
Collective Agreement

between

McKenzie Forest products Ltd

and

**IWA-Canada
Local 2693**

**Begins:
09/01/2001**

**Terminates:
08/31/2006**

11533 (03)

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ARTICLE I - PURPOSE

1.01 The purpose of this Agreement is to secure for the Company and the Union the full benefits of orderly and legal collective bargaining in respect to hours, wages, working conditions, 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. This Agreement, moreover, seeks to provide for fair and peaceful adjustments of all disputes that may arise between the parties. It is recognized as a duty of the parties hereto and of all employees to cooperate fully, individually and collectively, for the advancement of the conditions set forth herein.

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ARTICLE II - PERIOD

2.01 The Company and the Union agree one with the other that they will abide by the Articles of this Agreement from September 1, 2001 to August 31, 2006, inclusive, and from year to year thereafter unless either party desires to change or terminate the Agreement, in which case the party desiring the change or termination shall notify the other party, in writing, at least sixty (60) days prior to September 1st, of the particular year that such is its desire. Either party opening the Agreement in the manner provided above shall notify the other party in writing, as to the changes desired.

ARTICLE III - RECOGNITION - JURISDICTION

3.01 (a) The Company recognizes the Union as the sole collective bargaining agent for all of the employees who are engaged at the sawmill, planing mill, dry kiln, yards and/or worksites of the Company, and any additional plants or mills that may be established in conjunction with the present mills and yard operations located at or near Hudson. For the purpose of this article, employees shall be all those employed on the job classifications set out in the Wage Schedule attached to and forming a part of the Agreement, including those who are employed on job classifications which may be established and

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become part of the wage schedule during the term of the Agreement

3.01 (b) The employees of contractors engaged by the Company in the sawmill, planing mill, dry kiln, yards and/or worksites of the Company, and any additional plants or mills that may be established in conjunction with the present mills and yard operations, located at or near Hudson shall be considered employees within the terms of this Agreement, save and except the employees of contractors and/or the contractors who are engaged to perform occasional special services not commonly performed by employees covered by the terms of this Agreement, employees of contractors where such contractors are engaged for the purpose of erecting structures and where such a contractor is bound by an agreement with a Union or Unions affiliated with a central body covering such work

3.02 Supervisory personnel, which includes contractors, whose employees are considered to be employees under this Agreement, shall not perform work which would normally be a function of an employee in the job classifications covered by this Agreement, except when instructing employees and in cases of emergency which involve physical danger to employees or danger to property.

3.03 It is agreed that Company operations shall not be interrupted as a result of any jurisdictional dispute that may arise between the Union and any other Union. Questions of jurisdiction shall conform to the regulations covering such matters in accordance with the provisions of the Labour Relations Act of Ontario.

ARTICLE IV - RATES AND CLASSIFICATIONS

4.01 The wage schedule is attached hereto, and forms a part of this Agreement.

4.02 It is agreed that adjustments to individual job classifications in the wage schedule shall be limited to

instances of gross inequality as between job classifications or significant changes in job content. All requests for adjustments in individual job classifications shall be presented locally. Upon failure to reach agreement, the matter may be referred to Stage III of the Grievance Procedure.

4.03 For job classifications not listed in the attached wage schedule the Company shall set estimated or temporary rates of which the Union will be notified in writing at least (30) days in advance. At the request of the Union, the Company agrees to discuss the rates and conditions during the 30 day interim period prior to commencement of operation. Any such rates will be based on comparison with the prevailing rates for similar and/or related occupations in the attached Wage Schedule. After thirty (30) day trial period any such rate or rates shall be negotiated with the Local Union and after agreement is reached, shall become a part of the Wage Schedule, and attached hereto. Upon failure to reach agreement on the rate or rates, the matter may be referred to Stage III of the Grievance Procedure.

Rates, when established, shall be retroactive to the date of establishment of the new job classification. The thirty (30) day period can be extended by mutual consent of the parties.

ARTICLE V - UNION MEMBERSHIP

5.01 The Company agrees that it is in favour of its employees covered by this Agreement becoming members of the Union and will facilitate Union membership solicitation as hereinafter provided.

5.02 (a) Any employee who is now a member in good standing or who becomes or is reinstated as a member of the Union shall, as a condition of continued employment, maintain such membership in good standing throughout the term of this Agreement. In the event of the Union intending to suspend a member, the Company shall be notified by the Union in writing at least seven (7) days before such suspension.

(b) The Company shall, after complying with Article XII - Seniority, advise the Union from time to time of the Company's labour requirements. When hiring additional employees, the Company will give preference to Union members who apply and who are capable of doing the work required of them.

(c) New employees shall make application to join the Union when first approached to do so by a duly authorized Union Steward, Official or Representative. The Company shall, upon hiring, advise all new employees by letter, with a copy to the Union Steward, to report to the Steward within ten (10) days of commencing work. Failure of the employee to comply with the conditions herein, shall be cause for immediate termination of employment. During 30-day probationary period, the Company may terminate an employee without Union representation.

(d) The Company shall put employees on check-off at the time of hire or return to work and deduct the Union's monthly membership dues from monies due him.

(e) Each new employee shall be allowed one-half (1/2) hour on Company time to meet with the Union steward within the first week of completion of the probationary period.

5.03 If an individual employee, who is a member of the Union or wishes to become a member, so desires, the Company agrees that it will on his behalf, and upon written request, pay the regular union initiation fees and regular monthly membership dues from monies due him.

5.04 Remittance of all deductions shall be sent to the Local Union, said remittance to be accompanied by itemized lists, in duplicate, of names and amounts. The Company will deliver these lists not later than the 15th day of the following month. A copy of the list will be given to the Union Steward.

5.05 Representatives carrying proper credentials shall have the right to visit all operations in connection with Union

business as it pertains to this Agreement. Credentials carried by the Union Representatives shall consist of a Certificate of Authority signed by the President and Secretary of the Local Union. Such Representatives to present credentials to a Company official each time the operations are visited.

5.06 The Local Union shall furnish the Company with a list of Local Officers and Representatives and shall amend these lists as changes occur.

5.07 The Company will furnish a list of supervisory personnel to the Union Office at the start of the contract year and amend it, if required, at the end of each month. The amended list will show the effective date of the changes. Failure to advise the Union of such changes will not in any way affect the authority of the Company supervisors.

ARTICLE VI - VACATION WITH PAY

6.01 (a) Vacation pay shall be paid to each employee by cheque, to be issued at the time of termination of employment, or at the employee's option, at the time of lay-off or when vacation is taken.

6.01 (b) An employee who has been continuously employed for one (1) year shall take vacation time off at a time which is satisfactory to the employee and his supervisor. Each 2% increment of vacation pay shall entitle an employee to one week of time off.

6.02 Vacation with pay credits shall be paid on the following basis:

(a) 4% of gross earnings for employees who have worked less than 800 days for the Company.

(b) 6% of gross earnings for employees who have worked 800 days or more but less than 2,000 days for the Company.

(c) 8% of gross earnings for employees who have worked 2,000 days or more but less than 4,000 days for the Company.

(d) 10% of gross earnings for employees who have worked 4,000 days or more but less than 5,400 days for the Company.

(e) 12% of gross earnings for employees who have worked 5,400 days or more for the Company.

(f) Supplementary Vacation with Pay.

Employees who have worked 5,000 days or more for the Company shall receive the following additional vacation with pay in the calendar year in which they attain:

| | |
|------------------|-------------------------|
| Age 60 - 1 week | (2% of gross earnings) |
| Age 61 - 2 weeks | (4% of gross earnings) |
| Age 62 - 3 weeks | (6% of gross earnings) |
| Age 63 - 4 weeks | (8% of gross earnings) |
| Age 64 - 5 weeks | (10% of gross earnings) |

6.03 Days worked for purposes of this Article, shall mean **all** days worked, plus working days which normally would have been worked, but were lost as a result of sickness or injury certified by a licensed physician, dentist, or chiropractor, and all total days on Union business, off-the-job training, vacation, holidays with pay, jury duty or subpoenaed by the Crown and bereavement leave in any calendar year. An employee who has established seniority in accordance with Section 12.02 of Article XII, shall retain his accumulation of service for his rate of vacation pay for as long as he retains his seniority rights with the Company.

6.04 Employees will receive an additional \$60.00 per week for each week of vacation taken, excluding supplemental vacation. Effective September 1, 2003, amend \$60 to \$70. Effective September 1, 2005, amend \$70 to \$80.

ARTICLE VII - HOLIDAYS WITH PAY

7.01 Employees shall be paid without the performance of work for the following holidays:

| | |
|----------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Dominion Day | Christmas Day |
| Civic Holiday | Boxing Day |

When any of the above Holidays falls on Saturday, it shall be observed on the preceding Friday, and if the Holiday falls on Sunday, it will be observed on the following Monday.

7.02 (a) An employee who has established seniority in accordance with Article XII, and who works any of the available work days within the thirty (30) day period prior to the Holiday, and who works his last scheduled shift prior to the Holiday and his first scheduled shift following the Holiday, unless due to circumstances beyond his control he is prevented from working the shifts, shall receive pay for the Holiday.

(b) if an employee, who has established seniority in accordance with Article XII, and who worked any of the available work days within the thirty (30) days immediately prior to the Holiday, is on authorized leave of absence when the Holiday occurs, he shall receive Holiday pay for the first Holiday that occurs during this absence, provided he returns to work on time, unless his return to work on time is prevented by circumstances beyond his control.

(c) An employee, who has established seniority in accordance with Article XII, who is obliged to cease work due to a lay-off during the thirty (30) day period immediately prior to the Holiday, shall receive Holiday pay for the Holiday(s) within such 30 day period.

(d) An employee, who has established seniority in accordance with Article XII, who is obliged to cease work due to sickness or accident certified by a licensed practitioner during the twenty-one (21) day period immediately prior to the Holiday, shall receive Holiday pay for the Holiday(s) within such 21 day period.

(e) If an employee who has established seniority in accordance with Article XII, is recalled and works any time during the 14 calendar day period immediately following the Holiday, he shall receive Holiday pay for the preceding Holiday.

(f) An employee who qualifies under Section 12.02 and is on vacation, shall be entitled to holiday pay and additional time off for any Holidays occurring within such vacation period.

7.03 An employee required to work on a Holiday listed in Section 7.01 shall be paid for **all** time worked at one and one-half times his regular rate, and if qualified, in addition, shall receive Holiday pay for the Holiday. Double time will be paid after eight (8) hours of work on a Holiday.

7.04 A special leave of absence shall be granted to a qualified employee who must travel a long distance to be home for Christmas, in which event such employee will receive pay for the Holidays provided he returns on time. Any request for such leave of absence must be made to the Foreman in writing, no later than December 1st. Where an employee is prevented by circumstances beyond his control, from returning to work on time, he shall be paid for the Holidays.

7.05 An employee who has accumulated 120 days seniority will be granted three floating holidays per year to be taken at a time satisfactory to the employee and his supervisor.

ARTICLE VIII -ADJUSTMENT OF GRIEVANCES

8.01 It is the mutual desire of the parties hereto that complaints of employees be adjusted **as** quickly **as** possible and it is generally understood that an employee has no grievance until he has given to his Foreman an opportunity to adjust his complaint.

8.02 The Union shall arrange for the election from its working membership at the Mills and Yard by the members therein, of a Union Grievance Committee of four (4) headed by a Union Steward who shall act as spokesman for the Committee. Immediately after an election, the Union Grievance Committee at the Mill and Yard will notify the Foreman in writing, **as** to the names of the Union Steward and the members of the Union Grievance Committee elected, and the Foreman will acknowledge in writing the receipt of such notice. The Mill Foreman shall not be required to recognize either the Union Steward or the Union Grievance Committee until such time as this procedure is carried out. The Union will confirm in writing within a reasonable period, the election of the Steward.

