

LABOUR AGREEMENT

By and Between

ATLANTIC PACKAGING PRODUCTS LTD. (MISSISSAUGA)

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA, C.L.C. AND ITS LOCAL 333



Effective: August 15, 2006 Expires: August 14, 2010

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PARTIES, PURPOSE AND INTENT

This agreement entered into this 10th day of February, 2007 between Atlantic Packaging Products Limited, hereinafter called the "Company" and the Communications, Energy and Paperworker's Union of Canada and its Local 333, C.L.C., hereinafter called the "Union".

This agreement shall be effective from the fifteenth of August 2006 until the fourteenth of August 2010.

WITNESSETH that the parties hereto recognizing their mutual interest in and responsibility for the successful operation of the Company agree that it is the duty of the Employer and the Employees to promote at all times the progress of the Plant by cooperating to the fullest extent in all matters having to do with the successful operation of the Company and

WITNESSETH that in the pursuance of these objectives, it is expedient to enter an agreement covering wages, hours of work and working conditions as follows.

ARTICLE 1 RECOGNITION

The Company recognizes the Union as the collective bargaining agent for all employees of Atlantic Packaging Products Ltd. in the City of Mississauga manufacturing paper products other than bag, save and except Foremen, persons above the rank of Foremen, office and sales staff.

ARTICLE 2 NO DISCRIMINATION

The Company and the Union agree that there will be no discrimination against any employees because of race, creed, colour, sex, national origin, and marital status.

ARTICLE 3 STRIKES AND LOCKOUTS

During the continuance of this Agreement, there shall be no strikes of any kind, stoppages of work, slow down or any kind of interference with or interruption **of** the Company's business by the Union or by the Employees and there shall be no lockouts by the Company.

ARTICLE 4 UNION SECURITY AND MEMBERSHIP

Section 1: Present Members

All employees in the Bargaining Unit who are members of the Union on the effective date of this Agreement, must as a condition of employment, maintain their membership in the Union for the life of this Agreement to the extent of paying the periodic dues and initiation fees uniformly required of all Union members.

Section 2: New Members

All new employees must, **as** a condition of employment, become and remain members in good standing of the Union.

Section 3: Check off

All present and all future probationary and permanent employees within the Bargaining Unit shall, as a condition of continued employment, sign **an** Authorization Form, authorizing the Company to deduct the amount of dues, which the Union levies upon its members.

The Company shall issue to all new employees a CEP membership application card, which will be supplied by the Union. These cards will accompany the monthly check-off list.

The Company agrees to deduct on the first pay day of each month, including vacation pay, an amount equal to the Union Members hourly rate from the wages of each member who is in good standing with the Union and who has furnished the Company with a signed authorization to this effect. In addition, the company will deduct on the second pay day of each month, including vacation pay, an amount set by the Local Union and remit the same to the financial secretary of Local 333. A list of each member's name, address and Social Insurance Number will accompany each of these cheques. The Company will also deduct the initiation fees as prescribed by the Union.

Union Security

The Local Union shall advise the Company in writing of the amount of monthly deduction to apply to each employee within its jurisdiction. If there should be any change in the amount of such deduction, the Company shall be advised in writing of such changes by the Union two weeks prior to its effective date.

The Company shall deduct union dues not collected in any month because of a member's absence from the wages owing and payable to that member on the following month, thereby keeping that member in continuous good standing.

The Company shall deduct initiation fees of new members of the Local Union and submit the same to the Local Union, providing the Local Union supplies the Company with signed cards of authorization.

Union Stewards will not leave their regular duties without receiving permission from their Foreman or their regular supervisor. Such permission will not be unreasonably withheld.

ARTICLE 5 MANAGEMENT OF RESPONSIBILITIES

Subject to the terms of this Agreement, the Union acknowledges that the supervision, management and control of the company's business and plants are exclusively the function of the Management.

ARTICLE 6 CLASSIFICATION OF EMPLOYEES

If at any time during the first ninety (90) working days of active employment any "probationary employee" fails to prove satisfactory on the function to which assigned, such employee will be discharged without recourse to the grievance procedure.

Students who are hired temporarily to fill in for vacation or other work of a seasonal or part-time nature, shall have a status of "temporary employee".

They shall be required to comply with Section 2 and 3 of Article 4 of this Agreement after eighty (80) days' work. Temporary employees will not, however, be permitted to bid for jobs, they shall not be entitled to receive any fringe benefits with the exception of vacation and holiday pay; neither will they accrue any seniority or be permitted to work overtime until all available permanent employees have been requested to work.

ARTICLE 7 HOURS OF WORK

Section 1: Definition of Day and Work Day

A day is the 24-hour period beginning with the start of the employee's shift. The "basic work day" is eight (8) consecutive hours of work in the 24-hour period.

Section 2: Hours of Work

The normal hours of work per week, for all employees covered by this Agreement shall be forty (40) as follows:

One Shift Operation: 7:00 a.m. to 3:00 p.m. Shift 1

Monday to Friday inclusive,

5 shifts

Two Shift Operation: 7:00 a.m. to 3:00 p.m. Shift 1

Monday to Friday inclusive,

5 shifts

3:00 p.m. to 11:00 p.m. Shift 2

Monday to Friday inclusive,

5 shifts

Three Shift Operation: 7:00 a.m. to 3:00 p.m. Shift 1

Monday to Friday inclusive,

5 shifts

3:00 p.m. to 11:00 p.m. Shift 2

Monday to Friday inclusive,

5 shifts

11:00 p.m. to 7:00 a.m. Shift 3

Monday to Friday inclusive,

5 shifts

Unless otherwise mutually agreed upon.

Lunch periods on the Afternoon Shifts will be at 7:40 p.m.

The Company agrees to attempt to post weekly schedules by 2pm on Wednesday for the following week. Where it is necessary to make a change in the schedule, the Company will ensure that the employee is aware of why these changes are necessary.

Section 3: Continuous Flow Departments

In view of the continuous flow process of these operations, relief periods and lunch periods must be taken as and when conditions permit, but no later than provided in paragraph 4 below.

The continuous flow crews agree to be responsible for staying up to one (1) hour after the end of the shift in the event that the relief man is not able to come to work; during this 1 hour period, the Company shall try to fill the position.

