

Tolko Manitoba Inc.

Industrial, Wood, and Allied Workers of Canada, Local 324

PART I - CLAUSES COMMON TO LUMBER AND WOODLANDS DIVISIONS

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 living conditions as specified in this Agreement and to ensure to the utmost extent possible, the safety and physical welfare of the employees, the economy of operations, quality and quantity of output and protection of property. This Agreement, moreover, seeks to provide for fair and peaceful adjustment of all disputes that may arise between the parties. It is recognized as a duty of the parties hereto and of all employees to co-operate fully, individually, and collectively for the advancement of the conditions set forth herein.

1:02 Use of the masculine gender in this Agreement shall be considered also to include the feminine.

1:03 In the event that an Agreement regarding proposed change is not reached prior to the end of the Agreement year, the existing Agreement shall continue in effect during the next Agreement year or until a decision is reached with respect to the proposed changes.

1:04 If any provisions of this agreement or any collective agreement made in pursuance thereof is found to be contrary to the provisions of the law, now or hereafter enacted, this Agreement will not be abrogated, but is subject to such amendments as may be necessary to bring in into conformity with the law.

1:05 The Company and the Union shall cooperate in the formulation and the enforcement of Company rules and regulations to maintain order, discipline and efficiency and to promote measures necessary to assure the maximum safety and health of all employees. In the case of disagreement the procedure for processing other grievances shall apply.

ARTICLE 2 - MANAGEMENT RIGHTS

2:01 The management and the operation of, and the direction and promotion of the working forces is vested exclusively in the Management, provided, however, that this will not be used for the purposes of discrimination against employees.

2:02 The Company shall have the right to select its employees and to discipline or discharge them for proper cause.

ARTICLE 3 - UNION RECOGNITION AND SECURITY

3:01 The Company recognizes the Union, during the term of this Agreement or any renewal thereof, as the exclusive representative of the employees for the purpose of collective bargaining with respect to hours of work, rates of pay and conditions of employment contained in this Agreement, subject to Article 2 above.

3:02 a) All employees covered by this Agreement as a condition of employment, who are now employees, or on the forty-fifth (45th) calendar day from the beginning of their employment, whichever last occurs, shall become and remain members of the Union to the extent of keeping paid all regular initiation fees, assessments, and the regular dues as set by the Union.

b) Any employee who fails to maintain his membership in the Union as prescribed herein by reason of refusal to pay dues and assessments shall be discharged after seven day's written notice to the Company of the said employee's refusal to maintain his membership.

c) All employees, including summer students, who have worked five (5) days or the equivalent forty (40) hours or more in a calendar month will be required to pay Union dues for that month.

All employees who have been employed for a period of thirty (30) calendar days will be required to pay an initiation fee as well as Union dues.

3:03 The Employer agrees to deduct from the pay of each employee who authorizes such deductions, initiation fees, monthly dues, assessments, and accumulated dues not to exceed six (6) months, and to remit such deductions to the Secretary of the Union, Local 324, Post Office Box 1886, The Pas, MB, R9A 1L6, once a month together with a list of the employees showing the amount deducted from the pay of each. The receipt of such by the Secretary, shall constitute full compliance with this Article by the Company. The local Union shall inform the employer in writing of the charges to be deducted and any change which may be authorized from time to time by the employee, such charges and changes are not binding on the employee until received by the Company. The Company agrees to furnish the Union with the Social Insurance Number of all employees when the first Union dues are deducted from the employee's pay.

3:04 The Company shall require all new employees at the time of hiring to execute the following assignment of wages in duplicate, the forms to be supplied by the Union.

IWA-CANADA CHECK-OFF

Date: _____ 20__ Employer _____

PLEASE PRINT Operation _____

Name of Employee _____

Phone _____

Address _____

Social Insurance No. _____

Are you a member of IWA-Canada? _____

In what operation were you last employed? _____

Local Union _____

I hereby authorize and instruct you to deduct from my wages and remit to Local the following in payment of the amounts set out below:

1. Union Initiation Fees in the amount of \$ _____
2. Union Back Dues in the amount of \$ _____
3. Union Dues \$ _____ per month commencing 20
4. Union Assessments in the amount and at the time stated in notice received by you from the local designated above.

I hereby request and accept membership in the IWA-Canada Local 324, and agree to abide by the constitution and by-laws of the organization.

In case of mis-statement of qualification for membership I agree to forfeit all rights, privileges and monies paid.

SIGNATURE OF APPLICANT /EMPLOYEE

CLOCK NO. _____

Duplicate (yellow) copy to be forwarded to the Local Union Office.

This assignment in the case of employees already members of the Union shall be effective immediately and for those employees not previously members of the Union, it shall become effective Thirty (30) calendar days from the date of execution. The Local Union shall notify the Company by letter of the amount of back dues owed by new employees and copies of such letter shall be furnished to the employee and the Committee. The said assignment shall remain effective until and unless the same is revoked in writing by the employee.

3:05 The employer shall submit to the Secretary-Treasurer of the Union, not later than the fifteenth (15) day of the following month, the dues, arrears and assessments deducted, together with a list of names of the employees for whom the deductions were made and also monthly statements showing the names of all additions and deletions of employees.

3:06 Official Union representatives shall have access to the Company's operation for the purpose of administering their responsibilities to the membership and they will make every effort to notify supervision before arriving on site.

3:07 The Company agrees that the Union may post notices on a notice board supplied by the Company for Union business.

3:08 The Company and the Union desire each employee to be familiar with the provisions of this Agreement and his rights and duties under it. For this reason, the Company will have the Agreement printed in booklet form and the management will give a copy to each employee.

ARTICLE 4 - EMPLOYEE'S SECURITY

4:01 There shall be no discrimination, coercion, interference or restraint by the Company or by the Union or by representatives of either party against any employee in accordance with the Manitoba Human Rights code.

4:02 Employees whose regular jobs are not in the bargaining unit shall not work on any jobs which are included in the bargaining unit. In situations involving employee's training or emergencies there will be times when supervisors will operate equipment. This does not mean that supervisors, in carrying out such duties, shall exclude or replace employees in the bargaining unit.

4:03 The expulsion of any employee from membership in the Union shall not be deemed cause for dismissal, except for non-payment of union dues.

4:04 a) At the employee's option, a job steward shall be present during disciplinary action against the employee by the Company.

b) Any employee shall have the right to view his/her own personal file with the Controller or designate.

4:05 a) On each pay day the Company shall mail each employee an itemized statement setting forth the total number of hours worked by the employee concerned during the immediate preceding pay period, the rate of wage applicable to him, all deductions made from his wages whatsoever, the purpose for which such deductions were made, the total amount actually payable to him, and other such information as may from time to time be agreed upon by the parties.

b) Paydays shall be every second Friday. Any pay shortage equivalent to one (1) or more days pay will be paid the next

working day, with allowance for the difficulty of distance in Woodlands considered. Shortages of less than one (1) day's pay will be paid on the next pay cheque.

4:06 An employee hurt in an industrial accident, and attending a doctor, shall be paid for the loss of time on the day he was injured, at his regular hourly rate for his regular scheduled work day.

4:07 In the event of employees sustaining injuries at work, or becoming affected by occupational disease during the course of their employment and becoming physically handicapped as a result thereof, every effort will be made by the Company to give the handicapped employee such suitable employment as is available.

4:08 An employee proven to have been unjustly discharged, suspended or demoted shall be reinstated to his former position and receive pay for all time lost.

4:09 a) Employees undertaking Company approved educational courses, including correspondence courses, upon successful completion shall be entitled to reimbursement of Seventy-five percent (75%) of course fees.

b) Employees undertaking educational courses, including correspondence courses, that are required as a condition of job requirement, the Company will reimburse the employee for one hundred percent (100%) of the course fees upon successful completion of the course.

c) Education Trust Fund. The Company will provide a one-time payment of \$2000.00 to the Education Trust Fund and will contribute a further \$0.01 per employee per hour worked effective March 1st, 1999; and a further \$0.01 per employee per hour worked effective September 1st, 1999; and a further \$0.01 per employee per hour worked effective September 1st, 2000.

The Education Trust Fund will be administered by the Local Union to develop and deliver a range of programs, which could include:

Grievance Handling	Collective Bargaining
Environmental Issues	Land Use
Steward Training	Parliamentary Procedures
Union Promotion & Training	Public Speaking

The contributions will be based on all hours worked and submitted monthly to the Local Union, IWA-Canada, Local 324.

4:10 The Company will pay the cost of occupational license renewals and renewal examinations and will reimburse an employee for the time lost while writing these examinations. These licenses and examinations must be relevant to the employee's job in the Division. Driver's licenses are excluded.

4:11 The Company will supply lock-up facilities for Tradesmen's tools and pieceworker's saws.

Replacement of equipment is conditional upon the following:

a) Lost Tradesmen's tools or pieceworker power saws through fire or theft will be replaced on the basis of an inventory of tools or equipment mutually agreed upon between the employee and a designated Company official.

b) Tools or equipment lost through theft will not be replaced unless there is evidence of forced entry.

c) Replacement of power saws will be made at their depreciated value to a maximum of \$1000.

4:12 The Company will replace Tradesmen's tools broken on the job provided they are produced for replacement.

4:13 The Company shall have insect repellent available for employees' use.

4:14 The Company will sell to employees full packages of lumber for their own use at the existing market price at the time of the purchase. This lumber must be picked up during regular working hours.

4:15 Upon presentation of a voucher from the Clerk of The Court showing fees received for Jury Duty, Coroner's Witness, Coroner's duties and Crown Witness, an employee will be paid the difference between such fees and normal hourly rate for regular straight time Eight (8) hour working days lost as a result of such duties. Employees working on modified schedules (i.e., other than 8-hour shifts) will receive their straight time equivalent weekly pay for each week of jury duty.

ARTICLE 5 – COMMITTEES

5:01 Negotiating Committees

a) The Company agrees that a Negotiating Committee, not to exceed four (4) employees in number, selected by the Union, shall be recognized as the authorized negotiation representatives of the Union.

b) The Union shall supply the Company with names of the employees constituting the Negotiating Committee and shall inform the Company two (2) days prior to the meeting of any changes in the personnel of the said Committee.

5:02 The Company shall deal with the said Committee with respect to proposals for modification of the Agreement as outlined in Article 19. Accredited officials of the IWA-Canada Local 324 may participate in such negotiations.

5:03 Grievance Committee:

a) The Company agrees that a Grievance Committee, not to exceed four (4) employees in number, from each operation selected by the Union shall be recognized as the authorized representatives of the Union to handle all grievances outlined in Article 16 after Step 1 Grievance Procedure.

b) The Union shall supply the Company with the names of the employees constituting the Grievance Committee and shall inform the Company at least two (2) days prior to any meeting of any changes in the personnel of the said Committee.

5:04 The Company shall not pay Committee Members for time lost from work due to conciliation and arbitration proceedings.

ARTICLE 6 - TECHNOLOGICAL CHANGE

6:01 The Company shall give reasonable notice in any case not less than ninety (90) days in advance of intent to institute changes in working methods or facilities which would involve the laying off of employees.

6:02 When technological changes are implemented every effort will be made by the Company to retrain its employees to satisfactorily perform the new duties required of them.

6:03 An employee who is set back to a lower paid job because of automation or technological change will receive the rate of his regular job at the time of the setback for a period of three (3) months and for a further period of three (3) months he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the setback and the rate of his new regular job. At the end of this six (6) month period the rate of the new regular job will

apply. However, such employees will have the option of terminating his employment and accepting severance pay as outlined in 6:04 below, provided he exercises the option within the above referred to six (6) month period.

6:04 Employees discharged, laid off or displaced from their regular job because of mechanization, technological change or automation shall be entitled to severance pay of seven (7) day's pay (8hrs at straight time rate) for each year of service with the Company. The amount calculated under such entitlement shall not exceed a maximum of thirty (30) weeks' pay. Partial plant closures are excluded from the provisions contained in this section.

ARTICLE 7 - CALL TIME

7:01 An employee reporting for work at the marshalling area/Lumber Division at his scheduled starting time for whom no work is available, and an adequate attempt has not been made to notify the employee not to report, shall receive three (3) hours pay at the regular hourly rate. In the event the employee commences work and the operation closes, he shall be entitled to a minimum of four (4) hours at his regular rate of pay.

An adequate attempt to notify means that the supervisor with a shop steward shall telephone the employee(s) at least one half hour prior to the scheduled marshalling or start time. Should the call go unanswered a second call will be made five (5) minutes following the first one. The supervisor shall keep a list of the calls made and the time at which contact was attempted.

7:02 Any employee who is called out for duty any time before or after his regular hours of work, shall perform all pre-determined tasks and will be free when the emergency is over, but nevertheless will be paid four (4) hours or overtime

for hours worked, whichever is greater. Work scheduled one (1) shift in advance but outside of the regular or normal scheduled workweek or work performed by an employee recalled during a layoff is not a call-in.

7:03 It is further understood and agreed that if at any time there is an insufficient number of employees to operate the Lumber mill, through no fault of the employer, who do not report for work at the regular starting time then the balance of the employees on that shift shall not receive call time provided for in Article 7, Section 7:01 of the said Collective Agreement.

ARTICLE 8 - STATUTORY HOLIDAYS

8:01 The following days shall be observed as paid holidays:

New Years Day
Good Friday
Victoria Day
Canada Day
August Civic Holiday
Labour Day
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day (December 26th)

In the event the Province of Manitoba or the Government of Canada proclaim Heritage Day to be a statutory holiday during the term of this Agreement the Company will recognize such holiday as a day off with pay.

8:02 The observance of the above holidays may be made on days other than calendar dates when so proclaimed by the Province of Manitoba, or upon mutual agreement between the Company and the Union. Employees shall be

entitled to payment for any of the above holidays provided that the employee qualifies as outlined in Section 8:06. A holiday falling on Saturday will be celebrated on Friday and a holiday falling on Sunday will be celebrated on Monday and the employee will be entitled to straight time pay only on the original statutory holiday.

8:03 On the original statutory holiday, statutory holiday pay for pieceworkers will be calculated by dividing their gross earnings for the previous payroll month by the number of days worked during that period.

8:04 Employees working on a holiday will be paid at the rate of one and one half ($1\frac{1}{2}$) times their straight time rate in addition to their statutory holiday pay.

8:05 An employee working on a holiday will be paid at the rate of one and one-half ($1\frac{1}{2}$) his rate or appropriate premium rate.

8:06 a) An employee, to qualify for statutory holiday pay must comply with each one of the following three (3) conditions:

i) Have been on the payroll forty-five (45) calendar days immediately preceding the holiday.

ii) Have worked his last regular scheduled workday before and his first regular scheduled workday after the holiday unless his absence is due to illness, compensable occupational injury, or is otherwise authorized by the employer.

iii) Notwithstanding (ii) above, the employee must have worked one (1) day before and one (1) day after the holiday both of which must fall within a period of sixty (60) calendar days.

b) In case of injury or illness in (a) above, the employer shall have the right to request a medical certificate.

c) Employees while on leave of absence for Union business, or any employee while a member of a Negotiating Committee, shall qualify for paid statutory holidays. This section shall not apply to those employees on leave of absence under Article 14, Section 14:03 a) and c).

8:07 If a statutory holiday falls on an employee's normal day off, the employee shall be granted one (1) additional day off in lieu of the holiday with pay, at a time mutually agreeable to the employee and his supervisor.

ARTICLE 9 - ANNUAL VACATIONS

9:01a) An employee who has completed one (1) year of continuous service with the Company shall be entitled to an annual holiday of two (2) weeks and shall be paid five percent (5%) of his total earnings earned in the prior vacation year.

b) An employee who has completed two (2) years of continuous service with the Company shall be entitled to an annual holiday of three (3) weeks and shall be paid seven percent (7%) of his total earnings earned in the prior vacation year.

c) An employee who has completed seven (7) or more years of continuous service with the Company shall be entitled to an annual holiday of four (4) weeks and shall be paid nine percent (9%) of his total earnings earned in the prior vacation year.

d) An employee who has completed fifteen (15) years or more of continuous service with the Company shall be entitled to an annual holiday of five (5) weeks and shall be paid eleven (11%) percent of his total earnings earned in the prior vacation year.

e) An employee who has completed twenty-four (24) years or more of continuous service with the Company shall be

entitled to an annual holiday of six (6) weeks and shall be paid thirteen percent (13%) of his total earnings earned in the prior vacation year.

f) An employee who has completed thirty (30) or more years of service with the Company shall be entitled to an annual holiday of seven (7) weeks and shall be paid fifteen (15%) percent of his total earnings earned in the prior vacation year.

9:02 After one (1) year continuous employment, time not exceeding one (1) year lost as the result of an accident recognized as compensable by the Workers Compensation Board and suffered during the course of employment shall be considered as time worked for the purpose of qualifying for vacation provided that the employee returns to his employment.

9:03 An employee whose employment has terminated shall receive vacation pay at the appropriate rate contained in Sections 9:01 a), b), c), d), e), f).

9:04 The vacation year shall be January 1, to December 31, with January 1st being the common anniversary date. Vacation entitlement shall be as outlined in the Collective Agreement. Employees shall have the option of only taking vacation entitlement required by the Vacations with Pay Act of the Province of Manitoba (2 weeks up to four years and 3 weeks thereafter). The employees shall have the option of taking a cash pay out of all vacation time in excess of the legal minimum by statute. Cash payouts will be made semi-annually on the first paydays after June 1st and December 1st. Cash payouts can be made on a separate cheque. For Woodlands employees the vacation year shall be January 1 to December 31, with January 1 being a common anniversary date. Vacation entitlement must be taken during the year an employee becomes entitled to it.

9:05 An employee shall be entitled to the above vacation only when his service has been continuous. Continuous service shall terminate by reason of an employee:

- a)** Being dismissed for just cause.
- b)** Leaving the employ of the Company.
- c)** Being laid off due to lack of work for more than the length of time as outlined in Article 12, Section 12:03 a) and b).
- d)** Failing to return to work within fifteen (15) days after being notified to return after a layoff.
- e)** Being absent for any other reason for more than the length of time outlined in Article 12, Section 12:03 a) and b).

9:06 Employees shall take vacations at times scheduled by the Company in order to cause the least disturbance to the efficient operation of the divisions. Vacations shall be between January 1st and December 31st. The vacation sheet for preferred vacations will be posted on October 1st and extended to November 30th. The Company will post the schedule by January 1st of each year. Employees will be allowed one-day increments of vacation time at the discretion of the supervisor. If there is an unused balance of vacation it will be paid out at the end of the year.

9:07 Where a statutory holiday falls within an employee's annual vacation period such day shall not count as a vacation day. The holiday shall be taken on the day preceding or following the vacation period.

9:08 An employee who qualifies for vacation pay referred to in Section 9:01 shall be entitled to the increased percentage effective on the employee's personal anniversary date.

If an employee has approved vacation scheduled he will be entitled to receive vacation pay. No other requests for vacation pay will be processed.

ARTICLE 10 - HEALTH AND WELFARE CONTRIBUTIONS

10:01 The Tolko Industries Ltd., Manitoba Solid Wood Division, Health and Welfare Plans shall be administered in accordance with the terms of the current insurance policies. The following is a description of the plans and the insurance plan text that should be consulted for a comprehensive description of the insurance coverage period.