8.03 A grievance under the provisions of this Agreement is defined to be any differences between the parties or between the Company and employees covered by this Agreement involving the interpretation, application, administration or alleged violation of any of the provisions of this Agreement.

8.04 Grievances **as** defined above, between employees and the Company shall be taken by the employee himself, or together with the Union Steward and/or Union representative having jurisdiction, directly to the employee's immediate supervisor for adjustment. No grievance shall be recognized unless the employee concerned follows this procedure. Any grievance submitted to the Foreman, in accordance with this procedure, in writing, will be disposed of by the Foreman in writing. Where a grievance has been submitted in writing it will be dealt with in writing **at** all stages thereafter. Failing a satisfactory adjustment within twenty-four (24) hours, then,

Stage 2 - The matter shall be taken up by the Union Grievance Committee and/or Union representative with the Mill Superintendent within forty-eight (48) hours in writing, on forms to be supplied by the Union. The Company shall make a reply in writing, within a further forty-eight (48) hours. Failing a satisfactory adjustment, then,

Stage 3 - The matter shall be referred to the Manager of the Company or his representative and a Union Committee accompanied by the Union's President or his representative. Failing a settlement within seven (7) days, then,

Stage 4 - Either party may, within the following fifteen (15) days, refer the matter to arbitration.

An employee's disciplinary record shall be cleared for disciplinary purposes after a period of eighteen (18) months.

8.05 In arbitration, the Company and the Union shall each select one (1) man; these two shall select a third party who shall act as Chairman. Either party shall appoint its nominee not later than five (5) days after receipt of written notice of the other party's nomination. This Arbitration Board shall convene and render a decision within fifteen (15) days. Such decision shall be final and binding on both parties to this Agreement. In the event of failure of the two (2) men selected by the respective parties to select a third party as provided above, they shall ask the Provincial Minister of Labour to appoint a third party.

Nothing herein shall prevent the parties from mutually agreeing to a sole arbitrator to arbitrate grievances arising out of discipline or discharge.

8.06 It is understood that the function of the Arbitration Board shall be to interpret this Agreement and that it shall deal only with the specific questions as submitted and shall have no power to alter, add to, or amend this Agreement. However, the function of the Arbitration Board shall include the power to

consider adjustments to individual job classifications under Section 4.02 and rates for job classifications under Section 4.03 and to revise the rates therefore. The Arbitration Board shall have no power to decide questions involving general wage adjustments.

8.07 Sundays and Holidays shall not be included in any time limits in this Article of the Agreement.

8.08 A grievance arising from a claim by an employee that his discharge or suspension by the Company was unjust or contrary to the terms of this Agreement, must be dealt with in writing, by both parties and must be presented to the Company not later than ten (10) days after the discharge or suspension becomes effective. Where such an employee's grievance is not processed from the first stage before he leaves the Mill or Yard, it must be processed starting at the third stage of the grievance procedure. In case of discharge or suspension by the Company, the Company will notify the employee in writing, of the reason for such discharge or suspension. In the event that an employee is found by an Arbitration Board to have been unfairly discharged or suspended by the Company, the Company agrees that the employee will be reinstated on his job under terms and conditions decided by the Arbitration Board.

8.09 Each party to this Agreement shall pay all expenses of the member of the Arbitration Board selected by it, or by the Minister of Labour, and shall share equally in the fees and expenses of the third member of the Board.

8.10 Grievances which involve Company policy in respect to interpretation, application, administration, or alleged violation of the Agreement may be processed commencing at Stage 3 of this Grievance Procedure.

8.11 If the Company has a grievance as defined in Section 8.03, it shall commence at Stage 3 of this grievance procedure by the Mill Superintendent or his representative presenting the matter in writing, to the Officers of the Union. Failing satisfactory settlement within seven (7) days, then the matter

shall be referred to the President of the Union or his representative by the General Manager of the Company or his representative. Failing a settlement within fifteen (15) days, then either may within the following fifteen (15) days, refer the matter to arbitration.

ARTICLE IX - NO STRIKE - NO LOCKOUT

9.01 It is agreed that all disputes shall be settled in accordance with the procedure set forth in Article VIII of this Agreement and that there shall be no strikes caused, called or supported by the Union or its members, nor lockouts by the Company, during the life of this Agreement.

ARTICLE X - WORKING AND LIVING CONDITIONS

10.01 It is agreed that the Company and the Union shall cooperate collectively in improving safety and first-aid practices. The Company and the Union agree to set up and maintain a joint Safety Committee to promote safe working conditions and practices. There shall be at least one (1) meeting of the safety committee every month. The position of the Chairman shall alternate between a Company Co-chairman and a Union Co-Chairman. The Chairman of each meeting **shall** make a report in triplicate -- copies going to the Company Office, the Union Office, and the Bulletin Boards.

A Member of the Committee is entitled to such time from his work as is necessary to attend meetings of the Committee, and the time so spent shall be deemed to be work time, for which he shall be paid by the Company at his regular or premium rate as may be proper.

Two members of the Joint Health & Safety Committee elected by the Union **will** be trained as certified members. They will serve in these functions for a period of two (2) years.

The Company agrees that there shall be a qualified First Aid Man, such First Aid man to have proper visible identification.

10.02 It is agreed that there shall be emergency first aid kits at or near work sites.

10.03 There shall be a coffee break on Company time at approximately mid point of each half shift.

10.04 If reasonably possible, employees shall be paid every second Thursday and this payment will include **all** payroll credits up to and including the Wednesday of the preceding week. Should a paid Holiday occur on Thursday payday or Friday, payment will be made on Wednesday of that week.

Payroll cheque stubs and/or payroll should be provided to all employees showing the rates of pay, days worked, bi-weekly earnings and deductions. Explanation of payroll codes shall be posted in each department. The Company shall include on each employee's Income Tax (T4) slip the amount of Union dues deducted in the calendar year.

Interim advances will be made only in instances of evident emergency.

Where twenty-four (24) hours notice of termination of employment by the Company of the employee is rendered, the Company agrees that every reasonable effort will be made to make a full settlement within twenty-four (24) hours after such termination. Sundays and legal Holidays excepted.

10.05 **All** hand tools, rain coats, oilers, aprons, and equipment required on the job will be made available to employees. **All** hand tools and such equipment will be charged to the employee's account at the time of issue. When an operator of equipment is required by the Company to do a mechanical repair job, he will be furnished such tools as are required. Full credit will be given for **all** tools returned. **All** tools not returned will be charged for in full. Worn out or broken tools (with no warranty) will be replaced with tools of the same brand or better value, free of charge, provided that the worn out or broken tools are returned and provided such tools are listed on an Employee's tool inventory. No person shall be required to

own or rent any tools or equipment as a condition of employment, unless otherwise specified in this Agreement.

it is agreed, however, that employees as provided for in Section 10.05 shall supply hand tools normally required by their trade.

The Company will supply tools **up** to a value of three hundred and twenty-five (\$325.00) dollars per year for new tools normally required by the tradesperson. The tool allowance is only available when an Employee is presently in a trades classification. The tool allowance is only to be used for the purchase of tools related to the Employee's trade. Effective September 1, 2003, amend three hundred and twenty-five dollars (\$325.00) to three hundred and fifty dollars (\$350.00). Effective September 1, 2005, amend three hundred and fifty dollars (\$350.00) to three hundred and seventy-five dollars (\$375.00).

10.06 The Company agrees to discuss with the Union in each particular operation, ways and means of improving conditions for all employees covered by this Agreement, and also the interpretation of this Agreement.

10.07 The Company agrees that it will provide free insurance coverage against loss by fire of the personal belongings for employees while on authorized Company property, to a maximum amount of two hundred dollars (\$200.00) per employee.

The Company further agrees that it will provide tradesmen (Machinists, Millwrights, Mechanics, Electricians, Carpenters, Welders, Filers, and Setters) free insurance coverage against loss by fire, theft, or damage of the tools normally required by such tradesmen, to the full value of such tools.

Coverage for such losses will only apply if and to the extent that the employee has provided the Company with a tool inventory list describing in detail the tools on the Company property or work sites. Employees may update such list at any time before a claim is made.

10.08 Lunch rooms and toilet facilities with hot and cold running water comprised of urinals, toilets, sink and drinking fountains, shall be provided at appropriate locations and maintained in a clean and disinfected condition at all times.

10.09 A parking lot or lots, to accommodate the parking of the employees' cars while on shift, with sufficient car plug-ins and electricity during cold weather, shall be provided and maintained at the mill site by the Company.

10.10 The Company *agrees* that it will furnish on loan, **all** safety equipment and personal safety apparel save and except safety boots. The Company further agrees to reimburse Employees fifty-five dollars (\$55.00) towards the cost of safety boots upon presentation of a receipt to the Company. Effective September 1, 2004 amend fifty-five dollars (\$55.00) to sixty-five dollars (\$65.00). The Company also agrees to supply, free of charge, two pairs of gloves and/or mitts per month to boardway men, on the replacement basis.

The wearing of safety equipment and apparel will not become a condition of employment unless it has been agreed to by the Company and the Union or is mandatory under Government legislation.

The Company will supply mechanics, welders, machinists, millwrights, electricians and other employees who perform maintenance or dirty work, suitable coveralls.

The Company will supply gloves at no charge to employees who are required to handle materials, products or tools. Employees are required to return damaged or worn out gloves for replacement.

The Company will supply insulated coveralls to electricians, filers, millwrights, oilers and welders who are required to work outside during the winter months.

The Company agrees to replace free of charge pitted prescription safety glasses for millwrights, welders and filers limited to one (1) pair per employee per year.

Going forward, **all** new equipment purchased will have air conditioning and the Company will maintain **all** units.

ARTICLE XI - HOURS OF WORK

11.01 (a) The regular workweek shall consist of forty (40) hours, eight (8) hours per day, Monday to Friday inclusive, unless otherwise specified herein.

It is agreed that daywork or shiftwork employees may be requested to work in excess of their regular work day or shift or work week, and will be paid in accordance with Section 11.05 for such time worked.

(b) For the purpose of this Agreement, Saturday, Sunday and a paid Holiday shall begin at 7:00 a.m. that day and end at 7:00 a.m. the day following.

A Sunday may commence at 7:00 p.m. on Saturday and end at 7:00 p.m. on Sunday, when requested by the employees concerned.

11.02 (a) The regular workday or day shift shall consist of eight (8) consecutive hours between the hours of 7:00 a.m. and 5:00 p.m., mealtime excepted.

(b) The regular night shift shall consist of eight (8) consecutive hours between the hours of 7:00 p.m. and 5:00 a.m., mealtime excepted.

11.03 (a) A night shift differential of fifty-five cents (55¢) per hour shall be paid in addition to the regular rates for **all** night shift work. Effective September 1, 2002 amend 55¢ to 58¢.

(b) On a two-shift operation where the starting time of the first shift is 7:00 a.m. or after and the second shift is prior to or 7:00 p.m., a shift differential of fifty-five cents (55¢) per hour shall be paid in addition to the regular rates for all night shift work. Effective September 1, 2002 amend 55¢ to 58¢.

(c) On a three-shift operation, the shifts shall be eight (8) consecutive hours. The starting and stopping time for the three (3) shifts and the shift differentials to be paid, shall be as follows:

| | Starting Time (between hours of) | Stopping Time (between hours of) |
|-----------|-------------------------------------|-------------------------------------|
| 1st Shift | 7 a.m. - 8 a.m. | 3 p.m. - 4 p.m. |
| 2nd Shift | 3 p.m. - 4 p.m. | 11 p.m. - 12 p.m. |
| 3rd Shift | 11 p.m. - 12 a.m. | 7 a.m. - 8 a.m. |

| | <u>Shift Differential</u> |
|-----------|--|
| 1st Shift | Nil |
| 2nd Shift | 55 cents per hour Effective September 1, 2002 amend 55¢ to 58¢. |
| 3rd Shift | 58 cents per hour Effective September 1, 2002 amend 58¢ to 60¢. |

(d) The hours of work for all employees shall be scheduled and posted at 12 noon on Friday of the previous week. The starting and stopping times shall remain constant and fixed during the weekly period, subject to the following:

An employee's scheduled shift may be changed at the Company's request, provided he is paid one and one-half times his regular rate for the first shift worked after the change. When the employee reverts to his original shift, he shall be paid at his regular straight time rate, provided that there is a break of at least eight (8) hours between the shifts worked.

