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No. OF EMPLOYEES	210	
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This Agreement made and entered into this

7th Day of May, 1998

- between -

TEMBEC INC.

SPECIALTY PRODUCTS DIVISION

HUNTSVILLE OPERATION

(hereinafter referred to as the "Company")

- and -

**INDUSTRIAL, WOOD & ALLIED WORKERS OF CANADA
(I.W.A. - CANADA, LOCAL 1000)**

(hereinafter referred to as the "Union")

00965 (07)

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ARTICLE 1 PURPOSE

- 1.01** The purpose of this Agreement is to secure for the Company, the Union and the employees, the full benefits of orderly collective bargaining. It is the intent of the Company and the Union to operate under methods which will further to the fullest possible extent the safety, welfare and health of the workers, the economy of operation, the quality and quantity of output, cleanliness and protection of property, and to provide fair wage rates and working conditions.
- 1.02** It is recognized by this Agreement to be the duty of the Company, the Union and the employees to co-operate fully, individually and collectively, for the advancement of said conditions.
- 1.03** This Agreement provides a procedure for the prompt and orderly settlement of disputes.

ARTICLE 2 SCOPE AND RECOGNITION

- 2.01** This Agreement shall apply to all employees of Tembec Inc., Specialty Products Division, Huntsville Operation, Huntsville, Ontario save and except supervisors, persons above the rank of supervisors, office and sales staff, Forestry, Flooring and Sawmill clerical assistants, head log scalers, contractors and contractors' employees, and persons regularly employed for less than five days per month, students employed during the school vacation period, except students performing classified jobs.
- 2.02** The Company recognizes the I.W.A. Canada, Local 1000 as the sole collective bargaining agent for all employees of the Company in the bargaining unit defined in Article 2.01
- 2.03** No employee outside the bargaining unit shall perform work normally performed by employees in the bargaining unit except in cases of emergency, or in the absence of an employee to a maximum of two (2) hours.
- 2.04** While this Agreement is in effect, neither the Union nor any employee shall take part in or encourage directly, or indirectly, any strike, sit down, slowdown, or any interference with work or production, either wholly or partially against the Company
- 2.05** While this Agreement is in effect, the Company shall not engage in any lockout
- 2.06** The Union agrees that it will not solicit membership nor engage in any Union

activities during the regular working hours except as outlined in this Agreement.

- 2.07** This Agreement supersedes all previous Agreements, amendments to Agreements, and Letters of Understanding.
- 2.08** In this Agreement, words using the masculine gender include the feminine; the singular includes the plural, and the plural, singular where the text so indicates
- 2.09** In the event of any strike or work stoppage, it is agreed by the Union that the engineers are to perform essential work necessary to avoid damage to the Company's equipment, specifically the boilers and fire protection system.
- 2.10** The Company agrees not to contract out work which is regularly performed by its bargaining unit employees and for which the operation is equipped. If circumstances necessitate that the Company deviates from this clause and is in a situation where it was to hire contractors for specific work, it shall be discussed with the Union executive prior to the occurrence and shall not exceed a period of one month unless the parties mutually agree to an extension.

ARTICLE 3 MANAGEMENT RIGHTS

- 3.01** The management and administration of the operation and the direction of the working force are fixed by the Company. The Union recognizes that certain rights belong solely to the Company, prominent among which, but by no means wholly inclusive are the rights to:
- (a) maintain order and efficiency;
 - (b) hire, discharge, classify, transfer, promote, demote, retire, select, lay-off, re-call, establish new positions, direct, suspend, discipline and assign;
 - (c) make, alter and enforce rules, regulations, policies and practices to be observed by employees;
 - (d) determine location, expansion, curtailment or cessation of operations, products to be manufactured, methods, processes and means of manufacturing;
 - (e) have sole and exclusive jurisdiction over all operations, employees, buildings, machinery and equipment;
 - (f) establish number of employees required at any time, schedule production, number of hours to be worked, starting and quitting times for all employees, and overtime;

- (g) establish job content, quality and quantity standards, qualifications necessary to perform any particular job.

3.02 The Company agrees that none of the rights in Article 3.01 shall be exercised in a manner inconsistent with the terms of this Agreement and the performance of such rights are subject to the Grievance Procedure as outlined in Article 7.

ARTICLE 4 DISCRIMINATION

4.01 There shall be no discrimination by the Company or the Union or its members against any employee because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, **sex**, age, record of offenses, marital status, family status or handicap as outlined in the Human Rights Code.