It is understood that crew members will maintain good housekeeping.

In view of the continuous flow process of the operation, crews will be given the opportunity to have their lunch some time in the two-hour period following the first four **(4)**hours of their shift.

Continuous Flow on the Pressess will take place only when necessary. The employees affected will be advised in advance by the shift supervisor.

Flexible Workweek for Maintenance Department:

This shift will be posted on the basis of Tuesday to Saturday, days. Sunday and Monday will be considered overtime for employees working this shift. (Pay: Sunday - double time, Monday - time and one-half)

Existing employees will be given the opportunity of posting for this position, If there are no successful candidates, the new hires will be required to work these shifts.

In the event of layoff, the junior maintenance employee will be laid off.

Section 4: Rest Periods

It is agreed that two (2) rest periods of ten (10) minutes duration each will be provided each shift at a time set by mutual agreement.

ARTICLE 8 OVERTIME

Section 1: Definition of Regular Straight Time Hourly Rate

The regular straight time hourly rate means an employee's straight time hourly base rate and does not include any shift premium.

Section 2: Overtime Premium Pay

- a) Two times the straight time hourly rate shall be paid for all hours worked in excess of eight (8) hours on Saturday.
- b) Two times the straight time hourly rate shall be paid for all hours worked on Sunday.
- c) Two times the straight time hourly rate shall be paid for all hours worked in excess of four **(4)** hours overtime.

There shall be no pyramiding of premiums in this collective agreement.

Time and one half $(1\frac{1}{2})$ will be paid to all hourly rated employees on the following basis:

- a) For the first four (4) hours worked in excess of eight (8) hours worked per day;
- b) For the first eight (8) hours worked on a Saturday.

Section 3: Relief Periods

More than three (3) hours overtime: One (1) fifteen-minute relief period to be taken just prior to end of shift.

Section 4: Overtime Distribution

Overtime will be on a voluntary basis. Overtime will be distributed as equally as possible among those permanent employees who normally perform the work required. In doing this, it is recognized that management will take into consideration the qualifications of the employees for the job to be done and efficient operations. The Union will cooperate

to the fullest extent possible with the management in fulfilling reasonable overtime manhours to meet overtime schedules.

The Company agrees to keep an overtime roster to provide for equal distribution of overtime, both worked and unworked operations will be counted as overtime worked.

LE_

Monthly Overtime Roster:

Name Hours Worked Hours Refused Total Hours

Employees shall be advised on Thursday if they are to be requested to work on Saturday, if possible.

The Company shall post the overtime roster onto the bulletin board every one (1) month.

Section 5: Meal Allowance

Employees required to perform overtime work in excess of two (2) hours and not notified prior to the day on which the overtime is worked, shall be provided with a hot meal or paid a meal allowance of \$6.25.

Effective February 10, 2007, increase meal allowance to \$6.50.

ARTICLE 9 WAGES

Section 1: General Increase

Effective August 15, 2006 - 2.0% Effective August 15, 2007 - 2.0% Effective August 15, 2008 - 2.0% Effective August 15, 2009 - 2.5%

Section 2: Scale of pay for Trade Apprentices

The scale of pay rates for Trade Apprentices will be as follows:

1 st 2000 Hours	60% of average Maintenance rates
2 nd 2000 Hours	70% of average Maintenance rates
3 rd 2000 Hours	80% of average Maintenance rates
4 th 2000 Hours	90% of average Maintenance rates

Section 3: Rates for Lead Hands

Lead Hands will receive forty cents (40¢) per hour more than the top classification led, or forty cents (40¢) per hour more than his standard classified rate, whichever is the higher during the period he is acting as a Lead Hand.

The duties of a Lead Hand include the co-ordination and direction of assigned workforce activities.

Without limiting the generality of the foregoing, this includes:

- Directing the workforce
- Assigning the workforce
- Coordinating and facilitating the activities of the workforce

It is also clearly understood that the Lead Hand does not have the authority to discipline.

Section 4: Shift Premiums

Employees working on the afternoon and night shifts shall be entitled to a shift premium for all hours worked, and such premium shall not be taken into account in calculating overtime pay. Shift premiums will be paid as follows:

Afternoon Shift: 55¢/hr Night Shift: 80¢/hr.

Section 5: Call-In Time

Any employee who, after punching out, is especially called and required to go on duty for repair or other work, shall receive not less than four **(4)**hours straight time pay, or time and a half of the employee's regular hourly rate of pay for the hours worked, whichever is the greater.

Section 6: Reporting Time

The Company agrees that employees reporting for work, unless otherwise notified the previous day or a minimum of six (6) hours in the case of night shift workers, shall be provided with four (4)hours work at their current rate of wages, or shall be paid four (4) hours pay.

The foregoing will not apply in the event that fire, accidents or other conditions over which the Company has no control, interfere with work being produced.

The Company will not be responsible for giving notification to employees who are not at work and who fail to leave specific instructions as to how they can normally be reached, or who cannot be reached after such instructions have been followed, however, the Company will make a reasonable effort to notify employees.

Section 7: Temporary Transfer to a Higher Classification

Where the Company temporarily transfers an employee to carry out the responsibilities of a higher classification for a period of four **(4)**hours or more, he shall be paid the wage rate of the higher classification which next gives him an increase.

ARTICLE 10 HOLIDAYS

10

Section 1: Recognized Holidays

The following holidays shall be granted with pay as provided in this section and shall be paid for at employee's base rate times eight (8) irrespective of the day on which the holiday falls. If the holiday falls on a Saturday or a Sunday, the preceding Friday or the following Monday shall be considered a holiday, as mutually agreed between the Company and the Union.

1/2 Day New Year's EveLabour DayNew Year's DayThanksgiving DayGood Friday1/2 Day Christmas EveVictoria DayChristmas DayCanada DayBoxing Day

Civic Holiday 2 Floating Plant Holidays

The two floating plant holiday dates will be mutually agreed upon by the Company and the employees.

The Company agrees to move the July 1st holiday to the nearest Friday or Monday provided there is no disruption to the business and no additional costs to the Company.