(e) If an employee, who has completed his scheduled work week, is required to work on Saturday or Sunday, such overtime shall be posted on the preceding Friday prior to the end of the day shift. If he is available for the posted overtime

work at the regular starting time and is unable to commence work for reasons beyond his control, he shall receive four (4) hours pay at the applicable overtime rate, provided he remains available for the four hour period if so requested by the Company.

11.04 (a) A day or shift worker who is unable to work his scheduled day or shift for reasons beyond his control, shall be paid for the full day or shift.

To qualify for the above, the employee must stay on the job until told by the Foreman that he may leave and must accept other than his normal work if it is offered.

(b) If, during his scheduled work week, a day or shift worker reports for work at his scheduled starting time and is unable to commence work for reasons beyond his control, and if no reasonable effort has been made to notify him not to report, he shall be given an opportunity to do other work for four (4) hours or more and the employee will be expected to do such work. However, if no such work is supplied, he shall receive four (4) hours' pay provided he remains available for the four (4) hour period if so requested by the Company.

Notification procedures shall be established locally.

11.05 Time worked in excess of eight (8) hours per day or shift, **all** hours worked on Saturday and Sunday, and **all** hours worked by an employee outside his scheduled shift, shall be paid for at the rate of time and one half. Double time shall be paid for **all** hours worked over eight (8) hours on Sunday. This is not applicable to Watchmen's schedule.

When an employee is called out for overtime work, after completing his shift or when called out on his day off, he shall be guaranteed four (4) hours' pay at time and one-half if he works less than four (4) hours, and eight hours at time and one-half if he is unable to work the full eight (8) hours.

Overtime work required will be distributed on as equal a basis as possible among the employees who normally perform the work in the classifications requiring the overtime.

ARTICLE XII - SENIORITY

12.01 (a) The Company recognizes the principle of seniority. Seniority will govern subject to reasonable consideration of skill, efficiency and ability, in promotion, transfers, lay-offs and recalls after lay-offs.

(b) An employee who is on authorized leave of absence on Union business' shall accrue seniority while on leave of absence.

An employee who has accrued seniority and is then employed by the Union, shall retain such accrued seniority for a period not exceeding eleven (11) months.

12.02 Employment of any new employee shall be considered as probationary until he has worked three hundred and sixty (360) regular hours within an eight (8) month period. Seniority of new employees shall be established at the end of this period and shall be effective from the date of employment.

A probationary employee will have no seniority rights during his probationary period and the dismissal, termination, or lay-off of a probationary employee is within the sole discretion of the Company and therefore shall not be the subject matter of a grievance and shall not constitute a grievance under the provisions of the Collective Agreement. The Company's discretion will be exercised in a fair manner.

12.03 (a) In transfers from one job classification to another, senior employees shall receive first consideration. In such cases, an employee shall receive the rate for the job to which he is transferred. In case of a temporary change to a lower job classification, the employee shall retain the rate of his previous job classification.

(b) The Company, when filling vacancies, will do so from within the bargaining unit in accordance with Article XII.

Notice of impending vacancies will be posted on the Bulletin Board for at least five (5) working days. It is agreed, however, that temporary appointments may be made without posting for filling vacancies of less than two (2) calendar weeks duration.

Newly created jobs will be posted on the bulletin boards by the Company for a period of five (5) working days prior to any appointment to such jobs, stating the normal job requirements.

Employees shall not be considered for such jobs unless they apply in writing within this five (5) day period.

All jobs will be filled from among the qualified applicants on the basis of Section 12.01 of this Agreement.

Employees accepting the posted jobs shall be allowed five (5) work days in which to qualify (or a further time as may be mutually agreed). Failure of an employee to qualify shall entitle him to return to his former job without loss of seniority or benefits.

The Company shall post notices showing the names of the successful applicants for **all** posted vacancies and newly created jobs.

(c) **A** job that becomes vacant because the incumbent has had to vacate it due to sickness or injury, vacation, bereavement leave, jury duty, and/or leave of absence not exceeding thirty (30) work days, shall be classified **as a** temporary vacancy and shall be filled according to the provision of Section 12.03(b) and the job posting will note that it is of **a** temporary nature.

The employee who had occupied the job upon his return to work shall once again occupy the job that he had filled prior to vacating for any of the reasons set forth above, provided however, that the job is still in effect and is not filled by a

senior employee who for reasons of notice of lay-off from his former job, has exercised his seniority on this particular job.

12.04 In case of lay-off due to a shortage of work, the Company will notify in writing, the men intended to be laid off, at least five (5) working days in advance, and the Union Grievance Committee will receive a list of the men affected, prior to the intended lay-off. In cases of promotions, demotions, lay-offs, or discharges, the Union Grievance Committee shall be notified in advance.

12.05 When the approximate time of recall is known at the time of lay-off, employees leaving the operation will be informed of such approximate date at the time. But in any case, notice in writing will be sent to an employee at his given address at least fourteen (14) days before he is required to report for work. Employees will be required to acknowledge receipt of such notice and report for work on the date specified, unless other arrangements have been made in writing.

12.06 The Company agrees to submit to the Union Office by April 30th of each year, an alphabetical list, in duplicate, of employees covered by this Agreement, showing their hiring date following their last break in seniority, and Company seniority as specified in Section 12.02 as at March 31st of the same year. The list will show in addition, each employee's occupation and address.

12.07 A list shall be prepared for the operation and its contents shall be available to all employees showing their seniority standing. The list shall be brought up to date at the end of each month and posted in the lunchroom.

12.08 An employee's seniority shall be broken, his employment terminated and his name will be removed from the seniority list if he:

1. Quits voluntarily.
2. Is discharged and not reinstated.

3. Fails to report to work following recall, as provided in Section 12.05 of this Article.
4. Fails to return from a leave of absence on the date specified, unless his return to work is prevented by circumstances beyond his control.
5. Reaches the age of 65 or retires before such age.
6. Is laid off for twenty-four (24) months or more except for employees with ten (10) or more years of continuous service who will retain recall rights for vacancies for a period of thirty-six (36) months following the date of layoff.

12.09 Any employee promoted or transferred to a position with the Company outside the bargaining unit shall continue to accrue seniority for a period not exceeding thirty (30) days in any calendar year and will retain the total accrued seniority for a period not exceeding eleven (11) months from the date of promotion or transfer and shall have the right to exercise his seniority in accordance with all the provisions of this Article upon proof of Union membership in good standing. Supervisory personnel who are generally employed on seasonal operations and who have not acquired seniority in accordance with this Article, may be placed on jobs listed in the bargaining unit, during the off season, provided that this does not interfere with the application of seniority of any employee. Such personnel shall apply for Union membership prior to being placed on the job and maintain their Union membership in good standing.

12.10 When jobs are discontinued due to the introduction of new methods and equipment or due to curtailment of operations, affected employees shall be offered alternate employment on remaining jobs, in accordance with Article XII, to meet the Company's labour requirement and if such employees require training to perform the alternate employment effectively, they shall be trained by the Company. (See Letter of Understanding).

12.11 An employee with 3 or more years of continuous service for whom no job is available can, upon termination, elect to

receive a severance allowance of one week's pay for each year of employment during his last period of continuous service (up to the date of termination) computed on the basis of 40 straight time hours at the employee's regular rate.

The maximum severance allowance payable being 30 weeks.

It is understood that an employee who chooses to receive his severance allowance will be terminated from his employment waiving his recall rights pursuant to this Agreement.

This severance allowance includes, and is not in addition to, payments which are or may be required by legislation.

ARTICLE XIII - BULLETIN BOARDS

13.01 The Union shall have the right to post notices dealing with Union affairs upon the bulletin boards of the Company, such notices to have approval of the Foreman before such posting.

ARTICLE XIV - WEEKLY INDEMNITY

14.01 Weekly Indemnity

The Company will maintain and pay the premium cost of a Weekly Indemnity insurance Plan. The Plan will provide seventy percent (70%) of weekly earnings, forty (40) hours times an employee's regular rate up to a maximum of five hundred and sixty dollars (\$560.00) weekly, to commence on the first day in case of a non-compensable accident and after three (3) continuous days from the commencement of a disability due to a sickness and will continue for the period of disability **up** to a maximum of fifty-two (52) weeks, or on the date when admitted to a hospital within the first three (3) days of illness.

Effective November 1, 2002 amend the maximum from \$560 to \$570. Effective September 1, 2003 amend the maximum from \$570 to \$580. Effective September 1, 2004 amend the

maximum from \$580 to \$590. Effective September 1, 2005 amend the maximum from \$590 to \$600.

The weekly maximum will not be less than the amount payable for such week under the Employment Insurance Act and its regulations as they might be amended.

All costs of medical reports or doctor certificates requested by the Company or the insurance Carrier will be paid in full by the Company.

In case of day surgery, the employee will be covered from the first day provided disability exceeds three (3) days.

Disputed W.S.I.B. Claim

If an employee covered by the Weekly Indemnity Plan suffers a disability for which payment is in dispute with the W.S.I.B., Weekly Indemnity payment will be made retroactively if requested by the employee and provided he has been off work for at least one (1) month due to the disability without W.S.I.B. having accepted the claim and provided the employee is subject to the rules and regulations covering the Weekly Indemnity Plan. If the W.S.I.B. Claim is subsequently established, the employee will then repay the Weekly Indemnity payment(s) received in the appropriate fund or insurance Company.

If the employee's weekly indemnity benefit claim is delayed by more than one (1) month, the Company will advance the benefit payments to the employee.

14.02 Long Term Disability

The Company will maintain and pay the monthly premium cost of the Long Term Disability Plan providing for benefits of 55% of monthly earning up to a maximum monthly payment of \$1,800 based on service and in accord with the plan in effect for Woodlands employees.

Effective November 1, 2002, amend the maximum from \$1,800 to \$1,850. Effective September 1, 2003, amend the maximum from \$1,850 to \$1,900. Effective September 1, 2004, amend the maximum from \$1,900 to \$1,950. Effective September 1, 2005, amend the maximum from \$1,950 to \$2,000.

All costs of medical reports or doctor certificates requested by the Company or the insurance Carrier will be paid in full by the Company.

The policy will ensure that employees will receive a life insurance (not including A.D. & D.) premium waiver while on L.T.D. The life insurance coverage will be that in place at the time the premium waiver comes into effect. This coverage will include those on L.T.D. on the date of ratification.

Effective September 1, 2004 the Company will pay the premium to amend the LTD policy to provide for prescription drug coverage continuation while an Employee is receiving LTD benefits under the policy. This extended coverage will include those on LTD on the effective date September 1, 2004.

ARTICLE XV - MEDICAL. SURGICAL. DRUG AND HOSPITAL CARE PLANS

15.01 For each employee who has established seniority in accordance with Article **XII**, the Company will contribute the premium cost per month for all employees towards the cost of

Blue Cross Drug Plan and Semi-Private Hospital Care Plan paid for by monthly payroll deduction.

| | | | |
|----------------------|---------|---|---------|
| Drug Plan Deductible | Single | - | \$10.00 |
| | Married | - | \$20.00 |

The Company contribution to employees who are off work due to a Workplace Safety and Insurance claim or a Short Term Disability claim will be continued for a period of up to twelve (12) months.

If there should be a net deduction in the premium charged for medical, surgical, drug and hospital care plans, the Company's contribution to employees will not be reduced from the amounts set out in this Article.

On lay-off, the Company contribution will be paid to eligible employees for premiums deducted on return to work covering any month during which the employee was actively at work.