ARTICLE 5 UNION SECURITY

5.01 Each employee shall, as a condition of employment maintain his membership in the Union. Each new employee shall as a condition of employment, following the completion of his probationary period, acquire and maintain membership in the Union.

5.02 Employees will pay their Union initiation fees, dues, monies and assessments through payroll deductions which will be made by the Company and remitted to the Financial Secretary of the Local Union by the end of the month following the month in which deductions are made. With each remittance, the Company will include an itemized statement showing each employee's name in full, (listed in alphabetical order, if possible), individual amounts and totals, with a copy to the sub-local Secretary Treasurer.

- 5.03**
- (a) Union dues will be deducted monthly and any deduction which is missed will be made in the next pay period, or upon notification.
 - (b) The Union will inform the Company in writing of the particulars regarding all applicable deductions and any change in amounts.
 - (c) The Company will insert the total amount of Union dues on each employee's T-4 slip.

- 5.04 Education Fund.** The Company will contribute to the Union Education Fund five cents (\$0.05) per monthly payroll hour per employee. Such contributions shall be made monthly by separate cheque and statement, along with the checkoff remittance.
- 5.05 Goodwill Fund.** To compensate the Union for its goodwill in allowing the Company flexibility in its controlled use of contractors, the Company agrees to pay one cent (\$0.01) per monthly payroll hour per employee, to the union sub-local.
- 5.06** The Company agrees to pay union dues for hours worked by plant janitorial contractors. Contracts to be offered annually to employees on a fixed rate and by seniority.

ARTICLE 6 UNION COMMITTEES

- 6.01** Union Negotiating Committee: The Union negotiating committee will consist of not more than four **(4)** employees.
Union Grievance Committee: The Union grievance committee shall consist of not more than three **(3)** employees.
- (a) It is clearly understood that stewards and other Union officials will not absent themselves from their regular duties to deal with grievances of employees, or with other Union business, without approval from their supervisor.
 - (b) The Union will notify the Company in writing of the names of all stewards and committee members, and any changes that may occur.
 - (c) The Company will compensate such committees for fulfilling their functions, payment will be at employee's regular rate of pay and will not apply on such matters outside regular working hours.
 - (d) The Union Executive (maximum 4 people) shall receive eight **(8)** hours unpaid leave per month. A one-week notice must be given prior to allowance of such time. Such time off shall coincide with the monthly Union/Management meeting and the executive will attend

ARTICLE 7 GRIEVANCE PROCEDURE

- 7.01** A grievance is defined to be any difference between the parties or between an employee and the Company, relating to the interpretation, application, administration or alleged violation of this agreement

- 7.02 (a) To be considered, a grievance must be presented within seven (7) days from the incident occurrence. Saturdays, Sundays and paid holidays as per article 15 are excluded from the time limits in this article.
- (b) Complaints deriving from the interpretation or application of the terms of this Agreement shall be discussed between the employee and the immediate supervisor. The employee may be accompanied by their steward. The time constraints outlined in Article 7.03 will not be affected by this process.

7.03 The time limits of the grievance procedure referred to below may be modified by mutual consent of the parties. Formal grievances shall be handled in the following manner:

STEP 1

The aggrieved employee and the steward shall take the matter to the immediate supervisor in writing within seven (7) days ~~from~~ incident occurrence. The written grievance shall refer to the specific Article(s) of this Agreement that are in question. The **supervisor** shall render a decision in writing within two (2) days from the date of the initiation of the formal grievance procedure.

STEP 2

If a satisfactory settlement is not reached, the Union chairperson and the steward shall present the matter in writing within two (2) days to the aggrieved employee's supervisor. A decision shall be rendered within three (3) days of receiving the written grievance.

STEP 3

If a satisfactory settlement is not reached at STEP 2, the matter shall be referred by the Union grievance committee to the manager of the Company in writing within five (5) days of the decision in STEP 2. The matter will be discussed at a meeting involving the Union grievance committee, and/or the supervisor, and/or the manager, and/or the personnel representative. The aggrieved employee may be present at this meeting if both parties agree. Such request shall not be unreasonably denied.

A written decision shall be rendered within five (5) days following the date of such meeting.

7.04 The Union representative and the Company labour relations manager or delegate may be present, or provide direction, at any step of the grievance procedure if requested by either party

7.05 **Group Grievance:** A grievance on behalf of more than one employee may be presented directly at STEP 1 listing the names of the grievors.

