

COLLECTIVE AGREEMENT

Between

THE DAILY OBSERVER

And

**THE COMMUNICATIONS, ENERGY, AND PAPERWORKERS
UNION OF CANADA, LOCAL 102-10
(Office Unit)**

July 12, 2007 to July 1, 2010

COLLECTIVE AGREEMENT

ARTICLE 1- PREAMBLE

This Agreement made and entered into this 12th day of July, 2007 between The Daily Observer, a Division of Osprey Media LP, through its authorized representative, hereinafter referred to as the "Publisher" and The Communications, Energy and Paperworkers Union of Canada, Local 102-10 (Office), hereinafter referred to as the "Union".

The purpose of this Agreement is to facilitate collective bargaining between the Publisher and the Union; to encourage cooperative and expeditious resolutions of workplace issues; and to facilitate the efficient production of the newspaper.

Irrespective of the date upon which this agreement comes into effect, its terms will be implemented effective on the date of ratification, unless mutually agreed otherwise.

ARTICLE 2 - DURATION AND COVENANT

Witnesseth - That this agreement is in effect from and after July 12, 2007 and ending July 1, 2010; and thereafter until a new agreement is affected.

The parties agree that there shall be no strike, slowdowns, stoppages of work, or lockout while this agreement is in force in accordance with the Labour Relations Act of Ontario.

ARTICLE 3 - DEFINITIONS

The following definitions shall apply to all clauses in the collective agreement unless mutually agreed otherwise:

[a] Regular Employees

- have their hours regularly scheduled
- have completed probation
- maintain continuous employment
- if working more than 24 hours/week but less than 37.5 hours/week on a regular basis, may work part of a shift or part of a week
- this shall not be taken to mean that regular employees are guaranteed payment of hours not worked in the week, unless pay for time-not-worked is required elsewhere in this contract.

[b] Temporary Employees

- replace regular employees when absent or are employed for special projects or are employed for transient purposes
- if working more than 24 hours/week but less than 37.5 hours/week, may work part of a shift or part of a week

- are employed for no longer than six months unless replacing for extended sick leave, long term disability, approved leave of absence or unless mutually agreed to by the Publisher and the Union.

[c] Work Week

- excluding weeks in which a statutory holiday[s] falls, the normal work week for employees shall consist of up to 37.5 hours/week within a period of seven calendar days
-the normal work week in which a statutory holiday[s] falls shall consist of up to 37.5 hours/week within a period of seven calendar days, less the hours paid but not worked

[d] Benefits

- benefits referred to in this collective agreement are life insurance, major medical, dental, hospital, long term disability.

[e] Day

- unless otherwise specified in this collective agreement, all references to days shall be working days, excluding statutory holidays and rotation days.

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes that, subject to the terms of the Collective Agreement, it is the exclusive right of the Publisher to manage its enterprise and, without restricting the generality of the foregoing, to plan, direct and control its operations, facilities, systems and procedures, to maintain order, discipline and efficiency, to hire, retire, assign duties, promote, classify, reclassify, create, combine or eliminate classifications, fill and determine vacancies, layoff, recall, demote, appoint, transfer, discharge, suspend or otherwise discipline for just cause employees who have completed their probationary period, to determine complement and number of employees required, to schedule working hours, to extend, curtail or cease operations, to subcontract, to establish and enforce rules and regulations governing the conduct of the employee. The Publisher agrees that it will not exercise rights in a manner inconsistent with the terms of this Collective Agreement.

All matters concerning the operations of the Employer not specifically dealt with herein shall be reserved to the Employer and be its exclusive responsibility.

ARTICLE 5 - UNION RECOGNITION

[a] The Publisher recognizes the Union as the sole and exclusive collective bargaining agent for all employees of The Daily Observer, A Division of Osprey Media LP, in the city of Pembroke, save and except manager, persons above the rank of manager, persons regularly employed for not more than twenty-four (24) hours per week (unless they are employed in the classification of Creative Ad Builder), and students employed during the

school vacation period, and persons in bargaining units for whom any trade union held bargaining rights as of July 2, 1996.

[b] The Union agrees to furnish the Publisher with a list of names of employees who have been elected or appointed Union Officers and Stewards authorized to represent the Union, and the Union will keep this list up to date.

[c] It is understood and agreed that the Publisher is the authorized representative of the Company. In the absence of the Publisher, the Office Manager is the authorized representative unless otherwise specified in writing by the Publisher.

[d] Stewards, members of committees and Union Officers will be required to perform their regular duties and will not leave or otherwise interrupt their regular duties to attend to Union business without first obtaining the permission of the supervisor or his/her designated representative. Permission to attend to legitimate Union business will not be unreasonably withheld. When a Steward leaves or otherwise interrupts his/her regular duties to attend to Union business, he/she shall be paid for time worked up to the point of leaving or otherwise interrupting his/her regular duties to attend to Union business, unless the Steward is attending a Company/Union meeting regarding issues of contract administration in which case there shall be no loss of regular pay.

[e] In the event the Employer creates a new position or enlarges an existing position, the parties shall discuss the issue of inclusion or exclusion from the bargaining unit. If the parties cannot agree as to the issue of inclusion or exclusion from the bargaining unit, the issue will be referred to the Ontario Labour Relations Board for "determination of employee status".