10:02 The Company agrees to provide to its employees the Health and Welfare Plan described in Schedule "A" herein. Employees will be eligible to become members of the plan upon completion of forty-five (45) calendar days of continuous employment with the Company, provided they are at work on that date. If not at work on that date, they will be eligible immediately upon return to work.

a) An employee with more than one (1) year but less than five (5) years of continuous service who is laid off, shall be covered under the Health and Welfare Plan, and Dental Plan, for a period of four (4) months. An employee with more than five (5) years of continuous service shall be covered under the Health and Welfare Plan for a period of six (6) months.

b) An employee with more than forty-five (45) calendar days of continuous service but less than one (1) year shall be covered if laid off due to scheduled vacations.

10:03 Employees on an approved Leave of Absence shall be covered under the Health and Welfare Plan to the end of the calendar month in which the leave was granted.

ARTICLE 11 - PENSION PLAN

11:01 The Company and the Union have established a Pension Plan administered by a joint Board of Trustees. The eligibility and level of pension benefits will be governed in accordance with the details outlined in the Pension Plan text.

Effective September 1, 1995 past service benefit will be increased to \$40/mth. /yr. of service. Future service will be increased to \$50/mth. /yr. of service. These increases will be paid by the employee at a cost of approximately \$0.525/hr.

Effective September 1, 1996 future service will be increased to \$70/mth. /yr. of service. These increases will be paid by the employee at a cost of approximately \$0.54/hr.

Effective September 1, 1997 future service will be increased to \$80/mth. /yr. of service. These increases will be paid by the employee at a cost of approximately \$0.27/hr.

Effective September 1st, 1998 the future service benefit will be increased to \$120.00/month/year of service. This benefit is provided through employee contributions of \$1.52/hour and employer contributions of \$2.107/hour.

ARTICLE 12 - SENIORITY

12:01 a) The Company recognizes the principle of seniority. In the application of seniority, it shall be determined by Solid Wood Division or Woodlands Division seniority but the seniority of each division will be separate and distinct from the seniority of the other.

b) The selection and promotion of supervisory officials from the bargaining unit shall be entirely a matter for the Company's decision, in making such selection or promotion, length of continuous service will be given due consideration.

12:02 In the event of a reduction of forces, the last person hired shall be the first released.

12:03 It is agreed between the parties that seniority during layoff shall be retained on the following basis:

a) Employees with less than one (1) year of service shall retain their seniority for a period of six (6) months.

b) Employees with one (1) or more years service shall retain their seniority for one (1) year, plus one (1) additional month for each year's service up to an additional twelve (12) months. It shall be the employer's responsibility to maintain an address file of the employees and it shall be the employee's responsibility to notify the employer in writing of any change of address.

12:04 For the purpose of establishing seniority for all employees during the term of the Agreement, it is hereby agreed that seniority shall be by number starting with number one (1). When an employee leaves the operation his number shall cease to exist and shall not be given to an employee entering into the employ of the Company.

12:05 Notwithstanding anything to the contrary in this Agreement it shall be mutually agreed that all employees are hired on probation, the probationary period to continue for forty-five (45) calendar days during which time they are to be considered probationary employees only. During this same period no seniority rights shall be recognized. Upon completion of forty-five (45) calendar days they shall be regarded as regular employees and shall then be entitled to seniority dating from the day in which they entered the Company's employ.

12:06 a) When hiring new employees consideration for preference shall be given to those employees having held previous seniority under the collective agreement and who have applications on file.

b) When hiring new employee's consideration for preference shall be given to Tolko Manitoba's present contractors and their employees, after former Tolko Manitoba employees and providing they have applications on file.

12:07 The Company agrees to provide the Union with a seniority list, by division, of the Company's employees by number once each six (6) months, setting out the number, name, camp (Woodlands Division) and seniority with the Company of each employee. The seniority of the employees will be posted on the bulletin boards in conjunction with the list being sent to the Union.

12:08 a) In any case where an employee has been transferred by the Company to a supervisory position and at a later date ceases to be a supervisory worker and the Company desires to retain his services, it is hereby agreed that reinstatement can be made within the bargaining unit, provided, however, that supervisory workers reinstated in the bargaining unit must return within one (1) year to the job held at the time of their promotion to a supervisory position providing the job is not held by an employee having more plant seniority. If the employee returns to the bargaining unit after the expiration of one (1) year from the date of his promotion, he shall return to a base rate job to which his seniority entitles him.

b) Supervisory employees in a) above shall have their seniority frozen while in a supervisory position.

c) Persons transferred out of the bargaining unit for Relief Supervisory Duty with the Company for a period of not more than six (6) months in each calendar year, shall continue to

retain seniority. Employees temporarily transferred out of the bargaining unit for relief purposes will be reinstated in the job they held when they left the bargaining unit without loss of seniority.

Should any special circumstances arise which will require an extension of this provision, the same shall be discussed between the local union and management and, if agreement is reached the period may be extended.

12:09 An employee shall cease to have seniority and his employment shall be terminated if the employee:

- a)** Is discharged for proper cause.
- b)** Terminates his employment with the Company.
- c)** Does not return to work fifteen (15) days after he is called back to work.

12:10 In case of major recalls after reduction in the labour force employees will be notified by Registered Mail at least fifteen (15) days in advance of the commencement of operations. If an employee is unable to work on the specified date, he/she shall notify the Company within seven (7) days of the mailing of the recall notice. It shall be the employee's responsibility to keep the Company informed of his address and phone number during layoff. Recall notice will be sent to the last known address on record of the employee.

12:11 a) During a reduction of work forces when an employee's seniority is such that he will not be able to keep his regular job he may elect to apply his seniority to obtain a job paying a higher rate if he has previously held the job in the operation on a regular basis.

b) He may also elect to apply his seniority to obtain a lower paid job or a job paying the same rate of pay, provided he is

able to perform assigned work. Upon increasing the workforce, an employee shall be returned to service in order of seniority, provided he is able to perform the work.

12:12 Employees exercising their seniority shall be allowed a two (2) day period as a re-familiarization period.

12:13 In the case of layoffs, the Company will notify the employee or employees concerned at least fourteen (14) calendar days in advance unless the lack of work is beyond the Company's control.

12:14 Laid off employees will be recalled to a temporary or emergency position by telephone in order of seniority, subject to their availability at the time of the call.

12:15 In the event the Company requires the planer mill to work up to two (2) weeks beyond the shutdown of the sawmill and log processing areas, the employees from the sawmill and log processing areas will not be able to bump employees from the planer mill during this delayed shutdown, provided the planer mill is scheduled to start up an equivalent amount of time (up to 2 weeks) after the start up of the sawmill and log processing areas.

ARTICLE 13 - JOB POSTING

13:01 a) Vacancies for other than base rate jobs shall be posted in advance for a period of not less than five (5) working days. All job-posting awards will be posted within five (5) working days at the close of the bid date. A copy of the job tender will be available to the bidding employee.

b) The Company will notify the Camp Chairman of job postings and awards.

c) Employees will have one (1) tour to decide if they will accept a permanent job posting. All employees accepting a

permanent job posting will be frozen in that posting for a period of eight (8) months. If an employee accepts a different posting after eight (8) months, that employee will be frozen in that new posting for one (1) year. (12 Months). If an employee accept a different posting after twelve (12) months, that employee will be frozen in that new posting for a period of eight (8) months.

d) In filling vacancies, senior employees shall be given preference provided they are able to perform the work.

e) This section shall not apply to relief replacement of two (2) weeks or less necessitated by illness or injury, or other leave of absence, or to relief replacement of longer duration for employees on vacation, but in filling these vacancies senior employees will be given preference, in accordance with Article 12, Section 12:01 a) provided they are able to perform the work. In the event relief replacements are required for a longer period than defined above, such vacancies shall be posted as relief positions only.

ARTICLE 14 - LEAVE OF ABSENCE

14:01 The Company will grant leave of absence to employees suffering injury or illness for the term of this Agreement subject to a medical certificate if requested by the Company. The employee shall report or cause to have reported to the Company as soon as may be reasonably possible. The employment of any employee not returning to work within one (1) year of his being granted leave of absence may be terminated by the Company unless proper justification for further leave is shown.

14:02 a) Any employee desiring a Leave of Absence must obtain permission in writing from the Company for such leave.

b) All employees on Leave of Absence must return to the position vacated when such leave was granted. While on

Leave of Absence, seniority shall accrue. Consultation between Union and Company will take place before extended periods of Leave of Absence can be granted.

14:03 a) The Company will grant a Leave of Absence to employees who are appointed or elected to Union Office for the term of such office. The employee who obtains this Leave of Absence shall return to the Company within thirty (30) calendar days after completion of his term of employment with the Union.

b) The Company will grant a Leave of Absence to employees who are elected as representatives to attend Union meetings and Union conventions or as member of the Negotiating Committee of the IWA-Canada in order that they may carry out their duties on behalf of the Union.

c) The Company will grant a Leave of Absence to employees to permit them to improve their education at a recognized educational institution as a full time student for a period not to exceed six (6) months. The employee who obtains this Leave of Absence shall report for work to the Company within fifteen (15) days of the completion of his educational training. This training must be relative to the industry.

d) The Company will grant Leave of Absence to employees elected or nominated to full time Federal or Provincial Office. Once elected, Leave of Absence will be granted for the term of such office. Employees elected to Municipal Office will be granted Leave of Absence if requested and needed to fulfil the duties of their office.

e) In order for the employer to replace the employee with a competent substitute, it is agreed that before the employee receives his Leave of Absence, as set forth in Clause a), b), c) and d) above, the employer will be given due notice in writing; in the case of a), c) and d), twenty (20) calendar days; and in the case of b), five (5) calendar days.

14:04 The Company will not grant Leave of Absence to employees who desire to obtain employment with another employer or any other gainful employment.

14:05 BEREAVEMENT LEAVE: In the event of a death of a father, mother, brother, sister, husband, wife, son, daughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, step parent, grandparent, grandchild, legal guardian or ward of an employee, the employee shall receive up to three (3) consecutive days leave, these days to include the date of the funeral.

Additionally, in the event of the death of a spousal grandparent or parent such leave will also be granted where one (1) spouse is recognized by a declaration of the common-law relationship on file.

In the event three (3) days are not sufficient to attend the funeral, further leave shall be granted without pay.

The employee will be paid eight (8) hours pay at his regular straight time rate for each day that falls on his regular scheduled work day. The Company may require proof of relationship and date of funeral.

14:06 LEAVE OF ABSENCE: Any permanent employee with a minimum of ten (10) years of continuous service may be granted a leave of absence to a maximum of eight (8) months, subject to the following rules:

a) Seniority will be retained.

b) Each employee may be granted such leave only once during the term of their employment;

c) A maximum number of three (3) employees may be absent on such leaves at any one time with only one (1) from any given area;

d) The request for this leave must be in writing stating the reasons for such absence; and

e) The premium cost for an employee on such extended leave shall be borne by the employee.

14:07 Parental leave will be granted in accordance with the appropriate act.

14:08 COMPASSIONATE LEAVE: By mutual agreement leave of absence will be granted to a maximum of six (6) months without pay to employees for compassionate reasons conditional on the following terms:

a) That the employees provide the Company as much notice as possible.

b) That the employees shall disclose the grounds for application.

c) The Company shall grant such leaves where a bona fide reason is advanced by the applicant, provided relief is available.

d) The Company will consult with the local union in respect of any application for leave under this section.

e) Employees on leave of absence pursuant to this section will pay their own premiums for all Health & Welfare benefits.

ARTICLE 15 - HEALTH & SAFETY

15:01 The Health & Safety Committee shall consist of not more than eight (8) members no less than four (4) members including two (2) co-chairman, one (1) chosen by the employer's members and the other chosen by the Union members, and the co-chairman shall alternate the function of chairing the meetings of the committee and shall participate fully in the deliberations and decisions of the Committee.

15:02 The general duties of the Health & Safety Committee shall be:

a) To make a thorough inspection not less than once a month of the entire operation for the purpose of determining

hazardous conditions, to check on unsafe practices and to receive complaints and recommendations with respect to these matters.

b) To investigate promptly all serious accidents and any unsafe conditions or practices which may be reported to it. Such investigations shall include accidents, which might have caused serious injury to a workman whether or not such injury actually occurred.

c) To hold regular meetings at least monthly for the discussion of current accidents, their causes, suggested means of preventing their recurrence and reports of investigations and inspections.

d) The Company will keep a record of all investigations, inspections, complaints, recommendations, and minutes of the meetings on behalf of the Health & Safety Committee. The minutes shall indicate what action has been taken with respect to the suggestions or recommendations previously made and if no action has been taken, the reasons therefore shall be given. Copies of minutes shall be sent promptly to the Workplace Safety and Health Division, Industrial Relations Department and local Union.

e) To investigate fire conditions, examine fire escapes, fire extinguishers, water buckets, sand buckets, and all fire fighting appliances.

f) To inspect lighting arrangements in all places of employment, and to report to management all insufficiently lighted passageways and other portions of the plant where workmen are liable to be injured in the course of their employment.

g) All safety meetings and safety tours to be conducted on Company time with no loss of normal earnings.

15:03 a) St. John's Ambulance First Aid Courses will be made available outside normal working hours to all employees who desire to be trained and one (1) trained employee in each work area of the Woodlands Division and

one (1) trained employee on each shift in the Lumber Division will receive the first aid allowance.

b) For designated Standard ticket holders a premium of \$0.50/hour will be provided and a designated employee with an advanced ticket will be provided with a premium of \$0.75/hour.

Employees holding a valid first aid ticket (basic St. Johns or better) and who are not the designated first aid attendant, will be paid \$.05/hour for holding such a ticket.

15:04 The Company will consult and cooperate with the Workplace Safety and Health Committees in establishing the safety apparel to be used in the workplace.

15:05 - LOCK-OUT PROCEDURES

What is a Lock-out Requirement?

The lockout requirement is a requirement of all employees to isolate and secure the **energy source** to pieces of equipment that could move or be caused to move while you are working in hazardous areas around the equipment.

Lockout requirements apply to all personnel from clean up crews, to operators, to maintenance and contractors.

The main purpose for having lockout procedures in place is to protect you and others from injury caused by moving equipment.

The “lock-out” in lockout procedures occurs when you secure, with your lock, the switch or valve of the *energy source* for the specific piece of equipment you will be working on. Your lock prevents anyone from re-energizing the piece of equipment.

LOCK-OUT GUIDELINES

- 1.** This *LockOut* guideline is instituted to prevent accidental operation of equipment, which could cause bodily injury to anyone. Written *Lockout* Procedures will be reviewed with you in your “Job Safety Analysis” (JSA’s) for your particular job.
- 2.** It is the duty of every person working on equipment to “*Lock-Out*” the equipment in a manner described in the *LockOut* Procedures.
- 3.** When any worker is required to work on or around any machine where starting of that machine could constitute a hazard, the machine shall be stopped at the control button and then “Locked-Out” at the main switch or valve controlling the flow of power, electrical, air, water, hydraulic, compressed gas, steam or gravity.
- 4.** After “Locking-Out” the worker must check the equipment to ensure that it cannot be operated by pressing the “Start” button. The worker at this point must again press the “Stop” button. All pressurized systems must be bled down to de-energize them where applicable. Install all safety pins and blocking that may be required to ensure your safety.
- 5.** Each worker must “*Lock-Out*” equipment personally. If there is more than one lock to be put on a power source and a second worker places their lock on the power source, the second worker must ask the first worker to step back while the second worker tests the start button and so on for each additional lock placed on the power source.
- 6.** All locks must bear the name or number of the user. Inspection of locks will be made periodically to ensure the name or numbers are legible.
- 7.** Scissor clamps and cable/chains are supplied to facilitate the use of more than one lock on a “*Lock-Out*” position.

8. If in doubt about the location of the switch or the method of pulling it, call your Supervisor. When pulling the switch use your left hand and stand to the right of the switch.

WHEN TASKS ARE COMPLETED:

1. Make sure all tools and loose parts are cleared out, doors are closed, guards are replaced, safety pins and blocking are removed and all other workers are clear of the machine. Only then can the locks be removed and the power turned on.

2. Locks can only be removed by the person who applied the locks, no other person can remove your locks nor can you remove theirs. The only method for lock removal other than by the worker whom applied the lock is by following the lock removal guidelines (attached).

3. The last worker to remove his/her lock from the switch has the responsibility to make sure no other worker has inadvertently entered the machine and could be injured if the machine was turned on.

4. Remove all your locks from the switches or valves and throw them to the "ON" position taking the same precautions you did when throwing the switches "OFF".

5. If a machine is required to be test run after cleaning, repairing or adjusting, get the operator to start up or return to the start buttons and try the machine yourself.

6. If the above procedure (#5) is not required, inform the Operator or the Supervisor that you have finished and the machine is safe and can be returned to production.

LOCK OUT DURING SHIFT CHANGE:

1. Workers coming on shift shall place their own locks on all control devices before the individuals going off shift remove

their locks, or the Supervisor may Lock-Out the control devices during shift changes to allow workers going off shift to remove their locks.

2. Workers coming on shift must check equipment to ensure that it cannot be operated by pushing the start button then the stop button.

3. Failure to comply with these rules is cause for disciplinary action by the Company. The disciplinary action for a LockOut Violation is an automatic suspension.

YOU ARE LOCKING OUT TO PROTECT YOURSELF AND YOUR FAMILY

PROCEDURE FOR LOCK REMOVAL

PURPOSE:

The purpose of this procedure is to ensure a safe, acceptable manner by which personal locks may be removed when the owner of the locks is unavailable.

PROCEDURE:

1. Supervisor to be called when owner of the locks cannot be located.

2. Supervisor and Safety Committee member jointly check the lock for worker's name or number.

3. Supervisor and Safety Committee member jointly conduct check for worker.

- ✓ Check area, ask other workers if they know where worker is
- ✓ Phone workers home.
- ✓ Call workers cellular number if known.
- ✓ Call areas frequently visited if known.

AFTER ALL EFFORTS TO CONTACT WORKER HAVE FAILED:

1. Supervisor obtains duplicate key from Security.
2. Supervisor and Safety Committee member again check area and equipment.
3. Upon being certain the equipment is safe to operate, the Supervisor may remove the lock and give instructions to energize the switch.
4. The key can now be returned to Security.
5. Fill out Lock Removal Form 11 and send to the administrative assistant.
6. Supervisor must review "*Lock-Out Guidelines*" with worker before he/she commences their next shift.
7. Administrative Assistant will ensure Manager and Safety Supervisor are aware of the situation.

Supervisor's "CHECK LIST" is attached.

This form is to be completed in full on each occurrence of lock removal.

LOCK-OUT PROCEDURES FOR MOBILE EQUIPMENT:

To reduce the possibility of injury to you and/or to prevent property damage, a lockout tag ("Danger- Do Not Start") will be used when repairing, servicing, inspecting or cleaning equipment.

- a) Operators, mechanics and welders who repair, service, inspect or clean, operate equipment shall use a lockout tag which they shall carry on them or be sure they have on the machine.
- b) Before a job is started, the equipment is to be tagged on the ignition switch, steering wheel, master switch or cab doors.