If the Company's contribution exceeds the premiums required for medical, surgical, drug and hospital care plans, the balance will be applied to such other employee benefits as may be agreed upon between the Company and the Union. Pending agreement between the Company and the Union as to the application of contributions over and above the premiums required, such additional monies will be paid direct to the employee.

The Company will provide for chiropractor coverage payable at eighty percent (80%) of the fee charged to an annual maximum of Four Hundred dollars (\$400) per family. Effective November 1, 2002 amend maximum from \$400 to \$425. Effective September 1, 2004 amend maximum from \$425 to \$450.

The prescription drug policy may be amended to provide for generic drugs unless the prescription does not allow for substitution.

ARTICLE XVI - GROUP LIFE INSURANCE

16.01 The Company will provide \$55,000.00 Life Insurance and \$55,000.00 A.D. & D. Insurance for each employee who has established seniority while actively employed.

Effective November 1, 2002, amend \$55,000 to \$60,000.
Effective September 1, 2003, amend \$60,000 to \$70,000.
Effective September 1, 2005, amend \$70,000 to \$80,000.

The Company will pay fifty per cent (50%) of the premium cost, and the cost to the employee will not exceed thirty cents (30¢) per thousand dollars (\$1,000.00)per month.

ARTICLE XVII - BEREAVEMENT PAY

17.01 When death occurs to an employee's spouse, children, father, mother, brother or sister, the employee will be granted leave to attend the funeral and shall be paid for eight (8) hours at his regular straight time rate for time lost up to a maximum of five (5)days. The day of the funeral must be one of the five (5) days.

When death occurs to an employee's mother-in-law, father-in-law, grandparents, step relatives, brother-in-law, sister-in-law, son-in-law, daughter-in-law and grandchild, the employee will be granted leave to attend the funeral and shall be paid for eight (8) hours at his regular straight time rate for time lost up to a maximum of three (3) days. The day of the funeral must be one of the three (3) days.

The intent of this clause is to allow the employee to attend the funeral without loss of earnings. Pay will be granted for the employees' scheduled work days lost during this period.

Any claims for bereavement pay must be submitted by the employee to the Company in writing, along with proof of bereavement in the employee's immediate family.

It is understood that for the purpose of this Article, step-relatives will be considered the same as blood relatives.

ARTICLE XVIII - JURY DUTY ALLOWANCE

18.01 In the case of an employee who is called for jury service, or subpoenaed as a witness for the Crown, the Company shall pay for each day of such service, an allowance equal to the difference between eight (8) hours of pay, based on his regular straight time hourly rate and the payment he received for jury service. The employee will present proof of

service and or pay received therefore, when making his claim for such allowance.

ARTICLE XIX - DENTAL CARE PLAN

19.01 The Company will provide a Dental Care Plan with participation compulsory for all employees, on the following basis:

(a) - services and benefits as in Blue Cross No. 7, basic plan and Rider #1

- services and benefits as in Blue Cross Rider #2 - 60%

Maximum \$1500 per year per person.

Effective September 1, 2002 - 2001 ODA rates (one year lag to continue thereafter).

(b) services and benefits as in Blue Cross Rider #3, orthodontic 50% with maximum of \$1000 lifetime.

Effective September 1, 2004 - amend \$1000 lifetime to \$1250.

ARTICLE XX - VISION CARE PLAN

20.01 The Company will reimburse expenses incurred by an employee who has established seniority or his covered dependants when prescribed by a physician or optometrist as follows: frames, lenses and the fitting of prescription glasses including contact lenses up to a total payment of one hundred and fifty dollars (\$150.00) per family member in any twenty four (24) month period. Effective November 1, 2002, amend one hundred and fifty (\$150.00) dollars to one hundred and sixty (\$160.00) dollars. Effective September 1, 2003, amend one hundred and sixty (\$160.00) dollars to one hundred and eighty (\$180.00) dollars. Effective September 1, 2005, amend one hundred and eighty (\$180.00) dollars to two hundred (\$200.00) dollars.

ARTICLE XXI - PENSION PLAN

21.01 The Company agrees to provide a Pension Plan to be effective September 1st, 1988.

The Pension Plan will be in the form of three (3) equal units per month of defined contribution to be deposited with a Trustee to the credit of individual pension account under the Plan. The Company will be responsible for and pay the cost of administering the Plan.

The Company shall contribute eighty dollars (\$80.00) to each member's account each month, or within thirty (30) days after the end of each month in which a member who has not attained age 65 is entitled to receive pay for time worked or is on

(a) Weekly Indemnity

(b) The first twelve (12) months of benefits under the Workplace Safety and Insurance Act, 1997,

(c) Vacation, or

(d) Jury Duty, bereavement leave, maternity leave, apprenticeship leave or other leave authorized by the Company.

For an employee who is eligible, the Company shall contribute an additional eighty dollars (\$80.00) to a member's account each month or within thirty (30) days after the end of each month, in which the member contributes the sum of eighty dollars (\$80.00) to the member's account in accordance with the Pension Plan for employees. Employees will join this Plan after attaining twelve (12) months of continuous service. The member's contribution will be mandatory.

Effective September 1, 2002, amend eighty dollars (\$80.00) to eighty-five dollars (\$85.00). Effective September 1, 2004, amend eighty-five dollars (\$85.00) to ninety dollars (\$90.00). Effective September 1, 2005, amend ninety dollars (\$90.00) to ninety-five dollars (\$95.00).

Upon early retirement and up to age 65, employees shall receive the benefits of the Drug Plan and Life Insurance if the employee agrees to pay the annual premium payable in one lump sum at the beginning of each year.

Early Retiring Allowance (effective September 1,2002)

The Company will provide, on retirement, an early retiring allowance for those employees who retire between the age of 60 and prior to their 65th birthday. This allowance will only be available if the employee has, on their retirement day, worked more than 25 years for the Company and is then currently working. The allowance will be paid only once and will be determined in accordance with the following:

| Age at Retirement | Allowance |
|-------------------|-----------|
| 60 | \$15,000 |
| 61 | \$12,000 |
| 62 | \$9,000 |
| 63 | \$6,000 |
| 64 | \$3,000 |

Employees taking advantage of this benefit between birthdays will have the amount of the allowance prorated.

The Early Retiring Allowance will be transferred to the recipients RRSP.

ARTICLE XXII - EDUCATION FUND

22.01 The Company will pay three cents (3¢) per regular hour worked to the Union's education fund. Effective September 1, 2002, amend three cents (3¢) to four cents (4¢). Effective September 1, 2004, amend four cents (4¢) to five cents (5¢).

PRINTING OF COLLECTIVE AGREEMENT

The Company agrees to pay full cost and have books printed within three (3) months of ratification.

Ratified this 4th day of October, 2002

McKenzie Forest Products Inc. Local 2693, IWA - Canada

Danis Leroux

Barbara Best

Yves Fricot

Russ York

Wolf Gericke

Tim O'Donovan

Joe Hanlon

Robert Elliott

Kenneth Paquette

Sylwester Kiepek

Dorothy Broderick

Matt Bennett

AI DeRusha

WAGE SCHEDULE

| <u>Rates and Classifications</u> | Sept. 1, 2001 | Sept. 1, 2002 | Oct. 4, 2002 | Sept. 1, 2003 | Sept. 1, 2004 | Sept 1, 2005 |
|----------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Carpenter | 22.40 | 22.85 | | 23.35 | 23.90 | 24.50 |
| Chip Car Helper | 19.76 | 20.21 | | 20.71 | 21.26 | 21.86 |
| Chip Car Loader | 19.76 | 20.21 | | 20.71 | 21.26 | 21.86 |
| Clean-Up Man | 19.73 | 20.18 | | 20.68 | 21.23 | 21.83 |
| Dry Kiln Helper | 20.06 | 20.51 | | 21.01 | 21.56 | 22.16 |
| Electrician Lead | 23.54 | 23.99 | 24.19 | 24.69 | 25.24 | 25.84 |
| Electrician "A" | 23.25 | 23.70 | 23.80 | 24.30 | 24.85 | 25.45 |
| Electrician I | 22.69 | 23.14 | | 23.64 | 24.19 | 24.79 |
| Electrician II | 21.49 | 21.94 | | 22.44 | 22.99 | 23.59 |
| Electrician III | 21.16 | 21.61 | | 22.11 | 22.66 | 23.26 |
| Electrician IV | 20.90 | 21.35 | | 21.85 | 22.40 | 23.00 |
| Electrician Helper | 20.69 | 21.14 | | 21.64 | 22.19 | 22.79 |
| Feeder Planer | 20.03 | 20.48 | | 20.98 | 21.53 | 22.13 |
| Filer Lead | 23.69 | 24.14 | | 24.64 | 25.19 | 25.79 |
| Filer | 23.01 | 23.46 | 23.50 | 24.00 | 24.55 | 25.15 |
| Filer "B" | 21.66 | 22.11 | | 22.61 | 23.16 | 23.76 |

| <u>Rates and Classifications</u> | Sept. 1, 2001 | Sept. 1, 2002 | Oct. 4, 2002 | Sept. 1, 2003 | Sept. 1, 2004 | Sept 1, 2005 |
|-----------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Filer "C" | 21.26 | 21.71 | | 22.21 | 22.76 | 23.36 |
| Filer Trainee | 20.69 | 21.14 | | 21.64 | 22.19 | 22.79 |
| Grader, Trimmerman (not licensed) | 20.09 | 20.54 | | 21.04 | 21.59 | 22.19 |
| Green Chain Man | 19.73 | 20.18 | | 20.68 | 21.23 | 21.83 |
| Hot Pond Riser | 19.84 | 20.29 | | 20.79 | 21.34 | 21.94 |
| Jackladder Feeder | 19.73 | 20.18 | | 20.68 | 21.23 | 21.83 |
| Labourer, General | 19.73 | 20.18 | | 20.68 | 21.23 | 21.83 |
| Lumber Grader (Licensed) | 21.47 | 21.92 | | 22.42 | 22.97 | 23.57 |
| Lumber Grader (Not Licensed) | 20.59 | 21.04 | | 21.54 | 22.09 | 22.69 |
| Machinist, Certificate | 22.65 | 23.10 | | 23.60 | 24.15 | 24.75 |
| Machinist | 22.40 | 22.85 | | 23.35 | 23.90 | 24.50 |
| Mechanic, Lead | 23.31 | 23.76 | | 24.26 | 24.81 | 25.41 |
| Mechanic "A-1" | 23.24 | 23.69 | | 24.19 | 24.74 | 25.34 |
| Mechanic "A" | 22.95 | 23.40 | 23.50 | 24.00 | 24.55 | 25.15 |
| Mechanic I | 22.40 | 22.85 | | 23.35 | 23.90 | 24.50 |
| Mechanic II | 21.11 | 21.56 | | 22.06 | 22.61 | 23.21 |
| Mechanic Helper "A" | 20.57 | 21.02 | | 21.52 | 22.07 | 22.67 |
| Mechanic Helper | 20.20 | 20.65 | | 21.15 | 21.70 | 22.30 |