Section 2: Pay for Unworked Holidays

On each of these holidays, employees shall be paid an allowance for a regular workdays normally scheduled working hours, but not exceeding eight (8) hours, subject to the following conditions.

Section 3: Holidays During Vacation

If the holiday occurs during the employee's vacation, the holiday allowance payable shall be paid in addition to the employee's vacation pay. **An** employee will, however, be allowed an extra day's vacation with pay instead of the extra day's pay, if arranged with local management in advance. No guarantee can, however, be given that the extra day will at all times immediately follow the employee's vacation.

Section 4: Pay for Holiday Not Worked

To be eligible for pay for a holiday an employee must not have been absent without justifiable cause on the workday immediately preceding and the workday immediately following such holiday.

An employee will be considered absent with justifiable cause if he has worked within a period of sixty (60) days prior to the holiday and is: (a) away on vacation, (b) so sick that he is unable to report for work and is able to prove such sickness by providing a Doctor's note.

An employee will be considered absent without justifiable cause if he is away on absence initiated by himself.

Section 5: Pay for Holidays Worked

If the Company requires an employee to work on a holiday covered by this section, such employee shall be paid at the rate of two (2) times his straight time hourly rate for the hours worked in addition to the holiday allowance.

If any such employee agrees to work on such a holiday and fails to report for work on such holiday, the employee shall receive a one (1) day suspension without pay unless he produces a good and sufficient cause for not reporting. If an employee is on the afternoon or night shift at the time of the holiday, he shall receive the shift differential.

ARTICLE 11 VACATIONS

Section 1: Vacation Entitlement

Employees with less than one (1) full year of service shall receive vacation with pay in accordance with the Employment Standards Act.

Employees with one (1) full year of service shall receive two (2) weeks vacation with vacation pay of four and eight tenths per cent (4.8%) of total gross earnings for the period July 1st to June 30".

Three (3) weeks vacation will be granted after four **(4)** years of service, with vacation pay of seven and two tenths per cent (7.2%) of total gross earnings for the period July 1st to June 30''.

Four **(4)**weeks vacation will be granted after nine **(9)** years of service with vacation pay of nine and six tenths per cent **(9.6%)**of total gross earnings for the period July 1st to June 30''.

Five (5) weeks vacation will be granted after twenty (20) years of service, with vacation pay of twelve per cent (12%) of total gross earnings for the period July 1st to June 30''.

Six (6) weeks vacation will be granted after twenty-five (25) years of service, with vacation pay of fourteen and four tenths per cent (14.4%) of total gross earnings for the period July 1st to June 30''.

When a choice of vacation is in dispute between two or more employees, seniority shall be the deciding factor. Employees must have their vacation dates selected prior to March 31st, before commencing the vacation year. Vacation lists will be posted by April 30''.

Section 2: Length of Service

For the purpose of establishing vacation pay, years of service shall include all of the time worked without interruption of continuous service with the Company. Length of service shall not be broken by any absence covered by an approved leave of absence or by

temporary layoff up to a maximum of twelve (12) months or length of seniority, whichever is less.

Section 3: Vacation Administration

The Company shall have the final determination as to when each employee shall take such vacations, but will cooperate in an endeavour to arrange a mutually satisfactory time.

Section 4: Vacation Scheduling

The Company will post on a weekly basis a current vacation schedule. Employees entitled to two (2) or more weeks vacation shall be entitled to two (2) weeks of their vacation consecutively, the remaining vacation week may be taken with the first two (2) vacation weeks provided work requirements permit. Partial weeks may be accommodated.

Vacations must be taken in the vacation year applicable and cannot be accumulated. The Union shall be advised by the Company of a summer shutdown no later than March 1st of the same year.

When a request for vacation is submitted, the employees will have a response in writing within ten (10) days.

Section 5: Vacation Bonus

Employees taking vacations of two (2) weeks duration or more, between the periods of November 15 to April 30, will be paid two (2) hours at regular rate for each week of entitlement used.

ARTICLE 12 SENIORITY

Section 1: Purpose

The purpose of the Seniority provisions of this Article is to provide the maximum job security and promotional opportunity for all employees based on length of service while giving full consideration to employee skill and ability and to efficient plant operations.

Section 2: Causes for Loss of Seniority and Continuous Service

An employee will lose all seniority and his employment shall be deemed terminated if such service is interrupted for any of the following reasons:

- a) he quits his employment
- b) he is discharged
- c) he is absent for three (3) consecutive working days (excluding Saturday, Sunday and Holidays) unless excused for reasonable cause.
- d) he does not return to work within three (3) consecutive days (excluding Saturday, Sunday and Holidays) after being recalled by the Company by registered mail or telegram addressed to him at his last address known to the Company. The three (3) days may be extended to five (5) days for reasonable cause.

- e) he has been continuously laid off by the Company for any reason for a period equal to his current period of consecutive employment with the Company, but in no event to exceed twelve (12) months.
- f) if he does not report for work upon expiration of an authorized leave of absence unless excused for reasonable cause.

Section 4: Seniority Lists

The Management will prepare accurate Seniority Lists and copies will be distributed to the Local Union quarterly. The Company undertakes to produce lists by the following dates: October 15, January 15, April 15, July 15, in each year of the Collective Agreement.

Employees' names will appear on the Seniority Lists in order of their seniority date. Where two (2) or more employees have the same seniority date, their names will be placed on the list in order of processing by the Personnel Department on the day of hiring.

Section 5: Transfers Outside the Bargaining Unit

An employee transferred by the Company to a position outside the Bargaining Unit shall maintain their seniority for a period of up to twelve (12) months for the purpose of transferring back into the Bargaining Unit.

If such employee remains on the job outside of the Bargaining Unit for more than twelve (12) months, he or she will lose all length of continuous service in the Bargaining Unit. Such transferred employee will be required to pay union dues during his probation period, or until the appointment becomes permanent. The Company shall notify the Local Union at the time of such permanent appointment. When the concerned employee has been permanently appointed any time in the twelve (12) month period, he will lose all length of continuous service in the bargaining unit at that point in time.