Policy Grievance: A policy grievance will confine itself to matters relating to the interpretation, administration, application or alleged violation of the agreement, which are inappropriate for an employee grievance single or group. Such grievances shall be submitted in writing by the chairperson or secretary treasurer of the Union at STEP 3 of the grievance procedure, within fifteen (15) days from where the circumstances giving rise to it occurred or originated. The time limits may be extended by mutual agreement.

7.06 The Company itself may file a grievance with the chairperson of the Union grievance committee and shall forward a copy of the grievance to the office of Local 1000. Said grievance shall be entered by the manager or general manager of the operation. If a satisfactory settlement has not been reached within five (5) days of receiving the grievance, the matter shall be discussed at a meeting arranged mutually between the Union grievance committee and the manager. The Union representative and the Company labour relations manager or designate may be present at this meeting. If a satisfactory settlement is not reached within three (3) days of the meeting, the grievance may be referred to arbitration as outlined in Article 8.

ARTICLE 8 ARBITRATION

8.01 Where a grievance is referred to arbitration the party making the referral will notify the other party in writing within thirty (30) calendar days of its' election of proceeding with a single arbitrator "arbitrator" or a tripartite arbitration board "board"

8.02 Where election is made for an arbitrator, the party making the referral will name one or more persons to act as an arbitrator in its' notice of referral. The other party will respond in writing within five (5) days naming its' choice of arbitrator Upon failure by the party receiving notice to name an arbitrator or failure by the parties to agree upon an arbitrator within the time limited, either party may request that an arbitrator be appointed by the Minister of Labour of Ontario.

8.03 Where election is made for a board, the party making the referral will name its' appointee to such board in the notice of referral The other party will respond in writing within five (5) days by naming its' appointee The two appointees so selected will, within five (5) days of the appointment of the second of them, appoint a third person who shall chair the board

Upon failure by the party receiving notice to name its' appointee or upon failure by the two appointees to agree on a chairperson within the time limited, either party may request that the Minister of Labour for Ontario appoint one or both persons as required.

- 8.04** The arbitrator or board will have no authority to alter, change or modify any of the terms and conditions of this agreement. Any question as to arbitrability will be determined by the arbitrator or board.
- 8.05** The decision of the arbitrator or of the board, shall be final and binding
- 8.06** Each party to this agreement will pay the fees and expenses of the member of the board selected by it or **by** the Minister and will share equally in paying the fees and expenses of the chairperson of the board or of the arbitrator.
- 8.07** No person may be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.

ARTICLE 9 DISCIPLINE

- 9.01** In all cases of disciplinary measures, except offences that warrant immediate discharge, or suspension, corrective discipline may follow this procedure:

STEP 1

Verbal Warning: Record of this occurrence will be made in the employee's personnel file.

STEP 2

Written Warning: The second offense requiring disciplinary measures may warrant a written reprimand.

STEP 3

Written Warning and Suspension: The third offense requiring disciplinary measures may warrant a written reprimand and a suspension from work to a maximum of five (5) working days without pay.

STEP 4

Dismissal, The fourth offense requiring disciplinary measures may warrant dismissal

The appropriate steward shall be present at the time said warnings are given.

- 9.02** Suspension or dismissal grievances will be dealt with immediately at STEP 2 of the grievance procedure.
- 9.03** The Union shall be entitled to copies of written reprimands.
- 9.04** For the purposes of disciplinary action any warnings on file will be backed down one (1) step after a period of seven (7) calendar months worked by the employee from the date of the reprimand.

ARTICLE 10 SENIORITY

- 10.01** The Company recognizes the principle of seniority in the bargaining unit, and agrees to grant preference to senior employees in the areas of promotion, transfer (except temporary transfers), lay-off and recall, subject to the articles below.
- 10.02** New employees will serve a probationary period of forty five (**45**) worked days, to a maximum of 360 **regular** hours of work before acquiring seniority rights. Seniority will date back to the employees date of hire. Probationary employees may be dismissed with cause. The parties agree that in discipline cases for probationary employees the standard of cause will be less than employees with seniority. The Union will be notified of the cause of the discharge. These time limits may be extended by mutual consent of both parties.
- 10.03** Seniority shall cease and employment shall be terminated for any employee under any of the following conditions:
- (a) if the employee voluntarily quits;
 - (b) if the employee is discharged for just cause and is not reinstated in accordance with the provisions of this agreement;
 - (c) during a lay-off of more than twenty-four (24) months;
 - (d) if an employee fails, after a lay-off, to return to work within five (5) working days after the Company has given the employee notice of recall by registered mail at the employee's last known address, or within five (5) working days when the employee has been successfully notified by the Company by telephone or in person.