ARTICLE 6 - UNION MEMBERSHIP

All new employees hired after the effective date of this Agreement shall authorize the Publisher to deduct from their wages the regular monthly union dues. Upon completion of their probationary period, employees shall be required, as a condition of employment, to become members of the Union and to remain members in good standing during the term of this Agreement.

ARTICLE 7 - DUES CHECK-OFF

The Publisher agrees to deduct from the earnings of each employee in the bargaining unit, whether or not the employee is a member of the Union, and pay any dues or assessments, as specified by the Union. Such dues shall be deducted in accordance with a written schedule furnished by the Union to the Publisher at least one month prior to its intended implementation. The schedule shall be used by the Publisher in calculating dues and assessments until the Union gives written notice of amendment. Such amendment shall be furnished by the Union to the Publisher at least one month prior to its intended implementation.

Deductions shall be made from each pay and remitted to the Union monthly. The Union agrees to indemnify and save the Publisher harmless against all claims or other forms of liability resulting from deductions made or payments made in accordance with this Article.

ARTICLE 8 - INFORMATION

The Publisher shall within thirty (30) calendar days of the ratification of this Agreement, and every six (6) months thereafter, supply the Union with a list containing the following information for all employees covered by this Agreement. The Publisher shall also supply this information for any new employee(s) covered by this collective agreement upon completion of their probationary period.

- [a] Name
- [b] Date of Hiring
- [c] Classification
- [d] Wage Rate

ARTICLE 9 - GRIEVANCE AND ARBITRATION

[a] A grievance is defined for the purposes of this Article as an expressed difference or dispute between an employee and the Publisher, or the Union and the Publisher regarding the interpretation, application, administration or alleged violation of this Agreement. It is the mutual desire of the parties hereto that such grievances be adjusted and settled as quickly as possible without stoppage of work.

Within ten (10) working days of the occurrence of or date that the employee could have reasonably known of the occurrence or origination of the circumstances giving rise to the grievance, the employee shall take the matter to the immediate supervisor in the department concerned in order to achieve a mutually satisfactory resolution. Such employee may ask a union representative to accompany him/her when taking the matter to the immediate supervisor, in which case the immediate supervisor may have another member of management attend the meeting. If a satisfactory resolution is not reached within two (2) working days or within such longer period which may be mutually agreed upon, the grievance shall be taken up in the following manner and sequence provided it is presented within five (5) working days of the immediate supervisor's reply to the employee.

STEP 1

The Union Representative shall make a written presentation to the immediate supervisor setting forth the name[s] of the grievor[s], the date[s] of incident[s] occurred, the nature of the grievance, the Article[s] of the collective agreement alleged to have been violated and the relief sought. A meeting shall be held between the parties within five (5) days of receipt of the written presentation to

discuss the grievance. The Publisher shall give the Union Representative a decision in writing within two (2) workdays following the meeting.

STEP 2

Failing settlement of the grievance, the Union shall, within five (5) work days of receiving the reply of the Publisher refer the matter in writing to Step 2 of the grievance procedure.

At Step 2 of the grievance procedure, a meeting shall take place between the Local Union Representative and the Employer Representative.

The Employer shall reply in writing within ten days of the meeting.

STEP 3

Should Step 2 of the grievance procedure fail to resolve the grievance, the grievance may be referred to a meeting between the Publisher and the National Union Representative. Such meeting shall be set up within five (5) days of the referral and such meeting shall occur at the earliest possible date but no later than (21) days after the referral [such time may be extended by mutual agreement]. If the grievance cannot be settled at this meeting, the Union may then refer the grievance to arbitration, in accordance with the terms and conditions of the Labour Relations Act of Ontario, within a further thirty (30) calendar days of completion of the steps outlined in this Article. The results of such arbitration shall be final and binding on both parties. In any grievance, the parties may by mutual written consent omit the referral to Step 2 or the meeting with the National Representative and refer the matter directly to arbitration.

[b] The parties agree, in the interest of cost-containment, that a single arbitrator constitutes a Board of Arbitration. Unless mutually agreed otherwise, the parties will use a single arbitrator when it becomes necessary to resolve a grievance through arbitration. The parties shall each share equally the cost of the services of the arbitrator, who shall be chosen on mutual agreement of the parties. The decision of the arbitrator shall be final and binding on the Union and the Publisher.

[c] The Arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement; nor to deal with any matter not covered by this Agreement nor to alter, modify or amend any part of this Agreement.

[d] Time limits set out in this Article are mandatory. Failure to comply with the time limits set out in this Article shall result in the grievance being deemed to be withdrawn and abandoned. Any grievance shall be deemed to have been withdrawn and abandoned if the grievance is not advanced through the grievance procedure in accordance with the time limits outlined in this Article. Time limits shall be extended only by mutual consent of the parties in writing.

[e] Employees shall have the right to have a shop steward present at any disciplinary meeting in which the employee is to be given a verbal or written warning, or a notice of suspension or letter of discharge. A copy of any written warning or notice of suspension or letter of discharge shall be given to the employee and the Union. A written warning or notice of suspension or letter of discharge shall include the reason[s] for such discipline and shall be issued within five (5) days of the warning or suspension or discharge.

Notwithstanding the above, an employee may request the presence of a Union Representative at any meeting with management.