Section 6: Layoff Procedure

In the event it is necessary to lay employees off, the plant wide seniority shall apply: on recall the reverse procedure will apply. However, the Company reserves the right to maintain at all times crews capable of performing the jobs required.

Section 7: Notice of Layoff

In the event of layoff in excess of three (3) weeks duration, the Company agrees to provide the employees with notification as far in advance of the layoff as possible, but at least two (2) days prior to the date of layoff.

Section 8: Job Posting

a) Job Posting and Lines of Progression - A line of progression is defined as a group of job positions that relate to the operation of a Press or Corrugator. Promotion or demotion up or down a line of progression will be done on the basis of plant

seniority, provided the employee who has the most plant seniority on the job immediately below the vacancy demonstrates the skill and ability to perform the job.

In the Press department only: One (1) lateral move will be permitted, where the most senior employee (plant seniority) in the classification will be given the option to move into the open position. All other vacant positions will be filled by the line of progression based on plant seniority.

- b) If an employee refuses to take a promotion in a line of progression, the Company will offer it to the employee next in line, based on plant wide seniority.
- Employees will only be permitted to post to a position in a higher classification. Downward posting shall only be permitted if the employee can provide a bona fide medical reason why he is unable to perform the requirements of his current position. In such an instance the employee will move into the lower classification at the highest rate.
- d) Should no successful applicant be found, through the provisions as set out in 12.08(a) or 12.08(b) the vacancy will then be opened up to those employees in the same position, in other lines of progression. This will be done on the basis of seniority provided the employee who has the most seniority in the job position demonstrates the skill and ability to perform in the job.
- e) Temporary vacancies will be defined as thirty (30) working days, except vacation, leave of absence, illness, or training. Such temporary appointments shall not count as experience in the consideration of a selection.
- When a permanent vacancy occurs, it will be filled in accordance with 12.08(a), f) 12.08(b), or 12.08(c). Any resulting vacant entry job in a line of progression will be posted and awarded on the basis of plant seniority provided the employee has the qualifications to do the entry job being posted, and has the potential of moving up the line of progression. (Management will make the decision in regard to skill and ability subject to the Grievance Procedure if the applicants have not been reviewed fairly.) **An** applicant will be on trial for a period of fifteen (15) working days in the new job. If the applicant proves satisfactory, he will be confirmed into the posted job, but should he prove unsatisfactory, (Management will make the decision in regard to skill and ability subject to the Grievance Procedure if the applicants have not been reviewed fairly), or request a move back, the applicant will be returned to his former job and rate with no loss of pay, benefits or employment status. All other employees who were transferred or promoted because of a job posting will move back to their jobs under the above conditions. It is understood that an employee will hold job seniority in only one job classification. The Company will make all reasonable efforts to ensure that a successful applicant will be moved into his/her new position as soon as possible. All jobs will be posted for seven (7) working
- g) Lines of progression are listed below and shall remain in force for the life of this Agreement, but may be changed by mutual consent between the Company and the Union.

LINES OF PROGRESSION

Press Department

11633 DC	<u>pai uniem</u>	,						
				Post				Int'
		Mini		Folder		Folder	r	
EMBA	Martin	<i>Flexo</i>	<u>ZLR</u>	<u>Gluer</u>	<u>Ward1</u>	Ward2	<u>Gluer</u>	
Operator	Operator	Operator	Operator	Operator	Operator	Operator	Operator	
Feeder	Feeder	Feeder	Takeoff	Feeder	Feeder	Feeder	Feeder	
Takeoff	Takeoff	Takeoff		Takeoff	Takeoff	Takeoff	Takeoff	
	Unitizer Operator or Utility							

. . .

Corrugated Department

nan
r Operator
Truck

Trucker or Utility

Employees applying out of a line of progression may only re-enter the line of progression when an entry position is available.

If **an** employee does not wish to move up in a line of progression, he will sign a refusal notice, which will freeze him in the present position. This refusal notice will be kept on file unless removed by the employee.

An employee who is blocking a line of progression because of his inability to do the next job will be frozen in that line.

Employees moving upward in a line of progression will start at the starting rate of their new position or their own rate, whichever is the greater. Further increments will be as per the new job classification and rate structure.

If the entry position(s) is filled by frozen employees, then the next higher non-frozen job(s) will be posted.

When a permanent vacancy occurs outside the lines of progression, the job shall be posted and awarded on the basis of plant seniority, provided the employee is qualified in the opinion of the Company to do the job being posted.

- Job postings shall contain the position available, the machine or equipment affected, the rate of pay for the position, and the qualifications required.
- 18 Any and all new classifications must be posted.

ARTICLE 13 GRIEVANCE AND ARBITRATION PROCEDURE

13.01

The employee(s) shall be accompanied by his Union Steward at any meeting with the Company for the purposes of discipline. Where an employee is absent from work and is receiving discipline or termination the Union will be provided with a letter. The Company will supply the Union with a copy of all written warnings and or any other level of discipline issued to an employee.

A grievance may arise only from a dispute concerning the interpretation application administration or alleged violation of this Collective Agreement.

No employee shall leave his job or work place because of an alleged grievance but shall continue to work until a final decision has been given on his grievance under the following procedure by which decision he shall be bound.

Should a grievance arise it shall be handled in accordance with the following procedure:

- Step 1 The employee, together with his Steward shall take the matter up with his Immediate Supervisor within four **(4)** working days. The immediate Supervisor shall give his decision within three **(3)** working days.
- Step 2 If the immediate Supervisor does not settle the matter to the satisfaction of the employee, it shall be taken up by the Union Committee with the Plant Manager or his designate in writing within a further three (3) working days, from receipt of the answer in Step 1 and a decision rendered in writing within five (5) working days from receipt of the grievance.
- Step 3 The C.E.P. President/Business Agent and or C.E.P. National Representative, Union Committee, and employee will meet with the Director of **Himen** Resources or his/her designate and Company Committee. Notwithstanding the presence of the employee(s) shall be at the sole discretion of the Union.

13.02

A claim by an employee that has been unjustly discharged or suspended shall be treated as a grievance. In such cases the First Step of the regular grievance procedure will be omitted.

13.03

A Company grievance may be taken up with the Union between the Management and the Union Committee, in all cases the Union's decision regarding same will be given in writing and failing satisfactory settlement the grievance shall be subject to the arbitration procedure.