10.04 Employees who are promoted out of the bargaining unit shall maintain seniority for a period of up to six (6) months. Such employees may return to their position in the bargaining unit prior to the expiration of this period. If such employees return to the bargaining unit after six (6) months they will return as a probationary employee as per Article 10.02..

The time limits outlined above may be extended by mutual consent of the parties

If such employees are discharged from their position outside of the bargaining unit, they shall be deemed discharged from the bargaining unit.

10.05 In cases of lay-off and recall after lay-off, promotions, work during slowdown periods, the following factors shall be considered:

- (a) knowledge, training, skill and ability of the employee to perform the required work. Employee(s) shall receive orientation of the position.
- (b) seniority.

When qualifications in factor (a) are equal, factor (b) shall govern

10.06 Revised seniority lists will be posted by the company every four (4) months

- 10.07**
- (a) When jobs are discontinued due to the introduction of new methods and/or equipment or the permanent reduction of operations, affected employees shall be offered employment in accordance with Article 10.05. Employee's who require minimal training to perform the alternate employment shall be trained by the Company.
 - (b) Employees displaced can bump plant-wide to jobs they have the skill and ability to perform with the exception of short term lay-offs(14 calendar days or less). When a short term lay-off occurs, the junior employees in the department (sawmill or flooring mill) shall be laid off first, provided that those employees remaining are willing and have the skill and ability to perform the jobs available.
 - (c) Employees displacing other ones will displace the least senior employee in the classification on the shift of their choice. Employees displaced will go back in the classification from which they were first displaced if the job becomes available. However, if the employee bids successfully on a classification vacancy, the above will not apply

10.08 Student Employment. Employees hired as students will be laid off on completion of their student term (Sept. 1). They must re-apply for permanent employment and if accepted will start as a new employee with respect to Union seniority.

ARTICLE 11 JOB POSTINGS

11.01 In the event that vacancies for positions of more than thirty (30) working days duration occur and new positions are created, the Company will post such new jobs or vacancies plant-wide for a period of three (3) working days. Applications for such postings will be made in writing to the Company official designated on the job posting notice with a duplicate copy to the Union chairperson. Classifications of base rate jobs will not be posted.

Training positions for apprentices shall be posted division wide

11.02 (a) In the event that two (2) or more employees apply, the Company will consider the factors outlined in Article 10.05 (a) and (b). Probation employees can apply for job postings, but preference shall be given to employees with seniority.

(b) Any training obtained through a temporary transfer would not count as skill and ability for Job Posting purposes. **Skill** and ability would be acquired through temporary job postings or training postings.

11.03 If the job is not filled as a result of the posting, or if no qualified applicants apply, the Company reserves the right to hire.

11.04 Three (3) job postings, including the original job posting, will be posted in accordance with the terms of this Agreement. Thereafter, any vacancy will be filled by the Company with consideration to Article 10.05 (a) and (b).

(a) Posted positions will be filled within five (5) working days after the three (3) working day job posting period. The Company will post the name of the successful applicant no later than five (5) working days after the decision has been made.

11.05 The Company may, within a trial period of ten (10) working days, remove an employee from the job, who, in the opinion of the Company, does not possess the necessary skill, or ability, or qualifications, to perform the job available at the Company's standard of efficiency. The trial period may be extended by mutual consent of the Union and the Company

- 11.06 Successful applicants for a posted job will have up to ten (10) working days to return to their original job, which will be classed as temporary for that period. This procedure is considered a job posting for the purposes of Article 11.08
- 11.07 Nothing provided herein shall preclude the Company from making a temporary appointment to any such position until the vacancy or new job is filled.
- 11.08 It is agreed that the successful applicant of the job posting procedure will not be permitted to re-apply for another job posting for a period of four (4) months. No employee shall be allowed to apply for more than two (2) job postings during any twelve (12) month period unless the job posting is of higher pay or the employee is transferred by mutual consent. Employees chosen for a permanent posting in another department shall not be allowed to post for another posting outside of the department for a period of one (1) year.
- 11.09 The Company agrees to continue the training program for specified classifications. These positions will be posted by the Company on bulletin boards for three (3) working days in order that all interested employees may apply. Trainees will be chosen according to the following factors: seniority, ability, attendance, work performance. The successful applicant cannot sign another Job Training Posting for a period of four (4) months, nor more often than two (2) times during any twelve (12) months period, within a department. Trainees chosen from another department shall not be allowed to post for another training or job posting outside the department for a period of one (1) year. Trainees selected for training positions from list a) below will be selected from within the department where the posting originated. All other training postings will be plant-wide. Employees accepting training from list b), specialized skill positions, must accept the posting if the vacancy occurs within twelve (12) months of completion of training
- (a) Sawmill: Shipper/inventory, Utility, Saw Filers, Sawyer, Edger Operator
Flooring: Utility, Shipper/Inventory, Matcher Operator, Quality Control, Filer, Grader/Nester
- (b) Sawmill. Shipper/inventory, Utility, Saw Filers, Sawyer, Engineer 4th Class, Kiln Operator, Bulldozer Operator, Log Scaler, Lumber Inspector, All Trades
Flooring Utility, Shipper/Inventory, Matcher Operator, Quality Control, Filer, Optimizing Operator/Grader, Grader Nester, All Trades
- 11.10 A vacancy due to illness, injury or leave of absence for more than thirty (30) working days shall be posted and awarded as per Article 11. These positions will remain in effect until the absent employee returns to work, or the employees