| <u>Rates and Classifications</u> | Sept. 1, 2001 | Sept. 1, 2002 | Oct. 4, 2002 | Sept. 1, 2003 | Sept. 1, 2004 | Sept 1, 2005 |
|----------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Millwright Lead | 23.31 | 23.76 | | 24.26 | 24.81 | 25.41 |
| Millwright "A" | 22.95 | 23.40 | 23.50 | 24.00 | 24.55 | 25.15 |
| Millwright I | 22.40 | 22.85 | | 23.35 | 23.90 | 24.50 |
| Millwright II | 20.83 | 21.28 | | 21.78 | 22.33 | 22.93 |
| Millwright III | 20.57 | 21.02 | | 21.52 | 22.07 | 22.67 |
| Millwright IV | 20.35 | 20.80 | | 21.30 | 21.85 | 22.45 |
| Millwright Helper | 20.20 | 20.65 | | 21.15 | 21.70 | 22.30 |
| Oiler | 20.57 | 21.02 | | 21.52 | 22.07 | 22.67 |
| Operator, Debarker | 20.30 | 20.75 | | 21.25 | 21.80 | 22.40 |
| Operator, Bulledger | 20.44 | 20.89 | | 21.39 | 21.94 | 22.54 |
| Operator, Carrylift | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| operator, Chip'n'Saw Mark II | 21.47 | 21.92 | | 22.42 | 22.97 | 23.57 |
| Operator, Chip'n'Saw Mark III | 21.21 | 21.66 | | 22.16 | 22.71 | 23.31 |
| Operator, Chip'n'Saw, V Head | 20.97 | 21.42 | | 21.92 | 22.47 | 23.07 |
| Operator, Case Uniloader | 20.10 | 20.55 | | 21.05 | 21.60 | 22.20 |
| Operator, Chipper | 20.06 | 20.51 | | 21.01 | 21.56 | 22.16 |
| Operator, Hi-Ho | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, Sorter | 20.73 | 21.18 | | 21.68 | 22.23 | 22.83 |

| <u>Rates and Classifications</u> | Sept. 1, 2001 | Sept. 1, 2002 | Oct. 4, 2002 | Sept. 1, 2003 | Sept. 1, 2004 | Sept 1, 2005 |
|---|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Operator, 930 | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, 944 | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, 950 | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, 966 | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, Planer Lead (Lic. Grader & Set Up) | 21.47 | 21.92 | | 22.42 | 22.97 | 23.57 |
| Operator, Planer Lead (set-up) | 22.46 | 22.91 | | 23.41 | 23.96 | 24.56 |
| Operator, Reman | 20.69 | 21.14 | | 21.64 | 22.19 | 22.79 |
| Operator, Tow Motor Fork Lift | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, Slasher | 20.51 | 20.96 | | 21.46 | 22.01 | 22.61 |
| Operator, Stacker Green Chain | 20.10 | 20.55 | | 21.05 | 21.60 | 22.20 |
| Operator, Stacker Planer | 20.10 | 20.55 | | 21.05 | 21.60 | 22.20 |
| Operator, Work Boat | 20.10 | 20.55 | | 21.05 | 21.60 | 22.20 |
| Planer, operator & Maintainer | 21.55 | 22.00 | | 22.50 | 23.05 | 23.65 |
| Sawmill Sorting Station | 20.73 | 21.18 | | 21.68 | 22.23 | 22.83 |
| Tail Bulldozer | 19.82 | 20.27 | | 20.77 | 21.32 | 21.92 |
| Tailer - New Mill | 19.82 | 20.27 | 20.37 | 20.87 | 21.42 | 22.02 |
| Watchman, Clean-up Man | 19.73 | 20.18 | | 20.68 | 21.23 | 21.83 |

Rates and Classifications

| | Sept. 1, 2001 | Sept. 1, 2002 | Oct. 4, 2002 | Sept. 1, 2003 | Sept. 1, 2004 | Sept 1, 2005 |
|--------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Welder, Lead | 23.31 | 23.76 | | 24.26 | 24.81 | 25.41 |
| Welder "A" | 22.93 | 23.38 | 23.50 | 24.00 | 24.55 | 25.15 |
| Welder I | 22.40 | 22.85 | | 23.35 | 23.90 | 24.50 |
| Welder II | 21.11 | 21.56 | | 22.06 | 22.61 | 23.21 |
| Welder Helper "A" | 20.56 | 21.01 | | 21.51 | 22.06 | 22.66 |
| Welder Helper | 20.20 | 20.65 | | 21.15 | 21.70 | 22.30 |

LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC.
(SAWMILL)

- and -

LOCAL 2693, IWA-CANADA

1. RE: TRADESMEN, REFERENCE 11.01(A)

When production operations are on two (2) or more shifts per day basis, and the tradesmen on maintenance and repair are on a three (3) shift scheduled basis, and where maintenance and repair is necessary to be carried out on Saturday, such overtime shall be scheduled from 7 a.m. - 8 a.m. to 3 p.m. - 4 p.m., for the necessary tradesmen required.

Scheduling of Saturday overtime shift of the persons with the necessary trade qualifications required, shall be on an equally rotating shift basis. All time worked on the Saturday shall be paid for as provided in 11.05 of the Agreement.

Signed this 10th day of July, 1999.

McKenzie Forest Products Ltd. Local 2693, IWA - Canada

T. O'DONOVAN
W. GERICKE
R. YORK
Y. FRICOT

W. McINTYRE
L. SZKALEY
K. PAQUETTE
S. KIEPEK
ROBERT ELLIOTT
RAY ELLIOTT
M. BENNETT
R. JACOBSON

Updated: October 4, 2002

LETTER OF UNDERSTANDING

BETWEEN :

McKENZIE FOREST PRODUCTS INC
(SAWMILL)

- and -

LOCAL 2693, IWA-CANADA

REFERENCE TO ARTICLE XII - 12.10

It is understood that Article 12.10 does not apply to normal fluctuations in production levels.

The Company will review abnormal situations with the Union concerning the action to be taken.

Signed this 10th day of July, 1999.

McKenzie Forest Products Ltd. Local 2693, IWA - Canada

T. O'DONOVAN
W. GERICKE
R. YORK
Y. FRICOT

W. McINTYRE
L. SZKALEY
K. PAQUETTE
S. KIEPEK
ROBERT ELLIOTT
RAY ELLIOTT
M. BENNETT
R. JACOBSON

Updated: October 4, 2002

LETTER OF UNDERSTANDING

BETWEEN :

McKENZIE FOREST PRODUCTS INC.

- and -

LOCAL 2693, IWA-CANADA

RE: WEEKEND MAINTENANCE SCHEDULE FOR
CLASSIFICATIONS IN MAINTENANCE GROUP &
WEEKEND CLEAN UP CREW & FORKLIFT OPERATORS

Principles

1. Jobs Posted - Vacancies shall be posted as they occur and jobs shall be filled on the basis of Article 12 - Seniority.

| | | |
|-------------------|---------------|-------------|
| 2. Work Schedule: | <u>Worked</u> | <u>Paid</u> |
| Friday or Monday | 10 | 10 |
| Saturday | 10 | 10 |
| Sunday | <u>12</u> | <u>20</u> |
| | 32 | 40 |

It is understood that the hours of work shall be as follows:

(a) Friday (10 hours)
7 a.m. to 5:30 p.m. meal time excepted

Saturday (10 hours)
7 a.m. to 5:30 p.m. meal time excepted

Sunday (12 hours)
7 a.m. to 7:30 p.m. meal time excepted
(first ten (10) hours)

OR

Saturday (10 hours)

7 a.m. to 5:30 p.m. meal time excepted

Sunday (12 hours)

7 a.m. to 7:30 p.m. meal time excepted

Monday (10 hours)

7 a.m. to 5:30 p.m. meal time excepted

(first ten (10) hours)

3. OVERTIME - All hours worked in excess of the regular work day or in excess of the 32 regular hours per week will be paid at the rate of time and one half.

The first eight (8) hours worked on Sunday or a Statutory Holiday will be paid at the rate of time and one half the employee's regular rate. Hours worked in excess of this will be paid at the rate of double time.

4. VACATION • For vacation time-off entitlement, one week will be Friday, Saturday, Sunday or Saturday, Sunday, Monday.

5. Statutory or floating holiday pay shall be calculated at ten (10) hours at the employee's regular hourly rate.

6. The three days worked on weekend will equal five days seniority.

7. Should a person be off on a Sunday due to sickness he will be allowed to work two eight (8) hour shifts through the week to make up the twenty hours missed for Sunday.

8. Scheduling to remain constant and static except when Christmas Day or Boxing Day falls on a Sunday. Weekend shift employees will go back to a 5 day week schedule during that week.

9. The Company and the Union accept the concept of the Weekend Maintenance Schedule to increase equipment availability and to ensure the safe and productive operations of the sawmill through effective maintenance of sawmill equipment and to alleviate the burden of excessive overtime demands on individuals in the maintenance group.

The Company and the Union agree to a three-month trial of the Weekend Maintenance Schedule to evaluate its effectiveness and to address any problems or concerns that may arise.

In the event that the required number of volunteers is not met through posting, the Company and the Union agree to meet to discuss alternatives.

10. The Company has at this time no plans to increase the Weekend Clean Up and Forklift Operator Employee numbers. If it does so, it will meet with the Union to discuss such changes before they are made.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

Danis Leroux
Barbara Best
Yves Fricot
Russ York
Wolf Gericke
Tim O'Donovan

Joe Hanlon
Robert Elliott
Kenneth Paquette
Sylwester Kiepek
Dorothy Broderick
Matt Bennett
AI DeRusha

LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC

-and-

IWA CANADA, LOCAL 2693

RE: STUDENTS

The following sets out the terms and conditions regarding the employment of students at McKenzie Forest Products Inc.

1. The Company will supply the Union with a list of students who are being employed in the plant.
2. As far as possible, working time to be equally distributed among the students. A refusal to work counts as a day worked.
3. From May 1st to mid-September, students to work on a regular basis. Students hired for summer employment on a regular basis will be terminated on or before mid-September.
4. From mid-September to April 30th to work only as replacements or for mill and yard clean up.
5. When used as a replacement, they should start in the labour area if position available as long as signing list procedure is used first.
6. A student should have preference to a full-time position when an opening occurs provided he/she has completed Grade 12 and is 18 years of age. Students will be required to apply for such a position and meet all normal hiring criteria.
7. Students will have no seniority rights and will not be entitled to benefits.
8. Students will pay regular monthly union dues but no initiation fees.

9. Students will be paid 75% of the labour rate for all **regular** hours **worked**. This **paragraph** will not **apply to** students hired by McKenzie Forest Products Inc. before 2000. Nor will this hourly rate apply to students hired before 2000 if they are subsequently re-hired for further work.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

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LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC

-and-

IWA CANADA, LOCAL 2693

RE: RECOGNITION FOR INJURED WORKERS

1. The Labour Management Committee will agree on an appropriate method of recognizing injured workers on April 28th (i.e. -banner / sign, etc.)

Signed this 10th day of July, 1999.

McKenzie Forest Products Ltd. Local 2693, IWA - Canada

T. O'DONOVAN
W. GERICKE
R. *YORK*
Y. FRICOT

W. McINTYRE
L. SZKALEY
K. PAQUETTE
S. KIEPEK
ROBERT ELLIOTT
RAY ELLIOTT
M. BENNETT
R. JACOBSON

Updated: October 4, 2002

LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC

-and-

IWA CANADA, LOCAL 2693

Notwithstanding the specific terms of Article XI - Hours of Work it is understood that the work week and hours of work may be amended to provide alternative scheduling. **All** terms will be subject to agreement between the Union, the Company and the Employees involved.

Signed this 10th day of July, 1999.

McKenzie Forest Products Ltd. Local 2693, IWA - Canada

T. O'DONOVAN
W. GERICKE
R. YORK
Y. FRICOT

W. McINTYRE
L. SZKALEY
K. PAQUETTE
S. KIEPEK
ROBERT ELLIOTT
RAY ELLIOTT
M. BENNETT
R. JACOBSON

Updated: October 4, 2002

LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC.

-and-

IWA CANADA, LOCAL 2693

RE: STEADY DAY JOBS

Steady Day Jobs will be posted when vacancies arise.

Signed this 10th day of July, 1999.

McKenzie Forest Products Ltd. Local 2693, IWA - Canada

T. O'DONOVAN
W. GERICKE
R. YORK
Y. FRICOT

W. McINTYRE
L. SZKALEY
K. PAQUETTE
S. KIEPEK
ROBERT ELLIOTT
RAY ELLIOTT
M. BENNETT
R. JACOBSON

Updated: October 4, 2002

LETTER OF UNDERSTANDING
BETWEEN:

McKENZIE FOREST PRODUCTS INC.

