

LABOUR AGREEMENT

between

**FLETCHER CHALLENGE CANADA LIMITED
MACKENZIE WOOD PRODUCTS**

and

**PULP, PAPER AND WOODWORKERS OF CANADA
LOCAL 18**

Effective July 1, 1994 - June 30, 1999

1994 - 1999

**THIS AGREEMENT ENTERED INTO THIS
1ST DAY OF JULY 1994**

between

**FLETCHER CHALLENGE CANADA LIMITED
MACKENZIE WOOD PRODUCTS
(hereinafter known as the "Company")
OF THE FIRST PART**

and

**PULP, PAPER AND WOODWORKERS OF CANADA
LOCAL 18
(hereinafter known as the "Union")
OF THE SECOND PART**

Table of Contents

SECTION I - PURPOSE OF AGREEMENT	1
SECTION II - RECOGNITION.....	3
SECTION III - MANAGEMENT RIGHTS.....	5
SECTION IV - WAGES	6
SECTION V - PAY DAYS.....	8
SECTION VI - HOURS OF WORK 7 OVERTIME.....	9
Production Employees (Five Day Operation)	9
Millwrights, Maintenance, Repairs and Construction Employees (5 Day Schedule)	9
Three-Shift Operation	10
Alternate Shift Schedule - Production.....	10
10 Hour Maintenance Schedule	11
Alternate Three (3) Day Shift Schedule-Maintenance	12
General	13
Failure to Provide Work	13
Casual Worker	13
Meals.....	14
SECTION VII - SENIORITY	15
SECTION VIII - LEAVE OF ABSENCE.....	19
Jury or Witness Duty.....	21
Bereavement Leave.....	21
Parental Leave.....	22
SECTION IX - VACATIONS WITH PAY	23
SECTION X - STATUTORY HOLIDAYS.....	27
Personal Floating Holiday.....	28
Qualifying Conditions.....	28
SECTION XI - SAFETY AND HEALTH.....	30
SECTION XII - STANDING COMMITTEE	32
SECTION XIII - GRIEVANCE PROCEDURE	33

Table of Contents

SECTION XIV - GENERAL PROVISIONS.....	36
SECTION XV - HEALTH AND WELFARE PLAN.....	38
Institution.....	38
Board of Trustees.....	38
Umpire.....	38
Insurance Coverage For Eligible Employees.....	38
A. Table of Hourly Job Rate Brackets and Corresponding Coverage.....	41
Group Term Life A.D.&D.....	41
Medical Travel.....	42
Travel Beyond Prince George.....	42
Out of Province Travel Plan.....	43
Travel to Prince George.....	44
Definitions.....	44
Change in Benefits.....	45
Surviving Spouse and Dependent Coverage.....	45
SECTION XVI - PENSION PLAN.....	46
Board of Trustees.....	46
Benefits.....	46
Funding.....	46
SECTION XVII - APPRENTICESHIP TRAINING PROGRAM.....	48
SECTION XVIII - JOB SECURITY.....	49
Objective.....	49
Definition.....	49
Required Notice.....	49
Seniority Status.....	49
Severance Allowance.....	50
Training.....	50
Retiring Allowance.....	51
SECTION XIX - JOB ELIMINATION.....	52
Definition.....	52
Exclusions.....	52
Notice.....	52
Elimination Options.....	52
Severance Allowance.....	52
Retiring Allowance.....	53

(ii)

Table of Contents

SECTION XX - DURATION OF AGREEMENT	55
Collective Agreement Reopener	55
SUPPLEMENT NO.1 WAGE RATES	57
A Mill.....	57
C Mill.....	58
Logyard	59
Planerman	60
Shipping.....	60
Maintenance	60
Non Department.....	61
First Aid Ticket Premium	62
Grading Ticket Premium.....	62
SUPPLEMENT NO.2 APPRENTICESHIP TRAINING PROGRAM	63
Article I - Purpose.....	63
Article II - Trades.....	63
Article III - General Principles.....	63
Article IV - Joint Union - Management Apprenticeship Committee.....	65
Article V - Entry into Program - New Apprentices	65
Apprenticeship Selection Program.....	65
Education	66
Tests	66
Seniority.....	66
Probationary Period.....	66
Article VI - Schedule of Training For Apprentices.....	67
Article VII - Textbooks.....	68
Article VIII - Allowances for Wage Make-up	68
Article IX / On-The-Job-Training.....	68
On-The-Job-Training - Filers.....	69
Letter of Understanding Out-of-Town Expenses.....	69
Article X - Tools.....	69
SUPPLEMENT NO.3 EMPLOYEE ADVANCEMENT AND JOB GROUPING	
Section A - Introduction.....	71
Definitions.....	71
Trainee	71
Relief Operator.....	71

Incumbent.....	72
Job Group.....	72
Key Job	72

(iii)

Table of Contents

Section B - Posting Procedures.....	72
Grading Job Postings	73
Letourneau and Barko 850 Training Postings.....	74
Section C - Job Groups	75
Section D - Training.....	76
Section E - Ineligibility	77
Section F - Special Agreements	78
Tower Operators - Dewatering.....	78
Weighmaster	79
SUPPLEMENT 4 - PENSION PLAN	80
Early Retirement	82
LETTERS OF UNDERSTANDING	86
LLogyard Department - Dewatering	86
Transportation.....	87
Planermen	88
Coveralls	90
Welding Ticket Renewal.....	91
Minimum Guarantee - Call Time	92
Rehiring.....	93
Car Wash Tickets.....	94
Credit Time For Apprentices	95
Employee Assistance Committee.....	96
Pre-Apprenticeship Leave of Absence.....	97
Air Tickets	98
Contracting.....	98
Production Positions	100
Trades Guidelines and Demarcation	101
Trades Flexibility	101
Trades Attrition.....	102
Temporary Summer Students.....	103
Alternate Three (3) Day Shift Schedule.....	104
Planerman	105
Training and Development Committee.....	106
Respecting the establishment of a Planer/Shipping Department	108
Voluntary Life Insurance and Accidental Death & Dismemberment	109

SECTION I - PURPOSE OF AGREEMENTSECTION I - PURPOSE OF AGREEMENT

The purpose of this Agreement is to secure for the Company, the Union and the employees the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible, the safety and physical welfare of the employees, economy of operation, quality and quantity of output, and protection of property. It is recognized by this Agreement to be the duty of the Company and the Union and the employees to co-operate fully, individually and collectively, for the advancement of said conditions.

The Company and the Union agree to abide by the terms set out in this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in this Agreement. The Company agrees, in the exercise of the functions of Management, that the provisions of this Agreement will be carried out.

The Company and Union subscribe to and support the principles of the Human Rights Code of British Columbia, Section 8 of which read as follows:

1. Every person has the right to equality of opportunity based upon bona fide qualifications in respect to his occupation or employment, or in respect of an intended occupation, employment, advancement, or promotion; and, without limiting the generality of the foregoing.
 - a. No employer shall refuse to employ, to continue to employ, or to advance or promote that person, or discriminate against that person in respect of employment or condition of employment; and
 - b. No employment agency shall refuse to refer him for employment, unless reasonable cause exists for such refusal or discrimination.
2. For the purpose of sub-section (1),
 - a. the race, religion, colour, age, marital status, ancestry, place of origin, or political belief of any person or class of persons shall not constitute reasonable cause;
 - a. (1) a provision respecting Canadian citizenship in any Act constitutes reasonable cause (1974, Bill 178, s.6)
 - b. the sex of any person shall not constitute reasonable cause unless it relates to the maintenance of public decency.

- c. a conviction for a criminal or summary conviction charge shall not constitute reasonable cause unless such charge relates to the occupation or employment, or to the intended occupation, employment, advancement, or promotion, of a person.
- 3. No provision of this section relating to age shall prohibit the operation of any term of a bona fide retirement, superannuation, or pension plan, or the terms or conditions of any bona fide group or employee insurance plan, or of any bona fide scheme based upon seniority.
- 4. The Company will ensure that the collective agreement is gender neutral.

SECTION II - RECOGNITIONSECTION II - RECOGNITION

1. The Company recognizes Local 18, Pulp, Paper and Woodworkers of Canada, as the only bargaining agent representing all employees as defined in this Agreement.
2. The term "Employee" as used and for the purpose of this Agreement shall include all persons employed by the Company on whose behalf the Pulp, Paper and Woodworkers of Canada, Local 18, has been certified as bargaining agent except and excluding foremen and others having authority to hire and discharge, office workers, supervisory officials and salesmen.
3. The Company will co-operate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees, and to all Supervisors and Foremen, the Policy herein expressed.

The Company will include in its New Employee Induction Program a copy of P.P.W.C. Local 18 Bylaws and the Introduction of New Employees to a Shop Steward.

The Company will make every effort to make the Introduction during the New Employee's first week of work.

4. All employees in the employment of the Company, and all new employees, shall within thirty (30) calendar days after the execution of this Agreement, or thirty (30) calendar days after entering employment, whichever date last occurs, become members of the Union and maintain membership therein throughout the term of this Agreement, as a condition of continued employment.
5. Any employee who fails to maintain his membership in good standing in the Union by reason of failure to pay dues or assessments shall be discharged after seven (7) days written notice to the Company by the Union of the employee's failure to maintain his membership in good standing.
6. (a) No employee shall be subject to any penalties against his application for membership or reinstatement, except as may be provided for in the Pulp, Paper and Woodworkers of Canada National Constitution and in accordance with the Bylaws of Local 18.

(b) Any employee who applies for membership pursuant to the provisions of 6(a) above, will not have his application rejected.
7. The Company shall require all new employees, at the time of hiring to execute an assignment of wages for union dues in duplicate, the forms to be supplied by the Union, and will forward one copy to the Union within fifteen (15) days of execution.

Labour Agreement effective July 1, 1994 to June 30, 1999

8. This assignment in the case of employees already members of the Union, shall be effective immediately and for those employees not previously members of the Union, it shall become effective thirty (30) calendar days from the date of execution.
9. The Company shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked in writing by the employee) to the Local Union named therein not less often than once each month, with a written statement of names of employees for whom the deductions were made and the amount of each deduction.
10. The Union and the Company recognize that supervisors are excluded from the provisions of the Labour Agreement and accordingly it is improper for supervisors normally to do the work which is done by those defined as employees in the Agreement.

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

SECTION III - MANAGEMENT RIGHTSSECTION III - MANAGEMENT RIGHTS

1. The management of the operation and the direction and promotion of the Employees are vested exclusively in the management provided, however, that this will not be used for the purpose of discrimination against employees, and is in accordance with the principles outlined in Sections I and VII of this Agreement.
2. The Company shall have the right to select its employees and to discipline them or discharge them for proper cause.

SECTION IV - WAGES SECTION IV - WAGES

1. The wage scale for the term of this Agreement is attached as Supplement No.1 to this agreement. The parties agree that wages of all hourly rated employees covered by the Agreement shall be increased as follows:

July 1, 1994 - 3%
July 1, 1995 - 3%
July 1, 1996 - 2%

A one thousand dollar (\$1,000.00) cash payment will be paid within fourteen (14) days of ratification of the revised collective agreement to all regular full-time employees who have worked a minimum of three hundred and fifty (350) hours in the twelve (12) month period preceding the date of ratification.

Effective July 1, 1994, a trades qualification premium of twenty-nine cents (29¢) per hour will be paid to those tradesmen who are working in a trade listed in Supplement #1.

Note: The Wage increases, benefit improvements, and pension plan changes for 1997 and 1998 are subject to the attached "Collective Agreement Re-opener".

In addition to this re-opener, employees who, on July 1, 1997 have worked a minimum of three hundred and fifty (350) hours in the previous twelve (12) month period will receive a lump sum payment of five hundred dollars (\$500.00).

The same five hundred dollars (\$500.00) lump sum payment will be payable on July 1, 1998 on the same basis as set out above.

2. It is agreed that employees engaged on contract or piecework shall not receive less money than the equivalent of the hourly rate specified in the wage schedule for the number of hours worked in each day.
3. (a) A shift differential of thirty-one (.31 cents) per hour will be paid in addition to the hourly rate on all work performed outside the regular day shift as established for each department.
(b) The shift differential will apply to all employees who are scheduled on day shift for work performed outside their regular day shift hours.
(c) Shift differential shall not be included with any employee's wage rate for the purpose of calculating overtime.

4. (a) In the event that job conditions change, or new machinery is installed or a new category is established, the Company will determine an interim rate which will remain in effect until a permanent rate is agreed to. The permanent rate will become effective retroactive to the date of the change, new machine start up or establishment of a new job.
- (b) In the event that a new category is established the parties shall discuss and agree to the applicable posting procedure as per Supplement No.3.

SECTION V - PAY DAYSSECTION V - PAY DAYS

1. The Company shall provide for pay days every second week. Each employee shall be furnished with an itemized statement of earnings and monthly deductions.
2. Effective July 1, 1995, the Company will provide employees with the facility for electronic deposit of their bi-weekly pay cheques.
3. Employees wishing to draw vacation pay prior to going on vacation shall notify the Company on the appropriate form fourteen (14) days prior to going on vacation. Pay will be given in weekly allotments corresponding to vacation being taken. Any remaining vacation pay will be paid the first pay period following May 31st.
4. The Company confirms its commitment to continue its present practice of issuing pay cheques to afternoon shift employees on the day prior to the regular pay days at the times posted by the Company. It is understood by the Union that in some circumstances this may not be possible and, in such case, cheques will be issued on the regular pay day.

SECTION VI - HOURS OF WORK & OVERTIME

1. PRODUCTION EMPLOYEES (Five Day Operation) PRODUCTION EMPLOYEES (Five Day Operation)

- (a) The regular hours of work shall be eight (8) hours per day and forty (40) hours per week Monday through Friday.
- (b) Overtime will be paid at rate and one-half for all hours worked in excess of eight (8) hours in a day, forty (40) in a week and for Saturday and for Sunday work.
- (c) Where a department adopts an alternate shift schedule (a) and (b) above will not apply.
- (d) Double straight-time rates shall be paid for the following:
 - (i) Hours worked in excess of eleven (11) hours per day.
 - (ii) Hours worked Sunday by employees who have worked five (5) shifts during the preceding six (6) days.
 - (iii) For the purposes of (d) herein a Statutory Holiday shall be considered a shift worked.
 - (iv) Item (ii) above shall not apply to employees who work Sunday as a regularly scheduled day.

2. MILLWRIGHTS, MAINTENANCE, REPAIRS AND CONSTRUCTION EMPLOYEES (5 Day Schedule) MILLWRIGHTS, MAINTENANCE, REPAIRS AND CONSTRUCTION EMPLOYEES (5 Day Schedule)

- (a) The regular hours of work shall be five (5) eight (8) hour days, with two (2) days off each week. Such days off will be consecutive days unless mutually agreed to be otherwise between the employee and the Company.
- (b) Overtime shall be paid at rate and one-half for all hours worked in excess of eight (8) hours per day, on Sunday and upon the employees' designated days off, if worked.
- (c) Double straight-time rates shall be paid for the following:
 - (i) Hours worked in excess of eleven (11) hours per day.
 - (ii) Hours worked on Sunday by employees who have worked five (5) shifts during the preceding six (6) days.

- (iii) For purposes of (c) herein a Statutory Holiday shall be considered a shift worked.
- (iv) Item (ii) above shall not apply to employees who work Sunday as a regularly scheduled day.
- (d) Where the Company adopts a voluntary alternate three (3) day shift schedule, (a) and (b) above will not apply.

3. THREE-SHIFT OPERATIONTHREE-SHIFT OPERATION

- (a) The Company shall have the right to operate the plant or any part thereof on a three (3) shift basis and all employees working under this arrangement shall receive eight (8) hours pay upon completion of the full hours established as their regular shift.
- (b) It is agreed that Clause (a) above shall apply to those employees actually working on a three (3) shift basis.
- (c) The Company shall have the right to determine the number of shifts operated in any unit or department of the operation.
- (d) Where less than three (3) shifts are worked, Clause (a) above shall not apply.

4. ALTERNATE SHIFT SCHEDULE - PRODUCTIONALTERNATE SHIFT SCHEDULE - PRODUCTION

Subject to Standing Committee Agreement for each occasion, the Company may intermittently implement an alternate work schedule of four (4) days per week and ten (10) hours per day Monday through Friday. Scheduling may be Monday through Thursday or Tuesday through Friday or a combination of the two.