eligibility to return to work expires as per Article 10 after which the vacancy will be posted as a permanent position.

11.11 Where the Company intends to do major modifications of an existing occupation or introduce a new occupation, the Company will notify the Union in writing and meet for the purpose of negotiating a rate for the new or modified occupation prior to implementation. At the end of a thirty (**30**) day trial period following implementation, the parties will meet again to review the matter and the new or modified occupation will become part of the schedule of wages. If a rate increase is justified, the parties agree to retroactive.

11.12 In the event that a shift, either in whole or in part, is added to any plant or operation, the Company will formulate one (1) posting for all new positions to allow existing employees to apply.

ARTICLE 12 TEMPORARY TRANSFERS

12.01 For the purposes of this Agreement, temporary transfers shall mean a transfer not exceeding thirty (30) working days unless mutually agreed upon by the Company and the Union to extend the length of the temporary position.

12.02 Any employee who, for the convenience of the Company, is temporarily transferred to another job shall be paid as follows:

- (a) if the rate of pay for the job to which the employee is transferred is less than the rate of **pay** for the employee's regular job, the employee shall receive the higher rate of pay;
- (b) if the rate of pay for the job to which the employee is transferred is higher than the employee's regular rate of pay, the employee shall receive the higher rate of pay

12.03 Employees who, at their own request, are temporarily transferred to another job, shall receive the rate of pay for the job to which they are transferred.

12.04 Any employee who for the convenience for the Company, is transferred from the second shift on one calendar day to the first shift on the next calendar day immediately following, shall be paid the full normal hours per day for that shift as outlined in Article 13 This clause will only apply under the following conditions

- (a) the employee must work a minimum of five (5) hours of the second shift;
- (b) the employee must report for the first shift at the normal starting time for that shift

ARTICLE 13 HOURS OF WORK AND OVERTIME

- 13.01** The normal work week shall not exceed forty (40) hours. Before introducing a new work schedule pattern discussions will be held with the Union executive prior to implementation.
- 13.02** One ten minute rest period with pay during each half of each shift will be provided for all employees. A one half (1/2) hour lunch break will be provided without pay, for all employees.
- 13.03** All hours worked in excess of the normal work week or the normal work hours per day shall be paid as follows:
- (a) time and one-half
 - (b) double time for Sunday unless regularly scheduled
- 13.04** When overtime work is required, it will first be offered on a voluntary basis to the employees who normally perform the work, then to qualified employees on the basis of seniority.
- It is agreed that assigned overtime will be divided as equally as possible among the employees who normally perform the work and qualified employees.
- 13.05** If the work week is reduced due to a paid holiday outlined in Article 15, it shall be deemed as time worked in computation of overtime hours.
- 13.06** For employees in the Forestry operations, the Company will pay employees travel time one (1) way From the Company's designated base gathering place to the place of work at the employee's regular rate of pay. Such hours will not be considered as overtime hours in the computation of overtime pay. A travel time bonus of four dollars (\$4.00) per day will be paid in lieu of return travel for days worked for Forestry employees.
- 13.07** The Company will attempt to notify the affected employee as early as possible of a shift change.

ARTICLE 14 VACATIONS

- 14.01** Every employee of the Company shall be entitled to, and shall be required to take, an annual vacation of at least two (2) weeks. In the event the Company decides to shut down plant operation, in whole or in part, the Company will notify the employees to be affected of its decision by May 31st of each year, Such shutdown may occur in July or August. Any vacation entitlement shall be taken at this time except as otherwise provided for in this Agreement.

14.02 Vacations will not be permitted to interrupt normal plant operations. The Union recognizes the right of the Company to stagger vacations for maintenance personnel.