- c) All persons working on equipment attach a tag, and when the job is completed, the tag is to be removed by the person who put the tag on, unless off shift.
- d) In cases where a lock-out tag cannot be removed by the person who put on the tag or the person cannot be found, the supervisor/owner may remove the tag after checking with the person that will be working on that piece of equipment to ensure that the work is completed. Both will sign off on the tag.
- e) Under no circumstances is equipment to be started, operated or moved with a lockout tag attached.
- f) Lockout tags available at Supervisors office, and should be carried in all lunch kits.

SUPERVISORS' CHECKLIST – LOCK REMOVAL

DATE: _____ TIME: _____ a.m. _____ p.m.
 DEPARTMENT: _____ BELONGS TO: _____
 EQUIPMENT LOCKED OUT: _____

When checking personal lock out regarding possible lock removal, conduct the check jointly, preferably with a Safety Committee member and a Shift Supervisor.

Did a witness observe employee leaving the plant site? _____

Have you tried to contact the worker? YES NO

WHERE? _____

WHEN? _____

If unable to locate the individual have you made a physical check of the equipment in question?

YES NO

Upon being certain the equipment is safe to operate, the Supervisor may remove the lock by obtaining the key from Security.

Lock is to be left with the Supervisor. Before lock is returned, the Supervisor must review LockOut Procedures with the owner of the lock before he/she commences his/her shift.

Lock Out Reviewed _____

Date _____

Lock Returned _____

Date _____

COMMENTS _____

Date: _____

Signatures:

Supervisor _____

Employee _____

ARTICLE 16 - ADJUSTMENT OF GRIEVANCES

16:01 It is the intention of the Company and the Union that by execution of this Agreement industrial peace will be maintained and that the Union and the Company shall cooperate to that end and that work will be done efficiently and without interruption.

16:02 It is the mutual desire of the parties hereto that the complaints of employees to be adjusted as quickly as possible and it is generally understood that an employee has

no grievance until he has given his foreman an opportunity to adjust his complaint.

16:03 The Company and the Union mutually agree that should any grievance arise between the parties to this Agreement as to its interpretation, application or violation, it shall be dealt with, without stoppage of work in the following manner:

Step 1: The individual employee with a job steward of his choice shall first take up the matter with his immediate supervisor within fourteen (14) calendar days of the origin of the grievance. The supervisor shall reply within five (5) working days. Failing satisfactory adjustment and no later than five (5) working days from the date of which the supervisor is required to reply then;

Step 2: The matter shall be taken up in writing by the same employee and the grievance committee with a higher level of management. Within five (5) working days of receiving the grievance in writing, management must respond in writing. Failing settlement then.

Step 3: The matter shall be taken up by two authorized members of the Union Executive with the Division Manager or his delegate and another member of management. A response must be given in writing ten (10) working days from the time the matter was discussed.

The grievor is entitled to be in attendance at all steps of the grievance procedure.

16:04 a) If a grievance has not advanced to the next step under Steps 1 or 2, within five (5) working days after the completion of the preceding step, then the grievance shall be

deemed abandoned. In the event of the absence of authorized agents of the Company or the Union, the time limit may be extended by mutual consent.

b) Either party may, within the following fifteen (15) days after the completion of Step 3, refer the matter to arbitration as provided in the Manitoba Labour Relations Act.

16:05 The Union shall promptly notify the Company of the personnel of its Grievance Committee and of any change in personnel; and the Company shall notify the Union of the names of the officials of the Company referred to herein.

16:06 As far as practical, all grievances will be dealt with at the close of the regular work shift or in the case of the night shift, prior to the beginning of the regular work shift without loss of earnings. Where grievances are dealt with outside of regular working hours at the request of the Company, the employees engaged in the discussion of the grievance shall be paid at straight time rate of pay for the time so spent. The aggrieved employee or employees, providing they are present, shall be considered as participating in the discussion of the grievance.

16:07 The job steward on duty will be allowed sufficient time on any shift for the purpose of handling grievances, in such instances, he must secure permission from his supervisor prior to undertaking an assignment. Permission will not be unreasonably withheld.

16:08 The job steward or his appointee shall be employees of the division where the grievance originated.

16:09 The Company shall advise the Union in any case where an employee has been discharged. Such advice to be provided at the earliest possible time. In cases where the Union considers it necessary to contest a discharge, the

matter shall be dealt with through the provisions of Article 16, Section 16:03, Step 3.

16:10 The business agent for the Union shall be entitled to represent and/or assist the Grievance Committee at any step in the grievance procedure.

16:11 In the event of any violation of this agreement between a contractor and an employee of a contractor, the matter shall be referred in writing to the grievance procedure at Step 1. If the matter is not resolved, the response at Step 1 shall also be in writing. The Company shall be responsible for any violation of the Collective Agreement beyond that point.

16:12 It is agreed that written response to grievances should include the reason(s) for denying the grievance.

ARTICLE 17 - ARBITRATION

17:01 The parties have agreed to the concept of pursuing alternative means of dispute resolution. This may include grievance mediation, "referee" systems, or other similar systems.

17:02 a) When either party decides to submit a grievance to arbitration as per Article 16:04 b), then the other party shall be so notified in writing by registered mail.

b) The parties have agreed on a panel of arbitrators to be used, if required, during the term of this agreement.

c) If the parties fail to agree on the selection of a single arbitrator from among the panel, they shall request the honourable Minister of Labour of the Province of Manitoba to make the appointment from among the said panel.

d) In the event that the arbitrators provided for in this section are not available to preside as arbitrator, the parties agree

that they will request the Honourable Minister of Labour of the Province of Manitoba to appoint a temporary replacement.

17:03 No person shall be appointed as an arbitrator who has been involved previously in an attempt to negotiate or settle the grievance.

17:04 In the case of arbitration, the conferring parties may have the assistance of the employee or the employees concerned and any necessary witnesses, and all necessary arrangements will be made to view disputed operations and to confer with the necessary witnesses.

17:05 The remuneration and expenses of the Arbitrator shall be borne equally by the Company and the Union. Witness fees and allowances shall be paid by the party calling the witness.

17:06 The proceedings and decision of the Arbitration Board shall be expedited by the Company and the Union. The decision of the majority of such Board shall be final and binding upon the parties hereto, but the arbitrator shall not be authorized to make, nor shall they make, any decision or recommendation inconsistent with the provisions of this Agreement, nor alter, add to, modify or amend any part of the Agreement, or make any general changes, such as changes in wage rates, nor deal with any matter not covered by this Agreement.

17:07 In all cases of interpretation or arbitration of the terms of this Agreement, the text of the original signed copies shall govern.

ARTICLE 18 - MAINTENANCE AND PROTECTION DURING SUSPENSION OF WORK

18:01 It is agreed that neither the Union nor the employees of the Company shall in any way authorize, condone, support, or participate in any slowdown, suspension of work, walk out, strike, or picketing by any employee or groups of employees during the life of this Agreement or while negotiations for the renewal of this Agreement are in progress subject to the provisions of Article L-5, Section L-5:02.

18:02 It is agreed by the Company that there be no lockout during the life of this Agreement or while negotiations for renewal of this Agreement are in progress.

18:03 It is agreed that at all times, whether during the term of this Agreement or otherwise and for any cause whatsoever the Company's property shall be protected and the Company's plant, equipment and inventory shall be left in a good and safe condition by the employees. No employee shall leave his work without first assuring that all prescribed safety provisions have been complied with.

18:04 It is also agreed that those employees who are required to remain at work to fulfil the functions as provided in Article 18, Section 18:03, shall be available as required for such work during any suspension of regular operations.

18:05 The employees referred to in Article 18, Section 18:04 shall be paid the regular wage rate applicable to their respective classifications in effect at the time they were required to perform the work contemplated by Article 18, Section 18:03 and 18:04.

ARTICLE 19 - DURATION OF AGREEMENT

19:01 The provisions of this Agreement shall become effective from the first day of September 1, 2001 and shall,

notwithstanding any statutory provisions to the contrary, continue in force and effect until the 31st day of August, 2006 and thereafter from year to year, provided that either party may, not less than thirty (30) days nor more than ninety (90) days before said expiry date of August 31, 2006, serve notice in writing by Registered Mail, on the other party to terminate or negotiate a revision of this Agreement, and where notice is given the party shall forthwith bargain collectively with a view to the renewal or revision or conclusion of a new Agreement.

ARTICLE 20 - TRANSFERS

20:01 Employees of Tolko Manitoba Solid Wood Div., with more than one (1) year of continuous service who are transferred from one division to another will be entitled to maintain the Health and Welfare benefits to the division they transfer to and will maintain Company seniority for purposes of vacation entitlement only.

SCHEDULE "A" - HEALTH AND WELFARE

I. GENERAL PRINCIPLES

- a)** Premium cost for insurance shall be paid by the Company.
- b)** Participation in the Plan is to be a condition of employment.
- c)** Coverage will be portable for employees moving between the Lumber Division, Woodlands Division or Moose Lake Loggers and there will be no waiting period for such qualified employees.
- d)** The Company will mail a weekly indemnity form to an employee at his request.
- e)** Benefit coverage will continue where an employee is absent from active employment and is being paid wages by the Company during his absence. Benefit coverage will

cease on the cessation of active employment except that under the following circumstances, coverage will continue as indicated:

1) If a covered employee is absent on Workers Compensation claim for temporary disability, coverage for Group Life, A.D.&D., Medical and Dental will continue during the period in respect of which the employee receives Workers Compensation temporary disability time loss payment to a maximum of three (3) years.

2) If a covered employee is absent on weekly indemnity claim under the plan coverage will continue during the period in respect of which the covered employee receives weekly indemnity benefits under the plan.

3) If a covered employee is absent on a Long Term Disability claim, coverage for Group Life, A.D.&D., Medical and Dental will continue during the period in respect of which the employee receives Long Term Disability benefits to a maximum of two (2) years.

4) Benefit coverage will continue to the end of the calendar month only for an employee who is on an authorized leave of absence. Employees on a leave of absence may apply in writing if they wish to continue their benefits at their own expense.

5) Employees who are in receipt of W.C.B. or L.T.D. benefits will be granted a leave of absence until they are able to return to work, or are declared totally disabled or reach age 65.

6) The Company will provide the Union with updated copies of the insurance plans as they become available.

7) Coverage for regular employees on layoff: 1—5 years of seniority, 4 months; 5 years or more 6 months.

f) In the event a Weekly Indemnity (WI) cheque is delayed by more than two weeks after the employee had submitted the required paper work, the Company agrees to advance the equivalent amount to the employee. The employee agrees to sign the WI cheque over to the Company. In the

event the WI claim is denied, the employee will reimburse the Company for the monies advanced.

II. WEEKLY INDEMNITY

The Company will pay the full cost of the following Weekly Indemnity Plan, providing for a fifty-two (52) week period of disability with benefits commencing the first day of a non-compensable accident, the first day of hospitalization as a bed patient, and on the fourth (4th) day of sickness. The Union accepts the improved Weekly Indemnity coverage as payment in kind of the employee's share of the reduction in E.I.C. premium resulting from the qualifications of the Weekly Indemnity Plan under U.I.C. regulations.

Scale of Hourly Job Rates and corresponding Weekly Indemnity coverage as listed below. This scale will come into effect on the date of ratification of this Agreement.

Coverage will be seventy percent (70%) of normal earnings to a maximum as outlined in the scale below.

For the periods that are less than one calendar week the benefit entitlement will be calculated on the basis of 70% of normal daily earnings up to the corresponding maximum.

Table of Hourly Job Rate Brackets & Corresponding Coverage: Weekly Benefit

Hourly Rate	Sep. 1, 01	Sep. 1, 02	Sep. 1, 03	Sep. 1, 04	Sep. 1, 05
0.25 – 20.49	530	530	530	530	530
20.50 – 20.74	535	535	535	535	535
20.75 – 20.99	540	540	540	540	540
21.00 – 21.24	545	545	545	545	545
21.25 – 21.49	550	550	550	550	550
21.50 – 21.74	555	555	555	555	555
21.75 – 21.99	560	560	560	560	560
22.00 – 22.24	565	565	565	565	565
22.25 – 22.49	570	570	570	570	570
22.50 – 22.74	575	575	575	575	575
22.75 – 22.99	580	580	580	580	580
23.00 – 23.24	585	585	585	585	585
23.25 – 23.49	590	590	590	590	590
23.50 – 23.74	595	595	595	595	595
23.75 – 23.99	600	600	600	600	600

24.00 – 24.24	605	605	605	605	605
24.25 – 24.49	610	610	610	610	610
24.50 – 24.74	615	615	615	615	615
24.75 – 24.99	620	620	620	620	620
25.00	625	625	625	625	625

Third Party Subrogation:

The Weekly Indemnity Plan will be reimbursed from damages recovered from a liable third party for illness, injury or income loss. The Plan will be entitled to recover the full amount of benefits paid to the employee, which exceeds 100% of the employee's pre-disability gross income. Gross income will be calculated by using the employee's regular hourly job rate times (x) 40 hours. Legal fees shall be deducted from said benefit/damages prior to establishing the employees benefit.

III LONG TERM DISABILITY

a) The Company will provide a Long Term Disability program based on fifty-five percent (55%) of an employee's normal annual earnings, less offsets, to a maximum monthly benefit of nineteen hundred dollars (\$1900) from the date of expiration of weekly indemnity coverage to age 65. Normal annual earnings is defined as an employee's regular straight time hourly rate multiplied by 2080 hours.

b) Insurance coverage from private sources will not be included as an offset to the payment of Long Term Disability benefits.

Effective September 1, 1995 an employee who is under 60 years of age and has previously reached his/her 10 year anniversary on long term disability, will have his/her future disability benefit recalculated using the greater of his/her existing long term disability benefit or a recalculation using the base rate effective September 1, 1995.

An employee who reaches his/her 10 year anniversary on long term disability on September 1, 1995 or later, and is under sixty years of age at that time, will have his/her future long term disability benefit recalculated using the greater of their existing long term disability benefit or a recalculation using the base rate effective on the date of that 10th anniversary.

IV GROUP LIFE

The Company will provide group life insurance coverage, insuring each employee for twice his annual earnings, as defined in III above.

Notwithstanding this, effective September 1, 1986, the level of insurance for pieceworkers will be the greater of their previous years annual earnings or 2080 hours x the Power Saw Operator's rate.

V ACCIDENTAL DEATH AND DISMEMBERMENT

The Company will provide A.D.&D. coverage insuring each employee for once annual earnings as defined in III, above.

Death	200%
Loss of both hands or both feet	200%
Loss of both eyes	200%
Loss of one hand and one foot	200%
Loss of one hand and one eye	200%
Loss of one foot and one eye	200%
Loss of one hand or one foot	100%
Loss of one eye	100%

Loss of thumb and
and finger of the
same hand

50%

VI COMPREHENSIVE HEALTH PLAN (EMPLOYEES & DEPENDENTS)

1. Manitoba Medicare

The Company will contribute to all employees' Manitoba Medicare to a maximum of present cost per year.

2. The Company will provide the following coverage:

a) Medical - (N.B. There is no deductible for this section of the Plan). **COVERAGE;**

i) The difference between the cost of semi-private accommodation in an accredited Manitoba Hospital and the standard ward rate paid by Manitoba Medicare.

ii) Up to five dollars (\$5) per day to a maximum of one hundred eighty (180) days while confined in a nursing home or convalescent hospital in any one year.

iii) The difference between the cost of hospitalization outside Canada, including semi-private accommodation and other hospital expenses, and the cost of these services paid by Manitoba Medicare. There is no daily maximum and the plan pays for ninety percent (90%) of the above-incurred expenses.

b) Major Medical (N.B. There is no deductible for this section of the Plan). The maximum payable by the insurance carrier under this section is fifteen thousand dollars (\$15,000) per employee in any three (3) year period.

i) This portion of this section is covered at one hundred percent (100%).

- prescription drugs
- professional ambulance service

- diagnostic services not covered under Manitoba Medicare
- Medical appliances such as artificial limbs, wheelchairs, etc.
- Optical care, including the cost of frames and lenses, contact lenses, trifocals, artificial eyes and the fitting of prescription glasses to a maximum cost per person of two hundred dollars (\$200) in any two (2) year period effective September 1, 1998; \$250.00 effective September 1, 1999.
- ii) This portion of this section is covered at eighty percent (80%).
 - services of a registered nurse
 - dental repair as a result of an accident
 - Effective September 1, 1998; hearing aid coverage increases to \$450.00 per family per year.
 - private room up to ten dollars (\$10) per day additional if recommended by a licensed physician or surgeon.
 - services of a licensed osteopath, podiatrist, physiotherapist, up to six dollars (\$6.00) per visit with a maximum of fifty (50) visits per family per year.
 - Services of a licensed chiropractor up to ten dollars (\$10) per visit with a maximum of fifty (50) visits per family per year.
 - extra billings of a licensed physician or surgeon outside Manitoba with no maximum limitations.

VII DENTAL CARE PLAN (EMPLOYEE & DEPENDANTS)

The Company will pay all of the premiums for this plan.

1. Benefits

a) Diagnostic Services

All necessary procedures to assist the dentist in evaluating the existing conditions to determine the required dental treatment including:

- i) Oral examination
- ii) Consultations
- iii) X-rays (complete mouth X-rays will be covered only once in a three (3) year period.

b) Preventive Services

All necessary procedures to prevent the occurrence of oral disease, including:

- i) Cleaning and scaling
- ii) Topical application of fluoride
- iii) Space maintainers

c) Surgical Services

All necessary procedures for extractions and other surgical procedures normally performed by a dentist.

d) Restorative Services

All necessary procedures for filling teeth with amalgam, synthetic porcelain, and stainless steel crowns. Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restorations.

e) Prosthetic Repairs

All necessary procedures required to repair or relines fixed or removable appliances.

f) Endodontics

All necessary procedures required for pulpal therapy and root canal filling.

g) Periodontics

All necessary procedures for the treatment of tissues supporting the teeth.

h) Prosthetic Appliances and Crown and Bridge procedures.

- i) Crowns and Bridges

ii) Partial and/or complete dentures, but not more than once in five years.

i) Orthodontics

The services of a certified orthodontist registered as such by the College of Dental Surgeons of Manitoba only after the patient has been covered continuously for twelve (12) months. Appliances lost, broken, or stolen will not be replaced. These services are only available for dependent children up to their nineteenth (19th) birthday. Lifetime maximum benefit is \$2500.00 per family for all services by an orthodontist effective September 1, 1998 and a \$3000.00 lifetime maximum for children only.

2. Co-insurance

In respect to benefits a) to g), the Plan provides reimbursement of eighty percent (80%) of eligible expenses. Benefits h) and i) will be subject to sixty (60%) percent co-insurance.

SCHEDULE "B" - TRADES APPRENTICE PROGRAM

The purpose of the Agreement is to assist interested and qualified men in furthering and developing their skills, and to provide tradesmen of the highest possible calibre to the Company's operations.

The program will cover all designated trades, or trades to be incorporated in accordance with the Company's requirements.

The term of each apprentice's training will be in accordance with the Manitoba Department of Labour Apprenticeship Board rules and regulations.

Applicants for entry into the program will be subject to meeting the standards required by the Department of Labour Apprenticeship Boards.

I ENTRY STANDARDS

1. Education

Applications will be accepted from applicants who meet the educational level specified by the Apprenticeship Branch.

2. Age Limit

Entry will be limited to new applicants aged 18 years or over.

3. Testing

Applicants who meet the criteria established in 1 and 2 above will be required to pass a mechanical aptitude test.