[f] It is agreed that the Company will not discipline or discharge an employee except for just cause. Step 1 of the Grievance Procedure may be omitted on mutual agreement in the case of discharge for just cause.

[g] A policy grievance shall proceed directly to Step 2 of the grievance procedure. A grievance by management shall be advanced in accordance with Article 9 [a - e] above, but shall proceed directly to Step 2 of the grievance procedure.

ARTICLE 10 - SENIORITY

[a] [i] Seniority, except for the purpose of accumulation of vacation and sick leave and vacation pay and sick pay, shall mean length of continuous employment with the Publisher.

[ii] Seniority for part-time employees shall be prorated based on hours worked as a percentage of hours worked by full-time employees if they are hired as a regular employee.

[b] Unless elsewhere provided in this contract, or legislatively required otherwise, time spent away from the workforce which is not wholly paid by the Publisher shall not be used in computing length of continuous employment with the Publisher for any purpose including, but not limited to, compensation, vacation, holidays, benefits or any other entitlement under the contract which is dependent on seniority or length of continuous employment with the Publisher.

[c] Seniority once established for an employee shall be forfeited and the employee's employment shall be deemed to be terminated under the following circumstances:

- resignation
- retirement
- discharge for just cause without reinstatement through the grievance or arbitration procedure
- lay off for a period exceeding the period during which an employee has recall rights under the collective agreement
- absence from work for more than three [3] working days without providing a reasonable explanation which is substantiated
- absence from work beyond authorized leave or vacation without providing a reasonable explanation which is substantiated

- fails to report for work within seven [7] days after notification of recall to work following a layoff

[d] A regular employee will be considered on probation until s/he has completed ninety [90] workdays within any twelve (12) calendar months. The probationary period may be extended by another ninety [90] workdays by mutual agreement between the parties. A probationary employee shall be deemed to have no seniority. Upon successful completion of the probationary period an employee shall be deemed to have seniority from the date of his/her hiring.

[e] A probationary employee laid off before completion of the probationary period and subsequently rehired within twelve (12) months from the date of his/her original hiring shall be given credit for the number of days worked previously towards completion of his/her probationary period.

[f] The Publisher may dismiss a probationary employee for any reason, in its sole discretion, provided it does not act in bad faith and this shall constitute the lesser standard to be applied for the purpose of any hearing into the dismissal of a probationary employee.

[g] If a reduction in workforce is necessary, probationary, temporary and part-time employees in the affected group, as defined in Article 17[b] -Layoff Procedure, shall be laid off first.

ARTICLE 11 - TEMPORARY EMPLOYEES

[a] Temporary employees are included in all provisions of this agreement, except Article 14 - Benefits, Article 15 - Vacation, Article 16 - Statutory Holidays, Article 17 - Layoff Procedure, Article 18 [a & b] - Leave of Absence and Article 19[c] - Expenses. Temporary employees shall be eligible for statutory holiday pay and vacation pay in accordance with the formula in the Employment Standards Act.

[b] A temporary employee will not be hired where it would result in the layoff of a regular employee.

ARTICLE 12 - WAGES

[a] Employees shall advance along the following hourly wage scale according to hours worked within the classification held:

	Previous	Upon Ratification	July 2/08	July 2/09
[i] Advertising Department				
<u>Advertising Clerk</u>				
Starting Rate	\$ 10.91	\$ 11.16	\$ 11.38	\$ 11.61
One year	\$ 11.78	\$ 12.05	\$ 12.29	\$ 12.54
Two years	\$ 12.62	\$ 12.90	\$ 13.16	\$ 13.42
Three years	\$ 12.89	\$ 13.18	\$ 13.44	\$ 13.71
<u>Classified Clerk</u>				
Starting Rate	\$ 10.44	\$ 10.67	\$ 10.88	\$ 11.10
One year	\$ 10.95	\$ 11.20	\$ 11.42	\$ 11.65
Two years	\$ 11.69	\$ 11.95	\$ 12.19	\$ 12.43
Three years	\$ 11.96	\$ 12.23	\$ 12.47	\$ 12.72
<u>Outside Sales Rep.</u>	\$ 9.64	\$ 9.86	\$ 10.06	\$ 10.26
<u>Creative Ad-builder</u>				
Trainee Rate	\$ 10.92	\$ 11.17	\$ 11.39	\$ 11.62
Starting Rate	\$ 12.05	\$ 12.32	\$ 12.57	\$ 12.82
One year	\$ 13.18	\$ 13.48	\$ 13.75	\$ 14.03
Two years	\$ 14.32	\$ 14.64	\$ 14.93	\$ 15.23
Three years	\$ 14.76	\$ 15.09	\$ 15.39	\$ 15.70
[ii] Business Office				
<u>Accounting Clerk</u>				
Starting Rate	\$ 10.91	\$ 11.16	\$ 11.38	\$ 11.61
One year	\$ 12.07	\$ 12.34	\$ 12.59	\$ 12.84
Two years	\$ 13.13	\$ 13.43	\$ 13.70	\$ 13.97
Three years	\$ 13.40	\$ 14.11	\$ 14.39	\$ 14.68
[iii] Circulation				
<u>Circulation Clerk</u>				
Starting Rate	\$ 10.44	\$ 10.67	\$ 10.88	\$ 11.10
One year	\$ 11.19	\$ 11.44	\$ 11.67	\$ 11.90
Two years	\$ 11.91	\$ 12.18	\$ 12.42	\$ 12.67
Three years	\$ 12.19	\$ 12.46	\$ 12.71	\$ 12.96

* Retroactive pay of 2.25 % will be paid to all employees covered by this collective agreement upon ratification, for all hours worked from July 2, 2007 to July 12, 2007.

