

COLLECTIVE AGREEMENT

Between

The Daily Observer, a Division of Osprey Media Publishing Inc.

and

Communications, Energy and Paperworkers Union of Canada

Local 87M - 45.2 (Editorial)

ARTICLE 1- PREAMBLE

This Agreement made and entered into this 30th day of June, 2010 between The Daily Observer, a Division of Osprey Media Publishing Inc., through its authorized representative, hereinafter referred to as the "Publisher" or the "Employer" and the Communications, Energy and Paperworkers Union of Canada, Local 87M - 45.2, 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 June 12, 2009 for a term of thirty-six (36) calendar months ending June 11, 2012 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 40 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/wk but less than 40 hours/wk, may work part of a shift or part of a week
- are employed for no longer than six (6) 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] Intern or Co-op Student

- is retained for a specific internship, as specified in the college or high school program a copy of which is to be made available to the Union
- does not replace a regular employee

[d] Part-Time Employees

- are those employees who regularly work 24 hours or less per week
- may work as a full time employee temporarily without affecting his/her part-time status

[e] Work Week

- excluding weeks in which a statutory holiday[s] falls, the normal work week for employees shall consist of up to 40 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 40 hours/week within a period of seven calendar days, less the hours paid but not worked

[f] Benefits

- benefits referred to in this collective agreement are in accordance with the terms and conditions of the FlexMedia plan

[g] 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. The Employer agrees to exercise the above rights in a fair and reasonable manner.

ARTICLE 5 - UNION RECOGNITION

[a] The Publisher recognizes the Union as the sole and exclusive collective bargaining agent for all employees in the editorial department of The Daily Observer, A Division of Osprey Media LP, in the City of Pembroke, save and except managing editor, news editor, persons above the rank of managing editor and news editor.

[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".

[f] The Employer agrees to allow for the placement of an on-site ballot box for annual elections that may take place, provided that there is no disruption to the business operation. Any related meetings must be held off-site after business hours, and must not interfere with any operational requirements.

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:

- [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 or of the date that the employee could have reasonably known of the occurrence or the 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) work days following the meeting.

STEP 2

Failing settlement of the grievance, the Union shall, within five (5) working 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 twenty-one (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 any 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 Employer.

[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] work days within any twelve calendar months. The probationary period may be extended by another ninety [90] work days 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 reasons, 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 the 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 AND PART-TIME 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. 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.

[c] Part-time employees 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.

[d] The probationary period for part-time employees shall be three (3) calendar months, but may be extended by mutual agreement for up to another three (3) months.

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

[f] Part-time employees 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 40 hour week.

[g] A part-time employee shall advance on the salary grid according to actual hours worked.

[h] Part-time employees 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 employee accumulates enough service to qualify for three (3) weeks vacation.

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

[j] The Employer will not use freelance reporters where such usage would directly result in the layoff of a regular employee.

ARTICLE 12 - WAGES

[a] The following weekly rates of pay are applicable during the term of this agreement.

Group A - Assistant News Editor, Sports Editor, Features Editor

	<u>Start</u>	<u>After 1 yr.</u>	<u>After 2 yrs.</u>	<u>After 3 yrs.</u>
Upon ratification	\$657.81	\$694.39	\$730.91	N/A
June 12, 2010	\$664.39	\$701.33	\$738.22	N/A
June 12, 2011	\$674.36	\$711.85	\$749.29	\$759.44

Group B - Multi-Media Journalist

	<u>Start</u>	<u>After 1 yr.</u>	<u>After 2 yrs.</u>	<u>After 3 yrs.</u>
Upon ratification	\$472.98	\$527.38	\$571.14	\$625.52
June 12, 2010	\$477.71	\$532.65	\$576.85	\$631.78
June 12, 2011	\$484.88	\$540.64	\$585.50	\$641.26

Group B - Multi-Media Journalist

	<u>After 4 yrs.</u>	<u>After 5 yrs.</u>	<u>After 6 yrs.</u>
Upon ratification	\$679.90	N/A	N/A
June 12, 2010	\$686.70	\$696.80	N/A
June 12, 2011	\$697.00	\$707.25	\$712.33

[b] Effective on ratification, an employee temporarily required to work the duties of a higher classification shall receive the wage rate of the higher classification that is next higher to the wage rate the employee currently receives, 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.

An employee required on a regular basis to work the duties of a higher classification shall receive the wage rate of the higher classification that is next higher to the wage rate the employee currently receives for all hours worked in that 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 retro-active to the date the employee began work in the new job classification.