II SELECTION

Apprenticeship openings will be filled in accordance with the provisions of Article 13 Job Postings. However, only those employees who meet the criteria established in 1 and 2 above may apply and be tested. The successful applicant will be selected from applicants scoring seventy-five percent (75%) or better in their test, based on Woodlands and Lumber seniority where applicable.

The openings for apprenticeship training will be determined by the Company and its requirements. One application per employee will be considered for the Apprenticeship Program therefore each candidate must decide regarding the trade he desires before filling his application.

The Company intends to train its own employees, however, if no qualified employees apply for apprenticeship openings, the Company may hire new qualified employees to enter the program.

III GENERAL

1. A Joint Apprenticeship Committee will be formed, comprised of two union and two management representatives with the Maintenance Superintendent acting as co-ordinator.

The Committee is expected to:

- a) Review test results on initial applications
- b) Periodically review apprentice programs
- c) Make such recommendations as it deems necessary from time to time for improvements to the program.

2. Apprentices will be required to perform work in accordance with the following general outline:

a) First Year - The apprentice will work as a trades helper taking necessary direction and instructions of the journeyman and/or his supervisor.

b) Second Year - The apprentice shall be qualified to assist the journeyman and work under the direction and instructions of the journeyman and/or his supervisor. He will work alone at times performing assignments in keeping with his training.

c) Third Year - The third year apprentice will be required to perform work of increasing complexity and in accordance with his tools and his training. He may work alone frequently, but occasionally will require direction or assistance from a Journeyman and/or his supervisor.

d) Journeymen must be qualified to carry out the responsibilities of their trades as outlined by the Act, and be able to direct assistants.

3. All journeymen tradesmen shall be required to have, and shall not qualify for, the journeyman's rate unless they have a full kit of hand tools necessary to perform the job for which they are hired with the exception of machinery and tools

which shall not be deemed to fall within the responsibility of the journeyman.

Apprentices shall be required to have and maintain a basic tool kit and be in the general process of building up the necessary tools to equip himself for the job. Tools must be acquired year by year, as shown.

4. Vacations may not be taken as a group and no apprentice may take his vacation at a time that is in conflict with his appropriate school term.

5. Apprentices will have all rights and responsibilities under the Labour Agreement.

6. There will be a probationary period of up to three (3) months prior to entering into an apprenticeship agreement, during which time the apprentice may return or be returned to his original job without loss of seniority. During the probationary period, any candidate who fails to meet the Company's requirements will be returned to his previous job. Employees hired directly into apprenticeship training failing to pass the probationary period will be able to apply their Lumber/Woodlands seniority where applicable.

7. Those employees entering the Apprenticeship program or those presently in the program shall be paid the following rates:

APPRENTICESHIP PROGRAM

EFFECTIVE

Length of Time	Sept. 1/01	Sept. 1/02	Sept. 1/03	Sept. 1/04	Sept. 1/05
0 - 3 Months	\$ 22.52	\$ 22.97	\$ 23.43	\$ 23.90	\$ 24.38
4 - 12 Months	\$ 23.31	\$ 23.78	\$ 24.25	\$ 24.74	\$ 25.23
13 TO 24 Months	\$ 23.86	\$ 24.33	\$ 24.82	\$ 25.32	\$ 25.82
25 TO 36 Months	\$ 24.63	\$ 25.12	\$ 25.62	\$ 26.13	\$ 26.66
37 TO 48 Months	\$ 25.38	\$ 25.89	\$ 26.41	\$ 26.94	\$ 27.48

If an applicant is qualified to write and pass the examination at any stage of the program, he shall have the right to slot in at that stage.

Apprentices who have obtained a journeyman certificate shall be paid at the ticketed tradesman rate.

8. There will be a training syllabus designed for each trade. A record will be maintained of each apprentice's progress.

9. Training - Schooling:

The Provincial Apprenticeship Board recommends that apprentices spend time in the practical aspects of their trade prior to entering their annual school term. In this case, as the probationary period for apprentices is three (3) months, apprentices will not enter school prior to the completion of their three-month probationary period.

10. Thereafter, entry into school will depend on the schedule of school sessions set up by the Apprenticeship Board. The Company will make up the difference between the Canada Manpower Training and Assistance Program Allowance and the employee's normal earnings (based on the regular straight time hourly rate multiplied by 40 hours per week) for the duration of the school term. Upon completion of each period of training in an approved vocational school, apprentices will be required to pass examinations set by the Apprenticeship Branch. In the event of failure to pass the examination, apprentices shall be required to be re-examined within 12 months. Failure to pass the second examination will result in the apprentice being removed from the program. Apprentices removed from the program will return to their original position. In the event the original position no longer exists, he will return to one with an equivalent rate.

Existing Maintenance employees hired prior to September 1, 1981 and still in our employ who have not obtained a Journeyman's ticket will be encouraged to enter the program at a level to be individually determined by the Apprenticeship Branch. Persons presently employed as Journeymen who do not wish to become certified, or who take the technical qualifications examination and fail shall continue to be employed as journeymen, and if a person presently employed as a journeyman fails to pass the test for a voluntary Technical Qualifications Certificate, he can then become indentured as an apprentice. Once started in the Apprenticeship Program, subject however to the provisions of the Collective Agreement, the apprentice shall have the right to continue providing he passes all prescribed tests as provided for him by the apprenticeship regulations, and work is available to him. Upon completion of his first year of apprenticeship an apprentice shall not be affected by operational curtailment as it applies to other employees exercising their seniority.

**SCHEDULE "C" - LETTER OF UNDERSTANDING
REHABILITATION PROGRAM**

Where an employee is permanently disabled and unable to perform their regular duties a representative of the Company, a representative of the Union, and the employee shall meet in order to identify any alternate work that may be available.

The parties shall explore all options to provide alternate/modified work, including redesign of a workstation, if practical. Where alternate/modified work is available/developed the Company and the Union agree that the job bid and posting procedure may be bypassed in order to allow the disabled employee access to this work. Where

alternate/modified work is available the employee will be obligated to accept it.

SCHEDULE "D" - LETTER OF UNDERSTANDING FLEXIBLE WORK SCHEDULES

The Company and the Local Union will give consideration to proposals for flexible work schedules provided such proposal(s) meet the following criteria:

- 1.** The schedule includes a trial period acceptable to both parties.
- 2.** The guiding principle for interpreting benefits, coverage, compensation and penalties will be, "no economic loss to either party", except by mutual agreement.
- 3.** In the event the arrangement imposes an unsatisfactory condition on either party, it will be discontinued on thirty days notice.
- 4.** It has the support of the majority of the affected employees. The employees affected shall be determined by the union.
- 5.** Any compressed work arrangements must be negotiated between the Company and the local union.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWACanada Local324

PART II - CLAUSES RELATING SPECIFICALLY TO LUMBER DIVISION

ARTICLE L-1 SCOPE - LUMBER DIVISION

L-1:01 This Agreement shall apply to all employees employed by Tolko Industries Ltd., Manitoba Solid Wood Division, at The Pas, the Province of Manitoba, except foreman, office employees, those above the rank of foreman and those excluded by the Act.

L-1:02 a) In the event the Company considers contracting or sub-contracting any work out of the bargaining unit, they will negotiate a satisfactory contractor and sub-contractor clause with Local 324.

b) In the event the Company considers contracting or sub-contracting, such employees working five (5) straight days and/or five (5) days in intervals after completion of such days shall pay initiation fees, Union dues, and remain members in good standing of the IWA-Canada Local 324. Such employees shall not be covered by the Forty-five (45 day) probationary period in the Agreement. The Company shall have all employees sign check-off and welfare cards and be responsible for all deductions payable to IWA-Canada Local 324 in separate check-off list.

This clause is not intended to cover contractors with Tolko Industries Ltd., Manitoba Solid Wood Division, working on jobs related to new construction; i.e. construction trades with their own union affiliation.

The purpose of this clause shall be not to replace jobs normally performed by members of the Bargaining Unit of IWA-Canada Local 324.

ARTICLE L-2 HOURS OF WORK AND OVERTIME

L-2:01 The regularly scheduled workweek for all production employees shall commence on Monday.

L-2:02 The regular hours of work shall consist of five (5) consecutive eight (8) hours days. A rate of one and one half (1 1/2) shall be paid for all work performed on the sixth (6th) day and double time for the seventh (7th) day of the regularly scheduled workweek. Overtime payment on a daily basis will not be duplicated on a weekly basis.

L-2:03 a) All hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in the work week shall be paid at the rate of one and one-half (1 1/2) times. All hours worked on Sunday shall be paid at double time provided the employee has worked five (5) shifts during the preceding six (6) days, in any event the rate of pay shall not be less than rate and one-half (1 1/2).

b) Employees may bank up to a maximum of forty-eight (48) hours of stat time. Time off will be granted by mutual agreement between the Supervisor and the employee. Employees working on eight (8) hour shifts who work on a Statutory Holiday will be allowed to bank the eight (8) hour Statutory pay.

L-2:04 All hours worked, at the request of the Company, in excess of twelve (12) hours on a daily basis shall be paid at the rate of double time provided no rate shall be pyramided.

L-2:05 It is agreed that maintenance, repair and construction employees can be scheduled on a Tuesday to Saturday work week for which they will be paid straight time for Saturday work. In such event, Sunday and Monday will be recognized as their rest days and any work performed on

Sunday will be paid at double time. If the employee works on Monday at the request of the Company the rate of pay will be rate and one half. It is further agreed the rest day, Monday, may be changed by mutual consent between the employee and the Company. In such event, work performed on Monday will be paid for at straight time.

L-2:06 For the purpose of this Article, a statutory holiday shall be considered as a shift worked.

L-2:07 The Union recognizes that the Company has the right to schedule hours of work subject to the following:

a) The Company will post the regular hours of work for all its employees in a conspicuous place in the operations.

b) Forty-eight (48) hours of notice will be given of any change of posted hours of work. The notice required refers to a change in the crew schedule and does not refer to individual change.

L-2:08 a) All employees who are required to work unscheduled overtime of more than one (1) hour shall be supplied with a hot meal after one (1) hour, or in lieu of a meal, receive fifteen (15) dollars. Sandwiches or T.V. dinners shall be no substitute. The hot meal shall be served on Company time. An employee working on an unscheduled overtime shift shall be supplied with a hot meal at each regular meal period.

b) One (1) overtime meal will be provided when an individual is requested to work overtime hours outside his regularly scheduled hours and does not have at least four (4) hours advance notice. In addition, those employees requested to work longer than a nine (9) hour overtime shift shall be entitled to a hot meal (no notice for 12-hour shift is 2 meals).

L-2:09 Employees shall not be required to suspend work during their normal work week for the purpose of absorbing overtime.

L-2: 10 a) When an employee works continuously for more than sixteen (16) hours, lunch period included, and is scheduled to work the next day he will be given a rest period of eight (8) hours. He will not be required to report for work until the end of the eight (8) hour rest period. He will be paid straight time for any time lost from his workday as a result of the rest period.

b) Afternoon shift employees, rescheduled to work day shift the following day shall be given an eight (8) hour rest period. They shall be paid straight time for any time lost from their workday as a result of the rest period.

L-2:11 No employee shall be required to work more than five (5) hours without a lunch period. Lunch period shall consist of one (1), thirty (30) minute period in each regular shift. The employees agree to take rest periods and lunch breaks during any changeover or breakdown within one half (½) hour each way of the scheduled break time.

For example, if an interruption or planned outage occurred at 10:30 a.m. and the regular lunch period was 11:00 a.m. - 11:30 a.m. the lunch period would be taken between 10:30 a.m. and 11:00 a.m. The same principle would apply to rest breaks.

L-2:12 Manitoba Solid Wood Division employees working on a continuous operating shift shall not overlap shifts. The Manitoba Solid Wood Division shall have the right to operate the plant or any part thereof on a three (3) shift basis and all employees working under this arrangement shall receive eight

(8) hours pay upon completion of the full hours established as their regular shift. Any hours worked beyond their regular scheduled shift shall be at the premium rate. Graveyard shift shall not be swing shift for Production workers.

L-2:13 The Company will arrange transportation home, where required, to employees held over to work overtime at the end of their shift, who miss or lose their ride as a result.

L-2:14 All employees shall be entitled to two (2) fifteen (15) minute rest periods during each regular shift provided always that the Company will have the right to use relief employees in implementing this provision.

L-2:15 Maintenance employees shall be allowed a ten (10) minute wash-up time at the end of each shift.

L-2:16 The Company shall allow employees to mutually exchange shifts at no cost to the Company subject to the following:

- Any mutual exchange must be approved in advance by both employee's supervisors.
- Mutual shift exchanges must be accomplished at no cost to the Company.

ARTICLE L-3 RATES OF PAY

L-3:01 a) The Company and the Union agree that the rates of pay as set forth in the attached Schedule "L-1" shall form part of this Agreement and shall continue in effect for the duration of this Agreement.

b) The following wage increases will come into effect during the term of this Agreement:

Effective September 1, 2001 to August 31, 2002 - 0%
Effective September 1, 2002 to August 31, 2003 - 2%
Effective September 1, 2003 to August 31, 2004 - 2%
Effective September 1, 2004 to August 31, 2005 - 2%
Effective September 1, 2005 to August 31, 2006 - 2%

c) Weekend Casual Student Rate

1. Effective September 1, 1998, for the term of this agreement, the weekend casual students shall be set at eleven dollars and fifty cents (\$11.50) per hour.
2. This weekend casual student rate shall not be applied to regular employees.
3. Laid off Lumber employees shall be given preference ahead of weekend casual students.
4. The Company will ensure that all weekend casual students are properly supervised and provided the proper training, tools and personal protective equipment in order that they may perform the work safely and efficiently without undue risk or injury.
5. Weekend Casual Students will not be utilized to operate equipment or to fill in on regular production jobs.
6. The use of weekend casual students will not result in the loss of a regular full time position held by a current employee.
7. The parties shall review the workings of this arrangement one-year from the date of implementation.

L-3:02 When an employee is assigned to perform work in a job classification paying a higher rate than his own, he shall be paid at the rate of the job to which he is assigned. No hourly rated employees shall receive a rate lower than the rate of pay at which he commenced his day's work. Piecework employees unable to complete their normal days work due to circumstances beyond their control will be given the opportunity to perform other work if available. In the event there is a reduction in the work force an employee shall receive the rate of the job to which, by virtue of his seniority, he is assigned providing he is able to perform the work of the job concerned.

L-3:03 If a new job is established or if there is a substantial change in the job content during the term of this Agreement, it is understood that the Company shall set the rate of pay for the new job or changed job taking into consideration present classifications in Schedule "L-1" of this Agreement. The Company shall notify the Union in writing of such changes of classifications. If requested by the Union, the Company shall meet with the Union before the end of a thirty (30) day trial period to explain, discuss and negotiate such new rates. When Agreement is reached on the new rate, it shall be retroactive to the date the employee was assigned the new job.

L-3:04 a) Sawmill Job Evaluation

The Company and the Union agree that a continuous job evaluation program for all hourly paid categories within its operation is necessary and desirable.

b) A job evaluation program will be implemented effective May 1, 1986 in accordance with the provisions and procedures as outlined in Schedule "L-3".

L-3:05 All employees obtaining lumber grader's certificates shall be paid at straight time base rate for the hours in class.

L-3:06 The shift differential will be:

4 pm to 12 midnight - \$0.35

12 midnight to 8 am - \$0.40

L-3:07 The Company shall pay straight time hourly rate for employees to attend Union / Management meetings.

L-3:08 Pay statements will be placed in envelopes before distribution to employees.

ARTICLE L-4 HEALTH & SAFETY (LUMBER)

L-4:01 The employees are required to take good care of any article provided them by the Company and such articles shall be returned to the Company on termination of employment.

L-4:02 The Company shall supply safety equipment when the Safety Committee and the Company agree such equipment is necessary for the protection of employees. The first stage of this provision shall be on the following basis:

- i)** Mitts for:
 - a)** Dry Chain
 - b)** Lumber Pilers
 - c)** Gloves for Welders

Replacement in (a), (b) and (c) above shall be made on an exchange basis.

- ii)** Aprons for the dry chain
- iii)** Safety-toed boots:

The Company and the Union agree to the principle of wearing safety footwear at all times and new employees must obtain them prior to commencement of employment.

iv) Protective rainwear

v) Hard hats, winter hard hat liners, safety goggles, earmuffs.

vi) Coveralls for Manitoba Solid Wood Division employees. The Company will use a “common sense approach”, mobile equipment operators, kiln operators, etc, who will be required to do routine maintenance on their equipment will be provided with coveralls.

In the case of (i), b), c) and (ii) a) the first pair and one (1) pair per month if required thereafter.

In the case of (iii) Employees will be reimbursed to a maximum of \$110.00 per pair on an as-needed basis to a maximum of two pairs per year. Proof of purchase and the turning in of worn boots will be required for reimbursement.

L-4:03 Employees becoming ill on the job and permitted to leave to obtain medical attention shall be provided with transportation home, if required, at the Company's expense. Affected employees may be asked to provide a medical certificate.

L-4:04 Employees hurt in an industrial accident requiring medical attention or hospitalization, or who are permitted to go home, shall be provided with transportation, if required, at the Company's expense.

L-4:05 a) The Company will supply to maintenance employees, utility man and shaker clean-up man, clean coveralls as required on an exchange basis.

b) Employees in the following classifications will be provided with winter coveralls on an exchange basis:

- Deckman
- Outside Utility
- Outside Maintenance
- Car Blocker
- Car Loader
- Mill Yard Chip Truck Driver

Winter coveralls will be made available on a loan basis to other maintenance employees for use during incidental outside work.

ARTICLE L-5 LUMBER GENERAL

L-5:01 An employee absent from work, due to illness or other reason shall notify his foreman at least one half (1/2) hour ahead of his shift commencement. A medical certificate will not be required for a one (1) day absence, provided however that cases of habitual absenteeism will require medical certificates for one (1) day absences. Failure to notify the Company or provide a valid reason for absence will be dealt with in accordance with Article 2, Section 2:02 of this Agreement.

L-5:02 It shall not be considered a violation of this Agreement for employees to respect a legal picket line established by a bona fide trade union provided such picket line blocks entrance to the employer's premises and has been authorized by the trade union.

L-5:03 The Company will continue to monitor the skill needs of its Planer and Sawfilers and will review the option of using training through a recognized apprenticeship program in meeting its future requirements.

L-5:04 The use of utility/relief as regular operators will be limited to five (5) shifts.

**SCHEDULE "L - 1"
SAWMILL RATES**

EFFECTIVE

Sept. 1/01 Sept. 1/02 Sept. 1/03 Sept. 1/04 Sept. 1/05

GROUP 1

JANITOR \$ 21.29 \$ 21.72 \$ 22.15 \$ 22.59 \$ 23.04

GROUP 2

CLEAN UP CHIPPER ATTENDANT
 \$ 21.38 \$ 21.81 \$ 22.25 \$ 22.69 \$ 23.15

GROUP 3

ACCELERATOR/TALLY HELPER
 \$ 21.48 \$ 21.91 \$ 22.35 \$ 22.79 \$ 23.25
CLEAN UP/PLANER \$ 21.48 \$ 21.91 \$ 22.35 \$ 22.79 \$ 23.25

GROUP 4

NO CATEGORY IN THIS GROUP
 \$ 21.65 \$ 22.08 \$ 22.52 \$ 22.97 \$ 23.43

GROUP 5

PLANER HOIST OPERATOR
 \$ 21.77 \$ 22.21 \$ 22.65 \$ 23.11 \$ 23.57
#2 CAR BLOCKER \$ 21.77 \$ 22.21 \$ 22.65 \$ 23.11 \$ 23.57
SORTER CHASERJ-BARS/S.M.
 \$ 21.77 \$ 22.21 \$ 22.65 \$ 23.11 \$ 23.57

EFFECTIVE

Sept. 1/01 Sept. 1/02 Sept. 1/03 Sept. 1/04 Sept. /05

GROUP 6

SORTER CHASER/J-BAR/P.M.