The Company and Union may, by mutual agreement, alter the above to include an averaging period for the forty (40) hour week. When alternate schedules have been implemented, the following overtime provision will apply:

- (a) Rate and one-half shall be paid for the following:
 - (i) The first three (3) hours worked in a day in excess of the normal daily hours of the established schedule.
 - (ii) Hours worked in excess of forty (40) hours per week or forty (40) hours average when there is an averaging period.

- (iii) All hours worked on an employee's scheduled rest day, unless a change in rest day has been agreed to between the employee and the Company.
- (iv) All hours worked on Saturday and Sunday.
- (b) Double straight time rates shall be paid for the following:
 - (i) All hours worked in excess of (a)(i) above.
 - (ii) All hours worked on Sunday when Sunday is also an employee's scheduled rest day, if the employee has worked four (4) shifts out of the preceding six (6) days, unless a change in rest day has been agreed to between the employee and the Company.
- (c) **SECTION VI- HOURS OF WORK AND OVERTIME - 7(a)** does not apply. Straight time rates shall remain in effect until completion of the regular hours for the ten (10) hour shift.

5. **10 HOUR MAINTENANCE SCHEDULE HOUR MAINTENANCE SCHEDULE**

The Company shall have the right to schedule maintenance department employees on 10 Hour Shifts as described.

- (a) The regular hours of work shall be ten (10) hours per day and 70 (seventy) hours over two (2) weeks.

The shift format shall be two (2) days on and two (2) days off; three (3) days on and two (2) off; and two (2) days on and three (3) off or similar combination each fourteen (14) day period.

- (b) Rate and one-half shall be paid for the following:
 - (i) All hours in excess of eight (8) hours per day.
 - (ii) All hours worked on Sunday when Sunday is a scheduled day.
 - (iii) All hours worked on an employee's scheduled rest day, unless a change in rest day has been agreed to between the employee and the Company.
- (c) Double straight-time rates shall be paid for the following:
 - (i) All hours in excess of eleven (11) hours per day

- (ii) Hours worked on Sunday by employees who have worked all scheduled shifts in the preceding six (6) days
- (iii) For purposes of (c) herein a Statutory Holiday shall be considered a shift worked
- (iv) Item (ii) above shall not apply to employees who work Sunday as a regularly scheduled day.

6. ALTERNATE THREE (3) DAY SHIFT SCHEDULE-MAINTENANCEALTERNATE THREE (3) DAY SHIFT SCHEDULE-MAINTENANCE

The parties agree with the principle that efforts to utilize the Alternate Three (3) Day Shift Schedule will first be done by seeking volunteers in the needed trades. If there are not sufficient number of volunteers to meet the needs then the Company may schedule as per (e) and (f) below.

- (a) Scheduled days off each week shall be consecutive days unless mutually agreed to be otherwise between the employee and the Company.
- (b) Overtime shall be paid at rate and one-half for all hours worked in excess of eight (8) hours per day, on Sunday and upon the employee's designated days off, if worked.
- (c) Double straight-time rates shall be paid for the following:
 - (i) Hours worked in excess of eleven (11) hours per day.
 - (ii) Hours worked on Sunday by employees who have worked five (5) shifts during the preceding six (6) days.
 - (iii) For purposes of (c) herein a Statutory Holiday shall be considered a shift worked.
 - (iv) Item (ii) above shall not apply to employees who work Sunday as a regularly scheduled day.
- (d) Employees who work the full schedule shall not receive less than forty (40) hours straight time pay per week.
- (e) During periods when a planer mill is operating three (3) shifts, planermen may be scheduled to work the Alternate Three (3) Day Shift Schedule. The Company's right to schedule any individual employee is limited to twenty-five percent (25%) of the calendar year.

- (f) The Company may regularly schedule up to four (4) tradesmen per mill to work the Alternate Three (3) Day Shift Schedule. The Company's right to schedule any individual employee is limited to twenty-five percent (25%) of the calendar year.

7. GENERALGENERAL

- (a) It is agreed between the Parties that if two (2) hours or less are necessary after midnight on Saturday or a Statutory Holiday, to complete the shift which commenced work on the afternoon preceding the Saturday or Statutory Holiday, time worked after midnight to complete this shift will be paid at straight time.
- (b) The foregoing provisions of this Section shall not be construed as guaranteeing to any employee any number of hours of work per day or per week.
- (c) All employees shall be entitled to two (2) ten-minute rest periods during each regular shift, provided always that the Company shall have the right to use relief employees in implementing this provision.
- (d) All employees working a ten (10) hour or longer schedule shall be entitled to three (3) ten (10) minute rest periods during each regular shift.

8. FAILURE TO PROVIDE WORKFAILURE TO PROVIDE WORK

- (a) Any employee reporting for work and finding no work available due to reasons beyond his or her control, shall be entitled to two (2) hours pay at the usual rate. This shall apply unless the Company gives notice not to report.
- (b) When an employee reports for work and starts work, he shall receive four (4) hours pay at his regular rate unless his work is suspended because of inclement weather or other reasons completely beyond the control of the Company.

9. CASUAL WORKER CASUAL WORKER

- (a) The term "casual worker" as used in this Agreement shall apply to any person who works less than three (3) days in any one week.
- (b) All casual workers, including laid-off regular employees, shall be paid for work performed at straight-time rates, except for work performed on Sundays, Statutory Holidays, and hours in excess of eight (8) per day, in which case rate and one-half will be paid.

- (c) Employment of laid off regular Employees as casual workers shall not result in commencement of a new period of seniority retention.
 - (d) Laid off Regular employees shall have preference for available work over the said casual employees.
10. Notwithstanding any other provision contained in this Section, the Company will not be liable for the payment specified in **SECTION VI- HOURS OF WORK AND OVERTIME - 6(a) and (b)** where an employee on reporting for work finds no work available due to contravention of **SECTION XIV - GENERAL PROVISIONS - 2** by any person bound by this Agreement.

11. **MEALSMEALS**

- (a) Where an employee is required to continue working more than two (2) hours overtime beyond his regular shift, the Company shall provide a hot meal to be consumed by the employee on Company time or provided he continues to work may elect to receive one half (1/2) hour overtime pay and a meal allowance of eighteen dollars (\$18.00). The meal allowance is not applicable if the employee had been given seventy-two (72) hours or more advance notice of the overtime requirement.
- (b) Where an employee is required to continue working more than a half shift, a second meal will be provided during the shift break or he may elect to receive a meal allowance of eighteen dollars (\$18.00).
- (c) Where an employee is required to report to work in advance of his regular shift without sufficient time to eat his regular meal or prepare a lunch, he will be provided with a meal within an hour of the start of his regular shift, on Company time, and a second meal at the shift break.
- (d) Where sufficient notice has been given, and an employee reports to work more than one hour in advance of his regular shift, he is entitled to a hot meal to be consumed on Company time, provided he completes his regular shift. If the employee has reported to work more than one half shift in advance of his regular shift, he is entitled to a second meal to be consumed on the shift break, provided he completes his regular shift. In lieu of either of the above meals (c) and (d), an employee may elect to receive a meal allowance of eighteen dollars (\$18.00).
- (e) The meal will be scheduled at a time when production will not be adversely affected but having consideration for the employee's needs.

SECTION VII - SENIORITYSECTION VII - SENIORITY

1. Notwithstanding anything to the contrary contained in this Agreement, it shall be mutually agreed that all employees are hired on probation, the probationary period to continue until thirty (30) days have been worked, during which time they are to be considered temporary workers only, and during this same period, no seniority rights shall be recognized. Upon completion of thirty (30) days worked, they shall be regarded as regular employees, and shall then be entitled to seniority dating from the day on which they entered the Company's employ, provided however, that the probationary period of thirty (30) days worked shall only be cumulative within the three (3) calendar months following the date entering employment.
2. The Company recognizes the principles of seniority in their application to the promotion, demotion, transfer, lay-off and recall of employees, providing the employee has the qualifications and ability to perform the work properly.
3. (a) (i) In the event of a reduction of the forces, the last hired shall be the first released, subject to the provisions of Subsection 2 of this Section. Where a reduction of forces is caused by emergency conditions the application of seniority may be postponed for such period as may be necessary but not exceeding three (3) working days except that the Union and Company may agree to extend this period to a maximum of five (5) working days. If the Company decides to exercise its rights under this provision, it shall notify the Union immediately.
 - (ii) When the mill or a portion thereof is shut down for maintenance purposes on normal production days for a period in excess of one (1) shift, production employees affected who wish to perform the work available will be selected in accordance with the principles outlined in 2 above and will be paid at regular rate for the work performed.
 - (iii) When the mill or a portion thereof is shut down during a normal production shift the Company may require employees to perform alternative work for the balance of that shift at their regular job rate or the rate of the alternative job, whichever is the greater.
- (b) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job he may elect to apply his seniority to obtain a job paying a higher rate if he has previously held the job in the operation as an incumbent or has worked as a relief operator for sixty (60) days.

- (c) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job he may elect whether or not to apply his seniority to obtain a lower paid job or a job paying the same rate of pay or return to his last posted job or job vacancy. Where a change of departments is required, the employee will have seniority in that department for posting purposes only.
 - (i) It is recognized by the Company that a certain amount of training and/or retraining will be required. The intent is to refresh skills, not to introduce new and unfamiliar skills.
 - (d) The employee may accept a lay-off until his regular job becomes available, provided however;
 - (i) If during the lay-off period the employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority entitles him to a job.
 - (ii) The application of this provision shall not result in an employee, in the exercise of his rights, bumping an employee with less seniority.
 - (e) An incumbent who is laid off from his regular job may apply his seniority as in 3(b),3(c) and 3(d) above.
 - (i) He will maintain seniority in the department he is laid off from so long as he is not awarded a posting in another department.
 - (ii) Ineligibility will be waived on job postings.
4. When employees are recalled after lay-off it shall be done on the basis of the last person laid off shall be the first person recalled, subject to the provisions of Subsection 2 of this Section and the following:
- (a) It shall be the employee's responsibility to keep the Company informed of his address during a period of lay-off.
 - (b) Sufficient notice of recall shall consist of notification by registered mail, by telephone or by personal contact.
 - (c) It is agreed that all employees shall return to work as quickly as possible after receiving notification of recall in accordance with this Section and shall retain all their seniority rights.

- (d) Failure to report within one (1) week shall result in loss of seniority rights, except where the employee advises the company of his inability to return, in which case the one (1) week may be extended.
- 5. Incumbent-Relief and other seniority lists that the Company may use will be made available to the union every month.
 - 6. It is agreed between the Parties that seniority during lay-offs shall be retained on the following basis:
 - (a) Employees with less than one (1) year's service will retain their seniority for a period of eight (8) months.
 - (b) Employees with one (1) or more year's service shall retain their seniority for one (1) year plus one (1) additional month for each year's service, up to an additional twelve (12) months.
 - 7. The purpose of this section is to provide training so that an employee may apply his seniority in the event of his lay-off or the permanent elimination of his job as outlined below. This section does not apply to the reduction of seasonal or temporary shifts or positions except as in (a) below.
 - (a) Any employee affected by lay-off that is estimated to be up to forty-five (45) days will follow procedures outlined in **SECTION VII - SENIORITY**.
 - (b) Any employee affected by a lay-off that is estimated to be in excess of forty-five (45) days and whose lack of past experience precludes him from exercising his seniority to obtain a job at or above the Group 2 level, may elect to be trained in Group 2,3 or Planer Group. Normal training periods shall apply.
 - (c) Any employee affected by a lay-off that is estimated to be in the excess of one hundred and eighty (180) days and whose lack of past experience precludes him from exercising his seniority to obtain a job at or above the Group 1 level may elect to be trained in Group 1,2,3 or Planer Group. Normal training periods shall apply.
 - (d) Any employee affected by a permanent lay off and whose lack of past experience precludes him from exercising his seniority to obtain a job at or above the Group 1 level may elect to be trained in Group 1,2,3 or Planer Group.

In addition, the Company will meet with the Union to establish a training program in other jobs with the objective of eventually placing laid off personnel in line with their seniority. Phasing-in arrangements of such a program will be discussed between the parties to accomplish the objective with minimal impact on quality and quantity of production.

An employee may only use this section to exercise his seniority to be trained for a job at an equal or lower rate than that which he held at the time of the lay-off or permanent loss of job.

SECTION VIII - LEAVE OF ABSENCE SECTION VIII - LEAVE OF ABSENCE

1. (a) Any employee desiring leave of absence for any reason other than those set out in 2 and 3 of this Section must obtain same in writing from the Company, a copy of such leave to be forwarded to the Local Union.

(b) Where any employee is granted a leave of absence under this Section for a period of longer than thirty (30) calendar days, the Company agrees to notify the Shop Steward and the Union as to the circumstances for the granting of such a period of leave.
2. The Company will grant leave of absence to employees suffering injury or illness, subject to a medical certificate if requested by the Employer.
3. (a) The Company agrees that it is proper to grant leave of absence to employees who have been elected or appointed to an office or position in their Union or who have been nominated or elected to Federal, Provincial or Municipal office. However, it is not the intention of the Company to grant lifetime leaves of absence.

In the case of a employee being appointed or elected to a full-time office or position in the Union, he shall be granted as much leave as is necessary during the term of such office.

Seniority shall accumulate during the period of an employees's leave of absence.

Employees elected to Federal, Provincial or Municipal office shall be granted as much leave as is necessary during the term of such office.

- (b) The Company will grant leave of absence to employees who are elected as representatives to attend Union meetings and Union conventions, or members of any Union Negotiating Committees in order that they may carry out their duties on behalf of the Union.

Notwithstanding the foregoing, if leave of absence for Union business is requested for several employees of the same department or work group and in the event that their absence will impair production or prohibit the normal functioning of the operation, then the Company shall have the right to grant leave of absence only to those employees who can be given leave. Such leaves of absence shall not be unreasonably denied.

- (c) It is agreed that before the employee receives this leave of absence as set forth in Clause (a) and (b) above, the Company will be given sufficient notice in writing by the Union to replace the employee with a competent substitute.
- (d) The Company will consider request for leave of absence for educational or training purposes. In judging such requests the Company will consider the following:
 - (i) The course must be appropriate to the employee's present job or immediate potential with the Company on successful completion.
 - (ii) Leaves of absence will not be granted where the efficient operation of the mill or any department is affected.
 - (iii) Employees must apply in writing at least one (1) month in advance of the requested leave of absence.
 - (iv) Employees must have at least one (1) year of service.
 - (v) Request for leave of more than six (6) months duration will not normally be granted.

Benefit plans will be maintained during the leave of absence but the employee will pay the entire cost of such plans.

- (e) (i) It is agreed that Employees may be required to temporarily fill positions outside the Bargaining Unit. These employees will be allowed to fill such positions for a maximum of one hundred and twenty (120) working days in each calendar year and shall continue to accumulate seniority during this time. The one hundred and twenty (120) working days may be extended subject to mutual agreement between the Union and the Company.

A maximum of eight hundred (800) days will be allowed per calendar year. This total will exclude all employees removed from the bargaining unit to fill non-supervisory positions.

Upon returning to the Bargaining Unit those Employees will return to the job held prior to the temporary assignment, providing their seniority will allow them to take the position.

Where an Employee is transferred to a temporary position under this Sub-Section, the Company will notify the Union and Crew Shop Steward, in advance if possible, and will post a notice in the appropriate lunch room(s).

- (ii) In the event of a lay-off a temporary Supervisor will be used in that position only so long as his seniority entitles him to a position in the mill.
- (iii) It is agreed that an employee who accepts a salaried position outside the Bargaining Unit may elect to return to the Bargaining Unit at any time within one (1) calendar year of transferring to the salaried position. The employee's seniority will be maintained but will not be accumulated during the one year period. If the employee elects to return to the Bargaining Unit he may exercise his Wood Products Seniority to obtain a job through the normal posting procedure. Employees who elect this option will be required to pay back dues for the appropriate period when they return to the Bargaining Unit.

4. **JURY OR WITNESS DUTY**

Any regular full-time employee who is required to perform Jury Duty, or who is subpoenaed to serve as a witness in a Court Action or Coroner's inquest, save and except actions involving the Company or Trade Union, unless subpoenaed by the Crown, on a day on which he would normally have worked, will be reimbursed by the Company for the difference between the pay received for such duty and his regular straight-time hourly rate of pay for his regularly scheduled hours of work. Piece workers will be compensated as per **SECTION X - STATUTORY HOLIDAYS - 2(c)**. It is understood that such reimbursement shall not be for hours worked in excess of eight (8) hours per day or (40) hours per week, less pay received for such duty. The employee will be required to furnish proof of performing such service and such duty pay received.