-and-

IWA CANADA, LOCAL 2693

RE: SCHEDULING OF STATUTORY HOLIDAYS

1. The parties will meet prior to November 30 of each year to identify the 24 hour period to be taken as each Statutory holiday in the next calendar year. Failing agreement, the Statutory holiday will be taken on the day of the holiday.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

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LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS INC.

-and-

IWA CANADA, LOCAL 2693

RE: 6 DAYS/WEEK - 10 HOUR SHIFTS

Applies to the sawmill, planer and garage as well as mobile equipment-log, mobile equipment-lumber and other associated operations.

1. The work week schedule will average forty (40) hours per week based on 4 days per week at ten (10) hours per day.

2. Vacations

For the purpose of vacation pay credits an employee shall receive 1.25 days for each full or part day worked.

One (1) week vacation entitlement will be equivalent to four days of work. The parties recognize that depending on the shift schedule selected, holidays may be taken in groups of less than 4 working days as long as these are grouped in consecutive work days (including a single day with a stat or floater) on the schedule.

3. Statutory Holidays with Pay

Statutory or floating holiday pay shall be calculated at ten (10) hours at the employee's regular hourly rate of pay.

Individuals on the schedule who do not work on a statutory holiday will be paid ten (10) hours holiday pay providing they otherwise qualify under the Collective Agreement. Individuals who do work on the statutory holiday will be paid time and one-half (1 1/2) for all hours worked and in addition will receive ten (10) hours pay for the statutory holiday.

Individuals not scheduled to work on the Statutory holiday will receive their next scheduled work day off as the Statutory holiday.

Any hours worked in excess of ten hours on a statutory holiday shall be paid at double time.

4. Schedules

The employees involved will vote on one of the three attached schedules that they wish to work. After one (1) year, employees may suggest and try other schedules with the agreement of the parties. The parties agree that any schedule that is in process will run for a minimum 6 months.

5. Hours of Work

The regular work day shall be ten (10) hours for which straight time shall apply - two fifteen (15) minute paid coffee breaks - twenty (20) minute unpaid lunch break.

Day Shift 7:00 a.m. - 5:20 p.m.
Monday day to Saturday day

Night Shift 7:00 p.m. - 5:20 a.m.
Sunday night to Friday night

[Note: starting and stopping times may be moved with the agreement of the employees involved, union and company]

6. Reporting and call in pay - 4 hours in article 11 shall be considered 5 hours.

7. Overtime

(a) Overtime at the rate of time and one half (1 ½) will be paid for all hours worked outside the employee's regularly scheduled shift hours on any day.

(b) Overtime at the rate of double time will be paid for all hours worked in excess of 10 hours on a Sunday.

8. Shift Differential

Night shift 75 cents

9. Bereavement Pay

For employees on modified shift scheduling, this clause will be administered on the basis of payment for each regular shift missed (10 hours), but in no event shall the total paid exceed forty (40) hours pay in the case of death of the employee's spouse, children, father, mother, brother and sister, nor exceed twenty-four (24) hours pay in the case of death of other specified family members.

10. Jury Duty/Subpoenaed Witness Allowance

Employees will be paid the difference between payment received for such duties and their regular pay they would have received for each scheduled shift lost of ten (10) hours. If possible employees will attend at work when not required at Court.

11. Weekly indemnity

For employees on modified shift scheduling, this clause will be administered on the basis of payment for each regular shift missed equals ten (10) hours.

Ratified this 4th day of October, 2002

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Sylwester Kiepek

Dorothy Broderick

Matt Bennett

Al DeRusha

Example 1:

| | | SUN | MON | TUES | WED | THURS | FRI | SAT |
|--------|---|-----|-----|------|-----|-------|-----|-----|
| Week 1 | | | | | | | | |
| Shift | A | N | N | N | off | off | D | D |
| | B | off | Off | off | N | N | N | off |
| | C | off | D | D | D | D | off | off |
| Week 2 | | | | | | | | |
| Shift | A | off | Off | off | N | N | N | off |
| | B | off | D | D | D | D | off | off |
| | C | N | N | N | off | off | D | D |
| Week 3 | | | | | | | | |
| Shift | A | off | D | D | D | D | off | off |
| | B | N | N | N | off | off | D | D |
| | C | off | Off | off | N | N | N | off |

Example 2:

| | | SUN | MON | TUES | WED | THURS | FRI | SAT |
|-----------------|---|-----|-----|------|-----|-------|-----|-----|
| Week 1 Shift | A | N | N | N | off | off | D | D |
| | B | off | D | D | D | D | off | off |
| | C | off | Off | off | N | N | N | off |
| Week 2 Shift | A | off | D | D | D | D | off | off |
| | B | off | Off | off | N | N | N | off |
| | C | N | N | N | off | off | D | D |
| Week 3 Shift | A | off | Off | off | N | N | N | off |
| | B | N | N | N | off | off | D | D |
| | C | off | D | D | D | D | off | off |

Example 3:

| | | SUN | MON | TUES | WED | THURS | FRI | SAT |
|--------|---|-----|-----|------|-----|-------|-----|-----|
| Week 1 | | | | | | | | |
| Shift | A | off | Off | off | D | D | D | D |
| | B | N | N | N | N | off | off | off |
| | C | off | D | D | off | N | N | off |
| Week 2 | | | | | | | | |
| Shift | A | off | D | D | off | N | N | off |
| | B | off | Off | off | D | D | D | D |
| | C | N | N | N | N | off | off | off |
| Week 3 | | | | | | | | |
| Shift | A | N | N | N | N | off | off | off |
| | B | off | D | D | off | N | N | off |
| | C | off | Off | off | D | D | D | D |

LETTER OF UNDERSTANDING

BETWEEN:

McKENZIE FOREST PRODUCTS, INC

-and-

IWA CANADA, LOCAL 2693

RE: WEEKEND MAINTENANCE SCHEDULE FOR
CLASSIFICATIONS IN MAINTENANCE GROUP

Principles:

1. Jobs Posted - Vacancies shall be posted as they occur and jobs shall be filled on the basis of Article 12 - Seniority.

| 2. | <u>Work Schedule</u> | | <u>Worked</u> | <u>Paid</u> |
|----|----------------------|----------|---------------|-------------|
| | <u>Day Shift</u> | Saturday | 12 | 12 |
| | | Sunday | 12 | 18 |
| | <u>Night Shift</u> | Friday | 12 | 20 |
| | | Saturday | 12 | 20 |
| | | Sunday | <u>10</u> | <u>10</u> |
| | | | 58 Hrs | 80 Hrs |

Employees will work shifts, rotating between days and nights.

It is understood that the hours of work shall be as follows:

Day Shift

Saturday (12 Hours)

Saturday 7 am to Saturday 7 pm, meal time included

Sunday (12 Hours)

Sunday 7 am to Sunday 7 pm, meal time included

Night Shift

Friday (12 Hours)

Friday 7 pm to Saturday 7 am, meal time included

Saturday (12 Hours)

Saturday 7 pm to Sunday 7 am, meal time included

Sunday (10 Hours)

Sunday 7 pm to Monday 5:30 a.m., meal time excepted

The starting times for these shifts may be amended by mutual agreement of the parties.

3. Overtime

All hours worked in excess of the employee's regular work day or in excess of the total scheduled hours per week will be paid at the rate of time and one half.

The first 8 hours (8) hours worked on Sunday or a Statutory Holiday will be paid at the rate of time and one half the employee's regular rate. Hours worked in excess of this will be paid at the rate of double time. This applies to hours outside an employee's scheduled hours.

4. Shift Differential

| | | |
|-------------|---|---------------|
| Day Shift | - | 0 |
| Night Shift | - | 75 cents/hour |

5. Vacation

For vacation time off entitlement, one week will be a weekend day shift schedule or a weekend night shift schedule. Vacation credits will be prorated to take into account the shift schedule.

6. Floating holiday pay shall be calculated at (10) hours at the employee's regular hourly rate.

7. Statutory Holidays

These paragraphs apply to all Maintenance Employees, including those on the Monday to Friday schedule.

If the Employee works the Weekend Schedule and if the Statutory holiday is taken on a day the Employee is not scheduled to work he will receive ten (10) hours pay at the Employees regular hourly rate.

If the Employee is on the Monday to Friday schedule and if the Statutory holiday is taken on a day the Employee is not scheduled to work he will receive eight (8) hours pay at the Employees regular hourly rate.

If the Statutory holiday is taken on a day the Employee is scheduled to work, the employee will be paid for the hours he would have worked at the employees regular hourly rate. If the Employee is on the Weekend Schedule, the Employee will be allowed to work one shift through the week to make up the difference between this pay and their normal hours paid.

8. Should a person be off on a Sunday or Saturday night due to sickness he will be allowed to work two eight (8) hour shifts through the week to make up the hours missed for Sunday or Saturday night.

9. The above letter shall apply only during 6 day per week - 2 x 10 hour shift operations. In the event these operations are discontinued, the weekend maintenance schedule will be governed by the practice in effect during the 98 - 01 Collective Agreement.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

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AI DeRusha

JOB DESCRIPTION FOR TRADES AND HELPERS

MECHANICS

Required to work as an assistant to other mechanics as assigned. Shall be upgraded prior to or at the end of a one year period to Helper Class "A". A helper will commence to accumulate common mechanical tools.

In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Helper Class "A"

He shall, under the direction of mechanics of a higher classification, work on all types of equipment used in the production of lumber, shall be capable of performing the following jobs independently: tire repair, wash jobs, greasing and oiling service.

A Helper entering the trade at this level will commence to accumulate common mechanical tools.

He shall be upgraded prior to or at the end of a one year period to Mechanic II.

In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Mechanic II

He shall be capable, under direction, of performing all jobs assigned to him in an efficient manner on gasoline and/or diesel powered equipment generally used in the production of lumber. It is expected that eligible personnel shall put forth every effort to obtain a Provincial Trade Certificate.

Mechanic I

He shall be capable, without direction, of performing all jobs assigned him in an efficient manner on gasoline and/or diesel powered equipment generally used in the production of lumber.

He shall be required to direct assistants working under him and must assume full responsibility for **all** work performed by himself or his assistants.

Where a present mechanic or a person subsequently hired has no certificate but has had special training and/or is assigned on only one type of equipment, he will automatically be rated **as a Mechanic I**.

Mechanic Class "A"

He shall be capable, without direction, of performing **all** jobs assigned to him in an efficient manner on gasoline and/or diesel powered equipment generally used in production of lumber.

He will be required to direct assistants working under him and must assume full responsibility for all work performed by himself or his assistants.

He must be in possession of a Provincial Trade Certificate recommended by the Ministry of Labour of Ontario.

Mechanics presently employed in this classification will not be required to have a Certificate.

Mechanic Class "A-1"

In addition to fulfilling all of the qualifications of a Mechanic Class "A" and being in possession of a Provincial Trade Certificate, he shall have had advanced theoretical and practical training in equipment sub-systems or be in possession of both a motor vehicle mechanic certificate and a heavy duty equipment mechanic certificate recognized by the Ministry of Labour of Ontario.

Mechanic Lead

A Mechanic Lead is appointed as the need arises, must possess the qualifications set out under Mechanic Class “A”, and, in addition, shall be capable of leading other mechanics.

MILLWRIGHTS

Millwright Helper

Works as a trades helper, will be assigned to and take necessary direction from a Millwright III, II, I or “A”.

A helper must be capable of performing, independently, wash jobs, greasing and oiling, and must be in the process of accumulating a basic tool kit required for the work he is asked to perform.

In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Millwright IV

Shall be qualified to assist and work under the direction and instructions of Millwright III, II, I, or “A”. He will work alone at times, performing assignments in keeping with his training.