The Advertising Outside Sales Representatives shall earn 4.65% of their gross sales as commissionable sales.

[b] An employee temporarily required to work the duties of a higher classification for six [6] consecutive shifts or more shall receive the wage rate of the higher classification that is next higher to the wage rate the employee currently receives from the sixth [6th] shift on, unless the employee is currently being paid more than the starting rate in that classification, in which case there will be no change in the wage rate currently being received until the employee has worked sufficient hours to earn a step-up in the higher classification.

[c] No employee shall be permitted to accumulate hours worked in two or more classifications simultaneously for the purpose of advancing in the wage scale, or for any other purpose under this contract.

[d] There shall be no reduction in wages as a result of implementation of this agreement.

[e] The Employer will notify the Union of any new job classification it establishes in the bargaining unit. If the rate of pay for the new classification is challenged by the Union, the parties shall meet and endeavour to resolve the issue. Any change agreed to shall be retroactive to the date the employee began work in the new job classification.

ARTICLE 13 - HOURS OF WORK AND OVERTIME

[a] The normal hours of work of an employee (except creative ad-builders) shall be 7.5 hours in the day and 37.5 hours in the week. Changes in the normal starting time shall be scheduled by the Publisher not later than one week prior to the day in which the work applies, provided, however, that changes may be made without notice on mutual agreement between the Publisher and the employee, or may be made by the Publisher at any time to meet an emergency.

An employee shall receive eleven (11) consecutive hours free from work each day in accordance with the applicable provisions of the Employment Standards Act of Ontario.

The normal hours of work for creative ad-builders shall be 7 ½ hours in the day and 37 ½ hours in the week. Creative ad-builders may have scheduled daily shifts other than seven and one-half (7½) hours per day (not less than four (4) consecutive hours and not more than eleven (11) consecutive hours per shift), provided that the normal workweek of thirty seven and one-half (37½) hours in a five day period is maintained. Shift schedules shall be posted by Thursday at noon for the following week. Shifts may be changed by the Employer as needed due to emergencies, or circumstances beyond the control of the Employer.

Upon ratification, hours worked between 6:00 p.m. and 6:00 a.m. shall be paid a premium of \$1.10 per hour worked.

[b] Where an employee is authorized by the Publisher to work in excess of forty (40) hours/week, the employee shall be paid for each hour worked in excess of forty (40) hours/week at an amount equal to one and one-half times the regular rate of the employee.

[c] Employees will be entitled to a paid break of fifteen (15) minutes during each four hour work period and an unpaid meal period of at least one-half hour to be scheduled by the Publisher, provided no employee is required to work longer than five (5) consecutive hours without a meal period. The length of an employee's unpaid meal period may vary between one-half and one hour, at the discretion of the Publisher.

[d] The Publisher agrees to make reasonable efforts to schedule regular employees such that each regular employee receives two consecutive days off. Should weekend work become necessary for regular employees, the Publisher agrees to meet with the Union to attempt to devise a mutually acceptable rotation schedule. Should the parties fail to decide on a mutually acceptable rotation schedule within thirty (30) days, the Publisher reserves the right to implement a rotation schedule of his/her choosing.

ARTICLE 14 - BENEFITS

[a] Regular employees shall be eligible for coverage under the benefits plans offered by the Publisher in accordance with the current cost sharing formula between the Publisher (66.66%) and the employee (33.33%), except the Long Term Disability which will be equally shared by the Publisher (50%) and the employee (50%). Regular employees who are covered under any or all of the benefit plans offered by the Publisher will have their portion of the premiums for the benefits deducted from their paycheque in order to continue coverage.

[b] Each of the benefits plans offered by the Publisher shall be subject to the terms and conditions of the insurance agreement with the companies concerned. The current benefit plans in effect shall continue for the life of this agreement.

[c] The Publisher shall, when requested by the Union, furnish a copy of the benefit plans, including copies of the master agreements with the carriers. The Publisher further agrees to take note of any suggestions or criticisms relating to such information from the Union.

[d] The Publisher's obligations expressed under this Article with respect to the provision of benefits refer to the payment by the Publisher only of premiums necessary to obtain said benefits. Any disputes regarding entitlement to benefits or the amount of benefits shall be adjusted directly between the employee and the insurer.

[e] Effective August 1, 2007, the vision care plan will provide a benefit level of \$170 every 24 months per family for regular full-time employees covered by this collective agreement, upon submission of approved receipts.

Effective July 2, 2008, the vision care benefit will increase to \$190.00 every twenty-four (24) months per family, upon submission of approved receipts.

ARTICLE 15 - VACATION

[a] Regular employees who have the following seniority as at July 1 shall be entitled to vacation with pay as follows:

Effective July 2, 2007:

Less than one year's seniority	As per the Employment Standards Act
One year's seniority	10 days
Five years seniority	15 days
Ten years seniority	20 days
Twenty years seniority	25 days

[b] Regular employees who have been employed by the Publisher for less than one year shall be entitled to one day's vacation for each 26 days worked.