5. **BEREAVEMENT LEAVE**

- (a) When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted funeral leave of absence for which he shall be compensated at his regular straight time hourly rate of pay for his regular work schedule. Piece workers will be compensated as per **SECTION X - STATUTORY HOLIDAYS 2(c)**.

Five (5) days paid funeral leave will be granted to an employee attending the funeral when its location is outside a five hundred (500) kilometre radius of Mackenzie. Three (3) days paid funeral leave will be granted to employees attending the funeral when its location is within a five hundred (500) kilometres. One (1) day paid bereavement leave will apply when the employee does not attend the funeral.

- (b) Members of the employee's immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, mother-in-law, father-in-law, stepparents, grandparents and grandchildren, sons-in-law, daughters-in-law and step-children, grandparents-in-law, and *Common-law spouse, brother-in-law, sister-in-law.

*Interpretation - have been co-habiting for one (1) year.

- (c) When death occurs to a member of a regular full-time employees immediate family, the employee will receive appropriate unpaid compassionate leave.
- (d) Compensable hours under the terms of this Section will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted as hours worked for the purpose of computing overtime.

- 6. Except as provided in No.7 Parental Leave seniority shall accumulate for the period any employee is on approved leave of absence up to one (1) year and if the leave of absence is more than one(1) year, the seniority date will be maintained but not accumulated for the additional period.

7. PARENTAL LEAVE PARENTAL LEAVE

- (a) Maternity Leave will be granted upon request providing verification of pregnancy is made by a qualified physician.
- (b) Seniority shall accumulate for the period any employee is on approved Maternity leave up to one hundred eighty (180) days and if the leave is more than one hundred eighty (180) days, the seniority will be maintained but not accumulated for the additional period.
- (c) In no event shall Maternity Leave extend more than sixty (60) days past birth. Any further leave of absence must be for valid medical reasons.

SECTION IX - VACATIONS WITH PAYSECTION IX - VACATIONS WITH PAY

EFFECTIVE JULY 1, 1986

A.

1. (a) A vacation with pay will be granted to all employees in accordance with provisions of the "Employment Standards Act", of the Statutes of British Columbia, and amendments thereto, except that the qualification period shall be two hundred (200) days, instead of two hundred and twenty-five (225) days, as provided for in the Act.

(b) Vacation pay for employees with one (1) to two (2) years of continuous service shall be at the rate of 5% of earnings.
2. (a) Employees with two (2) or more years continuous service with the Company shall receive three (3) weeks vacation with vacation pay at the rate of seven percent (7%) of earnings.

(b) The third week vacation as in (a) will be taken but does not have to be consecutive with the vacation period provided for in the above clause but at a time convenient to the Company.
3. (a) An employee with seven (7) years continuous service shall receive an additional one week vacation with pay, based on two percent (2%) of the total wages or salary earned by the employee during the working year.

(b) The additional one (1) week will be taken when convenient for the Company but does not have to be consecutive with the vacation period provided for in Subsection 1 and 2 herein.
4. (a) An employee with fifteen (15) or more years continuous service shall receive a further additional one (1) week vacation with pay, based on two percent (2%) of the total wages or salary earned by the employee during the working year.

(b) The additional one (1) week will be taken when convenient for the Company but does not have to be consecutive with the vacation period provided for in Subsection 1 and 2 herein.
5. (a) An employee with twenty-four (24) or more years continuous service shall receive a further additional one (1) weeks vacation with pay, based on two percent (2%) of the total wages or salary earned by the employee during the working year.

Labour Agreement effective July 1, 1994 to June 30, 1999

- (b) The additional one (1) week will be taken when convenient for the Company but does not have to be consecutive with the vacation period provided for in Subsection 1 and 2 herein.
- 6. (a) An employee with thirty (30) or more years continuous service shall receive a further additional one (1) week vacation with pay, based on two percent (2%) of the total wages or salary earned by the employee during the working year.
- (b) The additional one (1) week will be taken when convenient for the Company but does not have to be consecutive with the vacation period provided for in Subsection 1 and 2 herein.

B.

- 1. Vacation with pay for employees engaged on piecework rates shall be based on the average daily earnings for the previous twelve months or such lesser period of time employed.
- 2. Vacation for employees shall be taken at such times mutually agreed upon by the Union and the Company when quantity and regularity of production shall not be impaired.

Vacation approval slips will be issued to employees as soon as possible.

It is the intent of the Company and the Union to ensure a fair distribution of prime time vacations among employees. Prime time vacations may be limited to two (2) weeks per year.

Definition: Prime time is the time that children are out of school. More specifically, mid June to Labour Day, third week of December to New Year's Day and Spring Break.

- 3. The following shall be considered as days actually worked for determining vacations with pay for any employee after one (1) continuous year of employment:
 - (a) Absence on Workers' Compensation for a period of twelve (12) months provided the employee returns to his employment.
 - (b) Absence due to illness or non-occupational accident up to a period of one (1) year, provided the employee returns to his employment. The Company shall have the right to require a certificate from a qualified medical practitioner.
 - (c) Absence due to jury or witness duty in accordance with **SECTION VIII - LEAVE OF ABSENCE - 4**, or due to bereavement leave in accordance with **SECTION VIII - LEAVE OF ABSENCE - 5**.

(d) Any other absence duly approved by the Company in writing shall be credited toward entitlement for annual vacation, but time spent on such leaves of absence shall not be counted in computing vacation pay.

4. With respect to vacation pay calculated and subject to the qualifications contained in Subsection B.4, the following provisions will apply:

Years of Service	(i) Percentage of Earnings or	(ii) Number of Hours at the Hourly Rate of the Employees Regular Job
1 - 2	5%	80 hours
2 - 7	7%	120 hours
7 - 15	9%	160 hours
15 - 24	11%	200 hours
24 - 30	13%	240 hours
30 and over	15%	280 hours

(iii) The hourly rate of the employee's regular job, as provided for in Subsection B.4 (ii) above, shall mean the hourly rate of the employee's regular job at the time the employee takes the first two (2) weeks or more of vacation after the cut off date.

5. (a) (i) In order to qualify for the greater of percentage of earnings or number of hours, as provided for in Subsection B.4 above, an employee must have worked a minimum of one thousand five hundred (1500) hours in his first year of service, and a minimum of one thousand (1000) hours during his succeeding years of entitlement.

(ii) For the purpose of calculating minimum hours as in (i) above, the calculation period shall be from the cut-off date in one year to the cut-off date in the succeeding year.

(b) For the purposes of computing the requisite hours, the following will be included:

(i) All hours worked;

(ii) Statutory Holiday hours;

(iii) Jury or Witness Duty;

- (iv) Bereavement Leave;
 - (v) Vacation Hours;
 - (vi) Time not exceeding one (1) year, lost as the result of an accident recognized as compensable by the Workers' Compensation Board, suffered during the course of employment, shall be considered as time worked for the purpose of qualifying for vacation;
 - (vii) Time not exceeding one (1) year, lost as the result of a non-occupational accident or illness, shall be considered as time worked for the purpose of qualifying for vacation provided that at the time of the accident or illness the employee has been on the payroll for not less than one (1) year and that he returns to his employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner;
 - (viii) Time lost as the result of lay-off shall not be considered as time worked for the purposes of qualifying for requisite hours;
 - (ix) Employees who report for work and who receive call time payment shall be credited with eight (8) hours for any such shift for purposes of computing the requisite hours under this Section;
 - (x) All hours worked in more than one Division of the parent company as a result of transfer or lay-off.
- (c) Employees whose employment is terminated shall receive vacation pay at the appropriate percentage rate as provided in **SUBSECTION A. 1, 2, 3, 4, 5 or 6.**
6. Effective June 1st, 1986, the vacation year shall be from June 1st to May 31st.

SECTION X - STATUTORY HOLIDAYSSECTION X - STATUTORY HOLIDAYS

1. (a) All hourly-rate employees who work on New Year's Day, Good Friday, Empire Day, Dominion Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day, shall be paid rate and one-half for all hours so worked.
- (b) In the event that Christmas Day, Boxing Day or New Years Day fall on a Saturday or Sunday the Company and the Union shall mutually agree on the days to be observed as the holiday. In the event one of the other above statutory holidays falls on a Saturday or Sunday and the government declares another day as a holiday then the declared day shall be observed as the holiday.
2. (a) All hourly rated and piece work employees who qualify for the paid holiday under the conditions set out below shall be paid for the holiday at their regular job rate of pay for eight (8) hours.

The Parties hereto agree that the paid Statutory Holidays shall be as follows: New Year's Day, Good Friday, Empire Day, Dominion Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day.

- (b) Piece work employees shall receive pay for the Statutory Holiday for which they qualify, based on the average hourly earnings for the days actually worked during the previous thirty (30) working days.
- (c) All hourly rated employees working on a paid holiday shall receive rate and one-half for hours worked on such days in addition to the holiday pay to which he is entitled.
- (d) To qualify for Statutory Holiday pay, an employee must have been on the Company payroll for the thirty (30) calendar days immediately preceding the Statutory Holiday and must have worked his last regularly scheduled work day before, and his first regularly scheduled work day after the holiday, unless his absence is due to a compensable occupational injury or illness, which occurred within six (6) months of the holiday, or the employee is on authorized leave of absence in accordance with **SECTION VIII - LEAVE OF ABSENCE - 2.**
- (e) In the case of illness or injury, the Company shall have the right to request a certificate from a qualified medical practitioner.

- (f) Notwithstanding any of the foregoing provisions, the employee must have worked one (1) day before and one (1) day after the holiday, both of which must fall within a period of sixty (60) calendar days.
3. (a) In the event of a Statutory Holiday falling on a Tuesday, Wednesday, or Thursday, and where the Company and the Union agree, the said holiday may be observed the preceding Monday or following Friday, respectively.
 - (b) When a Statutory Holiday falls on a Friday, employees working on a Tuesday to Saturday work week, by mutual agreement between the Company and the Union, may work on the Friday Statutory Holiday at straight time job rates and substitute Saturday as the Statutory Holiday.
 - (c) In the event that one (1) of the above mentioned Statutory Holiday falls on Saturday it shall be observed on the preceding Friday or succeeding Monday as agreed between the Company and the Union. In the case of a maintenance employee where one of the Statutory Holidays is observed on his rest day, he shall have a day off without pay in lieu thereof at a mutually agreeable date.

4. **PERSONAL FLOATING HOLIDAYPERSONAL FLOATING HOLIDAY**

This section becomes effective September 1st, 1978. This personal floating holiday is in lieu of the proposed Heritage Day but this Section shall come into operation on its effective date even if Heritage Day has not been proclaimed.

(a) **PERSONAL FLOATING HOLIDAY**

Regular full-time employees will be granted one (1) personal floating holiday during each contract year of this Agreement, to be arranged at a time suitable to the Employee and the Company, so that there will be no loss of production.

(b) **QUALIFYING CONDITIONSQUALIFYING CONDITIONS**

When the personal floating holiday is taken, an employee shall be paid for the said holiday at his regular job rate of pay for his regular work schedule, subject to the following conditions:

- (i) A new employee must have been on the payroll for not less than ninety (90) consecutive calendar days to qualify for the personal floating holiday.
- (ii) An employee will not qualify for the personal floating holiday if on leave of absence for more than nine (9) months in the contract year, except in the case of sickness or injury.

- (iii) An employee shall apply on an approved form, at least seven (7) days in advance, for his personal floating holiday.

The employee shall receive notice of the disposition of his request a minimum of seventy-two (72) hours prior to the requested personal floating holiday.

SECTION XI - SAFETY AND HEALTHSECTION XI - SAFETY AND HEALTH

1. (a) The Company and employees will co-operate to assure safe working methods and conditions and devise plans for the furtherance of safety measures. Equipment and devices mutually agreed upon to be provided by the Company.

(b) Employees will not be expected to operate with unsafe equipment, work under unsafe conditions, or commit unsafe acts.
2. (a) The Company shall maintain a Joint Safety Committee of minimum eight (8) members. Members of the Committee shall be designated to equal number by the employees and the Company.

Employee representatives shall be regular employees experienced in the operation.

- (b) The Union shall maintain a chair person for the Joint Safety Committee.
3. Industrial Health and Safety Committee meetings will be held during working hours at a time mutually agreed upon. Employees' time will not be deducted for attending such meetings or investigations into accidents.
4. The Company will pay straight time rates (at employees' job rate) for authorized time spent by employee members in attending Safety meetings or other Safety Committee matters outside working hours.
5. (a) The Company will replace the following equipment at no cost to the employee when these articles are presented worn or damaged beyond repair and when they are required to be used by the Company or the Workers' Compensation Board:
 - (i) Aprons
 - (ii) Hard Hats
 - (iii) Eye, Ear and Nose Protective Equipment
 - (iv) Welding Goggles and Gloves
 - (v) Flotation Equipment
 - (vi) Gloves
 - (vii) Safety Locks

- (b) The Company will assist in the purchase of safety toed boots in the following ways:
 - (i) The Company will refund fifty percent (50%) of the cost of each pair of safety toed boots purchased by the employee for his personal use at any retail store upon a valid receipt being presented to the Human Resources Office.
 - (ii) The Company assistance for boot purchases is limited to two (2) pair per year. Exceptions will be made for unusual wear and tear on an individual basis.
- (c) The Company will make rain gear available for those employees who are required to work in adverse weather conditions.
- (d) Employees wishing to do so may purchase insulated coveralls by payroll deduction through the purchasing office. The Company will assist with cleaning and maintenance as necessary.
- (e) Custom moulded hearing protection: Exclusive of 5(a) (iii) above, the Joint Safety Committee will coordinate the custom fitting and employee purchase by payroll deduction of custom moulded hearing protection (plugs). Employees will pay any costs greater than the normal cost of ear muffs.

SECTION XII - STANDING COMMITTEE SECTION XII - STANDING COMMITTEE

1. A Standing Committee shall be maintained in the following manner:
 - (a) The Management shall appoint a Company Standing Committee of no more than six (6) individuals which shall represent the Company.
 - (b) The Union shall elect from its membership a Union Standing Committee of no more than six (6) individuals which shall represent the Union.
2. The Union will, within thirty (30) days from the date of this Agreement, notify the Company in writing of the members of the Standing Committee. The Union and Company will inform each other in writing when any member changes on the Standing Committee. No member of the Standing Committee will be recognized by the Company or Union unless the above procedure is carried out.

SECTION XIII - GRIEVANCE PROCEDURE

1. In the event that there is any dispute or complaint as to the interpretation of any of the clauses of this Agreement or any grievance arising out of the operation of this Agreement, it shall be dealt with in the following manner:
 - (a) The individual employee involved shall first take up the matter with the foreman directly in charge of the work (with or without the Shop Steward) at the option of the employee, within fourteen (14) days of the occurrence of the event or events giving rise to the grievance. Where the employee wishes to have a Shop Steward accompany him, the Company will endeavour to relieve the Shop Steward as quickly as practicable.
 - (b) If the grievance is not then satisfactorily solved, it shall be referred to the Standing Committee, where it shall be reduced to writing and shall be dealt with within thirty (30) days of the initiation of the grievance.
 - (c) If the two (2) Standing Committees are unable to arrive at a satisfactory settlement, the question may be taken up directly with the Manager, within fourteen (14) days of completion of the procedure outlined in (b) above.
 - (d) If the Manager and Local Union are unable to arrive at a satisfactory settlement within five (5) days, the question may within fourteen (14) days of completion of this procedure be referred to a board of arbitration as provided for in **SECTION XIII - GRIEVANCE PROCEDURE - 3**.
 - (e) It is agreed that the above time limits may be extended by mutual agreement but if a grievance has not advanced to the next step within the specified or extended time limit, then the grievance shall be deemed to be abandoned, and all right of recourse to the grievance procedure shall be at an end.
 - (f) It is hereby agreed that the inclusion of **Section XIII - GRIEVANCE PROCEDURE - 1(a)**, "The individual employee involved shall first take up the matter with the foreman directly in charge of the work, with or without the Shop Steward, at the option of the employee, within fourteen (14) days of the occurrence of the event or events giving rise to the grievance", shall not be used to discourage employees and supervisors from discussing mutual problems and complaints on a person to person basis.
2. (a) Grievances not appropriate for an individual to pursue may be referred directly to the Standing Committee by the Union within fourteen (14) days of the occurrence of the event or events giving rise to the grievance.