\$ 21.92 \$ 22.36 \$ 22.81 \$ 23.26 \$ 23.73

LOG DECK CHASER \$ 21.92 \$ 22.36 \$ 22.81 \$ 23.26 \$ 23.73

GROUP 7

PLANER STACKER OPERATOR

\$ 22.05 \$ 22.49 \$ 22.94 \$ 23.40 \$ 23.86

GROUP 8

PLANER FEEDER #1 OR #2

\$ 22.20 \$ 22.65 \$ 23.10 \$ 23.56 \$ 24.03

BANDER OPERATOR/RECORDING

\$ 22.20 \$ 22.65 \$ 23.10 \$ 23.56 \$ 24.03

GROUP 9

#1 CAR BLOCKER/FORKLIFT

\$ 22.33 \$ 22.78 \$ 23.23 \$ 23.70 \$ 24.17

STACKER OP/KILN \$ 22.33 \$ 22.78 \$ 23.23 \$ 23.70 \$ 24.17

CLEAN UP/BOBCAT \$ 22.33 \$ 22.78 \$ 23.23 \$ 23.70 \$ 24.17

GROUP 10

AUTO TRIMMER/OPT/FEEDER/#2 LINE

\$ 22.46 \$ 22.91 \$ 23.37 \$ 23.83 \$ 24.31

AUTO TRIMMER/OPT/FEEDER/#1 LINE

\$ 22.46 \$ 22.91 \$ 23.37 \$ 23.83 \$ 24.31

FEEDER/GANG EDGER OPTIMIZED

\$ 22.46 \$ 22.91 \$ 23.37 \$ 23.83 \$ 24.31

GROUP 11

FEEDER/OPTIMIZED EDGER/ROBO GUIDE

\$ 22.64 \$ 23.10 \$ 23.56 \$ 24.03 \$ 24.51

FORKLIFT SAWMILL \$ 22.64 \$ 23.10 \$ 23.56 \$ 24.03 \$ 24.51

FORKLIFT/PLANER INFEED

\$ 22.64 \$ 23.10 \$ 23.56 \$ 24.03 \$ 24.51

FORKLIFT/PLANER OUTFEED

EFFECTIVE

Sept. 1/01 Sept. 1/02 Sept. 1/03 Sept. 1/04 Sept. /05

GROUP 12

FORKLIFT/SHIPPING	\$ 22.81	\$ 23.27	\$ 23.73	\$ 24.21	\$ 24.69
FORKLIFT KILNS	\$ 22.81	\$ 23.27	\$ 23.73	\$ 24.21	\$ 24.69
STORES KEEPER	\$ 22.81	\$ 23.27	\$ 23.73	\$ 24.21	\$ 24.69

GROUP 13

TRUCK DRIVER/HOG FUEL & CHIPS	\$ 22.98	\$ 23.44	\$ 23.91	\$ 24.39	\$ 24.88
CANTER EDGER FEEDER/OPTIMIZED/DDM6	\$ 22.98	\$ 23.44	\$ 23.91	\$ 24.39	\$ 24.88
LOG CUT OFF OP/SLASHER	\$ 22.98	\$ 23.44	\$ 23.91	\$ 24.39	\$ 24.88
TRUCK DRIVER/LOADER CLEAN UP	\$ 22.98	\$ 23.44	\$ 23.91	\$ 24.39	\$ 24.88

GROUP 14

DEBARKER	\$ 23.14	\$ 23.60	\$ 24.07	\$ 24.56	\$ 25.05
KILN OPERATOR	\$ 23.14	\$ 23.60	\$ 24.07	\$ 24.56	\$ 25.05

GROUP 15

LOG YARD EQUIPMENT OPERATOR	\$ 23.33	\$ 23.79	\$ 24.27	\$ 24.76	\$ 25.25
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GROUP 16

CANTER/TWINSAWS/DLI	\$ 23.55	\$ 24.02	\$ 24.50	\$ 24.99	\$ 25.49
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GROUP 17

NO CATEGORY IN THIS GROUP	\$ 23.80	\$ 24.28	\$ 24.76	\$ 25.26	\$ 25.76
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GROUP 18

CANTER/TWINSAWS/EDGER OP	\$ 24.05	\$ 24.53	\$ 25.02	\$ 25.53	\$ 26.04
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EFFECTIVE

	Sept. 1/01	Sept. 1/02	Sept. 1/03	Sept. 1/04	Sept. /05
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GROUP 19

NO CATEGORY IN THIS GROUP

	\$ 24.31	\$ 24.79	\$ 25.29	\$ 25.79	\$ 26.31
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GROUP 20

NO CATEGORY IN THIS GROUP

	\$ 24.56	\$ 25.05	\$ 25.55	\$ 26.06	\$ 26.58
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GROUP 21

PLANER GRADER

\$ 24.82	\$ 25.32	\$ 25.82	\$ 26.34	\$ 26.87
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GROUP 22

NO CATEGORY IN THIS GROUP

\$ 25.10	\$ 25.61	\$ 26.12	\$ 26.64	\$ 27.17
----------	----------	----------	----------	----------

GROUP 23

NO CATEGORY IN THIS GROUP

\$ 25.37	\$ 25.87	\$ 26.39	\$ 26.92	\$ 27.46
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GROUP 24

NO CATEGORY IN THIS GROUP

\$ 25.72	\$ 26.24	\$ 26.76	\$ 27.30	\$ 27.84
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GROUP 25

NO CATEGORY IN THIS GROUP

\$ 26.08	\$ 26.60	\$ 27.13	\$ 27.68	\$ 28.23
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GROUP 26

NO CATEGORY IN THIS GROUP

\$ 26.46	\$ 26.99	\$ 27.53	\$ 28.08	\$ 28.64
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GROUP 27

NO CATEGORY IN THIS GROUP

\$ 26.86	\$ 27.40	\$ 27.94	\$ 28.50	\$ 29.07
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ALL TRADESMEN

\$ 27.87	\$ 28.42	\$ 28.99	\$ 29.57	\$ 30.16
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OILER

\$ 23.55	\$ 24.02	\$ 24.50	\$ 24.99	\$ 25.49
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*INDICATES AMOUNT(CENTS/HR.)RED-CIRCLED FOR INCUMBENTS IN THESE POSITIONS

SCHEDULE "L-3"

SAWMILL JOB EVALUATION PLAN

1. Principles and Procedures

The implementation and administration of the job evaluation program shall be in accordance with the principles and procedures set out in a manual dated December 1971 and entitled "Interior Sawmill Industry Job Evaluation Manual" as amended July 1973 and as further amended in 1974 (herein referred to as the "Manual").

2. Job Evaluation Committee

There shall be a committee constituted and named the Job Evaluation Committee to consist of one member representative of Tolko Industries Ltd., Manitoba Solid Wood Division, and one member representative of IWA-Canada.

3. Function of Evaluation Committee

a) The Job Evaluation Committee shall assume general responsibility for the administration of the job evaluation program.

b) The unanimous decision of the said Committee shall be final and binding on the Parties hereto.

4. Plant Job Review Committee

a) There shall be a committee constituted in the Sawmill named the Plant Job Review Committee (herein referred to as "Review Committee") to consist of two members representative of Management and two members representative of the employees. At least one representative of Management must be a member of the Plant's salaried

staff or Management, and at least one representative of the employees must be an employee of the Plant whose job is subject to Sawmill Job Evaluation. Management may choose their second representative from amongst persons not employed at the Plant, and the Union may do likewise except that effective January 1, 1975 neither party may choose as its representative a member of the Sawmill Evaluation Committee or any person who is employed as a job evaluator by Interior Forest Labour Relations Association or by National Council No. 1 of the IWA-Canada.

b) The Company shall reimburse any of its hourly paid employees for time lost while acting as a member of the Review Committee or while presenting information, regarding his own job, before a regularly convened meeting of the Review Committee. The Company shall not be responsible for remunerating employee representatives who are not hourly-paid employees.

5. Function of Review Committee

a) The Review Committee will be responsible for seeing that all requests for evaluation or re-evaluation of jobs are adequately and accurately documented before being passed to the Job Evaluation Committee for further action. The documents required will include a "Request for Job Evaluation" form submitted either by an individual employee or by local Management, and a fully completed job description, which provides sufficient information for the subsequent work of the Job Evaluation Committee. The form of the documents, the procedures for submitting and handling them may be amended as required by the Job Evaluation Committee under the authority given them by Article 3 of this schedule.

b) Decisions of the Review Committee respecting the appropriateness of a request for evaluation or re-evaluation, or respecting the adequacy and accuracy of documents,

shall be by unanimous agreement. Failing such agreement, the Review Committee shall at the request of any one of its members, immediately forward the Request for Job Evaluation, together with any other documents on which there is unanimous agreement to the Job Evaluation Committee and shall then have no further responsibility for documenting that request.

c) When the Job Evaluation Committee has made a decision respecting the evaluation of a job it shall communicate that decision to the Review Committee who will be responsible for informing Management and the employees concerned, giving reasons for the outcome where these are available. A decision of the Review Committee that an Application for Job Evaluation should not be forwarded to the Job Evaluation Committee will, similarly, be communicated with reasons to those concerned.

d) Nothing in this Article limits the right of the Job Evaluation Committee to determine the facts about any job, by direct observation or otherwise, or to amend any job description of material submitted to them in support of Request for Job Evaluation form.

6. Application of Program

The job evaluation program shall apply to all employees in the Lumber Division except those categories listed below.

Millwright	Filers, fitters and helpers
Electrician	Oiler
Carpenter	Apprentice

7. Direction of Work

Job evaluation descriptions are written with the intent to set forth the general duties and requirements of the job and shall not be construed as imposing any restrictions on the right of the Company to create a new job or to assign duties to

employees other than those specifically mentioned in job descriptions, provided always that if the assignment of such duties changes the job content sufficiently to justify a review of the evaluation, the Job Evaluation Committee shall make such a review in accordance with the procedure set out herein.

8. Re-evaluation

a) When a job has moved to a higher group as a result of re-evaluation, the resulting rate shall be retroactive from the date that management or the employee has applied to the Review Committee for re-evaluation.

b) When a job is moved to a lower grade as a result of re-evaluation, the incumbent shall maintain his job rate as a red circle rate subject to the provisions of paragraph 10 herein.

9. New Jobs Created

Where the Company has exercised its right to create a new job, a temporary rate shall be set by Management.

a) When the evaluated rate for a new job is higher than the temporary rate, the resulting rate shall be retroactive from the date that the job was installed.

b) When the evaluated rate for a new job is lower than the temporary rate, the incumbent(s) shall continue at the temporary rate, however, the temporary rate will be considered a red circle rate subject to the provision of paragraph 10 and 11 below.

10. Red Circled Jobs

a) The Company shall supply the Union with a list of employees holding red circled jobs, the said list to include the name of the employee, name of the job category filled, the evaluated rate for the job, and the actual rate paid.

- b)** Employees on red circle rates who are promoted to a higher grade shall regain the red circle rate if subsequently found incompetent to continue in the higher grade.
- c)** Employees holding red circle jobs who are demoted during a reduction of forces, shall be paid only the evaluated rate for the job to which they are assigned. If at a later date an employee is re-assigned to his former job he shall regain his red circle rate.
- d)** When the Company terminates a job, or a job is not occupied during a period of one year, a record as to the cancellation of the applicable job description and classification shall be established.
- e)** If an employee is temporarily transferred at the request of the Company he shall retain his existing rate or receive the rate for the new job, whichever is higher. On return to his regular job the said employee shall regain his red circle rate.

11. Red Circled Rates

- a)** The amount of a job rate that is in excess of the evaluated worth will be red circled at the time of evaluation.
- b)** It is intended that the red circled amount never increase. Therefore, it must be subtracted from a rate prior to the application of a percentage wage increase and then added back.
- c)** A red circle amount will be reduced as the evaluated worth of the increases.

12. Seniority

Subject to the provision herein set out, Article 12 (seniority) of this Agreement shall continue to apply.

13. Referral Procedure

a) When the Job Evaluation Committee has decided the

outcome of a request for evaluation, it shall transmit its decision to the Plant Job Review Committee.

b) An evaluation done by the Job Evaluation Committee shall be final and binding on the Parties, but, at any time after five years since the last evaluation or re-evaluation of a job, management or an individual employee may submit a request for re-evaluation of that job and no other reasons than the elapsed time shall be necessary.

c) If the Job Evaluation Committee is unable to reach agreement regarding the disposition of a Request for Job Evaluation or any other matter regarding the job evaluation program which falls within their jurisdiction, the matter shall be referred to Management and to the IWA-Canada Local 324 for settlement.

d) All communication between the Plant Review Committee and the Job Evaluation Committee referred to above shall be affected by sending one copy to the Union representative or representatives on the committees and one copy to the employer representative or representatives. In the case of communications to the Plant Review Committee, the Union representative will be addressed care of the office of the local Union and the employer representative care of the Company's offices.

14. Training Program

A program of training for members of the Review Committee in the plant shall be instituted, the details of which shall be arranged by Tolko Industries Ltd., Manitoba Solid Wood Division and the IWA-Canada National.

15. The point range and increments for 27 groups are as follows:

**JOB EVALUATION RATES
EFFECTIVE**

Group No.	Points	Sept. 1/01 (per hr)	Sept. 1/02 (per hr)	Sept.1/03 (per hr)	Sept. 1/04 (per hr)	Sept. 1/05 (per hr)
1	001 - 060	\$21.2893	\$21.7151	\$22.1494	\$22.5924	\$23.0442
2	061 - 070	\$21.3839	\$21.8115	\$22.2478	\$22.6927	\$23.1466
3	071 - 080	\$21.4784	\$21.9080	\$22.3462	\$22.7931	\$23.2489
4	081 - 095	\$21.6466	\$22.0795	\$22.5211	\$22.9715	\$23.4309
5	096 - 115	\$21.7727	\$22.2081	\$22.6523	\$23.1053	\$23.5674
6	116 - 140	\$21.9198	\$22.3582	\$22.8053	\$23.2614	\$23.7267
7	141 - 165	\$22.0459	\$22.4868	\$22.9365	\$23.3953	\$28.8632
8	166 - 195	\$22.2035	\$22.6476	\$23.1005	\$23.5625	\$24.0338
9	196 - 230	\$22.3296	\$22.7762	\$23.2317	\$23.6963	\$24.1703
10	231 - 270	\$22.4600	\$22.9092	\$23.3674	\$23.8347	\$24.3114
11	271 - 320	\$22.6448	\$23.0977	\$23.5597	\$24.0309	\$24.5115
12	321 - 370	\$22.8130	\$23.2692	\$23.7346	\$24.2093	\$24.6935
13	371 - 420	\$22.9811	\$23.4407	\$23.9095	\$24.3877	\$24.8755
14	421 - 470	\$23.1387	\$23.6015	\$24.0735	\$24.5550	\$25.0461
15	471 - 520	\$23.3278	\$23.7944	\$24.2703	\$24.7557	\$25.2508
16	521 - 570	\$23.5485	\$24.0195	\$24.4999	\$24.9899	\$25.4897
17	571 - 620	\$23.8007	\$24.2767	\$24.7623	\$25.2575	\$25.7627
18	621 - 670	\$24.0529	\$24.5340	\$25.0246	\$25.5251	\$26.0356
19	671 - 730	\$24.3051	\$24.7912	\$25.2870	\$25.7928	\$26.3086
20	731 - 790	\$24.5573	\$25.0484	\$25.5494	\$26.0604	\$26.5816
21	791 - 850	\$24.8200	\$25.3164	\$25.8227	\$26.3392	\$26.8660
22	851 - 910	\$25.1037	\$25.6058	\$26.1179	\$26.6403	\$27.1731
23	911 - 970	\$25.3664	\$25.8737	\$26.3912	\$26.9190	\$27.4574
24	971 - 1030	\$25.7237	\$26.2382	\$26.7629	\$27.2982	\$27.8441
25	1031 - 1090	\$26.0810	\$26.6026	\$27.1346	\$27.6773	\$28.2309
26	1091 - 1150	\$26.4592	\$26.9884	\$27.5282	\$28.0788	\$28.6403
27	1151 - 1210	\$26.8586	\$27.3957	\$27.9436	\$28.5025	\$29.0726

SCHEDULE "L-4"
LETTER OF UNDERSTANDING
PROGRESSION LINE JOB BIDS

In an effort to provide relief for progression lines with minimal disruption to other areas and reduced training and related costs, the Company and the Union agree to the following:

1. Future bids for progression line vacancies be posted as "relief" bids.
2. Employees in "key" positions will be eligible to bid. Employees in other progression lines will not be eligible to bid.
3. Those employees who have accepted another bid within the last four (4) months will be ineligible to bid, per Article 13:01(c).
4. The incumbent to a "relief" position will automatically assume the next permanent position should a permanent vacancy occur within this progression line. In the event two vacancies should occur simultaneously within a progression line, the "relief" promotes to permanent, and another permanent bid and "relief" bid would be posted.
5. Employees will not be allowed to hold more than one "relief" position at any one time.
6. This letter will supersede Schedule "L-2" Sawmill Training Program, of the Collective Agreement.
7. It is understood that it is not practical for tradesmen to hold relief bids. In the event that a tradesman accepts a relief they will be transferred to production. If a vacancy exists at the time of the transfer the tradesman may elect to

transfer to this vacancy. If no vacancy exists or if the tradesperson decides not to transfer to the vacancy they will displace the junior labourer in the mill and will be allowed to accept one job bid (relief bids excluded) in future without losing their relief status.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

LETTER OF UNDERSTANDING SCHEDULE “L- 5”

BETWEEN

Tolko Industries Ltd., Manitoba Solid Wood Division

and

IWA – Canada, Local 324

Sawmill Training Program

The purpose of this program is to provide on the job training in order that employees can move into permanent vacancies as they occur, to improve the knowledge and skill of the employees employed in the operation and to provide suitable trained employees for skilled jobs within the operation.

1.0 Backup Bids

1.1 This program will utilize “backup bids” for all jobs with the exception of the following:

a) Tradespeople

b) Progression Lines (Filing Room, Planer)

All employees will be eligible to bid on “Backup Bids” subject to the following:

1.2 All employees accepting back-up bids will be frozen in that bid for a period of eight (8) months.

1.3 If an employee accepts a different back-up bid, or a posted position, after eight (8) months and before twelve (12) months, that employee will be frozen in that bid or posting for one (1) year.

1.4 If an employee accepts a different back-up bid or a posted position after twelve (12) months, that employee will be frozen in that bid or posting for a period of eight (8) months.

1.5 Employees may only hold one “Backup Bid” at a time. Should an employee bid on and win another “Backup Bid” they would lose their “Backup” status on their former bid.