[c] Unless otherwise specified in the collective agreement, or legislatively required, time spent away from the workforce which is not wholly paid for by the Publisher shall not be used to accumulate or receive any entitlements under the collective agreement including, but not limited to, vacation. In such cases, regular employees shall be entitled to one day's vacation for each 26 days worked.

[d] Regular employees, who work more than 24 hours/week and less than 37.5 hours/week shall accrue vacation in accordance with hours worked in the preceding year with 1950 hours representing a full year's service.

[e] Regular employees working in Outside Sales positions in the Advertising Department shall receive vacation pay and vacation time in accordance with Article 15[a] above for their base rate given at the time of their vacation.

In addition, regular employees working in Outside Sales positions in the Advertising Department shall be paid an amount calculated at an equivalent percentage of the rates shown in Article 15[a] above multiplied by their commission for the pay period in which the commission shows. Said amount will be added on to the pay period in which the commission shows.

[f] All vacations shall be taken within the calendar year, as per present practice. There shall be no carryover of vacation entitlements from one year to the next except with the approval of the Publisher.

[g] The time of year that each employee shall take vacation shall be arranged between the Publisher and the employee. Efforts will be made to accede to the employee's wishes, provided it does not interfere with operational requirements and scheduling requirements. In the event of conflicting applications, seniority within classification shall apply, provided first choice of vacation selection from June 15 to September 15, and over Christmas and over March break shall be limited to two weeks (consecutive if requested) until all employees have had an opportunity for vacation during this period of time. Employees who fail to indicate their vacation preferences by March 1 of each year may lose the privilege of the vacation selection to which their seniority would otherwise entitle them. The Employer shall post the vacation schedule no later than March 15th of each year.

[h] When a statutory holiday occurs during a vacation period an additional day off with pay shall be granted within a reasonable time from the date of such holiday.

[i] On mutual agreement between the Publisher and the employee, vacation may be taken in daily increments.

[j] Vacation pay for each week of entitlement, accrued per Article 15[a], shall be a week's regular wage or two percent (2%) of the previous year's earnings, whichever is greater.

[k] With the exception of Article 15[f], it is understood and agreed that for the purpose of this Article, the previous year runs from July 1 to June 30 and that earnings shall mean wages, exclusive of taxable benefits.

ARTICLE 16 - STATUTORY HOLIDAYS

[a] The following shall be considered statutory holidays under the collective agreement: Christmas Day, New Year's Day, Good Friday, Victoria Day, Canada Day, Labour Day, Thanksgiving Day, Boxing Day, Civic Holiday or any other holiday[s] provided for under the Employment Standards Act of Ontario.

[b] A regular employee who would have otherwise worked but received a day off in celebration of a statutory holiday shall be paid his/her regular straight time wages, provided the employee does not absent himself/herself from work without proper leave the work day before or after the statutory holiday, except where the employee has been absent from work due to illness, which is substantiated.

[c] A regular employee whose day off falls on a statutory holiday shall receive a day off with pay at a time mutually agreed to by the employee and the Publisher.

[d] A regular employee required to work on a statutory holiday shall be paid one and one-half times the employee's regular hourly rate, and shall be given another day off with pay at a time mutually agreed to by the employee and the Publisher.

[e] It is understood and agreed that for the night shift, the statutory holiday, or the day celebrated as such, will be celebrated the evening or night prior to said holidays or days celebrated as such.

ARTICLE 17 - LAYOFF PROCEDURE

[a] In the event of layoff, employees shall receive notice of layoff or pay in lieu of notice as required by the Employment Standards Act. The union will be informed if employees receive notice of layoff.

[b] In the event of layoff, the following procedure shall apply: Within each department, employees shall first be grouped according to their status, and then according to their classification. Within each of those groups, layoffs, if any, shall be in inverse order of seniority, provided those remaining have the immediate qualifications, which includes skill, ability, knowledge, training and experience, to perform the work required within two weeks of bumping into the position.

[c] Each employee laid off, other than a probationary employee or temporary employee, shall be placed on a rehiring list for 12 months from date of layoff, during which time he/she shall have recall rights as outlined in [d]-[g] below.

[d] Should a vacancy occur, the following recall procedures shall apply:

The Publisher shall fill each vacancy in the bargaining unit with a person from the rehiring list, provided he/she is willing and has the immediate qualifications, which includes skill, ability, knowledge, training and experience, in all aspects, for the position within the prescribed two (2) week period, and further provided that the person to be hired shall be the one with the most seniority who was working as a regular employee until the layoff.

[e] To recall an employee, the Publisher shall send a written notice of recall by registered mail to the employee's last address on record with the Publisher. It shall be the responsibility of the employee to ensure the last address on record with the Publisher is current and correct. If an employee should fail to do so, the Employer will not be responsible for failure of any notice to reach such employee and all recall rights are deemed to have been waived.

[f] An employee shall be struck from the rehiring list and shall be deemed to have resigned if:

- the employee fails to return to work within 7 calendar days when offered a position.
- the employee refuses to return to work within 7 calendar days when offered a position.
- the employee's recall letter is returned because he/she failed to file a correct address with the Publisher.