- (b) Grievances which the Company wishes to pursue may be referred directly to the Standing Committee within fourteen (14) days of the occurrence of the event or events giving rise to the grievance.
 - (c) If the two (2) Standing Committees are unable to arrive at a satisfactory settlement, the question may be taken up directly with the Manager and the Local Union within fourteen (14) days of completion of the procedure outlined in (a) or (b) above.
 - (d) If the Manager and Local Union are unable to arrive at a satisfactory settlement within five (5) days, the question may within fourteen (14) days of completion of this procedure be referred to a Board of Arbitration as provided for in **SECTION XIII - GRIEVANCE PROCEDURE - 3.**
 - (e) It is agreed that the above time limits may be extended by mutual agreement, but if a grievance has not advanced to the next step within the specified or extended time limit, then the grievance shall be deemed to be abandoned and all rights of recourse to the grievance procedure shall be at an end.
 - (f) It is the intent of this Agreement that grievances of individual employees shall be dealt with as described in **SECTION XIII- GRIEVANCE PROCEDURE - 1.**
 - (g) Except in unusual circumstances, an employee will have Union representation present (if he/she wishes) at all disciplinary meetings involving a written warning or more serious disciplinary action.
3. In case of any dispute arising regarding the interpretation or application of this Agreement, which the Parties hereto are unable to settle between themselves, the matter shall be determined by arbitration in the following manner:
- (a) Either party may notify the other party in writing by registered mail of the dispute to be arbitrated, and the name and address of its chosen representative for the arbitration board. After receiving such notice and statement the other party shall, within five (5) days, appoint an Arbitrator and give notice in writing of such appointment and the name and address of its Arbitrator.
 - (b) The two (2) Arbitrators thus named shall, within ten (10) days, do everything in their power to choose a third Arbitrator who will preside as Chairman for the Board of Arbitration.
 - (c) In all matters of procedure not covered by the provisions of this section, including alternate procedure for the selection of the third Arbitrator, the provisions of the Arbitration Act (R.S.B.C. 1960 Chapter 14) shall apply.

- (d) No one shall serve as a member of an Arbitration Board who:
- (i) either directly or indirectly has any interest in the subject of the arbitration;
 - (ii) has participated in the grievance procedure preceding the arbitration;
 - (iii) is, or has been, within a period of six (6) months preceding the initiation of arbitration proceedings, employed by the Pulp, Paper and Woodworkers of Canada, Local 18 or Fletcher Challenge Canada Limited, Mackenzie Operations.
- (e) If any Arbitration Board finds that an employee has been unjustly suspended or discharged, such employee shall be reinstated with all his rights and privileges preserved under the terms of the Agreement. The Arbitration Board shall further make the determination on the amount of lost pay to be paid to the employee.
- (f) The Parties of the First and Second Parts will each bear the expenses and charges of their representatives on any Arbitration Board, and shall bear in equal proportions, the expenses and allowances of the Chairman, the stenographic and secretarial expenses and rent.
- (g) When practical any arbitration to be held hereunder shall be held at Mackenzie.
- (h) If both the Company and the Union agree a one man Arbitration Board may be implemented.

SECTION XIV - GENERAL PROVISIONS SECTION XIV - GENERAL PROVISIONS

1. Official Union Representatives shall obtain access to the Company's operations for the purpose of the Agreement by written permission, which will be granted by the Company on request and subject to such terms and conditions as may be laid down by the Company.
2. (a) It is agreed that there shall be no strikes, walk-outs or other interruption of work during the term of this Agreement.

(b) It is agreed that there shall be no lock outs by the Company during the term of this Agreement.

(c) In the event of any conduct within the meaning of (a) above, during the term of this Agreement the Union will instruct its members and officers to comply with the terms of this Agreement.
3. The Company shall supply adequately enclosed bulletin boards for the use of the Union in posting officially signed bulletins. One (1) board will be placed in each lunchroom.
4. Lay-off coverage for medical benefits will be provided on the following basis:
 - (a) Employees with four (4) months of employment or less:
Coverage until the end of the month following the month in which they were laid off.
 - (b) Employees with four (4) months to one (1) year of employment:
Three (3) months of coverage following the month in which they were laid off.
 - (c) Employees with one (1) year or more of service:
Six (6) months of coverage following the month in which they were laid off.
 - (d) In order for reinstatement of lay-off coverage to occur there must be a return to regular full-time employment. An Employee returns to regular full-time employment when he is employed for ten (10) working days within a floating period of thirty (30) consecutive (calendar) days.

- (e) Also an Employee who returns to work for at least one (1) working day and less than ten (10) working days will be covered for that month, in addition to any lay-off coverage to which he was entitled, if the recall occurred during the period of lay-off coverage.

New Weekly Indemnity claims will not be established during lay-off periods. Medical travel ceases except for ongoing treatment.

SECTION XV - HEALTH AND WELFARE PLAN

1. INSTITUTION

It is agreed that a health and welfare plan be instituted within the principles hereinafter set out.

2. BOARD OF TRUSTEES

A Board of Trustees will be comprised of two (2) members representing the Pulp, Paper and Woodworkers of Canada, Local 18, and two (2) members representing the Company, to be responsible for the placement of coverage and administration of the plan. However, the Parties' obligation shall be subject to the limitations in the contracts of the selected carrier or carriers.

3. UMPIRE

Where a dispute is unresolvable by the Board of Trustees, it shall be submitted to an umpire whose decision will be binding on both parties. The umpire shall be mutually acceptable and be experienced in the group insurance field.

Notwithstanding the above, an umpire shall not decide on matters affecting the overall cost of the Plan and benefits it provides, nor is he empowered to deal with matters properly handled through the Adjustment of Complaints Procedure of this Agreement, or matters that are properly dealt with through collective bargaining.

Should any conflict arise between the terms of the contract or contracts issued by the underwriter or underwriters and the terms of the plan, the terms of the plan shall prevail.

4. INSURANCE COVERAGE FOR ELIGIBLE EMPLOYEES

- (a) Group Life Insurance in accordance with the following Table of Hourly Job Rate Brackets and corresponding coverage. Benefits will be payable as a result of death, from any cause on a twenty-four (24) hour coverage basis.
- (b) Accidental Death and Dismemberment Insurance in accordance with the following Table of Hourly Job Rate Brackets and corresponding coverage, on a twenty-four (24) hour coverage basis.

(c) Medical and Extended Medical coverage.

Effective July 1, 1992 the maximum amount of Extended Health Benefits payable for any one member or dependent will be increased from twenty-five thousand dollars (\$25,000) to thirty thousand dollars (\$30,000).

(d) Vision Care for Employees and Dependents. Payment, up to a maximum of one hundred dollars (\$100.00) and effective January 1, 1995 increased to one hundred fifty dollars (\$150.00) per person in any twenty-four (24) consecutive month period, for charges incurred relative to the purchase of lenses and frames or contact lenses when prescribed by a person legally qualified to make such prescription; provided, however, that if the eyeglasses are for an employee for use while working in a mill they must be safety lenses and frames.

(e) All full-time employees who are actively working on the first working day of the month following their date of employment, will be enrolled for the coverage set forth in Sections (a), (b) and (c) as a condition of employment.

(f) A Dental Care Plan will be provided based on the following general principles:

(i) (Plan A) Basic dental services

Plan pays eighty percent (80%) of approved schedule of fees.

(ii) (Plan B) Prosthetics, crowns and bridges

Plan pays fifty percent (50%) of approved schedule of fees. Effective January 1, 1995 the plan will pay sixty percent (60%).

(iii) (Plan C) Orthodontic

Plan pays fifty percent (50%) of approved schedule of fees. Effective January 1, 1995 the plan will pay sixty percent (60%).

Lifetime maximum two thousand dollars (\$2,000.00). Effective January 1, 1995 Lifetime maximum increased to three thousand dollars (\$3,000.00), maximum age - nineteen (19) years.

(iv) The Plan will not duplicate benefits provided now or which may be provided in the future by any government program.

(g) Premium costs in (a),(b),(c),(d) and (f) above will be paid by the Company.

- (h) Non-occupational Weekly Indemnity Benefits payable beginning the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness, except that in those cases of non-occupational sickness which have resulted in the claimant being hospitalized as a bed patient, the said Weekly Indemnity benefits will be payable beginning the first day of hospitalization or the fourth day of disability whichever occurs first. Benefits will be payable for a maximum of fifty-two (52) weeks during any one (1) period of disability, in accordance with the following table of Hourly Job Rate Brackets and corresponding coverage.

The regular wage rate of the employee in effect on July 1st and January 1st will determine his entitlement to the weekly indemnity benefit in the following table. The rate paid to Flat (or Luntz) car loaders on Dominion Day as per **SECTION X - STATUTORY HOLIDAYS 2.(c)** will be considered the regular wage in effect that July 1st.

The Union accepts the Non-occupational Weekly Indemnity Benefits Plan as payment in kind of the employee's share of any reduction in the Unemployment Insurance premium which may occur in 1981 and 1982 as a result of this plan under Unemployment Insurance Regulations.

A. Table of Hourly Job Rate Brackets and Corresponding Coverage

NON-OCCUPATIONAL WEEKLY ACCIDENT & SICKNESS INSURANCE

Effective July 1, 1994

Hourly Job Rate		Weekly Amount Received	
\$18.50	but less than	\$18.75	\$480.00
18.75	" " "	19.00	485.00
19.00	" " "	19.25	490.00
19.25	" " "	19.50	495.00
19.50	" " "	19.75	500.00
19.75	" " "	20.00	505.00
20.00	" " "	20.25	510.00
20.25	" " "	20.50	515.00
20.50	" " "	20.75	520.00
20.75	" " "	21.00	525.00
21.00	" " "	21.25	530.00
21.25	" " "	21.50	535.00
21.50	" " "	21.75	540.00
21.75	" " "	22.00	545.00
22.00	and over		550.00
Max rates effective July 1, 1995			
\$22.00	but less than	\$22.25	\$550.00
22.25	" " "	22.50	555.00
22.50	" " "	22.75	560.00
22.75	and over		565.00
Max rates effective July 1, 1996			
Max rates effective July 1, 1996			
\$22.75	but less than	\$23.00	\$565.00
23.00	" " "	23.25	570.00
23.25	and over		575.00

GROUP TERM LIFE & ACCIDENTAL DEATH AND DISMEMBERMENT

	Group Term Life	A.D.&D.	
Effective July 1, 1990		\$55,000.00	\$55,000.00
Effective January 1, 1995		\$60,000.00	\$60,000.00

Labour Agreement effective July 1, 1994 to June 30, 1999

- (i) Long Term Disability Insurance (Effective September 1st, 1979) to provide benefits of fifty percent (50%) of regular weekly earnings calculated at forty (40) times disabled employee's hourly straight time job rate, at date of disability, with Long Term Disability benefits payable for a minimum period of sixty (60) months but not beyond the attainment of age sixty-five (65). Other terms and conditions of this plan and conditions pertaining to implementation will be established pursuant to the Long Term Disability Plan Summary, dated September 11th, 1979.
Amended July 1st, 1981
- (j) All full time employees who are actively working on the first working day of the month following their first full month of employment, will be enrolled for the coverage set forth in sections (f), (h) and (i) as condition of employment.
- (k) Premium costs will be shared seventy percent (70%) by the Company and thirty percent (30%) by the employee with respect to coverage set forth in sections (h) and (i) above.

(A) MEDICAL TRAVEL MEDICAL TRAVEL

The Company will provide the following coverage to employees and registered dependents who live in Mackenzie. As well, the coverage may be provided in sympathetic circumstances to those who do not reside in Mackenzie; approval in this regard must be obtained from the Joint Board of Trustees established under **SECTION XV - HEALTH AND WELFARE - 2.**

(i) TRAVEL BEYOND PRINCE GEORGE TRAVEL BEYOND PRINCE GEORGE

- (a) Where in the opinion of the attending physician treating a member Employee and/or his registered dependents adequate treatment is not available locally, transportation by regularly scheduled air, rail or bus will be provided to and from the nearest locale in B.C., equipped to provide the required and recommended treatment by a physician or surgeon within two (2) months of referral or the earliest available appointment thereafter.
- (b) Where necessary and at the request of the attending physician, provision for transportation of an attendant in connection with the aforementioned transportation of any employee or his registered dependents.

- (c) Where transportation has been provided to the nearest locale where adequate facilities are available, provision for assistance regarding accommodation limited to commercial facilities for patients or attendants but not both (where the attendant is a member of the patient's immediate family) before and after medical treatment to a limit of seven (7) days, at a maximum of fifty dollars (\$50.00) per day included in the seven (7) day limit are, if necessary, *two (2) nights in Prince George. (*One (1) going and one (1) returning).
 - (i) "Sympathetic" consideration shall be given on an individual basis to extend the seven (7) days maximum where the required treatment extends beyond this length of time. The criteria for this consideration shall be determined by the Joint Board of Trustees.
 - (ii) Fare allowance for transportation to and from the hospital or doctor's office will be provided for up to a maximum of fifty dollars (\$50.00) per medical travel trip, upon presentation of receipts.
- (d) Where an employee qualifies for transportation under Section 1(i)(a) above he may elect to use his own vehicle and receive the equivalent return bus fare from Prince George to the nearest locale in B.C. equipped to provide the required and recommended treatment. An employee receiving transportation assistance for travel beyond Prince George will be entitled to the flat rate of seventy dollars (\$70.00) for the Mackenzie - Prince George return segment.
- (e) **OUT OF PROVINCE TRAVEL PLAN**

When in the opinion of the attending physician and attending specialist a medical procedure is required that is not available in B.C., and is one for which the Medical Services Plan of B.C. will accept financial responsibility, the cost of travel and accommodation to the limits specified below will be paid for by the Plan. Where the attending physician specifies that an attendant is required, the travel and accommodation expenses for such person will be paid to the limit specified.

The maximum limit under any one claim will be the return economy airfare or equivalent for patient and attendant, plus accommodation expenses up to a maximum of one thousand five hundred dollars (\$1,500). Receipts will be required.

This benefit will not stack on top of or duplicate existing provisions under local Medical Travel Benefit or government plans.

(ii) TRAVEL WITHIN NORTHERN INTERIOR

- (a) An employee will be entitled to the flat rate of seventy dollars (\$70.00) for the Mackenzie - Prince George return segment, seventy-five dollars (\$75.00) Mackenzie - Dawson Creek return and ninety dollars (\$90.00) Mackenzie - Fort St. John return.
 - (b) Employees and or their registered dependants referred for treatment at a regional centre will be entitled to a maximum accommodation allowance of fifty dollars (\$50.00) per day.
 - (c) Referrals within the Northern Interior Region for chiropractic and (by a dentist) for orthodontistry will be included as long as these services are not available in Mackenzie.
 - (d) Referrals within the Northern Interior Region for, Acupuncture, Clinical Psychology, Speech Therapy and Physiotherapy will be included, as long as such treatment is covered by the Extended Health Benefit Plan and as long as these services are not available in Mackenzie.
- (iii) The premiums for this insurance will be paid by the Company.

DEFINITIONSDEFINITIONS

1. Registered dependents shall be the same as defined under Medical services Plan of B.C.
5. It is agreed in the administration of the Mackenzie Pulp, Paper and Woodworkers Health and Welfare Plan that the membership in the plan of employees temporarily promoted to Supervisory or Staff positions, will continue during the period of such assignment and that they shall be entitled to all benefits provided under the Plan for this period.
6. Enrollment in the medical, extended medical, dental and vision care plans shall only be required of one (1) member of a married couple where both husband and wife are employees of Fletcher Challenge Canada Limited.
7. As it is recognized that fire fighting is the moral responsibility of all employees, the Company will provide additional accidental death and dismemberment insurance in the amount of fifty thousand (\$50,000) for all employees only on claims arising from fire fighting activities including practises. Premiums will be paid by the Company.

8. CHANGE IN BENEFITSCHANGE IN BENEFITS

In the case of an employee who is on active claim arising from disability which occurred before a negotiated change in benefits and which continues thereafter, the said employee shall, as from the effective date of the negotiated change, be paid the changed weekly indemnity benefit, be covered for the changed Group Term Life Insurance, Accidental Death and Dismemberment, and make the changed contributions.