A Union grievance may similarly be taken up with the Company. The Company's decisions in such cases shall be given in writing and failing satisfactory settlement the grievance shall be subject to the arbitration procedure.

Any incident resulting in suspension enacted in the afternoon or night shift will be dealt with at a meeting of the Plant and the Union in the first day shift following the incident, providing all parties are available.

13.04

The time limits specified in these Article may be extended by mutual agreement of both parties.

13.05

Any grievance involving the interpretation or alleged violation of this Agreement which is not settled within five (5) working days after delivery of the grievance in writing to the Director of Human Resources or his designate may be referred to arbitration by the Union within a further thirty (30) days.

13.06

The party desiring to submit a matter to arbitration shall deliver to the other party a notice in writing of intention to arbitrate and within 30 days the parties shall attempt to agree upon an arbitrator. Failing agreement either party may request the Minister of Labour to appoint.

ARTICLE 14 DISCIPLINARY PROCEDURE

Section 1

When an employee is called into the office for the purpose of receiving a formal disciplinary reprimand, he/she will be accompanied by the appropriate Union Steward. A written record of the action to be taken will be prepared by the Supervisor and copies will be given to the individual affected and the Union. If the reprimand is of a verbal nature, no written record is required except for purposes of recording.

Disciplinary measures could include verbal warnings, written warnings, suspensions or termination.

Section 2

Union representation and management shall not consider any previous disciplinary action involving an employee provided that a twelve (12) month period has elapsed from the date of the last infraction.

ARTICLE 15 LEAVE OF ABSENCE

Section 1: Leave for Personal Reasons

Leave of absence without pay for legitimate personal reasons may be granted at the discretion of management. Requests for such leave must be in writing to the Plant Manager. When such leaves are approved, the employee concerned shall be informed in writing.

Section 2: Bereavement Leave

In the event of the death of an employee's child or spouse, the Company will grant five (5) days Leave of Absence with pay for the purpose of making arrangements for or attending the funeral personally or in absentia, regardless of distance or geographic location.

In the event of the death of a mother or father, the Company will grant four (4) days Leave of Absence with pay.

In the event of the death of a mother-in-law, father-in-law, brother, sister, grandmother or grandfather the Company will grant three (3) days Leave of Absence with pay.

A one (1) day Leave of Absence with pay will be granted an employee in the event of the death of a brother-in-law, sister-in-law or a spouse's grandparent.

Pay shall be at the employee's regular straight time base rate and shall be paid only for claims which occur on a day on which the employee would be regularly scheduled **to** work.

Section 3: Jury Duty

The Company agrees to pay the difference between an employee's regular earnings and Jury Duty pay, also for Crown witness, for a maximum of twenty-one (21) working days, provided the employee shows proof of Jury Duty, or being called as a Crown Witness. This provision shall also apply to subpoenaed witnesses, upon proof of same. To qualify, employees must have passed probation and cannot be called as a witness against the interests of the Company.

ARTICLE 16 SAFETY AND HEALTH

The Union and the Company agree to cooperate to the fullest extent in promoting the safety in the Plant, and the avoidance of accidents to the employees. The Company further agrees that there will be a Safety Committee of one member appointed from and by the Company, and two members appointed from and by the Union. The Safety Committee will meet once a month or more frequently if mutually agreed upon.

Any Safety Committee Report of Accident Investigation will be made available to the Union.

The Company will, upon proof of purchase, pay to all permanent employees a safety shoe subsidy of \$105.00 per contract year.

ARTICLE 17 NON-EMPLOYEE UNION REPRESENTATIVES

If an authorized Union Representative who is not employed by the Company wants to speak to a Local Union Representative in the Plant about a grievance or other official Union business, he should first get permission from the Manufacturing Manager or designate in his absence or the next in charge in the event the first two individuals are absent. These talks will be arranged so that they will not needlessly interfere with production.

ARTICLE 18 GROUP INSURANCE

Section 1: Group Life Insurance

The Company agrees to pay the full cost of a Group Life Insurance Plan for employees as follows:

	Current	Feb 10/07	Aug 15/08	Aug 15/09	Aug 15/10
Two months to three years	\$12,000	\$13,000	\$14,000	\$15,000	\$17,000
Three years +	\$25,000	\$26,000	\$27,000	\$28,000	\$30,000
Five years +	\$35,000	\$36,000	\$37,000	\$38,000	\$40,000

Section 2: Accidental Death & Dismemberment

The Company agrees to pay the full cost of an Accidental Death & Dismemberment Plan for employees as follows:

	Current	Feb 10/07	Aug 15/08	Aug 15/09	Aug 15/10
Two months +	\$25,000	\$26,000	\$27,000	\$28,000	\$30,000

Section 3: Weekly Indemnity

The Company will provide for the employees a plan based on benefit payments being made after the first day of disability as a result of an accident or illness requiring hospitalization and the fourth day of illness not requiring hospitalization for a period of fifty-two (52) weeks at a rate of 66 2/3% of earnings to the maximum of the E.I. maximum.

Section 4: O.H.I.P.

100% premium paid by Company.

Section 5: Major Medical

The Company shall provide a Major Medical Program as follows:

Maximum: \$10,000

Effective February 10th, 2007, increase to \$20,000.

Individual Deductible: \$20.00 Family Deductible: \$25.00

After the deductibles are satisfied, the employees must pay ten per cent (10%) of the cost and the insurance company pays ninety per cent (90%).

The plan will cover an Osteopath, Podiatrist, Christian Science Practitioner \$7.00 per visit, \$25.00 per X-ray, over and above OHIP payment.

Section 6: Pension Plan

The Company will contribute to C.W.I.P.P. at the rate of one dollar and fifty-two cents (\$1.52) per worked hour of employment, to a maximum of forty (40) hours per week.

Effective February 10, 2007 - \$1.54 Effective August 15, 2007 - \$1.56 Effective August 15, 2008 - \$1.58 Effective August 15, 2009 - \$1.60

Section 7: Dental Plan

Premium 100% paid by Company.