ARTICLE 13 - HOURS OF WORK AND OVERTIME

The standard work week for full-time employees shall consist of 40 hours. Every reasonable effort will be made to advise employees of the following week's schedule by the previous Friday afternoon, subject to operational requirements. No full-time employee shall be employed or paid for less than a full shift except when discharged for just cause, excused at their own request or as otherwise provided for in this collective agreement.

An employee authorized to work more than 40 hours in a week will be compensated for the overtime in time-owing at time and one half. Time owing may be taken at a mutually agreed time, but a request to take time owing will not be unreasonably denied. Time owing must be used within 90 days of being earned, otherwise overtime will be compensated in cash.

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.

Employees will be entitled to a paid break of 15 minutes during each four-hour work

period and an unpaid meal period of at least one-half hour.

ARTICLE 14 - BENEFITS & PENSION

[a] The new FlexMedia benefit plan for all full-time employees of Sun Media will be applicable to all full-time employees covered by this collective agreement and these employees will participate in such plan, effective October 31, 2010. The prior benefit program shall remain in place until Flex Media is implemented. The terms and conditions of the new benefits plan, including coverage of benefits, shall be no less than those described and disclosed to the union during negotiations.

The parties agree to cost protection as described in the memo from Chris Krygiel to Howard Law dated April 29, 2010, with attachments.

Part-time employees will continue to be covered under the prior benefit program (as outlined in the collective agreement having an expiry date of June 11, 2009) if they so qualify.

If, during the term of this collective agreement, a new benefit plan is introduced for all part-time employees of Sun Media, then that plan will be applicable to all part-time employees covered by this collective agreement and these employees will participate in such plan with the union's consent, which shall not be unreasonably withheld.

[b] Employees covered by this collective agreement shall be enrolled in The Sun Media Pension Plan for Unionized employees (LFP) effective thirty (30) days from date of ratification.

ARTICLE 15 - VACATION

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

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] 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.

[e] The time of year that each employee shall take vacation shall be arranged between the Employer 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.

[f] 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.

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

[h] Vacation pay for each week's 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.

[i] With the exception of article 15 [d] it is understood and agreed that for the purpose of this Article, the previous year runs from July 1 - 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 and Family Day.

[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 workday 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.

[f] With the prior approval of the Managing Editor, employees whose work week is from Sunday to Thursday shall, on a rotating basis, celebrate the statutory holiday the Sunday prior to the statutory holiday. It is understood that the employee who does not work the Sunday will work the statutory holiday (Monday) at regular straight time rates.

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 one week of bumping into the position.

It is understood that, in the application of the above, temporary and then part-time employees shall be laid off before regular full-time employees.

[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 one 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 lay off shall be at the rate of one (1) week's wages for each eight (8) months' continuous service or a major fraction thereof, with a maximum of twenty-eight (28) weeks' severance pay, shall be paid to employees.

[k] In the event the Publisher lays off an employee who works 40 hours/week and said employee bumps another employee who works more than 24 hours/week but less than 40 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. Upon application, leaves of absence of up to four (4) months (plus an additional four months if required for educational leave) without pay and benefits may be granted by the Observer for good and sufficient cause, providing that such leave can be arranged without interference with the efficient operation of the newspaper. Where possible all leaves must be requested in writing no less than thirty days before commencement of the leave.

[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 or 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, s/he 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] 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.

[e] 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

[f] 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.

[g] 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.

[h] 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. A leave of absence without pay, but without loss of benefits or seniority, up to a maximum of twenty-five (25) days per calendar year shall be granted to the unit chair for union business, provided ten (10) working days advance written notice is given to the Publisher. This leave shall be subject to the operational requirements of the business as determined by the Employer, but shall not be unreasonably denied. It is agreed that the parties will meet to discuss reimbursement by the Union for any additional cost incurred by the Employer as a result thereof. It is understood that the above twenty-five (25) days is for all bargaining units at The Daily Observer, and not per bargaining unit.

[i] 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 39 cents per kilometre effective upon ratification of this agreement.

[c] The Employer shall meet all expenses of any legal proceeding that arises from a good faith performance of the Editorial employee's duties or from the publication of materials produced by the employee for the Employer.

An employee, upon the request of the Employer, shall be required to give up custody of and disclose to the Employer all knowledge, information, notes, records, documents,

films, photographs or tapes relating to their employment together with their source thereof, such material being the property of the Employer. Except in the case of a court order, the Employer agrees not to release same to any other person, without first thoroughly examining with the employee the reason for its release.

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 thirty (30) 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 the bargaining unit, 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.

[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 - EDITORIAL INTEGRITY/OUTSIDE ACTIVITIES

An employee's byline shall not be used over his or her protest. Bylines shall not be unreasonably withheld. Whenever substantive changes are made in a writer's story, the Employer will make a reasonable effort to discuss with the employee the proposed changes prior to publication, failing which the byline shall not be used. If after discussing the issue there is disagreement, the byline shall not be used over his or her protest. Withholding of a byline shall not be used in concerted action.