1.6 If no one bids on a “Backup Bid” then the senior labourer will be asked to relieve this position. If a permanent vacancy exists in these positions then a “full time” bid will be posted along with another “backup bid”.

1.7 Employees will have one (1) tour to decide if they will accept a back up or posted position.

2.0 Filling Vacancies

2.1 If a vacancy is expected to last in excess of one (1) week, the employee who holds the “backup bid” on the shift in which the vacancy occurs shall fill in for any partial weeks and the senior employee who holds the “backup bid” shall fill the vacancy for the remainder of the time.

2.2 The senior employee who has held the backup bid the longest shall automatically assume the next permanent full time vacancy that comes open.

2.3 Employees holding back up bids who refuse for other than proper cause to accept vacancies for which they are trained, shall lose their “back up” status on the second refusal.

2.4 The “utility man” will be a posted job and everything being equal, the senior man will be awarded the job. He will

be used to fill the gap between trainees, spares, and regular operators, but the “utility man” will never permanently fill one particular job. This clause is not intended to restrict in any fashion the provisions of this program.

3.0 Training

3.1 For employees training on “New Equipment” (equipment not used before) the training period will be extended up to thirty (30) days. The Supervisor, along with the input from the Trainer, can qualify or disqualify the Trainee at any time. This does not change an employee’s right to grieve the decision of a Supervisor.

3.2 Employees who are training on their “backup bid” job shall receive their regular job rate. They shall however not receive more than the established rate for the job they are training for. However if the employee performs the job more than one (1) hour in a day without close supervision (close supervision is defined as a supervisor or qualified operator in the immediate vicinity of the employee, thereby enabling such supervisor or qualified operator to instruct or oversee job performance) the employee shall be paid the job rate for actual hours worked. Once the employee is trained they shall be paid the rate of the job they perform.

3.3 While an employee is training on their “backup bid” they shall be notified in writing of their progress at intervals during the training period.

3.4 The Company shall notify the employee, the local Union and the Plant Committee in writing of their progress at intervals during the training period.

3.5 Training for Tour (twelve hour) Jobs will be in twelve (12) hour increments, unless not feasible due to absences, i.e. illness etc.

3.6 All labourers will be trained on the positions of “drop sort” and “8 foot edger” to allow for short-term relief. Other positions may be considered upon discussion with the Plant Committee.

4.0 Progression Lines

4.1 The established Progression Lines (Filing Room and Planer) shall remain as they currently are and are not effected by the implementation of this program.

4.2 Filing Room Line of Progression EFFECTIVE

Length of Time	Sept. 1/01	Sept. 1/02	Sept. 1/03	Sept. 1/04	Sept.1 /05
0 - 480					
Working hours (0 - 3 Mos.)	\$ 22.52	\$ 22.97	\$ 23.43	\$ 23.90	\$ 24.38
481 - 1920					
Working hours (4 - 12 Mos.)	\$ 23.31	\$ 23.78	\$ 24.25	\$ 24.74	\$ 25.23
1921 - 3840					
Working hours (13- 24 Mos.)	\$ 23.86	\$ 24.33	\$ 24.82	\$ 25.32	\$ 25.82
3841 - 5760					
Working hour (35 - 36 Mos.)	\$ 24.63	\$ 25.12	\$ 25.62	\$ 26.13	\$ 26.66
Circular Saw Filer	\$ 27.30	\$ 27.85	\$ 28.40	\$ 28.99	\$ 29.55
Head Saw Filer	\$ 30.13	\$ 30.74	\$ 31.35	\$ 31.98	\$ 32.62

- It is agreed by the Company and the Union that the above line of progression and terminology will apply in the filing room. It is further agreed that the knife grinder, after one year, will receive further training through the stages of saw fitter 1st year, saw fitter 2nd year, and circular saw filer. No person can progress beyond circular saw filer unless the position above this becomes vacant. The length of time to be similar to existing apprenticeship training programs in the industries. Schooling to be scheduled when practical.
- It is agreed that the head saw filer will perform the benching duties along with instructing and teaching all personnel engaged in saw filing and knife grinding. The head saw filer will also have supervisory responsibilities.
- The circular saw filer will receive further training as a benchman and will receive the rate only for the time he is required to do benching on band saws. It will be considered part of the duties of all personnel in the filing room to grind knives.
- No incumbents will have their rates reduced as a result of this agreement.

4.3 The planer feeder will receive further training to qualify as an operating planerman.

4.4 There will be no “freezing” in any established line of progression except those previously agreed as frozen on April 1, 1986 and recorded in writing between the parties.

4.5 Under normal circumstances, back ups or trainees, will, on a shift basis, fill vacancies caused by absenteeism, W.C.B., sickness or vacation subject to Section 13:01 (e)

5.0 Job Postings – Permanent

5.1 Employees will have one (1) tour to decide if they will accept a Permanent Job Posting.

5.2 All employees accepting permanent job postings will be frozen in that posting for a period of eight (8) months.

5.3 If an employee accepts a second posting after eight (8) months, that employee will be frozen in that posting for one (1) year (twelve months).

5.4 If an employee accepts a second posting after twelve (12) months, that employee will be frozen in that posting for a period of eight (8) months.

Cancellation

Cancellation is restricted to unforeseen events that cause the required fiber to become unavailable.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood
324

Christopher Parlow
IWA Canada Local

SCHEDULE "L-6"
LETTER OF UNDERSTANDING
JOB BID PROCEDURE - LUMBER DIVISION

The following is the mutually agreed procedure that will be followed in regards to job bids.

- 1)** All job postings will be posted for a period of not less than seven (7) working days.
- 2)** Employees wishing to bid on a job must complete a job bid available for this purpose and submit the completed form to the Personnel Office within the seven (7) working day period.
- 3)** After the closing of the posting a copy will be faxed to the Union office.
- 4)** Employees may submit standing job bids for apprenticeship job postings prior to going on vacation or on a leave of absence that is not longer than their current vacation entitlement.

Employees who wish to bid on a job posting that becomes available while he is on vacation, can process a job bid by contacting his immediate supervisor for the purpose of submitting the job bid on his behalf. The supervisor must sign and submit the job bid within the allowable time period.

- 5)** Job postings awards (successful bidder) will be posted within seven (7) working days from the date the job posting closed.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

LETTER OF UNDERSTANDING Schedule L-7

“CONTINUOUS OPERATION – TWELVE HOUR SHIFTS”

BETWEEN

Tolko Industries Ltd., Manitoba Solid Wood Division

AND

IWA – Canada, Local 324

STATUTORY HOLIDAYS

Tour Workers, working on a Statutory Holiday on the twelve hour shift schedule will receive:

- Twelve hours Statutory Holiday pay.
- Double time for all hours worked on a Statutory Holiday
- Banking of stat pay by Tour Workers will be allowed.

Tour Workers who wish to take banked time off require twelve (12) hours of banked time for each twelve (12) hour day they require off. Time off will be granted at the discretion of the Supervisor. At any one time, Tour Workers may hold a maximum of forty-eight (48) hours of banked time.

- Tour Workers who wish to bank Stat time must inform their Supervisor a minimum of one (1) week in advance.
- Employees normally scheduled to work on these days will be required to work, however, employees not wanting to work will not be required to take a vacation day or leave of absence, provided another employee is willing to work for them.

- The mill will not operate on Remembrance Day, Christmas Day and Boxing Day.
- If the Company elects not to run on other Statutory Holidays, those employees that were scheduled to work will receive twelve hours Statutory Holiday pay.

OVERTIME/PREMIUM PAY

- Time and one half (1 ½) will be paid for all hours worked on Sunday.
- Double time will be paid for all hours worked in excess of twelve hours.
- Shift differential will be: 4pm to 12 midnight -- \$0.35
12 midnight to 8am -- \$0.40

VACATIONS

- Will be taken on a tour basis only and will constitute one week of vacation for 12-hour shift workers.
- Employees have the option of taking cash payouts (on the first payday after June 1st and December 1st) for vacations above the legal minimum's. Vacation payouts can be on a separate cheque.

HOURS OF WORK

- The proposed change of shift time is 7:00 a.m. and 7:00 p.m. reasonable flexibility around this time is acceptable on a whole crew basis.
- Relief will be sought from employees on their days off first, by qualified senior person second.
- Break time will total 75 minutes, actual time is to be determined at the crew level. For example, It has been proposed there be five fifteen minute breaks.
- The shift rotation will be four-day shifts, four days off, four night shifts, four days off.

BEREAVEMENT LEAVE

- Will receive twenty-four (24) hours pay and will be allowed three (3) days off.

WEEKLY INDEMNITY

- Pay will be based on a seven-day week. The waiting period will be reduced to two days.

JURY DUTY

- Upon presentation of a voucher from the Clerk of The Court showing fees received for Jury Duty, Coroner's Witness, Coroner's Duties and Crown Witness, an employee will be paid the difference between such fees and normal hourly rate for regular straight time twelve (12) hour working days lost as a result of such duties.
- Employees can take the night shift off with pay the day prior to Jury Duty.

MUTUAL EXCHANGE OF SHIFTS

- Employees will not be permitted to work twenty-four (24) hours straight by a mutual exchange of shifts.
- Mutual exchange of shifts will be reviewed on an individual basis.

MAINTENANCE SCHEDULE

- Millwrights will work two swing shifts Monday to Thursday, 48 hours straight time pay or two swing shifts Friday/Saturday/Sunday, 36 hours work, 48 hours pay.

CANCELLATION

- Cancellation will be restricted to unforeseen events that cause the required fiber to be made unavailable.

PLANT COMMITTEE

- A 12-hour Shift Plant Committee will be formed to review the Master Agreement for clarification or adjustments required with respect to the twelve-hour shift schedules.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

PART III - CLAUSES RELATING SPECIFICALLY TO WOODLANDS DIVISION

ARTICLE W-1 SCOPE - WOODLANDS DIVISION

W-1: 01 This Agreement shall apply to and cover all employees of the Company save and except Foremen, those above the rank of foreman, scalers, office staff and persons excluded by the Act.

W-1: 02 Contractors and/or sub-contractors of the Company working within the jurisdictional boundaries of the Union must become signatory to this Agreement unless specifically excepted as hereinafter set forth.

W-1: 03 the following employees and sub-contractors are specifically excluded from the terms and conditions of this Agreement.

a) Independent owners operating under permits issued by the Department of Mines, Natural Resources and Environment of the Province within the said Schedule W-3.

b) Maintenance personnel employed by vendors of manufacturers of equipment engaged in maintaining equipment manufactured, sold or leased by their respective employers pursuant to a guaranteed maintenance program covering the specific equipment.

c) Contractors working south of the 53rd parallel and new contractors and/or subcontractors engaged after November 1, 1995 who supply wood to the operation. These contractors shall be required to pay a minimum of 75% the rates listed in Schedule "W-1" of this agreement.

d) Contractors and/or sub-contractors engaged in the construction and/or maintenance of all weather roads including bridges.

e) Contractors and/or sub-contractors engaged in silviculture activities (site prep, scarification, and juvenile spacing).

f) Contractors hired on casual equipment contracts, i.e. tractor work, hauling of equipment, winter road construction, etc.

W-1: 04 The Company will pay the Union a work permit fee for independent owner/operators delivering wood to the mill and for contractors described in W-1: 03 c), d), e) and f) working in the Company's F.M.L.

W-1: 05 a) The Company shall notify the Union office prior to any new contractors covered by the agreement coming on the job. A new contractor is one who has not previously worked for the Company.

b) No current Company employee(s) shall be displaced from their position as a result of the Company's use of contractors.

c) Contractors in existence prior to November 1, 1995, who sell, transfer, or replace their equipment, shall as a condition of this contract, do so under successor rights only. The replacement contractor will be automatically covered by the terms and conditions of this agreement.

d) Successor rights would not apply when contractors choose to retire and dispose of their business and machinery or when the business is sold as part of an estate, receivership, and/or bankruptcy sale.

W-1: 06 In the event that contractors and/or sub-contractors do not submit dues, health and welfare or pension check-off assessments, the Company shall be responsible for all such deductions.

ARTICLE W-2

HOURS OF WORK AND OVERTIME

W-2: 01 The regularly scheduled workweek for all production employees shall commence on Monday.

W-2: 02 The regular hours of work shall consist of five (5) consecutive eight (8) hour days. A rate of one and one half (1 1/2) shall be paid for all work performed on the sixth (6th) day and double time for the seventh (7th) day of the regularly scheduled work week. Overtime payment on a daily basis will not be duplicated on a weekly basis.

W-2:03 All hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in the work week shall be paid at the rate of one and one half (1 1/2) times. All hours worked on Sunday shall be paid at double time provided the employee has worked five (5) shifts during the preceding six (6) days, in any event the rate of pay shall not be less than rate and one half (1 1/2).

W-2: 04 All hours worked, at the request of the Company, in excess of twelve (12) hours on a daily basis shall be paid at the rate of double time provided no rate shall be pyramided.

W-2: 05 Camp staff on a daily rate shall be paid overtime after eight (8) hours worked in each day. They shall not split shift more than twelve (12) hours per day.

W-2: 06 For the purpose of this Article, a statutory holiday shall be considered as a shift worked.

W-2:07 The Union recognizes that the Company has the right to schedule hours of work subject to the following:
a) The Company will post the regular hours of work for all its employees in a conspicuous place in the operations.

b) Forty-eight (48) hours of notice will be given of any of any change of posted hours of work. The notice required refers to a change in the crew schedule and does not refer to individual change.

W-2:08 All employees who are required to work unscheduled overtime of more than one (1) hour shall be supplied with a hot meal after one (1) hour, or in lieu of a meal, receive eight (\$8) dollars. Sandwiches or T.V. dinners shall be no substitute. The hot meal shall be served on Company time. An employee working on an unscheduled overtime shift shall be supplied with a hot meal at each regular meal period.

W-2: 09 Employees shall not be required to suspend work during their normal work week for the purpose of absorbing overtime.

W-2: 10 a) When an employee works continuously for more than sixteen (16) hours, lunch period included, and if scheduled to work the next day he will be given a rest period of eight (8) hours. He will not be required to report for work until the end of the eight (8) hour rest period. He will be paid straight time for any time lost from his workday as a result of the rest period.

(b) Afternoon shift employees, rescheduled to work day shift the following day shall be given an eight (8) hour rest period. They shall be paid straight time for any time lost from their workday as a result of the rest period.

W-2: 11 No employee shall be required to work more than five (5) hours without a lunch period. Lunch period shall consist of one (1) thirty (30) minute period in each regular shift.

The employees agree to take rest periods and lunch breaks during any changeover or breakdown within one half (½) each way of the scheduled break time.

For example, if an interruption or planned outage occurred at 10:30 a.m. and the regular lunch period was 11:00 a.m. - 11:30 a.m., the lunch period would be taken between 10:30 a.m. and 11:00 a.m. The same principle would apply to rest breaks.

W-2: 14 a) All employees shall be entitled to two (2) ten (10) minute rest periods during each regular shift provided always that the Company shall have the right to use relief employees in implementing this provision.

b) When operations are running three (3), eight (8)-hour shifts, the paid breaks will be 2 – 10 minute coffee breaks and 1 – 20 minute lunch breaks.

W-2:15 In the event that normal operating shifts are cancelled during the week for weather conditions or equipment failure the Company and the employee may mutually agree to make up these shifts on the weekend at straight time rates provided the employee has worked less than forty hours in the week.

ARTICLE W-3 RATES OF PAY

W-3: 01 a) The Company and the Union agree that the rates of pay as set forth in the attached Schedule "W-1" shall form part of this Agreement and shall continue in effect for the duration of this Agreement.

b) The following wage increases will come into effect during the term of this Agreement;

Effective September 1, 2001 to August 31, 2002	0%
Effective September 1, 2002 to August 31, 2003	2%
Effective September 1, 2003 to August 31, 2004	2%
Effective September 1, 2004 to August 31, 2005	2%
Effective September 1, 2005 to August 31, 2006	2%

W-3: 02 When an employee is assigned to perform work in a job classification paying a higher rate than his own, he shall be paid at the rate of the job to which he is assigned. No hourly rated employee shall receive a rate lower than the rate of pay at which he commenced his day's work. Piecework employees unable to complete their normal days work due to circumstances beyond their control will be given the opportunity to perform other work if available. In the event there is a reduction in the work force an employee shall receive the rate of the job to which, by virtue of his seniority, he is assigned providing he is able to perform the work of the job concerned.

W-3:03 In all cases where a pieceworker is to be paid for non-productive hours he shall be paid at the power saw operator's rate, except where otherwise specifically stated.

W-3:04 In those areas where it is necessary to clean up an area which has previously been partially cut, or where the density of wood is less than eight (8) cords per acre, the hourly rate in Schedule "W-1" for skidder and power saw operators together with the hourly rate for power saw plus wood will be paid.

W-3: 05 On cut and skid operations main or designated roads for the access of pieceworkers that are more than one thousand feet (1,000) long will be cut in advance and a premium of twenty percent (20%) of the regular piecework rate will be paid.

Designated access roads will be indicated on the map provided in Article W-7: 11.

W-3: 06 It is agreed that skidder and power saw operator rates as stated in Schedule "W-1" will not be used for production work except working behind feller-bunchers.

W-3: 07 The hourly rates as agreed are minimum guaranteed rates and do not preclude the Company and Contractors from establishing piecework rates for the loading and driving crews. This minimum guaranteed rate is to be computed at the end of each two (2) week consecutive period on an hourly basis and the piecework rates to be computed at the end of the same two (2) week consecutive period and the loaders and drivers shall be paid the greater of the two (2) sums. The employer will confirm the offered piecework rates for each haul area in writing to the employee involved in the loading and driving crews at the same time the rate for each area is agreed upon. The Company will provide the Union with an agreement signatory page for all contractor companies covered by this agreement. The truck drivers are required to help load and unload their trucks as instructed.

W-3:08 Shift schedules for trucks shall not exceed twelve (12) hours.

W-3: 09 The shift differential will be:

4pm to 12 midnight - \$0.35

12 midnight to 8 am - \$0.40

W-3: 10 Field Tradesmen normally assigned off site shall be paid a field allowance of Ten Cents (.10) per hour.

W-3: 11 The Company agrees that existing bonus rates will continue at present levels, unless changes in equipment or methods dictate a revision.

W-3: 12 All cheques will be directly deposited in the account of the employee's choice.

ARTICLE W-4

TRAVEL TIME AND TRANSPORTATION

W-4: 01 Woodlands employees shall be paid at the regular hourly rate for all time spent by him in proceeding from the marshalling point to and from the place of work, in excess of one (1) hour.

Travelling time shall not be included in the regular workday. Standard Measure for walking time is established as three (3) miles per hour. For the purpose of this Agreement the camp shall be the marshalling point. In the case of pieceworkers, their place of work shall be their block. It is agreed that the marshalling point for garage employees is the garage to which they are assigned in accordance with this Agreement.

W-4: 02 Transportation shall be available on all job sites.

ARTICLE W-5

SCALING

W-5:01 The Company shall supply scale sheets to employees itemizing each pile on separate scale slips.