9. SURVIVING SPOUSE AND DEPENDENT COVERAGESURVIVING SPOUSE AND DEPENDENT COVERAGE

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reason of their own employment, the Company shall extend the coverage under the Medical Services Plan, the Extended Health Benefit Plan and the Dental Plan for a period of three (3) months following the death.

SECTION XVI - PENSION PLANSECTION XVI - PENSION PLAN

1. BOARD OF TRUSTEESBOARD OF TRUSTEES

A Board of Trustees will be comprised of two (2) members representing the Pulp, Paper and Woodworkers of Canada, Local No.18 and two (2) members representing the Company to be responsible for the administration of the plans outlined in the Trust Document.

2. BENEFITSBENEFITS

Pension benefits for active and retired participants who retire or have retired on pension directly from the bargaining unit under the PPWC WOOD PRODUCTS PENSION PLAN, will be as follows:

Effective July 1, 1992

Past Service Benefits - \$38.00/Month/Year of Credited Service
Future Service Benefits - \$38.00/Month/Year of Credited Service

Effective July 1, 1993

Past Service Benefits - \$40.00/Month/Year of Credited Service
Future Service Benefits - \$40.00/Month/Year of Credited Service

Effective July 1, 1991 in order to fund the negotiated benefits the cost will be actuarially calculated and expressed in cents/hour, but will not be less than eighty (.80) cents/hour.

3. FUNDINGFUNDING

Effective July 1, 1988 in order to fund the negotiated benefits, the costs will be actuarially calculated and expressed in cents/hour, but will not be less than sixty (.60) cents/hour; seventy (.70) cents/hour effective July 1, 1989; and eighty (.80) cents/hour effective July 1, 1990. The Company will continue to contribute monies to the pension plan at a level actuarially determined pursuant to this section and supplements 4 for the purposes of keeping the pension plan solvent and fully funded.

4. Effective from July 1, 1995, terminated vested employees will not be entitled to a subsidized early retirement pension.

5. The Company and the Union will request the actuary to utilize assumptions on an eight percent (8%) return and a "smoothed" asset value. It is understood that the Company will immediately fund any liability which may arise as a result of utilization of these assumptions.

SECTION XVII - APPRENTICESHIP TRAINING PROGRAM
SECTION XVII - APPRENTICESHIP TRAINING PROGRAM

1. The Parties agree to continue the established apprenticeship training programs, attached as Supplement No.2 to this agreement, for the following trades: electrician, heavy duty mechanic, sprinklerman-pipefitter, machinist, welder/steel fabrication, millwright, planer mechanic, carpenter, filing room categories and painter, in conjunction with the Apprenticeship Branch of British Columbia Government.
2. Subject to the conditions of this section as listed below, it is agreed that the following completion of the period of required training and upon becoming certified, the journeyman shall receive the certified journeyman's rate of pay. Conditions under which the above will apply:
 - (a) That he is working in the maintenance department.
 - (b) That all work normally done by the maintenance department is being performed by the persons employed in the maintenance department.
 - (c) That nothing in this clause shall prohibit the laying-off of journeymen or apprentices if they are not required.
 - (d) That a journeyman may when facing lay-off, choose to exercise his seniority into categories outside of the maintenance area at the job rate if his seniority and ability entitle him to do so.
3. Commencing in January 1995, the Company and the Union will jointly review the operation of the apprenticeship training program, including the process for selecting apprentices (Refer to Supplement No.2). Consideration will be given to modifying the existing selection system. If agreement in this regard is not reached by June 30, 1995, the matter will be determined in binding arbitration before arbitrator Paul Devine.

SECTION XVIII - JOB SECURITYSECTION XVIII - JOB SECURITY

1. OBJECTIVEOBJECTIVE

The Company and Union recognize that technological change, while necessary to the industry, may have an impact on employees. It is the purpose of the following provisions to assist employees in adjusting to the effects of such change.

2. DEFINITIONDEFINITION

Technological change, which term shall include automation, mechanization, and process change, means the introduction of equipment or material of a different nature or kind than that previously utilized, or a change in the operation that is directly related to the introduction of that equipment or material.

3. REQUIRED NOTICEREQUIRED NOTICE

The Company will advise the Union as soon as possible; and in any case not less than one hundred and eighty (180) days before the introduction of, mechanization, technological changes and/or automation which the Company has decided to introduce and which will result in terminations or other significant changes in the employment status of individual employees.

The Company will advise the Union as soon as possible, and in any case not less than thirty (30) days before the expected date of the change, of the anticipated time sequence of final installation and production start-up and the anticipated effect on the job status of individual employees.

4. SENIORITY STATUSSENIORITY STATUS

- (a) In the event that it is necessary, crews will be reduced in accordance with **SECTION VII - SENIORITY**, of the Agreement.
- (b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his regular job at the time of the set-back for a period of six (6) months, and for a further period of six (6) months he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the set-back and the rate of his new regular job. At the end of this twelve (12) month period, the rate of his new regular job will apply.

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

- (c) If through the application of **SECTION VII - SENIORITY** the employee moves to an equal or higher rated job because of mechanization, technological change or automation, he will have the option of terminating his employment and accepting severance pay as outlined in Section 5(a) below, provided he exercises his option within six (6) months of starting on the job.

5. SEVERANCE ALLOWANCE SEVERANCE ALLOWANCE

- (a) An employee with one or more years of continuous service for whom no job is available because of mechanization, technological change or automation will, upon termination, receive a severance allowance calculated by one of the two following methods, it being the choice of the affected employee as to which of such methods of calculation is used:
 - (i) One week's pay for each year of employment during his last period of continuous service, computed on the basis of forty (40) straight time hours at the employee's regular rate, the maximum severance allowance payable being thirty (30) weeks pay.
 - (ii) Two percent (2%) of his total earnings for the last period of continuous service, the maximum severance allowance payable being an amount equal to one thousand two hundred (1,200) hours at the employee's regular rate. At the time of separation, the employee shall have the option of receiving his severance allowance on termination, or he may elect to have his severance allowance held in abeyance for up to one (1) year from the date of termination. He may apply in writing at any time during the year, at which time his full severance allowance will be paid forthwith.

No payment will be made under this section in cases where the employee has already qualified under **SECTION XIX - JOB ELIMINATION**.

- (b) Such employees for whom no employment is available will be given at least thirty (30) days notice of separation.

6. TRAINING TRAINING

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

7. RETIRING ALLOWANCE

- a) The Company and Union recognize that in face of significant reduction of the work force due to technological change, attrition through early retirement is a preferential way to decrease the size of the workforce.

For the term of this Agreement and consistent with **3. Required Notice** above, and; the continued availability of a skilled workforce, a one month window of opportunity will be opened for eligible employees to exercise a retirement leaving option.

- b) Employees exercising the option shall terminate their employment within four (4) weeks from the date the technological change is implemented.
- c) Eligible employees are those employees who are fifty-five (55) years or older and who qualify for pension benefits under the PPWC Mackenzie Wood Products Plan.
- d) Employees wishing to exercise the Retirement Leaving Option shall be entitled to receive a Severance Allowance in accordance with 5 (a) above as well as pension benefits in accordance with the applicants pension entitlement.
- e) The Retiring Allowance may be directly rolled into an R.R.S.P. or other tax shelter as may be permissible under the Income Tax Act, otherwise it will be subject to the appropriate tax deductions.

SECTION XIX - JOB ELIMINATIONSECTION XIX - JOB ELIMINATION

1. DEFINITIONDEFINITION

Job elimination means permanent loss of employment as the result of Company decisions to eliminate positions, excluding those in No.2 below.

2. EXCLUSIONSEXCLUSIONS

No payment will be made under No.5 in cases:

- (a) of curtailments of a temporary, seasonal or indefinite duration which includes those caused by market or economic conditions.
- (b) of employees hired for work of known or temporary duration.
- (c) where the employee has already qualified under technological change.

3. NOTICENOTICE

The Company will advise the Standing Committee at least thirty (30) days prior to such job elimination. Crew reduction will be in accordance with **SECTION VII - SENIORITY**.

4. ELIMINATION OPTIONSELIMINATION OPTIONS

An employee who qualifies under No. 1 above may elect one of the following options:

- (1) Recall and seniority retention as per **SECTION VII - SENIORITY**, or
- (2) Severance allowance as per No.5 below.

Such employee must elect his option within thirty (30) days of notification that his loss of employment is permanent. If Option (2) is selected, the employee will be deemed to have terminated effective the last day worked. Where a temporary curtailment becomes permanent, severance eligibility will be determined by the status of the employee at the time of the temporary curtailment.

5. SEVERANCE ALLOWANCESEVERANCE ALLOWANCE

Severance allowance will be calculated by one of the two following methods, it being the choice of the affected employee as to which such methods of calculation is used:

- (i) One week's pay for each year of employment during his last period of continuous service, computed on the basis of forty (40) straight time hours at the employee's regular rate, the maximum severance allowance payable being thirty (30) weeks' pay.
- (ii) Two percent (2%) of his total earnings for the last period of continuous service, the maximum severance allowance payable being an amount equal to one thousand two hundred (1,200) hours at the employee's regular rate.
- (iii) When weeks of severance pay combined with the termination date carries into the following year the employee has the option to have the severance pay payable in the following year.

The severance allowance will not be more than the employee would normally receive if he remained at work at forty (40) hours per week to his normal retirement date.

At the time of separation, the employee shall have the option of receiving his severance allowance on termination, or he may elect to have his severance allowance held in abeyance for up to one (1) year from the date of termination. He may apply in writing at any time during the year, at which time his full severance allowance will be paid forthwith.

6. **RETIRING ALLOWANCE**

- (a) The Company and Union recognize that in face of significant reduction of the workforce due to job elimination, attrition through early retirement is a preferential way to decrease the size of the workforce.

For the term of this Agreement and consistent with **3. Notice** above, and; the continued availability of a skilled workforce, a one month window of opportunity will be opened for eligible employees to exercise a retirement leaving option.

- (b) Employees exercising the option shall terminate their employment within four (4) weeks after the implementation of the job elimination.
- (c) Eligible employees are those employees who are fifty-five (55) years or older and who qualify for pension benefits under the PPWC Mackenzie Wood Products Plan.
- (d) Employees wishing to exercise the Retirement Leaving Option shall be entitled to receive a Severance Allowance in accordance with 5 above as well as pension benefits in accordance with the applicants pension entitlement.

- (e) The Retirement Leaving Allowance may be directly rolled into an R.R.S.P. or other tax shelter as may be permissible under the Income Tax Act, otherwise it will be subject to the appropriate tax deductions.

SECTION XX - DURATION OF AGREEMENTSECTION XX - DURATION OF AGREEMENT

1. The Parties hereto mutually agree that this Agreement shall be effective from and after the 1st day of July, 1994 to the 30th day of June 1999, and thereafter, from year to year unless written notice as specified in the Labour Code of British Columbia Act (1979 Section 62) of contrary intention is given by the parties.

The notice required hereunder shall be validly and sufficiently served at the Divisional Office in Mackenzie of the Party of the First Part or at the Local Office on the Local Officers of the Union, Party of the Second Part. If no agreement is reached at the expiration of this contract and negotiations are continued, the Agreement shall remain in force up to the time that a subsequent Agreement is reached, or until negotiations are discontinued by either Party.

2. The Parties hereto agree that the operation of Section 66(2) of the Labour Code of British Columbia Act 1979 is specifically excluded from operation in the Agreement.

3. COLLECTIVE AGREEMENT RE-OPENER - 1997 AND 1998

The parties understand and are agreed that the revised Collective Agreement will be subject to re-opening negotiations on the issues of wage increases, benefit improvements, and past and future pension service benefit changes.

These negotiations will commence in July 1997 with changes to take effect on July 1, 1997 and July 1, 1998 (or on other dates in 1997 and 1998 as agreed to by the parties). However, it is clearly understood that this Collective Agreement does not expire until June 30, 1999 and legal strike or lockout action is not applicable until that date. Therefore, if the parties are unable to reach an agreement on the re-opener provisions to take effect in 1997 and 1998 (that is, wage increases, benefit improvements, past and future pension service benefit improvements), the matter(s) in dispute will be referred to binding interest arbitration with retroactivity of any award to July 1, 1997.

If the parties cannot agree upon an arbitrator for this purpose, the Associate chair (Mediation) Labour Relations Board will name the arbitrator.

The presumption before the arbitrator will be that wage and benefit improvements will be based on the IWA negotiated package prevailing at that time. Furthermore, a pension plan benefit improvement is also presumed.

Dated This _____ day of _____ 1995

for

FLETCHER CHALLENGE CANADA LIMITED
MACKENZIE WOOD PRODUCTS

Larry Borne

John Lyotier

Brent MacKinnon

for

PULP, PAPER AND WOODWORKERS OF CANADA
LOCAL 18

Labour Agreement effective July 1, 1994 to June 30, 1999

FIRST AID TICKET PREMIUMFIRST AID TICKET PREMIUM

The following premiums shall be paid to employees who hold the following current valid WCB Occupational First Aid Ticket:

- Level 1 (Survival First Aid) - five (5¢) cents/hour
- Level 2 - fifteen (15¢) cents/hour
- Level 3 - twenty-five (25¢) cents/hour

GRADING TICKET PREMIUMGRADING TICKET PREMIUM

- (a) Employees in the following groups who hold valid Grading Tickets who are not required to perform a grading function shall receive a bonus of five (5¢) cents per hour over their job rate for all hours worked.

- A Mill Group 2 - Planer Group
- C Mill Group 2 - Planer Group
- A and C Mill Group 1
- Planerman

- (b) Lumber graders who hold a current valid grading ticket shall receive the following bonus:

- B Ticket - fifty (50¢) cents/hour
- A Ticket - sixty-five (65¢) cents/hour
- AA Ticket - one dollar (\$1.00) /hour

- (c) Employees in the grading groups who hold a current valid grading ticket shall receive a fifteen (15¢) cent/hour bonus.

- (d) All Lumber Graders shall attend upgrading classes as required. Lumber Graders who are required to attend upgrading classes (grading rule changes) shall receive their regular straight time rate for time spent in attending such classes.

**SUPPLEMENT NO. 2 SUPPLEMENT NO. 2
APPRENTICESHIP TRAINING PROGRAM**

ARTICLE I - PURPOSE ARTICLE I - PURPOSE

The purpose of this Program is to improve the knowledge and skill of persons employed by the Company as Apprentices in respect to the trades named in Article II herein.

ARTICLE II - TRADES ARTICLE II - TRADES

	Length of Program
1. Millwright	4 years
2. Heavy Duty Mechanic	4 years
3. Sprinklerman-Pipefitter	4 years
4. Machinist	4 years
5. Electrician	4 years
6. Welder/Steel Fabrication	4 years
7. Carpenter	4 years
8. Painter	3 years
9. Filing Room Categories:	
1. Sawfitter	2 years
2. Circular Saw Filer (after sawfitter)	1 year
3. Benchman (after circular saw filer)	1 year
10. Planerman (Ministry of Labour Title is #1 Planer Maintenance Technician)	4.5 years

Listing of the above trades does not imply an obligation on the part of the Company to employ journeymen or apprentices.

ARTICLE III - GENERAL PRINCIPLES ARTICLE III - GENERAL PRINCIPLES

1. Persons presently employed as Journeymen, who do not wish to become certified, shall continue to be employed as Journeymen.
2. Persons employed as Journeymen, who take the Tradesmen Qualification Exam and fail, shall continue to be employed as Journeymen.
3. The period of Apprenticeship Training will be as defined by the Apprenticeship Branch for each trade. The Apprentice will receive the Journeyman rate on successful completion of his Apprenticeship, on the understanding that he completes his full term of training. In the case of five year Apprentices, Article VI, 1(e) will apply. If the Apprentice refuses to continue his training he will be removed from the program with no standing as a journeyman in his trade.

Labour Agreement effective July 1, 1994 to June 30, 1999

4. Training syllabus for each trade to be designed to meet the requirements of the particular trade involved.
5. All provisions of the Collective Agreement shall be applicable to Apprentices in the Program.
6. Under the Program, Apprentices will receive rates as per **Supplement No.1** of the Collective Agreement.
7. Right to Continue:

Once started in the Program, subject however to the provisions of the Collective Agreement, the Apprentice shall have the right to continue, providing he passes all of the prescribed tests and work is available to him.