[g] An employee accepting recall into a lower classification than held prior to notice of layoff shall be paid the wage rate of the lower classification.

[h] While complying with the requirements of [d] to [f] above, a vacancy may be filled, at the discretion of the Publisher, with a temporary employee.

[i] Temporary lay-offs resulting from unexpected problems, equipment or power failures may be made without regard to seniority provided however that every reasonable effort will be made by the Publisher to provide work for employees in their own classification or in another classification in the workplace.

[j] Severance pay for any permanent layoff shall be at the rate of one (1) week's wages for each ten (10) months' continuous service or a major fraction thereof, with a maximum of twenty-six (26) weeks severance pay, shall be paid to employees.

[k] In the event the Publisher lays off an employee who works 37.5 hours/week, and said employee bumps another employee who works more than 24 hours/week but less than 37.5 hours/week, the hours of work per week for the employee initially laid-off shall be reduced to equal the number of hours normally worked per week by the employee being bumped. The employee initially laid-off shall be paid at the wage rate of the lower classification.

[l] The Employer will accept voluntary lay-offs from other employees in the classification(s) involved in lieu of those identified to be laid off provided those remaining are qualified (which may include skill, ability, knowledge, training and experience) and able to perform the work required. The number of layoffs will be reduced by the number of voluntary resignations from the classification.

ARTICLE 18 - LEAVE OF ABSENCE

[a] An employee who is unable to work due to illness or injury may receive leave of absence without pay. If an employee is hired to replace the employee on such leave of absence, he/she will be deemed to be a temporary employee. An employee on such leave of absence will accumulate seniority, for a period of up to one calendar year, as if he/she had been working his/her regular schedule. Inability to work due to illness or injury must be substantiated.

[b] Upon return to work of an employee who has been on an authorized leave of absence because he/she is unable to work due to illness or injury, he/she will return to his/her former position, if the position still exists and if he/she is capable of performing the work (with accommodation to the point of undue hardship); otherwise he/she will be offered any other vacant position[s] if he/she is capable of performing the work (with accommodation to the point of undue hardship). If the employee is unable to perform the work of his/her former position or any vacant position[s], and accommodation to the point of undue

hardship is not possible, the parties will explore and attempt to agree upon alternative accommodation on a case-by-case basis.

By mutual agreement between the parties, provisions of this collective agreement may be amended or waived to meet the requirements of the duty to accommodate.

[c] Regular employees who have a death in the immediate family, upon notification to the Publisher, shall be allowed time off without loss of regular pay for five (5) days to attend the funeral. If conditions warrant it, other arrangements may be made by mutual agreement. Immediate family will consist of the employee's spouse [including common law or same sex partner] and children.

Regular employees shall be allowed time off without loss of regular pay of three (3) days to attend the funeral in the event of the death of the employee's father, mother, sister or brother and the employee shall be reimbursed at his/her regular straight time rate of pay.

Regular employees shall be allowed time off without loss of regular pay of two (2) days to attend the funeral in the event of the death of the employee's brother-in-law, sister-in-law, mother-in-law, father-in-law, grandparent or grandchildren and the employee shall be reimbursed at his/her regular straight time rate of pay.

If an employee is on sick leave, he/she shall receive only sick pay for such bereavement days as are allowed. If an employee is on leave of absence, s/he shall not receive bereavement leave.

[d] Each regular employee who works 37.5 hours/week shall be entitled to ten (10) days of paid sick leave at full pay in any calendar year. Up to twenty-two and one-half (22 ½) hours of this sick leave may also be used to care for a sick dependent or a doctor's appointment that cannot be scheduled otherwise.

Entitlement for regular employees who work more than 24 hours/week but less than 37.5 hours/week shall accrue sick leave in accordance with hours worked in the preceding calendar year, with 1950 hours representing a full year's service.

[e] When required by the Publisher, an employee on sick leave must furnish a medical certificate at the Publisher's expense signed by a duly qualified medical practitioner establishing that the employee is incapable of working. In the event that the medical certificate submitted by the employee is unacceptable to the Publisher, the Publisher shall have the right to require the employee to attend a medical practitioner of the Publisher's choice, at the Publisher's expense.

No sick pay will be paid for scheduled days off, vacation and statutory holidays. No sick pay will be paid for time lost due to alcoholism or drug abuse if treatment is refused. No sick pay will be paid if the employee refuses or fails to participate in a reasonable modified work program.

[f] An employee called in civil or criminal court as a juror or subpoenaed crown witness

will be granted leave of absence and shall receive the difference between court rate and the amount of straight time earnings lost by reason of such service.

[g] Unless otherwise specified in the collective agreement, or legislatively required, employees who are away from the workforce on leave of absence shall not accumulate or receive any entitlements under the collective agreement including, but not limited to, seniority, compensation, vacation, statutory holidays, or benefits or any other entitlement under the contract.

[h] A leave of absence without pay, but without loss of benefits and seniority, shall be granted to one (1) employee who is a member of the Union's negotiating committee for any days spent negotiating with the Employer for a renewal collective agreement. The Unit Chairperson shall be entitled to be part of the negotiating committee under the same conditions. The Employer agrees to provide a copy of the collective agreement to each employee covered by this collective agreement.

