *REXDALE PACKAGING*
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

SPECIAL PENSION PAYMENT

Employees who are 58 years of age or over with 20 years of continuous service and who retire during the life of the Collective Labour Agreement will be eligible for a one-time lump-sum payment of \$3,000. to be paid no later than the first of the month following their date of retirement.

This agreement cannot be invoked as a precedent and expires on September 15, 1999.

LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPER WORKERS UNION
Local 1646

VACATION SCHEDULING

Employees in the same job classification and on the same machine, will be given the opportunity to choose with their Coordinator, their vacation leave, but under no circumstances will vacation leave be allowed to interfere with Plant operations. In cases where vacation leave requested conflicts, preference will be given to the employee with the longest Plant seniority. It is understood that this method of scheduling vacation leaves will be done on a trial basis for a period of one year. Should the trial prove satisfactory, this will replace the actual art. 17-03 and be in effect for the remainder of this Collective Labour Agreement. Should the trial fail, we will revert to status quo. It is also agreed that this method of scheduling shall be in effect from the first Monday in May to Labour Day.

LETTER OF INTENT
between
KRUGER INC. – REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

DIRECT DEPOSIT

As soon as the payroll system is upgraded, employees pay will be directly deposited in their bank account.

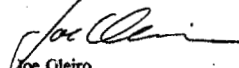
LETTER OF INTENT
between
KRUGER INC. - REXDALE PACKAGING
and
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Local 1646

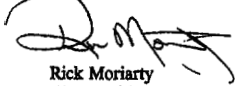
NOISE REDUCTION

The Company agrees to address the noise problem at the Corrugator "B" and "C" flutes within the next three (3) years by building enclosures.

IN WITNESS THEREOF, the parties have signed this Agreement and the attached Letters of Intent by their duly authorized representatives in Toronto on this 19 day of Aug 1995.

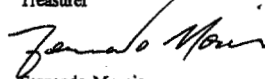
FOR THE UNION

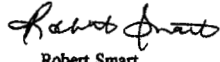

Joe Oleiro
President


Rick Moriarty
Vice-president


Dalip Brar
Financial Secretary


Elizabeth Shaw
Treasurer

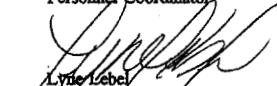

Fernando Morais
Recording Secretary



Robert Smart
National Representative

FOR THE COMPANY


Glenn Swan
General Manager


Nathalie Rouette
Personnel Coordinator


Lyne Lebel
Corporate Director
Employee Benefits


Pierre Loyer
Industrial Relations Manager
Paperboard & Packaging Division-Woodlands