8. Training Time Entitlement:

Subject to the provisions herein, an employee who enters an Apprenticeship Training Program and who has had training in another Apprenticeship plan will be given recognition of such training time.

9. On-the-Job Training:

The Company will ensure that the Apprentices will be given the necessary on-the-job practical training.

10. Vocational training will be conducted during day courses. Textbooks and study material will be made available when required.
11. There will be no age limit for applicants.
12. Journeyman Qualifications: Refer to **SECTION XVII -APPRENTICESHIP TRAINING PROGRAM - 2.**
13. If, as a result of a Provincial Government requirement, an employee who is awarded an Apprenticeship posting is required to take a pre-apprenticeship course prior to being allowed entry into the Apprenticeship Program, the Company will pay for the cost of the course and course materials and will meet with the Union in an effort to reach a mutually agreeable solution to any other matters that result from the requirement for the above pre-apprenticeship course.

ARTICLE IV - JOINT UNION - MANAGEMENT APPRENTICESHIP COMMITTEE
ARTICLE IV - JOINT UNION - MANAGEMENT APPRENTICESHIP COMMITTEE

1. There will be a four (4) man committee established to process applicants to be tested under the Voluntary Tradesmen's Qualification, or who become indentured under Apprenticeship and Tradesmen's Qualification Act. The Committee will also recommend what vocational training is necessary for persons indentured as Apprentices.
2. This Committee will be comprised of an equal number of Union and Management representatives not to exceed in total two (2) from each group. The purpose of this Committee will be to develop and supervise the procedures required to carry out the intent of the program as agreed to.

The Committee will carry out the following duties:

- (a) Establish in-plant training programs to support the training syllabus as developed by the Apprenticeship Branch of the Department of Labour for each trade involved. Supervision of the established Program shall be the responsibility of the Joint Committee.
- (b) Set standards for entry into the Apprenticeship Program that are not inconsistent with the standards recommended by the Apprenticeship Branch.
- (c) Carry out periodic review of the training program at intervals of not more than three (3) months.
- (d) See that the required practical tests are carried out in cooperation with the Apprenticeship Branch.
- (e) Joint Committee to review any case of lost time from the Program because of sickness, accident, etc. and to determine the amount of additional time necessary if any, before an employee meets his requirements of time served.

ARTICLE V - ENTRY INTO PROGRAM - NEW APPRENTICES
ARTICLE V - ENTRY INTO PROGRAM - NEW APPRENTICES

Selection for entry into the Program will be made in the following manner.

1. **APPRENTICESHIP SELECTION PROGRAM**

The Company and Union recognize the importance of a formal selection program. The purpose of this program is to select a qualified applicant to be indentured into a trade. It is agreed that Apprentices will be selected on the basis of the criteria listed below.

2. EDUCATIONEDUCATION

A candidate will only be considered for an Apprenticeship if he has documentary proof of his educational standards. Entrance to the program will in all cases be subject to the applicant meeting the standards required for acceptance by the Apprenticeship and Industrial Training Branch.

3. TESTSTESTS

There will be six (6) tests:

- General Learning Test
- *Mechanical Comprehension
- Parts or Blocks
- **Shop Arithmetic
- Precision
- Wonderlic

Each test will be scaled, with the maximum being nine (9) points.

***Four (4) points must be obtained in Mechanical Comprehension before any applicant can qualify for an Apprenticeship.**

An applicant must score acceptable (4 or more points each) on 3 of the 4 remaining tests, with **mandatory pass required in Shop Arithmetic.

Candidates wishing to retest, may do so. Candidates will be allowed to retest a third (3rd) and final time upon providing documentary proof of upgrading.

The Company agrees to explain the test results to those employees who have written the tests, as a requirement, for entry into the Apprenticeship Program.

4. SENIORITYSENIORITY

Apprentices will be selected on the basis of Wood Products Seniority. When the Company requires Apprentices, it is agreed that the vacancy will be posted in the operation, and applicants selected in accordance with the provisions of **SECTION VII - SENIORITY** of the agreement.

5. PROBATIONARY PERIODPROBATIONARY PERIOD

An Apprentice will serve a probationary period of sixty (60) working days.

If an apprentice does not successfully complete the probationary period the apprenticeship will be reposted.

ARTICLE VI - SCHEDULE OF TRAINING FOR APPRENTICES

Upon completion of each period of training in an approved Vocational School, an Apprentice will be required to pass examinations set by the Apprenticeship Branch. These examinations shall be confined to the area of training received. In the event of failure to pass examinations, the Apprentice shall be required to undergo a period of retraining on subject material specified by the Apprenticeship Branch authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in his removal from the program. Employees who are removed from the program will go back to their last posted job in line with their seniority.

1. (a) Successful applicants will be assigned to a specific trade as a probationer for a sixty (60) working day period. "During the probationary period he shall receive a first year Apprenticeship rate."
- (b) During each year of the Apprenticeship, he shall work at the trade and attend the Vocational School as required by the regulations pursuant to the Apprenticeship Act.
- (c) Upon the successful completion of his term of Apprenticeship and receipt of his Certificate of Apprenticeship, issued by the Apprenticeship Committee, the apprentice shall be designated as a certified journeyman.
- (d) If any of the aforementioned work periods are exceeded due to the unavailability of Vocational School facilities, such extra time will be credited to apprentices in succeeding training requirements. Also, the apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing he successfully passed the examination. Retroactivity will not apply where a retesting is necessary.
- (e) For trades exceeding four (4) years, the following shall be in addition to the above. On successful completion of the fourth period of training at the Vocational School, and having spent twelve (12) months as a fourth year Apprentice, he shall be reclassified and paid the fifth year Apprentice rate which is equivalent to the Journeyman rate for the following twelve (12) months. On completion of the final period at the Vocational School the fifth year Apprentice shall write his final examination set by the Apprenticeship Branch and, upon becoming certified, shall be designated as a certified Journeyman.

- (f) Wage rates for Apprentices shall be those specified in the Wage Supplement. An apprentice who passes his test and has completed his training requirement shall receive the appropriate increment specified in the Wage Supplement.
- 2. Wherever reference is made to a year (or twelve months) as an Apprentice, it shall mean a period of not less than one thousand six hundred (1600) hours worked, the said period to include time spent at Vocational School.

ARTICLE VII - TEXTBOOKS

The Company will pay one hundred percent (100%) of the costs of textbooks specified by the Apprenticeship Branch. The Apprentice will keep these books as his personal property.

ARTICLE VIII - ALLOWANCES AND WAGE MAKE-UP

- 1. While attending an approved Vocational School, the Apprentice will receive from the Government, allowances and school expenses in accordance with the Government's schedule of grants pertaining to Apprenticeship training. In addition, the employee shall receive from his employer, an allowance comprised of the difference between his regular straight time rate, based on a forty hour week, plus any weekly living allowance granted by the appropriate Government authorities and the government grants received.
- 2. Where as a result of the Apprenticeship School schedule starting after Monday or ending before Friday and reasonable transportation schedules prevent the Apprentice from working the day before school starts or the day after school ends, the Company will make up the Apprentice's wages for such day on the basis of eight (8) hours at the Apprentice's regular straight time rate. The application of this provision will not result in an employee being paid more than forty (40) straight time hours in any one (1) week, including government grant. This provision will be for a maximum of one (1) day at the beginning, and one (1) day at the end of any one (1) school session.

ARTICLE IX / ON-THE-JOB TRAINING

- 1. The Company agrees to develop and provide a program of on-the-job training for each trade, which shall include doing jobs of gradually increasing skills consistent with the Apprentice's training and ability.

2. ON-THE-JOB TRAINING - FILERSON-THE-JOB TRAINING - FILERS

It is agreed that upon being awarded the position of saw fitter the employees who wish to progress shall be trained up to and including the position of benchman without further postings.

When an employee is trained to the position of benchman he shall fit into the line of progression at the appropriate rate.

To accomplish this it is understood that the apprentice will have to perform the work of circular saw filer and/or benchman. Other filing room personnel will have to perform the apprentices normal duties without loss of pay.

3. LETTER OF UNDERSTANDING OUT-OF-TOWN EXPENSES LETTER OF UNDERSTANDING OUT-OF-TOWN EXPENSES

On successful completion of the required period of vocational school training, the Company will reimburse out-of-town expenses to a maximum of fifty dollars (\$50.00) per school day attended to apprentices who qualify for the government living-out allowance.

It will be paid after the employee's return to work and when verification of vocational school attendance is received from the appropriate agency.

ARTICLE X - TOOLS ARTICLE X - TOOLS

1. All journeyman tradesmen shall be required to have, and shall not qualify for the journeyman rate, unless they have a full kit of hand tools necessary to perform the job for which they are hired, with the exception of machinery or tools which shall not be deemed to fall within the responsibility of the journeyman.
2. Apprentices will be required to acquire and build a kit of tools progressively throughout the Program so that by the start of the third year, he shall have a basic tool kit for his trade. He shall continue the process of building up the necessary tools to equip himself on the job.
3. (a) The Company shall, upon the signing of this Agreement, at its expense, insure for damage or loss caused by fire or flood, the tools of its employees which are required to be used in the performance of their work.

- (b) The Company shall, upon the signing of this Agreement, at its expense, insure the tools of its employees which are required to be used in the performance of their work, for loss by theft where tools are stored in a designated place of safety within the control of the Company and there is forcible breaking and entering. The insurance coverage provided shall be subject to a deductible of fifty dollars (\$50.00) in respect of each employee's claim.
- 4. The Company will repair or replace tools damaged or broken in the performance of regular duties.
- 5. During introduction of the metric system, the Company will have those metric tools that are necessary available for use by tradesmen.

**SUPPLEMENT NO. 3 SUPPLEMENT NO. 3
EMPLOYEE ADVANCEMENT AND JOB GROUPING**

SECTION A

INTRODUCTION

1. Both parties recognize that it is the intent of the Agreement to have a procedure for the advancement of employees that is in accordance with **SECTION VII - SENIORITY** of the Labour Agreement and to have a system of job grouping and job rotation in related work units.

2. The following will be considered departments for seniority purposes:
 - A Mill Department
 - C Mill Department
 - Logyard Department
 - Shipping Department
 - Maintenance Department
 - Planerman's Department

3. (a) The department seniority date of each employee shall be his Wood Products Seniority date and shall become effective the date of his first job training posting in a particular department.

- (b) Where an employee is transferring from one department to another he shall establish his new department seniority date as in (a) above. Upon accepting the posting, he shall forfeit all seniority rights in his previous department for posting purposes. Upon accepting an incumbents position or a second training position he shall forfeit all seniority rights in his previous department.

- (c) Where an employee declines a relief position, withdraws from training or is removed from training on his first posting within a particular department, he shall forfeit his seniority rights in that department. In the case of an employee transferring from one department to another, seniority rights in his original department will be regained.

4. DEFINITIONS

Trainee: Trainee: an individual who has been accepted on a posted training position or a job group training position.

Relief Operator: an individual who has been trained on a key job or a position in a job group but who has not filled a permanent vacancy.

- Incumbent: Incumbent:** an individual who fills a permanent vacancy.
- Job Group: Job Group:** a work unit of several related jobs.
- Key Job: Key Job:** a job subject to job posting that is not included in a job group.

5. The following jobs will not be covered by the posting and training procedures hereinafter described:

Clean Up
 Labourer
 Janitor
 Conveyor Chaser
 Patrolman Bins
 Strip Piler
 Dry Chain Puller
 Slash Puller
 Strip Layer
 Stacker Unscrambler
 Chipper Helper
 Cribstacker Helper
 Tower Patrol
 Log Pit Patrol
 Cable Puller
 By Products Attendant
 Sparkwatcher

SECTION BSECTION B

POSTING PROCEDURES

1. The following positions shall be posted on the bulletin boards for at least two (2) working days:
- (a) Key Job Trainee Vacancies
 - (b) Group 1 and 2 Trainee Vacancies
 - (i) or any Group Vacancy not filled with an employee with department seniority
 - (c) Group 3 Incumbent Vacancies
 - (d) Planer Group Incumbent Vacancies
 - (e) Journeyman Tradesman, Planerman Mechanics, Filing Room Categories

Labour Agreement effective July 1, 1994 to June 30, 1999

- (f) Apprenticeships
 - (g) Planer Feeder (Back-up, Set-up Man Trainee)
 - (h) Graders
 - (i) Current posted categories and non-posted will remain the same
2. To make application, an employee must sign the posting notice at the 'A' Mill Entrance prior to the expiry date and time shown on the postings.
 3. An employee on vacation, absent on an approved leave of absence, illness, accident or lay-off at the time of the Job Posting will be allowed to make application the day of his return or the following working day, but in no event later than fifteen (15) working days from the closing off time of such new job or vacancy.
 4. Notwithstanding 1 above, notices will remain posted for five (5) days to ensure they may be seen by workers on a compressed schedule. Such workers may make application at the Human Resources Department up to seventy-two (72) hours after the expiry date and time shown on the postings.
 5. Selection of applicants shall be based on Department Seniority first and Wood Products Seniority second, subject to **SECTION VII -SENIORITY - 2** of the Labour Agreement, any ineligibilities and the following special agreements:

(a) GRADING JOB POSTINGS GRADING JOB POSTINGS

- (i) Grading group vacancy will be filled first by the senior employee in the department with a valid grading ticket.
- (ii) Secondly, will be awarded to the senior Wood Products department employee holding a valid grading ticket.
- (iii) Third preference will be given to the senior employee in the department who has taken the examination and attended at least fifty (50%) of the grading classes.
- (iv) Fourth preference will be given to the senior employee with Wood Products seniority who has taken the examination and attended at least fifty (50%) of the grading class.
- (v) If the vacancy has not been filled by the above (a-i-iv) then the vacancy will be awarded to the employee with the most department seniority first and Wood Products seniority second.
- (vi) An employee who is awarded a grading posting must attend grading classes annually until a grading ticket is obtained.

**(b) LETOURNEAU AND BARKO 850 TRAINING POSTINGS
LETOURNEAU AND BARKO 850 TRAINING POSTINGS**

Letourneau and Barko 850 trainees must spend or have spent six (6) months performing log handling duties, of which three (3) weeks must have been spent in the Logyard, before any "on the job" Letourneau training takes place.

6. Future chargehand positions will be posted according to the applicable parts of Supplement No.3. Selection will be based on aptitude testing, leadership and communications skills, knowledge of the sawmill process and an ability to effectively train and relate to other employees. Where two (2) or more applicants are of relatively equal ability the senior applicant will be selected.
7. (a) The Company shall as early as possible, but not later than ten (10) days from the closing off time of the posting, notify the successful applicant of his selection and post the original posting notice indicating who has been selected. It shall remain posted for not less than forty-eight (48) hours.

(b) The names of applicants for posted jobs and the successful applicant will be forwarded to the Union.
8. A posting shall remain current for fourteen (14) days. If a final award has not been made within this period, the position shall be reposted.
9. The Company reserves the right to hire an employee to fill a vacancy when the job posting procedure does not produce a qualified applicant.
10. The Company shall have up to thirty (30) days to select apprentices or Planer Feeder (Back-up, Set-up Man Trainee).
11. When the posting system does not provide a qualified applicant, the Company shall have the right to hire journeyman tradesmen and planer mechanics.
12. For the purpose of bidding, Flat Car Loaders shall be considered as being at the highest rate.
13. When an employee is declared a relief operator he shall not be permitted to decline the position for a period of six (6) months.
14. When a job becomes vacant, the relief operator with the most Department Seniority, shall fill the vacancy.

SECTION C SECTION C

JOB GROUPS

1. The parties agree to have job groups as outlined in the wage supplement. Entry into a posted job group will be according to **SECTION B - POSTING PROCEDURE**.
2. Upon being awarded a training position in a job group, an employee may be required to relocate on an unposted job or job group, at his training rate, in order to provide relief in his new job group.
3. Upon being awarded a group posting or a group vacancy, an employee will be trained to carry out the duties of one (1) job within the group. When time permits, the senior untrained relief operator will be trained on additional jobs in the group. The procedure for ensuring employees in a Job Group are competent on all jobs in the

Job Group will be as follows:

- (a) An employee who has reached the expected level of operating competence will be trained on a second job.
 - (b) When the process described in (a) above is completed on a second job, he will commence training on a third. This procedure will be repeated for subsequent jobs until the employee has mastered all the jobs in his group.
4. When an employee advances into a job group he will be required to perform each job in his job group on a rotation basis and the rotation period shall be determined by the employees affected, subject to the agreement of their foreman. Job rotation will not take place when all the employees in the group do not wish to rotate, but the employees will be paid the rate as if rotating.