W-5: 02 When a dispute over the scale arises, it shall be dealt with, in the first instance by the Company Check Scaler, the employees involved and the Camp Steward. The check scale must be called for by the employees within fourteen (14) calendar days after receiving the original scale

slip and then must be completed and returned to the employees within fourteen (14) calendar days after notifying their immediate supervisor. The maximum relative scaling variation is plus or minus (+/-) Four Percent (4%) on stack scale and no adjustments will be made unless the variation exceeds plus or minus (+/-) Four Percent (4%) in which case the actual pile as scaled will be adjusted accordingly to reflect the full difference.

If no agreement is reached it shall be dealt with by the Chief Scaler, Union Business Agent or his appointee, the employees involved and a licensed Manitoba Scaler agreed upon by both parties.

The tree length deck will be slashed or bucked into 16'6" and 8'6" lengths and will be cube-scaled by this licensed scaler.

On the third (3rd) and final binding cube scale if it differs from the original scale by more than plus or minus (+/-) Three Percent (3%) of the original scale, the original scale will be adjusted accordingly and the cost for the independent scaler will be charged to the party who was out of favour with the final and binding scale.

In the event the Manitoba Scaling Manual is changed to provide for tree-length scaling this clause will be reviewed to reflect the change(s).

W-5: 03A A Committee will be formed consisting of the Woodlands Manager, Business Agent of the Union, one employee representing the Company and one employee representing the IWA to meet as required to review check scaling requests and procedures.

W-5: 04 Pieceworkers intending to quit shall give the Company Foreman reasonable notice of leaving and the scalers shall scale him up within three (3) days. Such time limit shall be exclusive of Sundays and holidays.

W-5: 05 It is understood the intent of this section is that the Company will endeavour to have the pieceworkers final scale completed and the worker paid in accordance with the final scale prior to the worker leaving the operation.

ARTICLE W-6 HEALTH AND SAFETY (WOODLANDS)

W-6: 01 a) The Company will supply to maintenance employee's clean coveralls as required on an exchange basis.

b) The Company will supply clean coveralls as required on an exchange basis to employees required to service the following mobile company equipment:

Drotts

Slashers

Dozers

Loaders

Graders

Scrapers

c) The Company will supply each field mechanic with one pair of insulated coveralls per calendar year.

W-6: 02 The Company shall make available where possible, personal safety items such as work gloves at company cost.

a) The Company shall supply hard hats, winter hard hat liners, earmuffs and safety goggles.

b) In the case of safety-toes boots, the Company shall cover 50% of the cost of one pair of normal safety toed boots per calendar year and shall cover 50% of the cost of one pair of winter safety boots per calendar year.

c) The Company will cover fifty (50%) percent of the cost of safety pants to a maximum of fifty (\$50) dollars per year, and fifty (50%) percent of the cost of safety mitts/gloves to a maximum of fifteen (\$15) dollars per year.

d) Coveralls for Woodlands Division employees. The Company will use a “common sense approach”, Mobile equipment operators who will be required to do routine maintenance on their equipment will be provided with coveralls.

W-6: 03 Where an employee is scheduled to work by himself in an area remote from other employees, a second man will be assigned.

W-6: 04 The Company shall supply windshields for all skidders during the winter months.

W-6:05 If weather conditions are found to be too severe for crews to work they shall have the option (subject to common sense) to cease work for the duration of such weather conditions.

ARTICLE W-7 ASSIGNMENT OF BLOCKS

W-7: 01 A block is defined as a worksite or area where individual crews are assigned.

W-7: 02 There shall be no strip cutting for the duration of this Agreement.

W-7: 03 When supervision has had four (4) hours or more advance notice preferably at the end of the day's shift or prior to the day's shift commencing of the completion time of a block and the crew is caused to wait for supervision to

move them to another block the crew shall be compensated for such time lost at power saw operator rate plus the power saw rental rate per hour for their power saw.

W-7:04 Supervisors shall check the block before the crew moves and state at that time if it is satisfactory or not. If after receiving assurance that the block is satisfactory and the crew if requested to return, Article W-3 Section W-3:04 will apply. However, if a crew has been instructed during the four (4) hour notice, to clean up a block before moving and fails to do so and must return to that block to clean up, they shall not be paid for the time so spent on clean up.

W-7:05 Each employee in the crew involved will be paid for moving time in excess of one-half (1/2) hour at the power saw operator rate plus the power saw rental rate when moving from one block to another or to a new area if the move takes place during the normal working day. Moving time is the lapse time required to move a cutter(s) from one block or area to the other. This clause shall not apply in the case of an employee requesting a transfer from crew to crew or camp to camp.

W-7: 06 Each block shall have definite markers on all four (4) sides where possible except where obvious natural boundaries are used such as creeks, roads and lakes. Markers shall not be moved after the crew has been assigned the block unless agreed to between the parties involved. A swamp shall not be considered a natural boundary and should be ribboned off before cutting begins.

W-7: 07 All blocks will be numbered consecutively. The blocks will be assigned in sequence, after each crew has completed their previous block.

W-7: 08 Should a dispute over block assignment arise, the crew and the Union representative shall have access to all area layout information.

W-7: 09 In the event a block has been improperly assigned, the rate of compensation shall not be less than their daily average gross earnings for days actually worked during their last pay period.

W-7: 10 Where regular production crews are assigned to cleanup situations for more than one (1) block the rate of compensation shall not be less than their daily average gross earnings for days actually worked during their last pay period.

W-7: 11 A map with the numbered blocks will be posted in a suitable location in each operation stating all the necessary information.

ARTICLE W-8 CUT & SKID

W-8: 01 The Company agrees to have a sufficient number of lunch shacks available for each crew on or before October 1st of each year and they shall be kept in good repair or replaced as required.

W-8: 02 The Company agrees to the principle of the two (2) man crews and will apply this principle whenever possible.

W-8: 03 The Company shall supply each pulp cutting crew, upon request, with a ten (10) gallon drum for power saw gas, at no cost and all power saw gas will be free of charge.

W-8: 04 Fallers and buckers shall be supplied one (1) free chain saw file per week.

W-8: 05 a) The Company agrees to supply one (1) power saw chain every twenty-two (22) days worked for those people cutting sixteen (16) and eight (8) foot wood, and one (1) power saw chain every twenty-one (21) days worked for those fallers cutting tree length. Those employees normally working, as skidder operators will receive a saw chain every forty-two (42) days worked on an exchange basis.

b) Buckers will receive a power saw chain as required on an exchange basis. Fallers will receive a power saw chain every twenty-one (21) days worked on an exchange basis.

c) The Company will maintain a reasonable supply of power saw parts in each camp, which will be available to employees at cost.

W-8:06 The Company agrees to have power saws available for purchase with payment on the basis of one dollar (\$1) per cubic meter.

W-8: 07 It is agreed that when new Company owned skidders or reconditioned skidders are assigned to a cutting area the skidder operator with the most seniority will be given the first option to have the skidder assigned to him on a one time basis within six (6) months.

W-8:08 Skidders shall not be required to skid over one thousand (1,000) feet from skidway or landing.

W-8: 09 a) The Company shall have one (1) spare skidder in each operating area.

b) The Company shall supply chokers as required.

c) The Company shall provide a cable cutter for each skidder.

ARTICLE W-9 CAMPS

W-9: 01 The Company may establish camps and upon the completion of the construction and erection thereof, the Company shall maintain therein good conditions of cleanliness, sanitation and health.

W-9:02 The Company shall install a washing machine and dryer in all camps for laundry purposes.

W-9: 03 Meal periods in camps will consist of one (1) hour for example; dinner shall be from 12:00 noon until 1:00 p.m.

W-9: 04 The Company agrees to provide a power saw shack at all resident camps and such shacks shall be properly lighted and heated and equipped with vice, anvil, chain breaker, air compressor, and proper lock-up locker for power saw storage, such facilities shall be available for the use of employees at each camp.

W-9:05 The Company will at all time supply fresh meat, milk, fruit juices, fresh fruit and vegetables when in season. Fruit juices shall be supplied for breakfast served in containers allowing self-service for consumption at the table.

W-9:06 All camps shall have one (1) tier single beds and two (2) clean sheets and one (1) pillow case will be issued once a week. Clean blankets will be issued to employees upon arrival at camp and will be replaced as conditions warrant. All beds shall be provided with a canvas cover.

W-9: 07 The Company will provide separate drying rooms, washrooms, storage facilities for baggage, a clothes closet or locker, and where possible, adequate hot water supply. Where possible inside showers and toilets will be provided.

W-9: 08 Pest control measures within the camp buildings shall be carried out as required.

W-9: 09 The Company will provide suitable refrigeration for all perishables.

W-9: 10 a) The charge for board and lodgings shall be two (\$2.00) per man per day. An employee who leaves camp on authorized leave, weekends, or because he is ill or has been injured, will not be charged, providing he notifies the camp clerk at the time of leaving camp.

b) Disabled or sick Company employees may stay in a Company camp during their recovery period for two dollars (\$2.00) per day. During the recovery period, the employee must observe normal camp rules and regulations.

W-9: 11 An employee shall be required to pack his own lunch, unless other mutual arrangements have been made. The preparation of lunches shall be supervised. Wax paper shall be supplied for the wrapping of lunches.

W-9: 12 Food served to the employees shall at all times be of high quality and of sufficient quantity and shall include fresh fruit, vegetables and greens when in season.

W-9: 13 It is the intention of the Company to show a film once per week at each camp, provided on a camp basis if there is a reasonable demand for this service. Shuffleboards or pool tables will be provided in each recreation hall.

W-9: 14 The Company agrees to supply air conditioners for all camp kitchens.

W-9: 15 The Company will install twenty-six (26) inch colour T.V.'s in all camps.

W-9: 16 The Company agrees to the following schedule of cookery staff; Schedule for the cafeteria style cookeries (with mechanical dishwasher):

No. Persons	COOK	2 ND COOK	COOKEE	NIGHT BAKER	TOTAL
1 – 14	1				1
15 – 30	1		1		2
31 – 50	1		2		3
51 – 70	1	1	2		4
71 – 100	1	1	3		5
101 – 125	1	1	4		6
126 – 150	1	1	4	1	7
151 – 180	1	1	5	1	8
181 – 215	1	1	6	1	9
216 – 250	1	2	6	1	10
251 – 285	1	2	7	1	11

W-9: 17 Schedule for Cookery Personnel (with no mechanical labour saving devices):

No. Persons	COOK	2 ND COOK	COOKEE	NIGHT BAKER	TOTAL
14 or less	1				1
15 – 25	1		1		2
25 – 45	1		2		3
45 – 65	1	1	2		4
65 – 85	1	1	3		5
85 – 105	1	1	4		6
105 – 125	1	1	5		7
125 – 145	1	2	6		9
Over 145	1	2	6	1	10

It is agreed that the above schedule(s) may be changed by mutual consent during the term of this Agreement when labour-saving devices or other factors reducing the workload are introduced.

W-9: 18 A single room for the Union Camp Chairman is available under the following procedure:

a) After the Area Logging Superintendent is advised in writing of the name of the Union Camp Chairman, and after a request for a single room is made to the Area Logging Superintendent.

b) In such instances where a change is made re: Union Camp Chairman the former Union Camp Chairman reverts back to the standard of two (2) employees to a room.

c) No alteration will be made to the room during the Union Camp Chairman's occupancy.

ARTICLE W-10 WOODLANDS GENERAL

W-10: 01 The Company shall install a locked gate where practical on all main roads to cutting operations of the Company. The Company will be responsible for all tools as listed in the inventory of the employee's own tools mutually agreed to by the supervisor and the employee which are left in locked Company buildings with the consent of the employee's immediate supervisor.

W-10:02 It is agreed that no Woodlands employee on the Tolko Industries Ltd., Woodlands Division payroll as of September 1, 1998 will be put out of work because of the use of mechanical felling equipment.

W-10: 03 The Company agrees to make available at each camp or marshalling area, for the use of employees, the following equipment and supplied at Company cost plus five (5) percent for handling:

Axe bits, axe handles, pulp hooks, gas cans, wedges, lunch kits and thermos bottles.

These above items will be debited to the man's account but upon return of each item to Company Stores the account of the workman will be so credited. Oil will be supplied for

power saw use at Company cost plus five (5%) percent for handling. Items on loan that are not returned at the time an employee exits from his camp or marshalling area will be charged for at the wholesale price plus five (5%) percent handling charge. It is understood and agreed that in the case of loss or breakage of these items while they are on loan, the cost will be borne by the employee at his own expense.

W-10: 04 Air conditioning will be provided in the lunchroom of the Woodlands Division garage.

W-10: 05 a) Pieceworkers who are transferred at the request of the Company from one camp to another will be given the first opportunity to return to their original camp when openings occur in that original camp from which they had been transferred.

b) The senior employee shall have the right to transfer or remain in his camp/marshalling area. In case of transfer of a machine, the operators assigned to the machine will be transferred with the machine.

If a machine must be transferred without its regular operator and a spare is available the supervisor will explain to the operator why the regular machine and not the spare(s) must be transferred.

c) Job transfers at the request of the Company shall be paid at the hourly rate and mileage where applicable.

W-10:06 An employee may not bump to another classification within their work area if the layoff does not exceed two working days. Employees laid off from their work group may not bump to a different work group unless the layoff exceeds five working days.

W-10:07 All mechanics positions will be posted on the following basis:

- a)** All mechanics will be considered permanently posted to their location of work on March 1, 1986.
- b)** Effective March 2, 1986 all permanent vacancies will be posted in accordance with Article 13.
- c)** Notwithstanding Section 13:01 (e) temporary and relief vacancies will be filled by asking for volunteers and if there are none, the junior mechanic will be temporarily transferred.
- d)** If a mechanic's regular work is temporarily moved to the Divisional Garage, he will move with the work, and the Divisional Garage becomes his marshalling point. In this situation the Company will not be responsible for a mechanic's room and board.

W-10: 08

- a)** It is understood that the Company does not intend to own or operate equipment for log production on its Forest Management License.
- b)** It is understood that the Company currently employs "dry rental" contractors, namely, John Uhrina, Grass River Logging Ltd., JR Logging Ltd., and Mud Lake Logging Ltd. These named contractors will become independent contractors and will become signatory to this Collective Agreement. The owner operator will have the ability to operate his own equipment, in line with the Collective Agreement.
- c)** All current Company employees, as of January 1,1999, will continue to be direct employees of the Company and shall remain covered under the terms and conditions of the Collective Agreement. The Company employees will not lose employment as a result of a sale /transfer/bankruptcy, etc., of the contractors named in b) above. It is agreed by both parties that the contractor assumes all management rights.
- d)** These employees shall be entitled to bid or exercise Company seniority on vacancies that occur in the

independent contractor operations named in section b) and in accordance with section W10:06. Should the Company require the use of additional equipment, which could include slashers, delimiters, etc., it shall do so under the conditions set out by section W-1:03 c).

e) Employees hired after January 1, 1999 by the independent contractors operations shall also be direct employees of said contractors but shall be subject to terms and conditions of the Collective Agreement, as it applies to the contractor they are employed by.

f) Employees hired after January 1, 1999 by the independent contractors will not be entitled to exercise or carry seniority from contractor to contractor.

g) Employees under section c) above shall have the opportunity to transfer into the Sawmill when a vacancy occurs, or, in the event of temporary layoffs in the Woodlands, the same employees will be given the opportunity to fill temporary needs at the mill. Such employees will be considered new hires and will not have any Company seniority, except for vacation and pension service entitlements.

h) It is understood by both parties, that efficiencies need to be gained and implemented through a common sense approach to flexible work practices.

**SCHEDULE "W - 1"
WOODLANDS RATES**

	EFFECTIVE				
	Sept. 1/01	Sept. 1/02	Sept. 1/03	Sept. 1/04	Sept. 1/05
COOK	\$ 180.60	\$ 184.21	\$ 187.89	\$ 191.65	\$ 195.48
2ND COOK	\$ 171.89	\$ 175.33	\$ 178.84	\$ 182.41	\$ 186.06
COOKEE	\$ 170.26	\$ 173.67	\$ 177.14	\$ 180.68	\$ 184.30
BULL COOK	\$ 171.57	\$ 175.00	\$ 178.50	\$ 182.07	\$ 185.71
NIGHT WATCHMAN					
	\$ 170.26	\$ 173.67	\$ 177.14	\$ 180.68	\$ 184.30
LABOURER	\$ 21.29	\$ 21.72	\$ 22.15	\$ 22.60	\$ 23.05

EFFECTIVE

	<u>Sept. 1/01</u>	<u>Sept. 1/02</u>	<u>Sept. 1/03</u>	<u>Sept. 1/04</u>	<u>Sept. 1/05</u>
DRILLER HELPER	\$ 21.53	\$ 21.96	\$ 22.40	\$ 22.84	\$ 23.30
POWER SAW OPERATOR	\$ 21.84	\$ 22.28	\$ 22.72	\$ 23.18	\$ 23.64
HANDY MAN	\$ 21.92	\$ 22.36	\$ 22.80	\$ 23.26	\$ 23.72
PARTSMAN	\$ 21.93	\$ 22.37	\$ 22.81	\$ 23.27	\$ 23.74
POWDER MAN	\$ 22.32	\$ 22.77	\$ 23.22	\$ 23.68	\$ 24.16
BUS DRIVER	\$ 22.33	\$ 22.78	\$ 23.23	\$ 23.70	\$ 24.17
TRUCK DRIVER TANDEM	\$ 22.33	\$ 22.78	\$ 23.23	\$ 23.70	\$ 24.17
SKIDDER OPERATOR	\$ 22.55	\$ 23.00	\$ 23.46	\$ 23.93	\$ 24.41
GRAPPLE SKIDDER OR FLAIL	\$ 22.64	\$ 23.09	\$ 23.56	\$ 24.03	\$ 24.51
FORWARDER OPERATOR	\$ 22.64	\$ 23.09	\$ 23.56	\$ 24.03	\$ 24.51
BOMBARDIER SWAMP TRACTOR	\$ 22.64	\$ 23.09	\$ 23.56	\$ 24.03	\$ 24.51
TRUCK DRIVER MULTI-TRAILER	\$ 22.88	\$ 23.33	\$ 23.80	\$ 24.28	\$ 24.76
HEAVY DUTY EQUIP. OPR.	\$ 23.07	\$ 23.53	\$ 24.00	\$ 24.48	\$ 24.97
SLASHER ON/OFF LOADER	\$ 23.20	\$ 23.66	\$ 24.14	\$ 24.62	\$ 25.11
FELLER/LIMBER/BUNCHER	\$ 23.21	\$ 23.67	\$ 24.15	\$ 24.63	\$ 25.12
PROCESSOR OPERATOR	\$ 23.21	\$ 23.67	\$ 24.15	\$ 24.63	\$ 25.12
SLASHER OPERATOR	\$ 23.39	\$ 23.86	\$ 24.33	\$ 24.82	\$ 25.32
TRADESMAN	\$ 27.87	\$ 28.43	\$ 29.00	\$ 29.58	\$ 30.17
STORES					
<u>MAIL COURIER*</u>	\$ 22.80	\$ 23.25	\$ 23.72	\$ 24.19	\$ 24.68

*Incumbent red-circled at this rate

Power Saw Operators working on a hourly basis, using their own saws will be paid one dollar and twenty-five cents (\$1.25) per hour for their saw, plus free gas and oil.

Rates for payment of mileage for the use of private vehicles will be twenty-five (25) cents per km.

Cut and skid crews felling, limbing, skidding and piling tree length merchantable timber shall be paid per crew cord including power saw rental as follows:

Crew of two (2) consisting of a Faller and Skidder Operator.