Effective January 1, 2007	- 2006 ODA schedule
Effective January 1, 2008	- 2007 ODA schedule
Effective January 1, 2009	- 2008 ODA schedule
Effective January 1, 2010	- 2009 ODA schedule

Blue Cross Dental Plan **No.** 7 or equivalent, plus Riders 1 and 2. 50/50 co-insurance on Rider 2 (dentures, partials). Company to pay 100% of premium cost.

Basic Dental maximum \$1,250.00.

Orthodontics will be covered in the amount of \$1,000 lifetime maximum. 50/50 co-insurance.

Section 8: L.T.D. Plan

- a) Disability means that during the first twenty-four (24) months of any disability, the employee is unable because **of** disease or injury, to work at his/her own occupation and thereafter during continuance of such period of disability that the employee is unable to work at any reasonable occupation to which the employee might be suited by training, education or experience.
- b) Currently fifty per cent (50%) of employee's average monthly earnings during the preceding year up to a maximum of \$1,600.00 to start after the 52nd week of sickness.

- c) The amount of benefit shall be reduced by any payments provided by Primary Benefits under any Government Plan.
- d) Duration of Benefit: Benefits shall cease upon the occurrence of any one of the following:
 - 1) on the date the employee ceases to be disabled
 - 2) date the employee retires, or
 - 3) at death
- e) Benefit Period: Benefits will be paid for one month for each completed month of service prior to the onset of disability, while the employee is disabled.
- f) Exclusions: All disabilities are covered unless they result from self inflicted injuries, war, riot, civil, commotion or as a result of employee's attempt to commit assault, battery or felony.

The total cost of the plan shall be paid by the Company.

g) An eligible employee is entitled to benefits provided the employee is actively at work on the first day the L.T.D. plan becomes effective. An eligible employee absent from work due to sickness or accident, at the effective date of the Plan shall be eligible for long term disability benefits at the return to active full-time employment.

Section 9: Vision

The Company will provide a Vision Care Plan that provides for \$125.00 per family member every two (2) years which includes frames, lenses and contact lenses.

Effective January 31, 2007: the Vision Plan will increase to \$150.00 per family member every 2 years.

ARTICLE 19 TOOL ALLOWANCE

Tool allowance of one hundred and twelve dollars (\$112) will be paid to Maintenance Department employees.

The Company will replace broken tools on an exchange basis only.

ARTICLE 20 DURATION OF AGREEMENT

The parties hereto agree that this Agreement shall be effective from the fifteenth (15th) of August 2006, until the fourteenth (14th) of August 2010, unless notice of desire to amend or terminate the Agreement is given by either party to the other party within a period of not more than sixty (60) calendar days and not less than thirty (30) calendar days prior to the expiry date of the Agreement.

If notice of desire to amend or terminate the Agreement is given by either party, then the parties agree to meet for the purposes of negotiations within fifteen (15) days after the giving **of** such notice if requested to do so.

ARTICLE 21 WORK BY EXCLUDED PERSONS

Persons whose regular jobs are not in the Bargaining Unit will not work on any jobs for which rates are established by this Agreement, except for the purpose of instruction, experimenting or in emergencies when regular employees are not available. A reasonable effort will be made to fill emergencyjobs with qualified bargaining unit employees.

For the Union:	For the Company:
Ken Cole	Fred Marcon
Mike Kachurowski	Jim Ryan
Dave Millar	Julia Vrabec
Courtney Daly	Dan Elliot
Brian Perkio	Sanjeev Pandya
Jagjeet Kaila	

WAGE SCHEDULE I

EMPLOYEES HIRED AFTER JANUARY 7, 1990

Effective: August 15, 2006 + 2.0%

		start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator		\$21.31		\$22.10		\$22.74
Knifeman		\$20.92		\$21.73		\$22.35
Double Backer		\$20.59	\$21.24	\$21.68	\$22.10	
Stacker Operator		\$19.33	\$19.99	\$20.63		
Press Operator		\$20.32	\$20.77	\$21.52	\$21.80	\$22.75
Slotter Takeoff		\$19.33	\$19.77	\$20.22	\$20.63	
Feeder		\$20.96	\$21.43	\$21.87		
Checker Loader		\$19.33	\$19.99	\$20.63		
Clamp Truck		\$20.17	\$20.83	\$21.47		
Towmotor/Unitizer		\$19.83	\$20.44	\$21.02		
Hoggerman		\$20.96	\$21.39	\$21.87		
Dieman		\$20.96	\$21.39	\$21.87		
Trucker		\$20.96	\$21.39	\$21.87		
Maintenance Electrician		\$21.68	\$22.59	\$23.38	\$24.18	\$24.97
Maintenance:	Skill	\$21.68	\$22.59	\$23.38	\$24.18	\$24.97
	Semi	\$19.85	\$20.98		\$22.34	
	Help	\$19.26	\$20.10		\$20.73	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

EMPLOYEES HIRED PRIOR TO JANUARY 7, 1990

Effective: August 15, 2006 +2.0%

		Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operat	or	\$21.35		\$22.16		\$22.83
Knifeman		\$21.35		\$22.16		\$22.83
Double Backer		\$20.59	\$21.24	\$21.68	\$22.10	
Stacker Operator		\$19.88	\$20.55	\$21.25		
Press Operator		\$20.32	\$20.77	\$21.52	\$21.80	\$22.75
Slotter Takeoff		\$19.88	\$20.32	\$20.80	\$21.25	
Feeder		\$20.96	\$21.43	\$21.87		
Checker Loader		\$19.88	\$20.55	\$21.25		
Clamp Truck		\$20.17	\$20.83	\$21.47		
Towmotor/Unitize	r	\$19.83	\$20.53	\$21.15		
Hoggerman		\$20.96	\$21.39	\$21.87		
Dieman		\$20.96	\$21.39	\$21.87		
Trucker		\$20.96	\$21.39	\$21.87		
Maintenance Elec	trician	\$21.93	\$22.88	\$23.69	\$24.52	\$25.38
Maintenance:	Skill	\$21.93	\$22.88	\$23.69	\$24.52	\$25.38
	Semi	\$20.07	\$21.23		\$22.56	
	Help	\$19.38	\$20.23		\$20.85	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