Skill levels as per 6. must be maintained.

5. Once an employee participates in job rotation, he may only withdraw from the rotation with a valid medical or similar reason. His rate will then be determined by **SECTION C - JOB GROUPS**

6. When an employee has been trained for and is competent to perform in one (1) job category in the group, he will be paid the minimum rate for the group. When he has been trained and is competent to perform in another category in the group and in fact is performing that job, he will be paid the next highest rate in his group and so on for each additional job category in his group. When he has been trained for and is competent to perform all the jobs in the group, he shall be paid the maximum rate in his group.
7. If an employee has been declared incompetent on any two (2) jobs in a job group, he will be required to withdraw from that job group and return to his former job or group. (NOTE: see ineligibilities that apply.)

When a job group exists where there is only two (2) jobs in the group, the operator must be competent on both jobs.

8. On the inception date of Job Groups, all employees in jobs which are part of job group will be required to declare themselves a participant in rotation or not. Employees who do not elect to participate will be red circled on their present job. They may, however, elect to participate in the future.
9. The parties agree that the rates set out will be paid only as long as the system of job groups and job rotation is in effect. The existing wage scale will be preserved in the event that the Parties wish to revert from the job group system at some future time. This wage scale forms Supplement No.5 to the 1974 Labour Agreement.

SECTION D SECTION D

TRAINING

1. Payment for training time will be the lowest rate of the following:
 - (i) His present rate
 - (ii) The Job Group Minimum
 - (iii) The rate of the new job if a key job
2. The Company will arrange for training to commence within thirty (30) days of an employee being awarded a posting. Exceptions will be reviewed with the Union at Standing Committee.

3. The Company shall determine whether or not an individual who is training can successfully qualify as competent on the job for which he is being trained. If an individual who is training is required an excessive amount of time to train or owing to lack of skills or understanding impedes production or endangers equipment, he may be removed at any time during training.
4. If an individual who is training is declared incompetent and is removed from a training position he may invoke his rights under **SECTION XIII- GRIEVANCE PROCEDURE (1.)** of the Labour Agreement.
5. The Company shall have the right to determine the number of trainees required.
6. The Company shall select a qualified person to provide the training with due regard to his ability to communicate effectively.

SECTION ESECTION E

INELIGIBILITY

1. The intent of Job Posting and Job Training is to identify and prepare employees for advancement. (An employee who is an incumbent must post up from that incumbency. Employees who do not hold an incumbents position must post up from the rate normally received excluding relief position.) Therefore, no employee may post to a job at an equal or lower maximum except where:
 - (a) He must do so to change departments.
 - (b) He has an approved medical reason.
 - (c) He has been on his last incumbent job for more than one (1) year.
2. No employee shall be permitted to hold more than two (2) training positions at the same time, and where two training positions are held they must be in the same department.

No employee shall be permitted to hold more than two (2) training positions within a twelve (12) month period.
3. An employee will not be eligible for another posting for sixty (60) days after being awarded a posting.
4. If a trainee or relief operator declines or withdraws from a training position or relief position, he will be ineligible to bid on any posting for sixty (60) days.

5. If an employee has been declared incompetent and is removed from a key job, job group, relief operator or trainee position:
 - (a) He can no longer bid for that trainee position for a period of twelve (12) months.
 - (b) No ineligible period shall apply.
 - (c) He will have only one (1) additional opportunity to successfully train for this job or job group.
6. An employee who declines a training position after accepting the posting may not repost for that position for a period of twelve (12) months.

From July 1st, 1988 he will have only one (1) additional opportunity to successfully train for this job or job group.

This clause is for posting purposes only and shall not restrict an employee's rights under **SECTION VII - SENIORITY, SECTION XVIII - JOB SECURITY and SECTION XIX - JOB ELIMINATION.**

7. Apprenticeship job postings shall not be open to bidding by apprentices. Similarly, no apprentice may withdraw from an apprenticeship in order to bid on another apprenticeship vacancy.

The foregoing is only intended to restrict an apprentice's bidding rights, not his right to withdraw during the probationary period.
8. Ineligibilities will be waived on all apprenticeship or planerman's department postings.

SECTION F

SPECIAL AGREEMENTS

1. Tower Operators - Dewatering Agreement
 - (a) The Company shall only be required to post the Tower Operator positions at the beginning of the season.
 - (b) Upon the close of seasonal Tower operator jobs, the person shall return to his last posted job and retain his seniority as if he never left that department.

(c) An employee will not accumulate Logyard Seniority unless the successful applicant bids from the Logyard Department.

2. WeighmasterWeighmaster

(a) Logyard seniority will apply as in 1(c) above.

SUPPLEMENT 4 SUPPLEMENT 4

PENSION PLAN

For the term of this agreement Pension Benefits will be as follows:

Pension benefits for active and retired participants who retire or have retired on pension directly from the bargaining unit under the PPWC WOOD PRODUCTS PENSION PLAN, will be as follows:

(a) Effective July 1, 1992

Past Service Benefits - \$38.00/Month/Year of Credited Service
Future Service Benefits - \$38.00/Month/Year of Credited Service

Effective July 1, 1993

Past Service Benefits - \$40.00/Month/Year of Credited Service
Future Service Benefits - \$40.00/Month/Year of Credited Service

Effective July 1, 1991

In order to fund the negotiated benefits, the costs will be actuarial calculated and expressed in cents/hour, but will not be less than eighty (.80) cents/hour.

- (b)** The Pension Plan will be modified to provide for a "pop-up" option based on the following: (Trustees to implement)

If the contingent annuitant under a joint and last survivor pension should predecease the pensioner before ten (10) years of pension payments have been made, the pensioner's monthly pension shall thereafter be increased effective on the first day of the month after the contingent annuitant's death, by a percentage of the difference between the pension paid before the death and the pension that would have been paid on the single life annuity basis for the pensioner alone before reduction by the joint and last survivor option. The percentage will be 1/120 of one hundred percent (100%) for each month remaining in the said ten (10) years.

- (c)** The Pension Plan will be modified effective July 1st, 1984 to provide that the credited hours requirement of the Pension Plan text be reduced from one thousand six hundred (1600) hours to one thousand five hundred (1500) hours. Hours on which contributions are made in excess of one thousand five hundred (1500) hours in any plan year may be applied in future years if required in order to qualify for a full year's pension credit.

Labour Agreement effective July 1, 1994 to June 30, 1999

(d) The Company is prepared to agree to the following and to direct its Trustees to amend the Pension Plan text to provide the following, effective July 1st, 1983:

1. The following optional forms of Pension:
 - (a) Life only
 - (b) Life pension guaranteed - five (5) years
 - (c) Life pension guaranteed - ten (10) years
 - (d) Life pension guaranteed - fifteen (15) years
 - (e) Joint and Last Survivorship
 - full continuance after death
 - 2/3 continuance after death
 - 1/2 continuance after death
 - (f) Or any other option as agreed to by the Trustees.
2. Where the pre-retirement Joint and Survivor coverage is not currently in effect in respect of a Pension Plan Member, and where such individual dies before retirement, his surviving spouse or dependent children will receive a benefit under the Plan equal to one-half of his accrued pension, to be paid for five years. The qualification conditions for this benefit shall be both the completion of a minimum of ten years' credited service and the attainment of age fifty-five (55).
3. Hours while on Weekly Indemnity and W.C.B. will be credited at forty (40) hours per week until the required hours for the plan year are met.
4. If an employee is permanently and totally disabled, and has a vested right to a pension he may elect to:
 - Commence his pension following expiry of Weekly Indemnity or Long Term Disability benefits, or W.C.B. "time loss" benefits;

OR

 - Postpone the pension until any time up to age sixty-five (65). If postponed the employee will continue to earn pension credits as though working.

5. If the employee's pension commences before age sixty-five (65), any one of the options or regular type pension may be increased for the months before age sixty-five (65) and decrease after age sixty-five (65) when the Government pension starts.
6. Employees may apply up to two hundred (200) hours of layoff time toward qualifying for the plan year.
7. The Company agrees to provide that employees with vested pensions who terminate, and are subsequently employed within the B.C. Pulp and Paper Industry, or at any operation of Fletcher Challenge Canada Limited within the province of British Columbia or Alberta and who do not suffer a break in service, as defined in the plan text, during the course of their future employment specified above will be credited with future benefits at the plan level at the time of termination or retirement. Former employees who are covered by this provision and retire without a break in service directly from the bargaining unit of an operation within the B.C. Pulp and Paper Industry or any operation of Fletcher Challenge Canada Limited will be treated the same as a plan member who retires from this bargaining unit in regard to any future negotiated benefit improvements.
8. Employees are eligible to receive a pension if they:
 - are at least age fifty-five (55) with at least four (4) years of credited service;

OR

 - at least age sixty (60) regardless of service.

Early Retirement

Effective July 1st, 1988, pension benefits to be paid to plan members who elect early retirement from active employment, will be determined by applying the appropriate factor outlined in the following scale to the plan members accrued benefit at the date of his early retirement commences:

Age 55	82% of accrued benefit
Age 56	86% of accrued benefit
Age 57	90% of accrued benefit
Age 58	94% of accrued benefit
Age 59	97% of accrued benefit
Age 60	100% of accrued benefit

- (i) Bridging

For the term of the 1991-1994 Collective Agreement, there will be available a Term Annuity Benefit which will be funded by the plan.

Effective July 1st, 1993

This benefit will be available to those employees who request it and who choose to retire early from active employment commencing at age sixty-one (61) and up to but not including age sixty-five (65). The benefit payable under this provision will be fifteen dollars (\$15.00) per month, per year of service and credited on the same basis as under the terms and conditions of the PPWC Mackenzie Wood Products Pension Plan.

Payments under this provision will cease at the end of the month immediately preceding the month in which the employee who selects to retire early under this provision attains age 65 (sixty-five) or dies, whichever occurs first.

9. Employees who for reason of layoff did not accumulate the required one thousand six hundred (1600) hours to qualify for a full years pension credit will be granted the hours required to qualify for a full years pension credit. This will apply for the years 1981, 1982 and 1983.
10. An eligible employee shall attain a vested right upon completion of four (4) full years of continuous service except that a former plan member who ceased employment before January 1st, 1982 shall be entitled to a vested right only if his full years of age added to his full years of continuous employment totalled forty (40) and he had at least four (4) full years of continuous employment when he ceased employment.
11. The Company agrees that the trustees should investigate the rules applying to credited hours and hours on which contributions are made of both the Pulp and Paper Industry Pension Plan and the Forest Industry Pension Plan and apply those rules if agreed to the administration of the Pension Plan.
12. The Company agrees that the Break in Service provision of the Pension Plan will be the same as that which applies in the Pulp and Paper Industry Pension Plan.
13. The Company agrees that the Trustees should review the performance of the current actuary and seek competitive bids from up to four Actuarial Firms which may include the present actuary prior to conformation of an actuary for the next plan year.

If either the Union or Company Trustees are in favour, a second actuarial opinion may be sought.

14. The Company agrees that the Trustees should consider and investigate entering into a reciprocal agreement regarding portability with the Pulp and Paper Industry Pension Plan and with the Forest Industry Pension Plan. If the Trustees are in favour of such an arrangement an approach may be made to the two other Industry Plans to seek their approval.

15. Re: Portability between the Fletcher Challenge Canada Limited/Local 18 Pension Plan and the Pulp and Paper Industry Pension Plan.

The Company and Union agree to authorize the Trustees of the Pension Plan to have the Pension Plan actuary develop an arrangement for vesting purposes between the Pension Plan and the Pulp and Paper Industry Pension Plan which will permit service in both plans to count for vesting.

No money would change hands between the plans. The Pension Plan actuary would be charged with recommending to the Trustees appropriate administrative procedures.

16. A pre-retirement counselling program will be implemented by the Company.

17. Effective July 1, 1988 the Company will cover the costs of providing Medical and Extended Health Benefits for Retirees.

18. Upon the conclusion of a new Collective Agreement the Company and Union will seek proposals from local financial institutions who will offer an RRSP Savings Plans by payroll deduction.

Those employees on direct payroll deposit will be eligible for this program.

19. Pension functions held other than in the Province of British Columbia will be the responsibility of the Company and the Union to pay their own cost of attending.

20. A pre-retirement death benefit equal to sixty percent (60%) of commuted value of accrued deferred pensions to members who die before attaining age fifty-five (55) (or after age fifty-five (55) with less than four years credited service), which will apply to active, pending terminations and disabled members in respect of all service.

In addition the PPWC Mackenzie Wood Products Pension Plan will provide an automatic Joint and Last Survivor benefit to vested members aged fifty-five (55) and older. This amounts to a pension of two-thirds (2/3) of the reduced pension that would be paid to the member had he retired. Such pension is paid to the elected survivor. This provision will remain unchanged. It is not paid in addition to the pre-retirement death benefit outlined in the paragraph above.

Examples of cash value of survivor benefits under this formula *

CREDITED SERVICE	AGE AT DEATH		
	35	45	55
10 years	4,800.	9,000.	20,000.
15 years	7,200.	13,500.	30,000.
20 years	-	18,000.	40,000.
25 years	-	22,500.	50,000.
30 years	-	-	60,000.

*Assumptions: \$35.00 Benefit
 wife 4 years younger
 GAM '83 table
 Interest rate: 9.5% (15), 6% (-)

N.B. These are estimates only, actual benefits will vary because the assumptions will change.

LETTERS OF UNDERSTANDING LETTERS OF UNDERSTANDING

RE: LOGYARD DEPARTMENT DEWATERING LOGYARD DEPARTMENT DEWATERING

Employees who have posted on a "Dewatering" position will be allowed to hold a maximum of three (3) positions.

1. Departmental Incumbency
2. "Dewatering Incumbency"
3. Relief Operator/Trainee positions

A person is allowed to hold two (2) trainee positions at one time, however, a "Dewatering Incumbency" will count as one of these positions. At the end of the season, the employee will return to the Departmental Incumbency.

- (a) At the end of the Dewatering season a "Dewatering Incumbency" will not result in an employee receiving Lay-off Incumbency status as per Section VII.
 - (b) An employee will not accumulate Logyard Seniority unless the successful applicant bids from the Logyard Department.
1. Employees holding a "Dewatering Incumbency" will fill the position for the Dewatering season.

Employees who exercise their Seniority and post to a different position during Dewatering season would forfeit their "Dewatering Incumbency".

2. Prior to the beginning of the Dewatering season, "Dewatering Incumbents" will be notified sixty (60) days in advance and if they choose to withdraw from the "Dewatering Incumbency" must do so thirty (30) days prior to Dewatering start up.
3. The "Dewatering Incumbent" positions are:
 - (a) 1 - Tugboat Operator
 - (b) 1 - Deck Hand
 - (c) 2 - Dozer Boat Operators

Labour Agreement effective July 1, 1994 to June 30, 1999

RE: TRANSPORTATIONTRANSPORTATION

It is the responsibility of each employee to arrange his own transportation to and from the mill site.

If an employee is held over on overtime and, as a result, does not have transportation home, the Company will arrange transportation between the mill site and the town of Mackenzie.

September 1st, 1972.

RE: PLANERMENPLANERMEN

The purpose of the Agreement is to establish a training progression for Planermen leading to the position of Planer Mill Mechanic and further to establish rates of pay and entry criteria for the program.

The parties to this memorandum agree to the following:

1. The following Planerman Progression will be established;

Planer Feeder Back-Up Set-Up Man Trainee

*Exam before becoming Set-Up Man

Set-Up Man	6 months	
#2 Planerman		12 months
#1 Planerman		12 months

*Exam on All Planer Equipment Maintenance

#1 Planerman (Certified)
Planer Mill Mechanic (Not in Progression)
Planer Mill Mechanic (Relief)

2. The position of Planer Feeder Back-Up Set-Up Man Trainee will be posted using Wood Products Seniority. Applicants must successfully complete aptitude testing.
3. When there is an opening in the planerman progression the Senior Planer Feeder who has passed the Set-Up-Man Trainee exam will become the Set-Up-Man. Progression, providing a passing mark is attained on the Planer exam, will be automatic from Set-Up-Man to the level of #1 Planerman Certified. Employees in the planerman department shall receive at a minimum their progression rate.
4. Progression to planer mechanic will be based on successful completion of the planer mill exam and a position being open. Progression to a #1 Planerman (certified) will only require successful completion of the exam.
5. There will be only one (1) planer mill mechanic per shift. Where there is no qualified planer mill mechanic, (#1 Planerman Certified), the planer mill mechanic's (relief) rate will be paid to the Planerman's Department employees in charge of the shift.