**PIECEWORKERS
EFFECTIVE**

METER	Sept. 1/01 (per m3)	Sept. 1/02 (per m3)	Sept. 1/03 (per m3)	Sept. 1/04 (per m3)	Sept. 1/05 (per m3)
7.5	\$ 13.62	\$ 13.90	\$ 14.17	\$ 14.46	\$ 14.75
9.0	\$ 12.64	\$ 12.89	\$ 13.15	\$ 13.42	\$ 13.68
10.5	\$ 11.43	\$ 11.66	\$ 11.89	\$ 12.13	\$ 12.37
12.0	\$ 10.59	\$ 10.80	\$ 11.02	\$ 11.24	\$ 11.46
13.5	\$ 10.20	\$ 10.40	\$ 10.61	\$ 10.82	\$ 11.04
15.0	\$ 9.82	\$ 10.02	\$ 10.22	\$ 10.42	\$ 10.63

Cut and skid crews felling, limbing, skidding and piling tree length merchantable timber shall be paid per crew cord including power saw rental as follows:

Crew of two (2) consisting of a Faller and Skidder Operator.

CREW OF THREE (3)

EFFECTIVE

	Sept. 1/01 (per m3)	Sept.1/02 (per m3)	Sept. 1/03 (per m3)	Sept.1/04 (per m3)	Sept. 1/05 (per m3)
FALLERS AND/OR BUCKERS	\$ 12.66	\$ 12.92	\$ 13.18	\$ 13.44	\$ 13.71
SKIDDER OPERATOR	\$ 11.58	\$ 11.81	\$ 12.05	\$ 12.29	\$ 12.54

CREW OF TWO (2)**EFFECTIVE**

	Sept. 1/01 (per m3)	Sept. 1/02 (per m3)	Sept. 1/03 (per m3)	Sept. 1/04 (per m3)	Sept. 1/05 (per m3)
FALLERS AND/OR BUCKERS	\$ 12.66	\$ 12.92	\$ 13.18	\$ 13.44	\$ 13.71
SKIDDER OPERATOR	\$ 12.66	\$ 12.92	\$ 13.18	\$ 13.44	\$ 13.71

Cut and skid crews felling, limbing, skidding and bucking eight feet, six inch (8'6") and sixteen feet six inch (16'6") merchantable timber shall be paid per crew Cu.M., including power saw rental.

Crew of three (3) consisting of two (2) Fallers and a Skidder Operator

**SCHEDULE "W-3"
WOODLANDS BOUNDARIES**

The Legal Description of the Forest Management Licence Area (F.M.L.A.) for Tolko Manitoba Solid Wood Division, is found in Plan No. 19349 and is filed in the Office of the Director of Surveys in Winnipeg, Manitoba. Plan No. 19349 was approved by the Director of Forestry on May 19, 1989 and by the Director of Surveys on May 26, 1989.

EXCLUDED AREAS

The F.M.L.A. for Tolko Manitoba contains the area shown in Plan No. 19349 except there out all those portions thereof contained within the limits of the Cormorant Provincial Forest and the Clearwater Provincial Park, all rights-of-way for railways, highways and roadways, all lands underlying any natural rivers or lakes or other body of water, and excepting also all lands therein to which the Government has granted a valid subsisting lease, licence or patent before May 4, 1989, a list whereof has been given to the Company by the

Government on or before such date, which said area represents the area in which the Company will operate under the terms hereof, or any extension of the said area granted by the Government to the Company under the terms hereof.

SCHEDULE "W-4"

LETTER OF UNDERSTANDING PROCEDURE FOR EXERCISING SENIORITY IN THE WOODLANDS DIVISION

In order to qualify to exercise seniority, the following will apply:

- 1)** Be on the payroll for Forty-five (45) days.
- 2)** Must be laid off.
- 3)** When reducing the workforce, senior employees may exercise seniority to displace the junior employee in the work area in any job, which the employee is able to perform the work. Employees exercising their seniority shall be allowed a two (2) day refamiliarization period.
- 4)** If a Woodland's employee is unable to exercise seniority in his/her work area and wishes to exercise seniority in other areas within the Woodlands Division, the same procedure will apply as above, (bump the junior employee on the seniority list in the classification being bumped).
- 5)** When the employee's original job is reactivated again, the employee has to return to the original job provided the employee has not bid into another job during that period.
- 6)** In the case of layoffs, the Company will notify the employee or employees concerned at least fourteen (14)

calendar days in advance unless the lack of work is beyond the Company's control.

Within seven (7) days of notification, where practical, a Personnel Notification form should be completed stating whether they accept a lay-off or wish to exercise seniority.

7) a) If during the lay-off period, the employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority entitles him to a job once an opening occurs.

b) The application of this provision shall not result in an employee, in the exercise of his rights, bumping an employee with less seniority once he accepts a layoff in six (6) above.

8) In the event of a permanent layoff due to job elimination as a result of a management decision to make changes that result in a more efficient operation, any employee affected will be allowed to exercise his seniority and receive the necessary training into one job category that requires no more than twenty days training.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

SCHEDULE "W-5"
LETTER OF UNDERSTANDING
TREE PLANTING

between

Tolko Manitoba Solid Wood Div.

and

IWA-Canada Local 324

The parties hereto agree that the following are the only conditions of the collective agreement that apply to tree planting contractors.

1. RATES OF PAY

The rate of pay for tree planting shall be \$0.095/tree. This rate is subject to review.

The rate of pay for a helper shall be fifteen dollars per hour (\$15/hr.).

A quality bonus of \$0.005/tree planted for 85% - 95% correctly planted and \$0.005/tree planted for 95% - 100% correctly planted will apply.

2. CAMP COSTS

It is agreed that the camp costs will be set at twelve dollars (\$12) per day for each planter during the planting season. It is further agreed that the camp standards must be in compliance with the Manitoba Workplace Safety and Health Act.

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

SCHEDULE "A"

The contractors listed below represent all the contractors who were signatory to the collective agreement in their respective activities at the time of the signing of the memorandum of agreement. All employees (present and future) of these contractors engaged in these activities shall remain covered by the terms and conditions of the collective agreement.

Contractor

Harvesting

Moose Lake Logging Company Ltd.
Cormorant Logging and Construction
Anderson Logging Ltd.
Wildwood Logging Ltd.
Turner Logging Ltd.

Tractor Work

Rock Island Dozer (Parker)
Beaulieu Contracting Ltd.

Schedule "B"

Overtime Distribution Policy

The Company agrees to adopt an overtime distribution policy as follows:

Sawmill Production Workers

Daily Overtime - Two Shift Operation

When overtime is required on a particular piece of equipment or job the overtime will be offered in the following order:

- Senior regular operator on opposite shift (employee actually performing the job that day)
- Senior qualified production employee (Utility operator is considered to be qualified on all production equipment)

Daily Overtime - Three Shift Operation

When overtime is required on a particular piece of equipment or job the overtime will be offered in the following order:

- Senior regular operator on the opposite shifts (employee actually performing the job that day) will split the shift.
- Senior qualified production employee (Utility operator is considered to be qualified on all production equipment)
- The Company's first priority will be to split the shift where possible if this is not possible the two-shift policy will apply

Weekend Overtime

When overtime is required on a particular piece of equipment or job the overtime will be offered in the following order:

- Senior regular operator (employee actually performing the job that week)
- Senior qualified production employee (Utility operator is considered to be qualified on all production equipment)

Signed this day of _____, 2004 on behalf of:

Hank Randrup
Tolko Manitoba Solid Wood

Christopher Parlow
IWA-Canada Local 324

Agreed to on behalf of:

IWA Canada Local 324

Harvey Arcand

Wilf McIntyre

Judy Anderson

Tom Kirkness

Norm McKenzie

Terry Derhousoff

Christopher T. Parlow

Laurent St. Aubin

Dave Matheson

Tom Burke Gaffney

Jody Ehman

Tolko Manitoba Solid Wood
Division

Hank Randrup

Dave Neufeld

Rob Layton

Memorandum of Agreement 2001 Negotiations

Between

Tolko Manitoba, Solid Wood Division

And

IWA Canada, Local 324

4:04 b) Any employee shall have the right to view his/her own personnel file with the Controller or designate.

4:09 c) New subsection: Education Trust Fund

The Company will provide a one-time payment of \$2000 to the Education Trust Fund and will contribute a further \$0.01 per employee per hour worked effective March 1st, 1999, a further \$0.01 per employee per hour worked September 1st, 1999, and a further \$0.01 per employee per hour worked effective September 1st, 2000.

The Education Trust Fund will be administered by the Local Union to develop and deliver a range of programs; which could include:

Grievance Handling	Collective Bargaining
Environmental Issues	Land Use
Steward Training	Parliamentary Procedures
Union Promotion & Training	Public Speaking

The contributions will be based on all hours worked and submitted monthly to the Local Union, IWA Canada, Local 324.

6:04 This section is amended to read: Employees discharged, laid off or displaced from their regular job because of mechanization, technological change or automation shall be entitled to severance pay of 7 day's pay (8hrs at straight time rate) for each year of service with the Company. The amount calculated under such entitlement shall not exceed a maximum of thirty weeks' pay. Partial plant closures are excluded from the provisions contained in this section.

9:01 d) Delete "Effective January 1, 1990."

d) Holiday pay will be increased to 11% at 5 weeks for those with 15 or more years of service.

f) at thirty years or more of service the entitlement will be 7 weeks holiday at 15%.

9:04 The vacation year shall be January 1, 1998 to December 31, 1998 with January 1st being the common anniversary date. Vacation entitlement shall be as outlined in the Collective Agreement. Employees shall have the option of only taking vacation entitlement required by the Vacations With Pay Act of the Province of Manitoba (2 weeks up to 4 years and 3 weeks there after). The employees shall have the option of taking a cash pay out of all vacation time in excess of the legal minimum by statute. Cash pay outs can be on a separate check. For Woodlands employees the vacation year shall be January 1 to December 31, with January 1 being the common anniversary date. Vacation entitlement must be taken during the year an employee becomes entitled to it.

9:06 Employees shall take vacations at times scheduled by the Company in order to cause the least disturbance to the efficient operations of the divisions. Vacations shall be between January 1st and December 31st. The vacation sheet for preferred vacations will be posted on October 1st and

extended to November 31st. The Company will post the schedule by January 1st of each year. Employees will be allowed one-day increments of vacation time at the discretion of the Supervisor. If there is an unused balance of vacation it will be paid at the end of the year.

11:01 Cash Payments deleted.

Effective September 1, 1998 the future service benefit will be increased to \$120./month/year of service. This benefit is provided through employee contributions of \$1.52/hr and employer contributions of \$2.107/hr.

13:01 a) “carbon” deleted. **c)** subject to review by the Sawmill Training Committee.

15:03 a new subsection b) will be added: “For designated Standard ticket holders a premium of \$0.50/hr will be provided and a designated employee with an Advanced ticket will be provided with a premium of \$0.75/hr.”

15:05 Lock Out Procedure – current lockout procedure will be included in the Master Agreement.

L – 1:01 “Repap Manitoba, Lumber Division” will be changed to reflect the new Company name, Tolko Industries Ltd., Manitoba Solid Wood Division.

L – 2:03 a new subsection b) will be added: “Employees may bank up to a maximum of 48 hours of stat time. Time off will be granted by mutual agreement between the Supervisor and the employee.”

L – 2:08 a) change “eight (\$8) dollars” to fifteen (\$15) dollars.

b) One (1) overtime meal will be provided when an individual is requested to work overtime hours outside his regularly

scheduled hours and does not have at least four (4) hours advanced notice. In addition, those employees requested to work longer than a nine (9) hour overtime shift shall be entitled to a hot meal (no notice for a 12-hour shift is 2 meals).

L – 7 New Letters of Understanding regarding 12-hour shift schedule added to the Collective Agreement.

L – 3:01 d) Weekend Casual Rate – the rate of pay has been amended to \$11.50/hr for the term of the Agreement, effective September 1, 1998.

L – 3:06 this section is amended to read: “The shift differential will be: 4pm to midnight - \$0.35, 12 midnight to 8am - \$0.40.

L – 4:02 (iii) this subsection will be amended to read: “Employees will be reimbursed to a maximum of \$110. per pair on an as-needed basis to a maximum of two pairs per year. Proof of purchase and the turning in of worn boots will be required for reimbursement.”

(vi) “common sense approach – mobile equipment operators, kiln operators, etc, who will be required to do routine maintenance on their equipment will be provided with coveralls.”

Schedule “L-4” – job bids referred to Sawmill Training Committee.

W – 1:05 a) The following language is added to this section – “A new contractor is one that has not previously worked for the Company.”

d) Successor rights would not apply when contractors choose to retire and dispose of their business and machinery

or when the business is sold as part of an estate, receivership, and/or bankruptcy sale.

W – 2:14 Add new subsection b) “When operations are running 3, 8-hour shifts, the paid breaks will be 2 – 10 minute coffee breaks and 1 – 20 minute lunch break.”

W – 3:12 Amended to “All cheques will be directly deposited in the account of the employee’s choice.”

W – 4:01 – Delete “For the Nelson River District only, employees shall be paid twelve dollars (\$12) for riding and forty dollars (\$40) for driving”

W – 6:02 d) – “Common sense approach – mobile equipment operators who will be required to do routine maintenance on their equipment will be provided with coveralls.”

W – 10:08 Delete current language and replace with:

a) It is understood that the Company does not intend to own and operate equipment for log production on its Forest Management License.

b) It is understood that the Company currently employs “dry rental” contractors, namely, John Uhrina, Grass River Logging Ltd., JR Logging Ltd., and Mud Lake Logging Ltd. These named contractors will become independent contractors and will become signatory to this Collective Agreement. The owner operator will have the ability to operate his own equipment, in line with the Collective Agreement.

c) All current Company employees, as of January 1, 1999, will continue to be direct employee of the Company and shall remain covered under the terms and conditions of the Collective Agreement. These Company employees will not

lose employment as a result of a sale/transfer/bankruptcy, etc., of the contractors named in b) above. It is agreed to by both parties that the contractor assumes all management rights.

d) These employees shall be entitled to bid or exercise Company seniority on vacancies occur in the independent contractor operations named in section b) and in accordance with section W10: 06. Should the Company require the use of additional equipment, which could include slashers, delimiters, etc., it shall do so under the conditions set out by section W-1:03 c).

e) Employees hired after January 1, 1999 by the independent contractors shall also be direct employees of said contractors but shall be subject to terms and conditions of the Collective Agreement, as it applies to the contractor they are employed by.

f) Employees hired after January 1, 1999 by the independent contractors will not be entitled to exercise or carry seniority from contractor to contractor.

g) Employees under section c) above shall have the opportunity to transfer into the sawmill when a vacancy occurs, or, in the event of temporary layoffs in the Woodlands, the same employees will be given the opportunity to fill temporary needs at the mill. Such employees will be considered new hires and will not have any Company seniority, except for vacation and pension service entitlements.

h) It is understood and agreed by both parties, that efficiencies need to be gained and implemented through a common sense approach to flexible work practices.

12:08 c) Amend the transfer period for relief supervisory positions from four (4) to six (6) months.

19:01 Duration of Agreement – The term shall be amended to reflect a 3 – year agreement coming into effect on

September 1, 1998 and continuing in force to August 31, 2001.

Schedule “A”

General Principals – add “7.” – Coverage for regular employees on layoff: 1 – 5 years of seniority, 4 months; 5 years or more, 6 months.

II Weekly Indemnity – for the term of the Agreement and effective September 1, 1998 the maximum rate will be raised from \$585 to \$625/week.

V Accidental Death and Dismemberment – increase to two times the benefit.

VI Comprehensive Health Plan

b) Major Medical – optical care will include trifocals with increases to \$200 September 1, 1998; \$250 September 1, 1999.

- Hearing aids – the benefit will be increased to \$450/family/year.

VII Dental Care Plan

The plan will provide 80% benefits for eligible expenses for subsections a) to g).

Benefits for subsections h) and l) will be at 60%.

There will be a lifetime maximum for orthodontics of \$2500/family effective September 1, 1998 and a \$3000 lifetime maximum for children only.

Article L – 3 & W – 3 Rates of Pay – The following general wage increase will come into effect during the term of this Agreement.

Effective September 1, 1998 – 1%

Effective September 1, 1999 – 2%

Effective September 1, 2000 – 2%

Schedule L – 1 Sawmill Rates

The Oiler rate of pay will be increased by \$0.41/hour and is subject to the general wage increase.

ARTICLE 4 - EMPLOYEE'S SECURITY

4:15 Employees working on modified schedules (i.e., other than 8-hour shifts), will receive their straight time equivalent weekly pay for each week of jury duty.

ARTICLE 15 - HEALTH & SAFETY

15:03 Add to subsection b) Employees holding a valid first aid ticket (basic St. Johns or better) and who are not the designated first aid attendant, will be paid \$.05/hour for holding such a ticket.

SCHEDULE "A" - HEALTH AND WELFARE

I. GENERAL PRINCIPLES

Add new subsection F) In the event a Weekly Indemnity (WI) cheque is delayed by more than two weeks after the employee had submitted the required paper work, the Company agrees to advance the equivalent amount to the employee. The employee agrees to sign the WI cheque over to the Company. In the event the WI claim is denied, the employee will reimburse the Company for the monies advanced.

ARTICLE L-2 - HOURS OF WORK AND OVERTIME

Add to subsection b) Employees working on eight (8) hour shifts who work on a Statutory Holiday will be allowed to bank the eight (8) hour Statutory pay.

ARTICLE L-3 - RATES OF PAY

Effective September 1, –2001 to August 31, 2002	0%
Effective September 1, –2002 to August 31, 2003	2%
Effective September 1, –2003 to August 31, 2004	2%
Effective September 1, 2004 to August 31, 2005	2%
Effective September 1, 2005 to August 31, 2006	2%

ARTICLE L-4 - HEALTH & SAFETY (LUMBER)

Add new subsection b) Employees in the following classifications will be provided with winter coveralls on an exchange basis:

- Deckman
- Outside Utility
- Outside Maintenance
- Car Blocker
- Car Loader
- Mill Yard Chip Truck Driver

Winter coveralls will be made available on a loan basis to other maintenance employees for use during incidental outside work.

SCHEDULE "L-6" - LETTER OF UNDERSTANDING JOB BID PROCEDURE - LUMBER DIVISION

1) All job postings will be posted for a period of not less than seven (7) working days.

2) Employees wishing to bid on a job must complete a job bid available for this purpose and submit the completed form to the Personnel Office within the seven (7) working day period.

3) After the closing of the posting a copy will be faxed to the Union office.

5) Job postings awards (successful bidder) will be posted within seven (7) working days from the date the job posting closed.

PLANT COMMITTEE

- A 12-hour Shift Plant Committee will be formed to review the Master Agreement for clarification or adjustments required with respect to the twelve-hour shift schedules.

ARTICLE W-3 - RATES OF PAY

(b) The following wage increases will come into effect during the term of this Agreement;

Effective September 1, –2001 to August 31, 2002	0%
Effective September 1, –2002 to August 31, 2003	2%
Effective September 1, –2003 to August 31, 2004	2%
Effective September 1, 2004 to August 31, 2005	2%
Effective September 1, 2005 to August 31, 2006	2%