WAGE SCHEDULE II

EMPLOYEES HIRED AFTER JANUARY 7, 1990

Effective: August 15, 2007 +2.0%

	Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator	\$21.74		\$22.54		\$23.19
Knifeman	\$21.34		\$22.16		\$22.80
Double Backer	\$21.00	\$21.66	\$22.11	\$22.54	
Stacker Operator	\$19.72	\$20.39	\$21.04		
Press Operator	\$20.73	\$21.19	\$21.95	\$22.24	\$23.21
Slotter Takeoff	\$19.72	\$20.17	\$20.62	\$21. 05	
Feeder	\$21.38	\$21.86	\$22.31		
Checker Loader	\$19.72	\$20.39	\$21.04		
Clamp Truck	\$20.57	\$21.25	\$21.90		
Towmotor/Unitizer	\$20.23	\$20.85	\$21.44		
Hoggerman	\$21.38	\$21.82	\$22.31		
Dieman	\$21.38	\$21.82	\$22.31		
Trucker	\$21.38	\$21.82	\$22.31		
Maintenance Electrician	\$22.11	\$23.04	\$23.85	\$24.66	\$25.47
Maintenance: Skill	\$22.11	\$23.04	\$23.85	\$24.66	\$25.47
Semi	\$20.25	\$21.40		\$22.79	
Help	\$19.65	\$20.50		\$21.14	

 $[\]hbox{\tt **Note:} \textbf{Corrugator Utility receives the Corrugator Operator rate}\\$

EMPLOYEES **HIRED PRIOR** TO **JANUARY**7, 1990

Effective: August 15, 2007 +2.0%

		Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator		\$21.78		\$22.60		\$23.29
Knifeman		\$21.78		\$22.60		\$23.29
Double Backer		\$21,00	\$21.66	\$22.11	\$22.54	
Stacker Operator		\$20.28	\$20.96	\$21.68		
Press Operator		\$20.73	\$21.19	\$21.95	\$22.24	\$23.21
Slotter Takeoff		\$20.28	\$20.73	\$21.22	\$21.68	
Feeder		\$21.38	\$21.86	\$22,31		
Checker Loader		\$20.28	\$20.96	\$21.68		
Clamp Truck		\$20.57	\$21.25	\$21.90		
Towmotor/Unitizer		\$20.23	\$20.94	\$21.57		
Hoggerman		\$21.38	\$21.82	\$22.31		
Dieman		\$21.38	\$21.82	\$22.31		
Trucker		\$21.38	\$21.82	\$22,31		
Maintenance Electric	ian	\$22.37	\$23.34	\$24.16	\$25.01	\$25.89
Maintenance: Si	kill	\$22.37	\$23.34	\$24.16	\$25.01	\$25.89
	Semi	\$20.47	\$21.65		\$23.01	
	Help	\$19.77	\$20.63		\$21.27	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

WAGE SCHEDULE III

EMPLOYEES HIRED AFTER JANUARY 7, 1990

Effective: August 15, 2008 +2.0%

		Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator		\$22.17		\$22.99		\$23.65
Knifeman		\$21.77		\$22.60		\$23.26
Double Backer		\$21.42	\$22.09	\$22.55	\$22.99	
Stacker Operator		\$20.11	\$20.80	\$21.46		
Press Operator		\$21.14	\$21.61	\$22.39	\$22.68	\$23.67
Slotter Takeoff		\$20.11	\$20.57	\$21.03	\$21.46	
Feeder		\$21.81	\$22.30	\$22.76		
Checker Loader		\$20.11	\$20.80	\$21.46		
Clamp Truck		\$20.98	\$21.68	\$22.34		
Towmotor/Unitizer		\$20.63	\$21.27	\$21.87		
Hoggerman		\$21.81	\$22,26	\$22.76		
Dieman		\$21.81	\$22,26	\$22.76		
Trucker		\$21.81	\$22.26	\$22.76		
Maintenance Electrici	ian	\$22.55	\$23.50	\$24.33	\$25.15	\$25.98
Maintenance: SI	cill	\$22.55	\$23.50	\$24.33	\$25.15	\$25.98
	Semi	\$20.66	\$21.83		\$23.25	
	Help	\$20.04	\$20.91		\$21.56	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

EMPLOYEES **HIRED PRIOR** TO AFTER **JANUARY** 7, 1990

Effective: August 15, 2008 +2.0%

		Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operato	or	\$22.22		\$23.05		\$23.76
Knifeman		\$22.22		\$23.05		\$23.76
Double Backer		\$21.42	\$22.09	\$22.55	\$22.99	
Stacker Operator		\$20.69	\$21.38	\$22.11		
Press Operator		\$21.14	\$21.61	\$22.39	\$22.68	\$23.67
Slotter Takeoff		\$20.69	\$21.14	\$21.64	\$22.11	
Feeder		\$21.81	\$22.30	\$22.76		
Checker Loader		\$20.69	\$21.38	\$22.11		
Clamp Truck		\$20.98	\$21.68	\$22.34		
Towmotor/Unitizer		\$20.63	\$21.36	\$22.00		
Hoggerman		\$21.81	\$22.26	\$22.76		
Dieman		\$21.81	\$22.26	\$22.76		
Trucker		\$21.81	\$22.26	\$22.76		
Maintenance Electrician		\$22.82	\$23.81	\$24.64	\$25.51	\$26.41
Maintenance:	Skill	\$22.82	\$23.81	\$24.64	\$25.51	\$26.41
	Semi	\$20.88	\$22.08		\$23.47	
	Help	\$20.17	\$21.04		\$21.70	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