14.03 The Company agrees to pay the following vacation pay allowances:

- (a) to employees who have completed less than one (1) year of continuous service with the Company as of the employee's anniversary date, a vacation allowance of four percent (**4%**) of their total yearly earnings over the twelve (12) month period immediately preceding the employee's anniversary date;
- (b) to employees who have completed more than one (1) year but less than five (5) years of continuous service with the Company as of the employees anniversary date, a vacation allowance of four percent (**4%**) of their total yearly earnings over the twelve (12) month period immediately preceding the employee's anniversary date and two (2) weeks vacation;
- (c) to employees who have completed more than five (**5**) years but less than twelve (12) years of continuous service with the Company as of the employee's anniversary date, a vacation allowance of six percent (6%) of their total yearly earnings over the twelve (12) month period immediately preceding the employees anniversary date and three (**3**) weeks vacation;
- (d) to employees who have completed more than twelve (12) years of continuous service with the Company as of the employees anniversary date, a vacation allowance of eight percent (8%) of their total yearly earnings over the twelve (12) month period immediately preceding the employees anniversary date and four (**4**) weeks vacation.
- (e) to employees who have completed more than twenty-five (25) years of continuous service with the Company as of the employees anniversary date a vacation allowance of ten percent, (10%) of their total yearly earnings over the twelve (12) month period immediately preceding the employees anniversary date and five (5) weeks vacation. Effective March 11, 2000 5 weeks after twenty-two (22) years,

14.04 The vacation pay allowance shall be paid as follows:

- a) Within the week prior to the vacation period
- b) **As** a continuous pay method for the period of vacation
- c) The total amount owing or the balance of a) &/or b) shall be paid on or about June 30th annually

d) The Company requires three (3) weeks notice in writing for vacation requests under a) and b).

14.05 Where an employee is entitled to a period of vacation longer than the annual shutdown, the additional vacation may be taken at a time agreed upon by the Company and the employee. In the event of conflicting requests for vacation time, preference will be given to the most senior employee, providing written request is received before May 1st.

14.06 If the day of observance of a paid holiday as defined in Article 15 falls within the period of approved vacation of any employee, the employee shall be paid for such holiday, or the vacation may be extended one (1) day, upon the approval by the employee's supervisor.

ARTICLE 15 PAID HOLIDAYS

15.01 The following holidays shall be paid to employees at their regular rate of pay if not worked, and if worked, employees shall be paid at the rate of two and one-half (2 1/2) times the regular rate of pay:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	The day before Christmas Day
Canada Day	Christmas Day
Civic Holiday	Boxing Day

In addition to the above each employee shall be entitled to one floating holiday per year.

15.02 Employees must have completed their probationary period to qualify for payment for the holidays.

15.03 Payment for the aforesaid holidays shall not be made if an employee does not work on their last full regular scheduled shift on the day immediately prior to, and the first regular scheduled shift immediately following paid holidays as described in Article 15.01

Article 15.03 will not apply under the following conditions:

- a) absence approved by the supervisor
- b) where an employee was laid-off prior to the holiday and had earned wages on

at least twelve (12) days during the four (4) weeks immediately preceding the holiday.

- 15.04** Where a holiday falls upon a working day, the parties agree to substitute another working day for the holiday. This substituted day shall not be later than two (2) weeks from the date of the holiday, and the day so substituted shall be deemed to be the holiday.
- 15.05** **Minute of Mourning:** In recognition of workers who have been killed in the workplace, the Company agrees to observe a one (1) minute of silence at approximately 11:00 a.m. and lower any flags upon the property to a position of "half mast" on the date of **April 28th** of each year.
- 15.06** For the purposes of payment for the holidays outlined in Article 15.01, employees will be paid their regular rate of pay for the number of straight time hours they would normally **work** on that day.

ARTICLE 16 LEAVE OF ABSENCE

- 16.01** The Company, in its sole discretion, may grant leave of absence, or extensions thereof, to employees for personal reasons. Such leaves of absence will not exceed three (3) months. The request shall be provided in writing to the employee's immediate supervisor at least two (2) weeks in advance, if possible, and the reasons for the leave of absence stated. Such leave of absence shall be without pay.
- 16.02** Leave of absence, without pay, will be granted to employees who are required to attend Union business for a period of up to one (1) year or longer if mutually agreed.
- 16.03** Leave of absence will not be granted for reasons of self-employment or seeking alternate employment. If at any time, it is found that an employee on leave has accepted employment elsewhere, either temporary or for trial purposes, the employee will be considered as having quit as of that time, and will have lost all seniority.
- 16.04** Extensions to leaves of absence will be considered by the Company if the employee provides
- (a) written notice five (5) working days prior to expiration date if leave of absence is

less than three (3) months in duration;

- (b) written notice two (2) weeks prior to the expiration date if the leave of absence is more than three (3) months.