During the course of his year, trainee must become proficient in good millwrighting practices in the areas of fitting, aligning, lubricating and the operation of all shop tools and machines. In addition to the foregoing, he will be exposed to and begin the process of learning techniques required in trouble shooting key production machinery, pipefitting, basic welding and machining, but will not be expected to display a high degree of proficiency in these areas at this point.

Millwright III

Must be capable of performing the tasks of fitting, aligning, lubricating and able to operate all shop tools and machines.

Must, under direction, become proficient in basic welding and pipefitting as well as dismantling and reassembly of plant equipment.

Under direction, will continue to develop skills in trouble shooting all plant equipment and improve his skills at machining parts and be exposed to basic principles by hydraulics and pneumatics.

He may work alone frequently, but occasionally will require direction and instructions from Millwright II, I or "A".

Millwright II

Must be capable, without direction, of fitting, aligning and lubricating and taking apart and reassembling plant equipment. in addition, is expected to be able to weld, operate shop tools and do pipefitting as required.

Must, under direction, become proficient at effective methods of trouble shooting and repairing hydraulic, pneumatic and mechanical faults in plant machinery.

Millwright I

Must be capable, without direction, of performing all practices under Millwright II, III, and IV. Must, under direction, become proficient at reading and understanding blueprints, all phases of installing new equipment, laying out hydraulic and mechanical drives, and meet speed and power requirements correctly.

Millwright "A"

Must be capable, without direction, of performing all practices under Millwright I, II, III and IV. Must take full responsibility for work done by himself or his assistant.

Must be in possession of a Millwright Certificate or a Machinist Certificate or Welder H.P. Certificate. It is understood that the Welder H.P. Certificate will be accompanied by a millwright or industrial maintenance technician diploma.

Millwrights presently employed in this classification will not be required to have a Certificate.

Millwright Lead

A Millwright Lead is appointed as the need arises, must possess the qualifications set out under Millwright "A" and in addition, shall be capable of leading other Millwrights.

Millwrights presently employed in this category are not required to have a trade certificate.

WELDERS

Helper

Required to work as an assistant to welders as assigned. He shall be upgraded prior to or at the end of a one year period to Helper Class "A". In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Helper Class "A"

He shall be capable, under direction, of performing the following:

1. Oxyacetylene and electrical welding in flat positions with opportunity of working in other positions.
2. Cutting, soldering and brazing.

He shall be upgraded prior to or at the end of a one year period to Welder II. In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Welder II

He shall be capable under direction of performing all jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position. He shall also have an understanding of types of flames, oxidizing and carbonizing.

Welder I

Shall be capable, without direction, of performing **all** jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position.

He shall be capable of performing both types of welding in **all** positions with all metals used in the production of lumber.

He must assume responsibility for all work performed by himself or his assistants.

Welder Class "A"

He shall be capable, without direction, of performing all jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position. He shall have an understanding of types of flames, oxidizing and carbonizing.

He shall be proficient in both types of welding in all positions with all metals used in the production of lumber.

He must be able to fabricate from a blueprint.

He must assume responsibility for **all** work performed by himself or his assistants.

He must be in possession of the necessary Trade Certificate.

Welders presently employed in this classification will not be required to have a Trade Certificate.

Welder Lead

A Welder Lead is appointed as the need arises, must possess the qualifications set out under Welder Class "**A**" and in addition shall be capable of leading other welders.

ELECTRICIANS

Helper

Required to enter into and continue in an apprenticeship program leading to the certified trade of maintenance electrician.

Will obtain practical experience at the plant level by working as an assistant to the electrician as assigned.

Shall, under the direction and supervision of the Electrician and Supervisors, perform work common to the electrical trade on all types of machines and equipment and in the production of lumber.

In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Electrician IV

Will be enrolled in and have successfully passed exams following his first year of apprenticeship in the electrical trade.

Shall, under direction from the Electrician or Supervisor, obtain practical experience at the plant level allied to the second year theory taught at the Provincial school and will be expected to perform work common to the Electrical Trade on all types of machines and equipment used in the production of lumber.

Electrician III

Must have successfully completed the second year of apprenticeship in the Electrical Trade.

Under the direction of an Electrician **"A"**, must be proficient in the installation and maintenance of all electrical equipment in the plant.

Will gain practical experience allied to the third year theory taught in the Provincial School.

Electrician II

Must have successfully completed the third year of apprenticeship in the Electrical Trades.

Will continue to gain practical experience allied to subject material taught in the fourth year of apprenticeship and be responsible for all work performed by himself up to his present level of training.

Electrician I

Will have successfully completed the full course for the trade of Maintenance Electrician and received a certificate of apprenticeship.

Electrician "A"

Shall be in possession of a Provincial Journeyman Trade Certificate and must be proficient in the installation and maintenance of all electrical equipment in the plant and assume responsibility for all work done by himself and his assistants.

Electrician Lead

An Electrician Lead is appointed as the need arises, must possess the qualifications set out under Electrician "A" and in addition, shall be capable of leading other Electricians.

TRADES APPRENTICE PROGRAM

1. Apprenticeship openings will be filled in accordance with the provisions of Section 12.01 (job postings). Employees must meet the educational level specified by the *Apprenticeship Act* and applicants may be required to successfully complete aptitude tests. The Company and the Trades Committee will meet to review the implementation of any proposed changes to the selection process.
2. There will be a probationary period of up to twenty (20) working days prior to entering into an apprenticeship agreement during which time the employee may return or failing to display the necessary mechanical aptitude, be returned to his former department without loss of Seniority.
3. Any Helper who fails his first year exams shall be required to be re-examined within 12 months but not earlier than 6 months. Failure to pass the re-examination will result in the apprentice being dropped from the program and returned to his former department without loss of Seniority. The above will not apply to persons currently employed in any of the categories of Trades in the event that they shall become

indentured in the future or are currently indentured. The same will apply to anyone failing their second year exams.

4. Once an employee enters an apprenticeship contract, it is expected he will continue to fulfil the obligations of the contract, including necessary training periods in a vocational school.

5. The Company will make up the differences between the Canada Manpower Training Program allowances and the employee's normal earnings based on his regular straight time rate, multiplied by 40 hours per week.

For the purposes of calculation the Canada Manpower at home allowance shall be used.

6. Where a present Millwright or a person subsequently hired and rated as a Millwright III in his general proficiency, but has a recognized certificate of competency as welder, mechanic or pipefitter, he will automatically be rated as a Millwright I.

7. Providing a journeyman has completed the time in the trade necessary to write for a Provincial Trade Certificate, he may write for such Certificate of Qualification and will be classified and paid as an "A" Journeyman from the effective date shown on his Certificate.

Tools

At the end of the first, second, third, and fourth years of the apprenticeship program, the electrician will be required to submit proof that he owns and has in his possession a pre-determined list of tools. Tools may be purchased through the Company at cost.

MAINTENANCE TRADES ANNUAL REVIEW AND TRADESMEN'S TOOLS

Maintenance Trades Annual Review

Annually, in the month of November, an evaluation committee consisting of the Plant Manager or his representative, and the Maintenance Supervisor in the respective Plant, together with a qualified Union Member and a Union Representative, will evaluate the performance and progress of each Helper and Tradesman below the category of "A", with a view to upgrading personnel who qualify.

If upgrading is necessary in the interim, it will be done by the Plant Manager and the Maintenance Supervisor.

Tradesmen's Tools

Tradesman will furnish **all** hand tools common to the trade. Mechanics will furnish spanners up to 1-1/4" opening, sockets up to and including 1/2" drive and 1-1/4" opening, adjustable wrenches up to 18" in length, hammers, chisels, punches and screw drivers. The Company agrees to replace any personal tools broken in service provided that such broken tools are returned. The Company agrees to provide tools to tradesmen at cost. The Company will provide on loan any special tools, including power driven tools, testing and measuring instruments and gauges, pullers, sockets over 1/2" drive, spanners over 1-1/4" opening.

In the event that the common tools of tradesmen are required to be in metric measurements such tools shall be provided on loan by the Company.

McKENZIE FOREST PRODUCTS INC.
ONTARIO WOODWORKERS DISABILITY BENEFIT PLAN
AS AMENDED FEBRUARY 22ND, 1980

1. Definitions

In this Plan, unless otherwise specifically provided,

(a) "Accident" is a bodily injury caused by external violent means;

(b) "Disability" is a disability preventing an employee from pursuing any gainful occupation arising from any mental infirmity, bodily disorder, or bodily injury, verified to the satisfaction of the company and/or insurer, and not otherwise excluded by this Plan;

(c) "Employee" means an employee in the active employment of the Company, who comes under the jurisdiction of the Labour Agreement by and between McKenzie Forest Products Inc. and Local 2693, IWA-Canada;

(d) "Insurer" means the insurance company or carrier appointed by the Company;

(e) "Plan" means the Ontario Woodworkers Disability Benefit Plan;

(f) "Company" means the McKenzie Forest Products Inc.;

(g) "Weekly Earnings" means, in the case of a day or shift worker, 40 hours X his regular rate;

(h) "Medical Practitioner" means registered physician or surgeon, registered dentist or registered chiropractor.

2. Participation

(a) All employees of the Company shall be eligible to participate in the Plan, in accordance with the provisions listed herein

(b) Participation in this Plan is limited to employees who have accumulated 45 days of seniority with the Company.

3. Amount of Disability Benefits

The amount of disability benefits shall be seventy (70%) of an employee's weekly earnings, as defined in Section 1(g) immediately preceding the date of disability, subject to a maximum weekly disability benefit of five hundred and sixty dollars (\$560.00).

Effective November 1, 2002 amend the maximum from \$560 to \$570. Effective September 1, 2003 amend the maximum from \$570 to \$580. Effective September 1, 2004 amend the maximum from \$580 to \$590. Effective September 1, 2005 amend the maximum from \$590 to \$600.

The maximum will not be less than the amount payable for such week under the E.I. Act and its regulations as they might be amended.

4. Eligibility for Payment

(i) Except in the case of a disability arising out of an accident, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding 52 weeks for any one illness, beginning after 3 continuous days from the commencement of the disability, or on the date when admitted to a hospital within the first three (3) days of illness.

(ii) in the case of a disability arising out of an accident, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding 52 weeks for any one accident, commencing from the date of the accident.

(iii) Disputed W.S.I.B. Claim

(a) If an employee covered by the Weekly Indemnity Plan suffers a disability for which payment is in dispute with the W.S.I.B., Weekly Indemnity payment will be made retroactively if requested by the employee and provided he has been off work for at least (1) month due to the disability without W.S.I.B. having accepted the claim and providing the employee is subject to the rules

and regulations covering the Weekly Indemnity Plan. If the W.S.I.B. claim is subsequently established, the employee will then repay the Weekly Indemnity payment(s) received to the appropriate fund or insurance Company. If an employee's weekly indemnity benefit claim is delayed by more than one (1) month, the company will advance the benefit payments to the employee.

(b) An employee absent from work and in receipt of an amount of disability benefit under this Plan, shall continue to receive such benefit, even though a work shortage develops which would have resulted in his being laid off had he been at work, provided that the employee remains disabled and continues to furnish evidence satisfactory to the Company and/or insurer, and verifies the continuance of disability.

(c) An employee shall not be eligible for an amount of disability benefit under this Plan unless he is actively employed by the Company at the date that he becomes eligible or until he subsequently returns to active employment.

(d) An employee making a claim for an amount of disability benefit after lay-off or termination of employment, for disability established to the satisfaction of the Company and/or Insurer as having occurred prior to his lay-off or termination, shall be eligible for an amount of disability benefit provided such disability was accompanied by a continuance of absence that commenced prior to actual lay-off or termination.

(e) An employee shall be considered as eligible to submit a claim for benefit if he is requested to return to work within seven calendar days after the date of lay-off and is unable to return to work because of the disability. Disability will be considered as starting from the date he is required to return to work.

(f) Successive periods of disability separated by less than four consecutive weeks shall be considered one

period of disability, unless the subsequent disability is due to an accident or illness entirely unrelated to the previous disability and commences after return to active employment on full time.