WAGE SCHEDULE IV

EMPLOYEES HIRED AFTER JANUARY 7, 1990

Effective: August 15, 2009 +2.5%

	Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator	\$22.72		\$23.56		\$24.24
Knifeman	\$22.31		\$23.17		\$23.84
Double Backer	\$21.96	\$22.64	\$23.11	\$23.56	
Stacker Operator	\$20.61	\$21.32	\$22.00		
Press Operator	\$21.67	\$22.15	\$22.95	\$23.25	\$24.26
Slotter Takeoff	\$20.61	\$21.08	\$21.56	\$22.00	
Feeder	\$22.36	\$22.86	\$23.33		
Checker Loader	\$20.61	\$21.32	\$22.00		
Clamp Truck	\$21 .50	\$22.22	\$22,90		
Towmotor/Unitizer	\$21.15	\$21.80	\$22.42		
Hoggerman	\$22.36	\$22.82	\$23.33		
Dieman	\$22.36	\$22,82	\$23.33		
Trucker	\$22.36	\$22.82	\$23.33		
Maintenance Electrician	\$23.11	\$24.09	\$24.94	\$25.78	\$26.63
Maintenance: Skill	\$23.11	\$24.09	\$24.94	\$25.78	\$26.63
Sen	ii \$21.18	\$22.38		\$23.83	
Hel	p \$20.54	\$21.43		\$22.10	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

EMPLOYEES **HIRED** PRIOR TO **JANUARY7**, 1990

Effective: August 15, 2009 +2.5%

	Start	3 Months	6 Months	12 Months	18 Months
Corrugator Operator	\$22.78		\$23.63		\$24.35
Knifeman	\$22.78		\$23.63		\$24.35
Double Backer	\$21.96	\$22.64	\$23.11	\$23.56	
Stacker Operator	\$21.21	\$21.91	\$22.66		
Press Operator	\$21.67	\$22.15	\$22.95	\$23.25	\$24.26
Slotter Takeoff	\$21,21	\$21.67	\$22.18	\$22.66	
Feeder	\$22.36	\$22.86	\$23.33		
Checker Loader	\$21.21	\$21.91	\$22.66		
Clamp Truck	\$21 .50	\$22,22	\$22.90		
Towmotor/Unitizer	\$21.15	\$21.89	\$22.55		
Hoggerman	\$22.36	\$22.82	\$23.33		
Dieman	\$22.36	\$22.82	\$23.33		
Trucker	\$22.36	\$22.82	\$23.33		
Maintenance Electrician	\$23.39	\$24.41	\$25.26	\$26.15	\$27.07
Maintenance: Skill	\$23.39	\$24.41	\$25.26	\$26.15	\$27.07
Semi	\$21.40	\$22.63		\$24.06	
Help	\$20.67	\$21.57		\$22.24	

^{**}Note: Corrugator Utility receives the Corrugator Operator rate

PLANT RULES AS LISTED WILL FORM PART OF THIS CONTRACT

SAFETY RULES

a) Safety and Fire Protection Equipment

- i) Safety equipment prescribed for the work involved shall be used.
- ii) Safety and fire protection devices must not be tampered with or altered in any way.
- iii) There will be NO SMOKING except where there are continuous operations. Management will provide smoking areas.

b) Personal Safety Apparel

- i) Employees shall wear and use such safety apparel as required.
- ii) Employees shall report defective or worn safety equipment to their supervisor.
- iii) Safety shoes or boots will be worn in all Plant Areas.

c) Medical First Aid

- i) Injuries, **no** matter how minor, shall be reported to the employee's Supervisor as soon as possible and a record kept by the Company.
- ii) Employees should follow any treatment instructions as given by First Aid Staff.

d) General

- i) No employees shall engage in horseplay or any act of physical violence.
- ii) No employee shall bring intoxicants onto Plant premises or report for duty under the influence of intoxicants or narcotics.
- iii) No repairs shall be carried out on machinery while it is in motion, or while it can be set in motion. Proper safety lockout procedures must be followed.

CLASS "A" VIOLATIONS

- 1. Washing up before quitting time, starting late, stopping earlier than regular working time or abusing rest periods.
- 2. Failure to meet requirements of job with respect to quantity or quality.
- 3. Lateness without acceptable cause.
- **4.** Violation of a safety practice or rule or contributing to poor housekeeping and unsanitary conditions.
- **5.** Unauthorized use of the Company telephones.
- **6.** Abusive language to other Company employees, including supervisors, and vice versa.
- 7. Defacing bulletin boards or material thereon.
- **8.** Taking photographs on Company property without permission,
- 9. Engaging in horseplay, which could result in injury to other employees or damage to Company property?

10. Eating in areas other than the lunchroom or specifically designated areas, i.e. outside (waste must be disposed of in containers provided).

Penalty for Class "A" Violations

Written Warning Suspension Discharge

CLASS 'B" VIOLATIONS

- 1. Willful waste of materials, supplies, etc.
- 2. Immoral or indecent conduct.
- 3. Making false or malicious statements concerning the Company's products to customers.
- 4. Posting, distributing or circulating unauthorized notices, posters, handbills, etc. on plant premises except with permission from Management.
- 5. Any act or neglect which creates a fire hazard.
- **6.** Reporting for work while ability is impaired or under the influence of alcohol or narcotics.
- 7. Sleeping during work hours.
- **8.** Unauthorized operating, stopping or tampering with machines, tools or equipment.
- 9. Causing damage to Company property due to carelessness.
- 10. Use or possession of another employee's tools without the employee's consent.
- 11. Bringing unauthorized persons onto Plant premises at any time without proper approval.
- 12. Fighting or instigating a fight on Company premises at any time.

Penalty for Class "B" Violations

Suspension Discharge

The foregoing shall not necessarily constitute a complete list of plant rules, and both the Company and the Union recognizes the need for the addition or deletion of rules during the term of this agreement as the situation arises. The Company shall meet with the local Union to advise them of any changes to existing rules prior to implementation, and all changes will be posted on plant bulletin board.

Appendix I

LETTER OF UNDERSTANDING

between

ATLANTIC PACKAGING PRODUCTS LTD.

AND

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION LOCAL 333

RE: BENEFIT COVERAGE FOR EMPLOYEES 65+

Effective February 10, 2007, the following is the benefit coverage for employees 65+:

Weekly Indemnity:

The Company will continue to provide the current employee plan up to the age of 69.

L.T.D. Plan:

For all employees aged 65+, long-term disability coverage will cease.

Major Medical:

Medical benefits will continue however, the first payer of the benefits will be the government.

ATLANTIC PACKAGING PRODUCTS LTD.	COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION LOCAL 33:
F. Marcon	K. Cole
	D. Millar

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