The Employer and the Union will continue the joint Editors meetings.

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.

Editors, reporters, photographers and graphic artists must not prepare material for political parties or political candidates using anything recognizable as the property of the Employer or on the Employer's time.

Articles written by employees on their own time shall first be offered to the Employer for use in its publication. At the time that the article is offered, employees will also inform the Employer what their monetary expectations are (if any), if the article is to be accepted. Employer acceptance or rejection of articles shall be given within three working days. Where the Employer has rejected an article, the employee may submit it to a non-competing publication.

On the basis of the rates of compensation established in this contract the Employer is the owner of all copyrights on all material produced by editorial employees during their employment with The Daily Observer and has the full right to reproduce, publish, translate, broadcast, distribute, archive, sell or license this material in any manner, form or medium that the Employer chooses, including electronic form and Internet. It is agreed that any employee producing content or material waives any and all rights, including moral rights, with regard to that content or material.

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 the 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, in the city of Pembroke on the _____ day of _____, 2010.

For the Employer

For the Union

Letter of Agreement

The parties to this agreement agree that the following practices shall continue during the life of this agreement:

1. Employees shall have the right to receive home delivery subscription of The Daily Observer.
2. Employees shall have the right to run three (3) insertions of their own classified ads without charge.
3. The current practice of reduced rates for photographic reprint orders for employees (currently \$1.50 each) shall continue.
4. The current parking practices will continue so long as it is feasible to do so.

Letter of Agreement - 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.

He/she shall continue to be covered under the FlexMedia plan referred to in Article 14, except he/she shall not be eligible for Long Term Disability coverage.

Letter of Agreement - STD Plan / Casual Absenteeism

If an employee is absent for more than four consecutive days and has not completed a Short Term Disability form in anticipation of an absence longer than ten working days, he or she will be required to provide a doctor's note for those days. For purposes of clarity, legitimate (see below) casual illness or absenteeism prior to eligibility for Short Term Disability under the Flex plan will be paid at regular straight time pay for the time absent from work.

For absences that fall outside the Short Term Disability Plan under Flex Media, employees may be required to provide a doctor's note to the employer to authorize their absence from work, as well as to qualify for payment of wages.

The request for the doctor's note will be based on reasonable criteria which are as follows:

- 1) The employee has an excessive record of absenteeism; or
- 2) The employee exhibits a pattern of absences; or
- 3) The employer has reasonable grounds to suspect that the illness was not legitimate; in which case the employee may be required by the Employer to provide a doctor's note.

Letter of Agreement - Training

This letter will confirm our understanding during negotiations that the employer will meet with the bargaining unit editorial representative at least twice a year to discuss training and retraining associated with the implementation of new technology.

Index

page

ARTICLE 1	----- PREAMBLE	1
ARTICLE 2	----- DURATION AND COVENANT	1
ARTICLE 3	----- DEFINITIONS.....	1
ARTICLE 4	----- MANAGEMENT RIGHTS	2
ARTICLE 5	----- UNION RECOGNITION	3
ARTICLE 6	----- UNION MEMBERSHIP.....	3
ARTICLE 7	----- DUES CHECK-OFF	4
ARTICLE 8	----- INFORMATION.....	4
ARTICLE 9	----- GRIEVANCE AND ARBITRATION.....	4
ARTICLE 10	----- SENIORITY.....	6
ARTICLE 11	----- TEMPORARY & P/T EMPLOYEES.....	7
ARTICLE 12	----- WAGES	8
ARTICLE 13	----- HOURS OF WORK AND OVERTIME	9
ARTICLE 14	----- BENEFITS & PENSION	10
ARTICLE 15	----- VACATION.....	10
ARTICLE 16	----- STATUTORY HOLIDAYS	11
ARTICLE 17	----- LAYOFF PROCEDURE	12
ARTICLE 18	----- LEAVE OF ABSENCE	13
ARTICLE 19	----- EXPENSES.....	15
ARTICLE 20	----- NO DISCRIMINATION.....	16
ARTICLE 21	----- TECHNOLOGICAL CHANGE	16
ARTICLE 22	----- PROMOTIONS AND TRANSFERS	17
ARTICLE 23	----- HEALTH AND SAFETY	17
ARTICLE 24	----- EDITORIAL INTEGRITY	18
ARTICLE 25	----- PUBLISHING DAYS	18
ARTICLE 26	----- EMPLOYMENT STANDARDS	18
ARTICLE 27	----- RENEWAL	19
LETTERS OF AGREEMENT.....		20