(g) An amount of disability benefit under this Plan shall not be paid in the event the absence is a result of

(i) An injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or

(ii) Disability or loss (1) while the protected person is on or could be on Pregnancy/Maternity Leave, or (2) if a protected person fails to meet the length of service requirements, during the period of Pregnancy/Maternity Leave that the protected person could be on if she qualified for such leave, in accordance with the Employment Standards Act of 1974, Ontario or any other relevant provincial statutes, or

(iii) Any injury or illness entitling the employee to compensation under any Workmen's Compensation or similar legislation, or,

(iv) Self-destruction or any self-inflicted injury, while sane or insane, or,

(v) Any injury or illness resulting from insurrection or war, whether war be declared or not, or from participation in a riot, or civil commotion, or

(vi) Disability for which the employee is not under the treatment of a medical practitioner, or

(vii) For a period of disability in excess of four weeks where treatment is rendered solely by a chiropractor. in the case of chiropractors, certification of disability will only be accepted for payment of benefit for up to a maximum of four weeks per insured person per calendar year, or

(viii) Alcoholism or Drug Addiction, unless the employee is undergoing a recognized course of treatment by a specialist in care and treatment of alcoholism and/or drug addiction, or unless the employee is undergoing regular rehabilitative treatment approved by the insurer and a physician.

(h) An amount of disability benefit will not be payable for those days for which the employee receives holiday pay, vacation pay, or more than one-half day's regular pay, from the Company.

(i) An amount of disability benefit will not be payable following the normal retirement date of an employee, or other than retirement under the total and permanent disability provision of the company pension plan.

(j) An amount of disability benefit will not be payable following the early retirement date of an employee, if early retirement was approved prior to the onset of the disability.

(k) The amount of disability benefit under this Plan will be reduced by the amount of pension for which the employee is eligible under the total and permanent disability provision for the Company pension plan.

5. Payment of Benefits

(a) In computing the amount of disability benefits, disability will be considered as starting from the first day of disability; however, an employee must be certified by a medical practitioner for the disability within the first three days of disability. In the event that the employee is not certified within the first three days, disability will be considered as starting two complete days prior to the day that the employee is actually certified by a medical practitioner.

(b) A daily rate of payment for each calendar day of absence that qualifies for payment shall be one-seventh the weekly amount of disability benefit under Section 3 hereof.

(c) The amount of disability payments will be paid

every week. Such benefits on account of short periods of disability will be paid as soon as the amount is ascertained.

6. Miscellaneous Provisions

(a) An employee absent on an authorized leave of absence on the date he was to become eligible under this Plan, as set out in Section 4, shall upon the date of his return to active employment, be eligible to participate in this Plan.

(b) If an employee who has been covered under the terms of this Plan is granted an authorized leave of absence, such employee shall be considered as still covered under the terms of this Plan up to a maximum of 31 days, or up to the date he would have been laid off should lay-off occur during this period.

7. Government Disability Plans

(a) The amount of disability benefit under this Plan will be reduced by the amount for which the employee is eligible and receives under the disability benefit provision of the Canada or Quebec Pension Plan, or similar provisions in any other Government Plans for disability, for which the employee is receiving an amount of disability benefit under this Plan, except for war disability pensions and Workplace Safety and Insurance disability pensions.

(b) The Company and/or Insurer may require certification or verification of the amount of income from the Canada/Quebec Pension Plan or such other Government Plans.

(c) The amount of disability benefit in excess of the amount which should have been paid may be deducted from the amount of any future disability benefit, or repaid by the employee to the Company and/or Insurer, as the case may be through some other mutually satisfactory arrangement.

8. Physical Examinations

The Company and/or Insurer reserves the right to require periodic physical examinations throughout the duration of the employee's absence due to disability. Such examinations shall

be conducted by a medical practitioner designated by the Company and/or Insurer.

All costs of medical reports or doctor certificates requested by the Company or the Insurance Carrier will be paid in full by the Company.

In case of day surgery, the employee will be covered from the first day provided disability exceeds three (3) days.

9. Administration

(a) It shall be the obligation of the employee to notify immediately the Company of his absence due to disability, following which the Company will issue the necessary initial claim forms to him.

(b) Completed claim forms will be checked by the Company to determine whether or not an employee is a participant in the Plan and the Company may then forward the claim forms to the insurer as its agent for further processing.

(c) The Company will meet with the representatives of the Union from time to time, for purposes of discussing the administration of the Plan and any problems which may arise.

(d) Should an employee or the Union have any complaint concerning entitlements to benefits under the Plan, the matter may be taken up as a grievance and processed to arbitration as provided for under Article VIII of the Collective Agreement, commencing at Stage 3. The arbitration board shall have power to adjudicate on the merits of the grievance.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

Danis Leroux

Barbara Best

Yves Fricot

Russ York

Wolf Gericke

Tim O'Donovan

Joe Hanlon

Robert Elliott

Kenneth Paquette

Sylwester Kiepek

Dorothy Broderick

Matt Bennett

Al DeRusha

McKENZIE FOREST PRODUCTS INC.
LONG TERM DISABILITY BENEFIT PLAN FOR EMPLOYEES
SAWMILL OPERATIONS

The Company shall pay the monthly premium cost of the Long Term Disability Benefit Plan.

The Long Term Disability Benefit Plan shall be administered in accordance with the terms of an insurance policy.

1. Eligibility

The Long Term Disability Benefit Plan shall be compulsory for all employees who have accumulated 45 days seniority with the Company.

2. Effective Date of Coverage

An eligible employee is entitled to benefits provided he is actively at work on the first day the Long Term Disability Benefit Plan becomes effective.

An eligible employee absent from work due to sickness or accident at the effective date of the Plan, shall only be eligible for long term disability plan benefits upon the return to continuous active full time employment for a period of more than four consecutive weeks.

The Company shall have the right to give medical examinations to employees returning from such lay-off to determine their eligibility under the Plan.

3. Qualifying Period

An insured employee shall be eligible to receive an amount of Long Term Disability Benefit after fifty-two (52) weeks of benefit entitlement for the same disability under the Weekly indemnity Plan. Benefit payment shall not commence during a strike until the termination of the strike.

4. Definition of Disability

“Disability” shall mean an insured employee who has received fifty-two (52) weeks of benefits for the same disability under

the Weekly Indemnity Plan is thereafter unable because of disease or injury to work at any occupation in the Company for which he is reasonably fitted by education, training or experience.

5. Amount of Benefit

(a) The disability benefit shall be 55% of the monthly earnings as defined in 5 (b) up to a maximum monthly payment of \$1,800.00.

Effective November 1, 2002 - increase maximum from \$1800 to \$1850. Effective September 1, 2003 - increase maximum from \$1850 to \$1900. Effective September 1, 2004 - increase maximum from \$1900 to \$1950. Effective September 1, 2005 - increase maximum from \$1950 to \$2000.

(b) "Monthly Earnings" means, in the case of a day or shift worker, 173 x his regular hourly rate.

(c) "Hourly Rate" means the regular rate of the employee effective immediately prior to the date on which the disability occurred, excluding overtime or shift bonus.

(d) The amount of disability benefit under this Plan will be reduced by the amount for which the employee is eligible and receives under the disability benefit provisions of the Canada or Quebec Pension Plans, or similar provisions in any other Government. Plans for disability for which the employee is receiving an amount of disability benefit under this Plan, except for war disability pensions and Workplace Safety and Insurance disability pensions.

6. Duration of Benefits

(a) Benefits will be paid for one month, for each completed month of service prior to commencement of the Long Term Disability Benefits, while the employee is disabled.

(b) 200 Days of accrued seniority will be considered as 12 months of service.

(c) Disability benefits will be paid one month in arrears.

7. Termination of Benefits

Benefits shall cease upon the occurrence of any of the following:

(a) On the date the employee ceases to be disabled. (If there is a recurrence of the same disability within six (6) months of return to work, a new qualifying period will not be required, and the disabled employee will be eligible for any balance of Long Term Disability Benefit payments. This provision shall **take** precedence over any recurrent disability provisions under the Weekly Indemnity Plan), or

(b) On exhaustion of the benefit period, or

(c) On retirement *or* attainment of age 65, or

(d) On death.

8. Continuation of Group Life Insurance During Disability

(a) An insured employee receiving Long Term Disability Plan Benefits who was a participant in the Company Group Life Insurance Plan at the commencement of his disability, will continue to enjoy the Group Life Insurance coverage in effect on the date of his disability at no premium cost to him subject to the Termination of Benefits (Clause 7).

(b) An employee who is in receipt of Weekly Indemnity Benefits prior to the effective date of this Plan is eligible for the total and permanent disability cash settlement option of the Group Life Insurance Plan (\$15,000) but is not eligible for the Long Term Disability Plan.

9. Exclusions

(a) An employee receiving Long Term Disability Benefits will not be eligible for vacation or statutory holiday pay.

(b) Benefits under the Long Term Disability Plan will not be payable for claims resulting from:

- (i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
- (ii) Any injury or illness entitling the employee to compensation under any Workplace Safety and Insurance Act or similar legislation, or
- (iii) Self-destruction or any self-inflicted injury, while sane or insane, or
- (iv) Disability for which the employee is not under the treatment of a physician, or
- (v) Alcoholism or drug addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.
- (vi) Disability or loss (1) while the employee is on or could be placed on Pregnancy/Maternity Leave or (2) if an employee fails to qualify for Pregnancy/Maternity Leave because of failure to meet the length of service requirements, during the period of Pregnancy/Maternity Leave that the employee could be on if she qualified for such leave, in accordance with the Employment Standards Act 1974, Ontario or any other relevant provincial statutes.

10. Rehabilitation

An employee receiving an amount of Long Term Disability Benefit may be asked to undergo reasonable rehabilitative measures which have been the subject of prior consultation with the employee's doctor, at no cost to the employee. If such employee refuses to undertake such rehabilitation, he may be declared not eligible for an amount of disability benefits.

11. Physical Examinations

The Company and/or insurer reserves the right to require periodic physical examinations throughout the duration of the employee's absence due to disability. Such examinations shall be conducted by a physician or physicians designated by the Company and/or insurer.

All costs of medical reports or doctor certificates requested by the Company or the Insurance Carrier will be paid in full by the Company.

Ratified this 4th day of October, 2002.

McKenzie Forest Products Inc. Local 2693, IWA - Canada

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DENTAL CARE PLAN

Participation in the Company Dental Plan is compulsory to **all** employees.

1. Eligibility

An employee will become eligible for this benefit once they have completed the probationary period.

2. Plan Design

(a) - services and benefits as in Blue Cross No. 7, basic plan and Rider #1

- services and benefits as in Blue Cross Rider #2 - 60%

Maximum \$1500 per year per person.

Effective September 1, 2002 - 2001 ODA rates (one year **lag** to continue thereafter).

(b) services and benefits as in Blue Cross Rider #3, orthodontic 50% with maximum of \$1000 lifetime.

Effective September 1, 2004 - amend \$1000 lifetime to \$1250.

It is understood and agreed that the Plan will provide for the continuation of coverage for the period an employee is off work due to lay-off or Leave of Absence, but in no case beyond the end of the month following in which such absence commenced.

3. Administration

The Plan will be administered in accordance with an appropriate contract or set of procedures reflecting the plan design outlined in Item 2 above. The decision as to the choice of administrative vehicle from among the service carriers, insurance companies or self administration, will be made by the Company on the basis of appropriate study of these alternatives.

4. Premiums

The premium cost of this Plan shall be paid by the Company

5. Integration

The Plan will not provide like benefits where such are currently being provided for by federal or provincial legislation.

if, during the life of this Agreement, federal and/or provincial government shall introduce legislation to provide benefits already covered by this Plan, the Plan shall be amended so as to eliminate said benefits.

Ratified this 4th day of October, 2002.

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