[i] A leave of absence without pay, but without loss of benefits or seniority, of up to five (5) days per calendar year shall be granted for union business to employees covered by this collective agreement. This leave shall be subject to the operational requirements of the business as determined by the Employer, but shall not be unreasonably denied.

[j] Maternity and parental leave will be in accordance with the Employment Standards Act of Ontario, 2000.

ARTICLE 19 - EXPENSES

[a] Upon submission of expense reports in the prescribed form and properly supported by vouchers, where obtainable, the Publisher shall pay all authorized expenses incurred by the employee in the service of the Publisher.

[b] An employee shall be compensated for the use of an automobile authorized by the Publisher at a rate of 36 cents per kilometre effective on July 2, 2007. Effective July 2, 2008, the rate will be 38 cents per kilometre.

[c] Regular employees who are required by the Publisher to wear safety boots shall be reimbursed up to \$120 every year. Such payments shall be made each calendar year to those employees who have provided appropriate receipts to the Publisher.

ARTICLE 20 - NO DISCRIMINATION

The Employer and the Union agree that no employee will be discriminated against because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offenses, marital status, family status or handicap contrary to the provisions of the Ontario Human Rights Code, nor will any employee be discriminated against for Union activity or lack of Union activity.

ARTICLE 21 – TECHNOLOGICAL CHANGE

The Employer agrees to notify the Union in writing not less than sixty (60) days in advance in the event of a reduction in staff due to the introduction of new equipment, or new work process, which will involve functions which have been done by employees covered by this agreement. This notice shall state the nature of the technological change, the date on which the Company proposes to effect the technological change, and the approximate number and classifications of employees likely to be affected by the technological change or reorganization.

The Employer will notify the Union of any new job classification it may establish in the bargaining unit, as a direct result of technological change. If the rate of pay for the new classification is challenged by the Union the parties shall meet and endeavour to resolve the issue of an appropriate rate based on the skill, ability, knowledge and responsibilities involved in the position. Should the parties be unable to agree on an appropriate rate, or on other issues directly related to the technological change, the equipment will be operated in accordance with the directions of the Employer and the matter resolved by arbitration.

ARTICLE 22 – PROMOTIONS AND TRANSFERS

[a] If a vacancy occurs in a department, and the Employer determines the need to fill the vacancy, the Employer shall post the vacancy for (6) publishing days. The job posting shall contain the qualifications required for the job.

[b] The Employer shall interview all employee applicants in the affected department.

[c] If employee applicants are being considered for the vacancy, the successful applicant shall be selected for the vacancy by the Employer on the basis of skill, ability, knowledge, training and experience. If the Employer deems that successful employee applicants are equal in skill, ability, knowledge, training and experience, the employee applicant with the greater seniority will be selected for the job.

[d] Unsuccessful employee applicants shall be advised of the reasons that they were not granted the position.

[e] The Employer shall provide a trial period for the successful employee candidate for thirty (30) calendar days. The trial period may be extended or waived, by mutual agreement between the Employer and the Union.

[f] During the trial period, the employer shall continue to provide on-the-job training for the employee.

[g] Relocation of an employee's residence shall not be a condition of promotion or transfer.

ARTICLE 23 - HEALTH AND SAFETY

The Employer agrees to furnish a clean, safe and healthy, properly ventilated and lighted environment for the performance of all work.

A joint Health and Safety Committee will continue to operate in accordance with the Occupational Health and Safety Act. The Committee Members representing employees covered by the Bargaining Unit shall be selected by the Union. The duties and responsibilities of the committee are set out in the legislation.

Where a pregnant employee who normally operates a VDT requests a transfer away from the VDT, the Employer shall reassign her to a classification that does not include the operation of a VDT, and such reassigned employee will be paid the prevailing rate of pay for the new classification. If the employee cannot be reassigned or accommodated, she shall be granted a leave of absence without pay.

ARTICLE 24 - OUTSIDE ACTIVITIES

An employee shall be free to engage in any activities outside of working hours provided such activities are not in competition with the Employer, do not result in any conflict of interest and do not exploit the employee's connection with the Employer.

ARTICLE 25- PUBLISHING DAYS

The sole right of the Employer to determine the specific days on which publication shall be maintained, the number of editions to be published and when other work shall be performed shall not be open to question and the Employer shall be the judge of the number of employees required in any capacity.

ARTICLE 26 - EMPLOYMENT STANDARDS

It is recognized and agreed that this collective agreement provides a greater right or benefit, whether viewed in the aggregate or on a benefit-by-benefit basis, than the Employment Standards legislation of Ontario.

ARTICLE 27 - RENEWAL

If, prior to the termination of this Agreement, either party hereto wishes to propose an amendment to this Agreement and a new agreement to take the place of this one upon its expiration date, it shall notify the other party in writing within ninety (90) calendar days prior to its expiration date. If notice is not given by one of the parties, as above described, it shall be construed as an automatic renewal of this Agreement for one year and the Agreement shall thereafter be automatically renewed for one year until opened for negotiations by the procedure above mentioned.

In witness hereof the parties have hereunto affixed their seals under the hands of their officers, duly authorized in that behalf, at the city of Pembroke on the 12th day of July, 2007.