16.05 Employees not returning upon the expiration of leave of absence, or extensions thereof, shall be considered to have quit voluntarily.

ARTICLE 17 BEREAVEMENT LEAVE AND BEREAVEMENT PAY

17.01 When a death occurs in an employee's immediate family, the Company shall grant the following time off with pay, these days will be taken within the seven (7) calendar days following the death:

- (a) In the case of current spouse or children, five (5) consecutive working days with a maximum of forty (40) hours.
- (b) In the case of mother, father, sister, brother, grandparents, grandchildren, mother-in-law, father-in-law, current step parents, and current step children, three (3) consecutive working days.
- (c) In the case of a current spouse's grandparents, current brother-in-law, current sister-in-law one (1) day which **must** be the day of the funeral.

17.02 Employees will be paid only for the actual working day(s) they will have missed, Employees must have completed their probationary period to qualify for payment of bereavement leave.

17.03 Where it **is** necessary because of distance, the employee may apply for a personal leave of absence in addition to the bereavement leave. The additional leave will be without pay. Permission for such leave shall not be unreasonably withheld.

ARTICLE 18 JURY DUTY

18.01 Upon completion of the probationary period, the Company will pay employees who are required to perform jury service, or subpoenaed as a witness the difference between their regular hourly rate for the number of hours normally worked in their regular shift, and the payment received for the above service. Employees will present proof of service and the amount of pay received.

- 18.02** Payment for jury duty or subpoena duty will not be provided under the following conditions:
- (a) for Saturdays, Sundays and holidays;
 - (b) during an employee's vacation if notice of jury duty, or subpoenaed as a witness is received during the vacation. If notice is received prior to the vacation, the Company shall reschedule the vacation time and grant jury duty or witness pay according to the provisions of this Agreement;
 - (c) during a lay-off,
 - (d) for more than the number of hours regularly scheduled for the employee's job;
 - (e) in the event that jury service or subpoena duty on any one day is one-half (1/2) day or less, employees will be required to devote the remainder of the day to their regular duties with the Company;
 - (f) for a period in excess of ten (10) days of jury service or witness duty for any one (1) case.

ARTICLE 19 STAND-BY PAY

- 19.01** In the event an employee is required to stand-by for any reason, such employees shall be paid their regular rate of pay for such hours, or two (2) hours pay, whichever is greater.

ARTICLE 20 REPORTING ALLOWANCE

- 20.01** Employees reporting for work on a regular shift without having been notified by telephone previously not to report, shall be given four (4) hours pay at their regular rate. This clause will not apply in cases of power failure, fire, flood, or other conditions outside of the control of the Company.
- 20.02** If required by the Company, employees may be asked to perform work during the said four (4) hours, in any part of the operation at their regular rate of pay

ARTICLE 21 CALL-IN PAY

- 21.01** Employees who are called back to work, after having left the Company premises at the end of their regular shift, shall receive four (4) hours **pay** at their regular rate of pay, or time and one-half for hours worked, whichever is greater.
- 21.02** Cali-in pay shall only apply if such call-in was not pre-arranged before the employee left the Company premises.

ARTICLE 22 MINIMUM RECOMPENSE

- 22.01** If employees commence **work** on their shift and the operation stops prior to the completion of the shift, the employee shall receive a minimum of four (4) hours pay at regular rates. To **qualify** employees must accept alternative **work** available.

ARTICLE 23 BULLETIN BOARDS

- 23.01** The employees shall have the use of bulletin boards in the plant premises for the purpose of posting notices of Union activity. All such notices must be signed by the proper officers of the Union and approved by the Company before being posted.