6. Relief for planer mill mechanics is normally provided by the senior qualified employee in the Planerman's Department Progression. Exceptions whereby relief may be provided from within the mill progression not exceeding one week are; short term absences, sickness and vacations.
7. An on-the-job training program will be established to ensure each Planerman is adequately trained.
8. It is recognized by the Company and the Union that the purpose of the program is to train fully qualified Planer Mill Mechanics and that such training in itself will not qualify employees as millwrights.
9. It is understood that personnel in the Planer Feeder Back-Up Set-Up Man Trainee position and personnel in the Planer Progression are responsible for the mechanical maintenance of all Planer Mill equipment and will assist with the flow of product and by-products in emergent situations. An emergent situation for the purpose of this Agreement, is defined as a interruption of production. Occasions where relief of an operator by a Planerman is required will be temporary in nature and every effort will be made to bring in personnel so as to allow planermen to perform their duties as expected in accordance with the Planer Maintenance Agreement.
10. A Planermen's Department will be established and added to Supplement #1 of the Labour Agreement. Postings for Planer Feeder Back-Up Set-Up Man Trainee will be awarded as in #2 above based on Wood Products Seniority

Jun 21st, 1974

Aug 23rd, 1974 amended

Aug 30th, 1975 amended

Nov 1977 amended

Aug 29th, 1983 amended

Dec 5th, 1986 amended

RE: COVERALLSCOVERALLS

1. The Company will supply Tradesmen, Filers, Planermen, Oilers, and Sparkwatchers with coveralls as follows:
 - (a) Heavy Duty Mechanics four (4) pair/year
 - (b) Millwrights, Planermen,
Oilers, Welders, Paintersthree (3) pair/year
 - (c) Electricians, Filers, Sprinklerfitters,
Sparkwatchers two (2) pair/year

Coveralls will be replaced when worn out, but, except where unusual circumstances exist, not more than once per year.

2. All coverall issues will require the approval of the supervisor. Coveralls will be signed for and terminating employees or those transferring to a non-coverall job will be required to return them or pay (pro-rata) their value.
3. Employees will be responsible for their own cleaning arrangements. The Company will pay for minor repairs and three (3) cleanings per week for employees in category A, and twice per week for category B and C at a dry cleaners selected by the Company.
4. A supply of coveralls will be kept in the various mill departments and issued to employees when required for unusually dirty jobs.

RE: WELDING TICKET RENEWALWELDING TICKET RENEWAL

As a result of changes in Welder's ticket qualification, the ticket requirement for Journeymen Welders will be an "A" ticket plus the ability to qualify for an FI 101 or FI 102 ticket. Welders who are on the Company's payroll as of June 21st, 1984 and who are receiving the Journeyman Welder's rate will continue to receive the Journeyman rate while employed as Welders, at Fletcher Challenge Canada Mackenzie Wood Products.

When a Welder is required or wishes to upgrade and is unable to do so on site, the Company will grant him up to two (2) days to take the necessary exam. When the exam cannot be taken on site and the welder must travel to Prince George, the Company will pay up to fifty dollars (\$50.00)/day for expenses for a maximum of two (2) days. Lost wages at eight (8) hours/day at his regular straight time rate.

June 21st, 1984

RE: MINIMUM GUARANTEE - CALL TIME MINIMUM GUARANTEE - CALL TIME

1. If an employee works Monday to Friday, has worked forty (40) hours, and is called in on Saturday, the employee is entitled to the greater of four (4) hours at straight time or time and a half for all hours worked.

For example:

- (a) Employee worked only fifteen (15) minutes when called in, he is entitled to four (4) hours straight time.
 - (b) If an employee worked three (3) hours, he is entitled to four and one-half (4 1/2).
2. If an employee works Monday to Friday or Tuesday to Saturday and has completed forty (40) hours of work and is called in Sunday, he is entitled to the greater of four (4) hours straight time or double time for all hours worked.

For example:

- (a) If an employee works fifteen (15) minutes on Sunday, he is entitled to four (4) hours at straight time.
 - (b) If he worked two (2) hours, he would be entitled to four (4) hours at straight time.
 - (c) If an employee worked three (3) hours, he would receive six (6) hours at straight time.
3. For the purpose of calculating minimum guarantee, it will be defined as being called in from off the site. However, if someone has to come in to make a kiln change on a Sunday, the minimum guarantee of four (4) hours straight time will apply, even if it has been arranged previously.

September, 1979

RE: REHIRINGREHIRING

When hiring new Employees, preference will be given to laid off former employees of Fletcher Challenge Canada Mackenzie Wood Products in order of their previous Wood Products Mill seniority, providing:

- (a) their recall rights under **SECTION VII - SENIORITY (6.)** has expired;
- (b) they have a current application on file;
- (c) they have the qualifications and the ability to perform the work properly;
- (d) they can be contacted at the location indicated on their current application and are available to report to work as required by the Company within a reasonable period of time. Applications must be made within thirty (30) days of the expiry of recall rights and will remain in effect for three (3) months unless renewed in person or in writing. A former employee will no longer have preference if he fails to accept an offered position. The Company will consider extenuating circumstances. Those hired under this Letter of Understanding will be new employees.

June 21st, 1984

July 17th, 1986 Amended

RE: CAR WASH TICKETSCAR WASH TICKETS

Car wash tickets will be issued to every regular employee on the following basis:

- (i) 1st regular pay period of month - one (1) ticket
- (ii) 2nd regular pay period of month - two (2) tickets

This will only apply during the winter months while the Company car wash is inoperative.

Tickets will only be issued to those employees who worked during the pay period and will not be redeemed for cash. Tickets will be valid until October 1st following the winter in which they were issued.

New tickets will be issued one (1) month prior to the expiry date of the old.

July 7th, 1981

July 17th, 1986

July 17th, 1991

RE: CREDIT TIME FOR APPRENTICESHIP CREDIT TIME FOR APPRENTICESHIP

- (a) It is understood that a person will be given up to six (6) months credit at the beginning of his Apprenticeship for time spent as a Utility man in the garage or as an Oiler. This will apply to either the Heavy Duty Mechanic or Millwright Apprenticeship.
- (b) A person who has taken pre-apprenticeship training will be given up to six (6) months credit at the beginning of his Apprenticeship providing the pre-apprenticeship training relates directly to the Apprenticeship.
- (c) A person may be given up to six (6) months credit for work experience closely related to the trade.
- (d) In no event shall an employee receive more than six (6) months credit from (a),(b), and (c) above.

July 7th, 1981
April 21st, 1992

**RE: EMPLOYEE ASSISTANCE COMMITTEEEMPLOYEE ASSISTANCE
COMMITTEE**

The Company and the Union will jointly participate in an Employee Assistance Committee comprised of four members. Members of the Committee shall be designated to equal number by the Employees and the Company.

July 29th, 1983

RE: PRE-APPRENTICESHIP LEAVE OF ABSENCE PRE-APPRENTICESHIP LEAVE OF ABSENCE

The parties agree that where an employee qualifies for Leave of Absence under **SECTION VIII - LEAVE OF ABSENCE 3(d.)** the Company will extend the Leave of Absence up to a total of ten (10) months where the employee is taking a pre-apprenticeship course under the auspices of the British Columbia Apprenticeship Branch subject to the following:

1. The Leave of Absence will not extend for more than the length of the course.
2. The course must be in a trade identified in Supplement No.2.
3. The employee must have successfully passed the selection tests as outlined in Supplement No.2.

July 8th, 1981

RE: AIR TICKETS AIR TICKETS

If air tickets are required by Employees in order that they may qualify to operate mobile equipment, the Company will make every effort to ensure that Air Ticket courses are available in Mackenzie so that the above Employees can qualify to operate the equipment. Appropriate paid leave of absence will be granted to Employees required to take the exam during working hours. Failure to hold a valid Air Ticket will not prevent an Employee from being awarded a mobile equipment posting.

July 21st, 1984

June 12th, 1986

RE: CONTRACTINGCONTRACTING

- (a) The Company will not contract out work that would result in the lay off or termination of any regular maintenance department employee.
- (b) The Company is committed to retaining as employees a maintenance workforce consistent with providing normal maintenance of plants and equipment.
- (c) The Company agrees to recognize the Local's Contracting Out Committee and to provide it with reasonable notice of the Company's intent to have contractors on site. While it is understood that only limited notice may be possible for repair work, a minimum of fourteen (14) days notice will be given on project work.

December 8th, 1986

RE: PRODUCTION POSITIONS PRODUCTION POSITIONS

1. The purpose of this section is to provide protection for production positions as outlined below. This section is not intended to affect current and past arrangements where the Company has employed contractors.
2. Effective the date of signing of this agreement the Company agrees not to introduce contractors which would result in the loss of positions held by employees as of the above date.
3. The parties agree that there may be reasonable exceptions to clause two (2) above. Such cases will be reviewed with the Union where practical at least one month prior to implementation.

If agreement is not reached the action will be subject to review by an umpire at the request of the Union.

In making his decision the umpire should weigh economic and/or operating benefits to the Company against the impact of the change on the bargaining unit and affected employees.

4. The Company agrees not to make repetitive use of the exception language in order, over the course of time, to convert an employee work force to a contractor work force.
5. The Umpire will be selected by mutual agreement within 60 days of the ratification of the agreement. If the Parties fail to agree within the above time they will request the Minister of Labour to appoint the Umpire.

December 7th, 1986

RE: TRADES GUIDELINES AND DEMARCATION TRADES GUIDELINES AND DEMARCATION

The Company and the Union recognize the principle of tradelines and job demarcation as practiced in the mills prior to July 1, 1986 for purposes of interpreting the Trades Flexibility Section outlined below.

Trades Flexibility Trades Flexibility

1. Tradesmen may be assigned work in other than their own trade under the guidance of a qualified hourly tradesman in the trade in which the work is being performed.
2. Tradesmen may be assigned work in trades other than their own consistent with the tradesman's ability, keeping safety factors in mind.
3. Tradesmen may be required to take on-site training for duties that are normally performed by other trades.
 - (a) The objective is to provide training to develop skills so that trades people can assist in other trades and not to eliminate other trades or tradesmen.
 - (b) Apprenticeships will be distributed as stipulated otherwise in the Contract.
4. The traditional division of work between production and maintenance is not altered by the above agreement. Employees of either department will not be assigned work that would have the effect of displacing employees of the other department.

It is understood that there must be co-operation between maintenance and production to further the efficient operation of the mills. Production employees may be assigned to assist tradesmen as labourers and maintenance personnel may run production equipment for maintenance purposes.

RE: TRADES ATTRITIONTRADES ATTRITION

The following is subject to the Union and Employees of Fletcher Challenge Canada Limited Mackenzie Wood Products accepting both the letter and intent of the Trades Flexibility Agreement as concluded by the Company and the Union June 27th, 1986.

The parties recognize that with the implementation of Trades Flexibility in the mills the opportunity to reduce the crew complement in the Maintenance Department will exist.

The Company therefore agrees that any crew reductions in the Maintenance Department resulting from the implementation and utilization of Trades Flexibility will be accomplished by attrition and that no Maintenance Department Employee will lose his job in the Maintenance Department as a result of the above.

For the term of the agreement, the Company shall employ all reasonable means to maintain a minimum Maintenance work force of ninety-five (95) tradesmen and apprentices. This shall include no less than thirteen (13) electrical personnel, forty-two (42) in millwrighting and/or welding, six (6) mechanics, four (4) carpenters and/or painters, three (3) in sprinkler fitting and twenty (20) in saw filing.

This shall not limit the right of the Company to reduce maintenance department crews in conjunction with any other department(s) curtailments or cutbacks or to dismiss for cause.

It is understood that if maintenance department crews are reduced as a result of any other departments curtailment or cutback, when and if that department returns to its former level of operation those maintenance department employees affected by the curtailment or cutback will be returned to the maintenance department complement.

The parties agree that the closure of 'B' Mill will result in a reduction of the maintenance work force by one-third (1/3). Specifically: total trades complement will be reduced from ninety-five (95) to sixty-three (63). This reduction is reflected throughout all listed trades.

Amended March 17th, 1993

RE: TEMPORARY SUMMER STUDENTSTEMPORARY SUMMER STUDENTS

Students hired for temporary vacation relief in the plant will only appear on plant seniority lists as a separate entry entitled, vacation relief-Students.

If during the students term of employment as a vacation relief he applies for permanent employment, his application must be directed personally to the Human Resources Manager.

Such applicants will be considered for permanent work providing they meet normal mill standards of entry.

Upon satisfactory meeting of entrance standards, the applicant will be placed in job openings as they arise and will only begin to acquire plant seniority upon commencement of permanent work.

**RE: ALTERNATE THREE (3) DAY SHIFT SCHEDULEALTERNATE THREE (3) DAY
SHIFT SCHEDULE**

The parties recognize that at times when the sawmills are on three (3) shifts of production, the maintenance time is reduced significantly. It is therefore agreed that at such times the sawmills are operating production on a three (3) shift basis, the number of trades (volunteers or scheduled) will be increased to six (6) from four (4).

RE: PLANERMAN

Existing Planer Mill Mechanics and #1 Planermen (certified) will be given the opportunity to write the trades qualification exam. Those who do not pass will be given the opportunity to be slotted into the apprenticeship training program.

Existing incumbents in #1 Planerman (12 months), #2 Planerman and set-up man categories will be indentured into the Planerman Apprenticeship in accordance with the Company's need for qualified Planermen.

In the event that the Company needs further apprentices into the Planerman Trade, selection will first be from existing Planer Feeders (back-up-set-up man trainee) who qualify through the apprenticeship selection process.

Existing incumbents Planer Mill Mechanics and #1 Planermen may choose not to enroll in the program. They will remain in their incumbent positions (red-circled).

November 28, 1994

RE: TRAINING AND DEVELOPMENT COMMITTEE

1. The Company and the Union agree to establish a Training and Development Program funded by the Company. A committee composed of two Union and two Company members shall be formed to advance employee training throughout the operation. The committee's objective shall be to provide employees with a structured system to upgrade their education and skills. The training programs will be directed towards skills and knowledge applicable to the Forest Products Industry. Topics shall include but not be limited to:

Basic Education - reading and writing skills
 - high school equivalents
 - communication skills

Industry Skills - upgrading
 - tallying
 - weighmaster
 - air brakes
 - scaling
 - kiln drying
 - size control
 - quality control

Maintenance - apprenticeships
 - hydraulics
 - troubleshooting
 - welding
 - gas fitting
 - electric control systems

General - computer operations
 - first aid
 - basic business management

2. The committee shall review and approve the curriculum for courses, set remuneration for training, ensure training records are maintained, course standards are achieved and ensure training opportunities are equitably available.

3. Company funding for the program will be as follows:

January 1, 1995	-	\$100,000
January 1, 1996	-	\$200,000
January 1, 1997	-	\$300,000

4. As part of the program, the committee may determine that it is appropriate to pay specific bonuses and premiums for various qualifications and upgrading training. Such determination shall be by mutual agreement of the Company and the Union.
5. It is understood that supplements #1 and #3 are renewed from the previous Collective Agreement. If the committee deems it appropriate, changes may be made to these supplements to support this training and development initiative. Such changes will only be made by mutual agreement of the Company and the Union.

November 28, 1994

RE: RESPECTING THE ESTABLISHMENT OF A PLANER/SHIPPING DEPARTMENT

1. The parties agree to negotiate the concept of a planer/shipping department.
2. If agreement in this regard is not reached by March 30, 1995, Paul devine will render a binding decision on the matter.

November 28, 1994

Labour Agreement effective July 1, 1994 to June 30, 1999

**RE: VOLUNTARY LIFE INSURANCE AND ACCIDENTAL DEATH &
DISMEMBERMENT**

The Company agrees to make available to the Union Membership a Voluntary Life Insurance and Accidental Death & Dismemberment program effective April 1, 1995.

November 28, 1994