For the Publisher

For the Union

Letters of Understanding

1 - Part-Time Creative Ad-Builders

[a] Part-time creative ad-builders regularly work 24 hours or less per week; and are included in all provisions of this agreement, except Article 13 - Hours of Work, Article 14 - Benefits, Article 15 - Vacation, Article 16 - Statutory Holidays, Article 17 (j) - Layoff Procedure, Article 18 - Leave of Absence.

[b] The probationary period for part-time creative ad-builders shall be the hours worked that are equivalent to 90 full working days, but may be extended by mutual agreement for up to another equivalent 90 full working days.

[c] In no case shall any part-time shift be less than three hours unless excused at the employee's request. Part-time creative ad-builders called into work shall be guaranteed three hours pay.

[d] Part-time creative ad-builders who work in a classification for which a weekly salary is set forth in this agreement shall be paid on an hourly basis equivalent to the weekly minimum salary provided for their classification and experience, based on a 37 ½ hour week.

[e] A part-time creative ad-builder shall advance on the salary grid according to actual hours worked.

[f] Part-time creative ad-builders shall be eligible for statutory holiday pay and vacation pay in accordance with the Employment Standards Act. Vacation pay shall increase to 6% when a part-time creative ad-builder accumulates enough service to qualify for three (3) weeks vacation.

[g] The Employer may hire temporary employees up to six months, which may be extended on mutual agreement and only where existing part-time creative ad-builders are not available to perform the work.

2 - Darwin Prince

Darwin Prince shall be covered by all articles in the collective agreement.

In addition, he shall continue to be covered by the weekly indemnity plan and shall continue in the CEP Pension Plan.

His rates of pay shall be as follows for the duration of this collective agreement:

Upon Ratification	July 2, 2008	July 2, 2009
\$ 16.96	\$ 17.30	\$ 17.65

#3 - Protective Clothing

The Employer agrees to make available a smock or apron to office employees who are required to perform shipping and receiving, or cleaning duties.

4 - Merit Wages

Nothing within this collective agreement shall prohibit the Employer from granting, or an employee from receiving, merit wages in excess of the amounts set forth in Article 12 - Wages. Nothing shall prohibit the Employer, at its sole discretion, from discontinuing said merit wages at any time.

5 - Image Setter

It is agreed that a premium of \$0.50 per hour will be paid to ad-builders when they are servicing the image setter.

6 - Tiffany Hopper

It is understood and agreed by the parties that Tiffany Hopper will perform her duties as an Outside Sales Representative for 10% of her work week and be paid for these hours, as well as 4.65% of her gross sales as outlined in Article 12 - Wages, of the Office Unit collective agreement.

It is further understood that the remaining 90% of her workweek will be compensated at the Advertising Clerk rate.

The blended rate for both duties has been established at \$12.56, and Ms. Hopper will then receive appropriate increases according to the terms of the collective agreement.

It is also understood and agreed that the percentage of time worked in each area will be revisited twice a year and her blended rate will be adjusted if necessary. The union shall receive written notice of changes to the blended rate.

7 - Advertising Sales Representatives

[A] The issues of granting leaves of absence, and employees covering off for other employees on vacation or medical absence were discussed during the recent negotiations.

1. A special leave of absence without pay for an outside sales representative must be approved by the employer. Any approval will take into consideration the unique nature of the request and will not serve as a precedent for all or any future requests.

An outside sales representative will only receive commission for sales that were completed and ready for publication prior to their absence. The commission paid on their client's activity during their absence will go to the person performing the work. This will include work performed for publication after the return of the absent employee if it meets the "ready for publication" criteria during the absence. Ready for publication means work that is 100 % complete and requires no further copy pickup, proofing, order writing, approval, attention or service of any kind.

2. The above does not affect the reciprocal arrangements of covering off ("buddy system") during vacations or short term medical absence. The employer will ensure the implementation of a "buddy system". The commission under the "buddy system" will be paid to the representative whose account it is. If, for any reason, a reciprocal partner cannot be secured, the commission will only be paid to the representative whose account it is on work that is "ready for publication" during the absence.

[B] Although there are no defined geographic territories for outside sales representatives, appointments shall be approved prior to visiting new accounts beyond the local Pembroke - Petawawa area, unless the outside sales representative is already in the vicinity servicing his/her existing accounts.

8 - Classified Sales Personnel

The employer reserves its right to alter or amend special incentive plans.

However, the employer shall continue its current practice regarding special incentives for classified sales employees.

When the employer alters or amends the special incentive plans due to business needs, it will give sixty (60) days notice to the union and affected employees of any such alteration or amendment.

9 - Post Age 65 Employment

Notwithstanding Article 20 or any other Articles of this agreement, the parties agree that in the event that an employee continues to work past the age of sixty-five (65), the following will apply for the duration of this collective agreement.

The employee shall not be eligible for the long-term disability plan. In addition, the Employer shall not incur any increased costs associated with the other applicable benefits

listed in Article 14 (a), 14 (b), and 14 (e) beyond the level paid for the employee the month prior to attainment of age sixty-five (65).

It is understood that the employee would be responsible for any additional costs.

#10 - Technical Support

It is agreed by the parties that any employee shall be reimbursed \$15.00 for those authorized instances when they provide technical support / assistance over the telephone during their unscheduled work hours. If any employee is called into work to provide such support, they shall be paid a minimum of three (3) hours.