ARTICLE 24 NOTICES

- 24.01** Any notices required to be made to one party or the other shall be addressed as follows:
- (a) To the Company: Vice-president & General Manager
Tembec Inc., Specialty Products Division
Huntsville Operation
46 King William St.
Huntsville, Ontario
P1H 1G3
- with a copy to: Human Resources Manager
Tembec Inc., Specialty Products Division
Suite 309, 269 Main Street West
North Bay, Ontario
P1B 2T8

(b) To the union: Union Representative
IWA - Canada
20 East Perth Bay
Sault Ste. Marie, Ontario
P6C 5Z9

with a copy to: IWA - Canada
2088 Weston Road
Weston, Ontario
M9N 1X4

ARTICLE 25 HEALTH AND SAFETY

- 25.01** The Company shall make all reasonable provisions for the safety and health of its employees. The safety committee, consisting of equal representation from the Union and the Company shall have the right to make recommendations to the Company respecting the safety and health of the employees.
- 25.02** The Union agrees to co-operate with the Company in the enforcement of the approved and posted **safety** rules.
- 25.03** The Company may require a medical examination of an employee, at any time, at the Company's expense. The employee will be compensated for any regular scheduled hours lost while attending such **an** examination.
- 25.04** The Company will supply employees with ear protection, hard hats, eye protection, dust masks and work gloves. The Company will supply aprons and rubber boots to employees who require them to perform their jobs. Upon returning any of the above mentioned safety apparel that has been damaged or worn out during regular duties, the employee shall receive new apparel from the Company at no cost.
- 25.05** New employees shall sign for the safety apparel outlined in Article 25.04. If the safety apparel **is** not returned upon termination of employment, the cost will be deducted from the employee's final pay.
- 25.06** The Company will provide a safety boot allowance of ninety dollars (\$90.00) to all active employees who have **six** (6) months seniority at November 30. The boot allowance will be paid annually on or about December 1st. Effective March 11, 2000 a boot allowance of one-hundred dollars (\$100.00).

25.07 The Company agrees to allow employees to purchase safety footwear by a maximum of two (2) payroll deductions.

ARTICLE 26 WAGES

26.01 The schedule of wage rates, Schedule "A", "B" and "C", is attached hereto and forms part of this Agreement.

26.02 Shift differentials shall be paid at all employees on shift work as follows:

(a) Second (2nd) ~~shift:~~rotating **shifts**, a shift premium of thirty- five cents (\$0.35) per hour.

non-rotating shifts, a shift premium of fifty cents (\$0.50) per hour.

(b) Third (3rd) Shift: rotating shifts, a shift premium of forty-five cents (\$0.45) per hour.

non-rotating shifts, a shift premium of sixty cent (\$0.60) per hour.

An attendance bonus of fifty cents (\$0.50) per hour on non-rotating third shift. The bonus is conditional upon being at work for all scheduled hours, unless the absence is excused by the supervisor.

(c) Shift premium will be added to all regular and overtime hours worked on the second or third shifts.

26.03 Employees in training will receive the rate one (1) level below the classified rate, except employees training in level one (1) positions who shall receive the classified rate.

26.04 Employees will be readily available to work when on pager duty and will be compensated as follows;

One (1) hour at their regular rate per weekday

Four (**4**) hours at their regular rate per weekend

Two (2) hours at their regular rate on a statutory holiday

For the purpose of this article, a weekday will be:

Monday to Thursday 4:00 p.m. to 7:00 a.m. of the following day

Friday 1:20 p.m. to 12:00 midnight

A weekend will be: Friday 12:00 midnight to Monday 7:00 a.m.

- 26.05** To compensate Forestry employees for the use of their personal chain saw, the Company will pay a chain saw and chain saw pant allowance of seventeen dollars (\$17.00) per day. If requested by the Company to make the chain saw available at the worksite, but not used, a standby allowance of five dollars (\$5.00) per day will be paid.
- 26.06** Employees performing the Lead Hand classification shall be paid a premium of seventy-five cents (\$0.75) per hour.

ARTICLE 27 BENEFITS

- 27.01** The Company agrees to provide the following benefits as outlined in the benefit booklets:
- (a) one-hundred percent (100%) of the cost of O.H.I.P. premiums, semi-private hospital coverage;
 - (b) one hundred percent (100%) of the premium cost of Group Life Insurance of \$25,000.00. One hundred percent (100%) of the premium cost of A.D.&D. (Accidental Death and Dismemberment).
 - (c) one hundred percent (100%) of the premium cost of Drug Plan with twenty-five dollars (\$25.00) deductible for family coverage, fifteen dollars (\$15.00) for single coverage.
 - (d) one-hundred percent (100%) of the premium cost of Weekly Indemnity Plan consisting of three hundred dollars (\$300.00) per week integrated with E.I.C. for illness and accident from the first day of non-occupational accident and the third day of sickness. When there is a delay in receiving E.I.C. benefits to which the employee is entitled to, resulting in him not receiving any pay on his regular pay day, he will be advanced \$300.00 per week, up to a maximum cumulative advance of \$900.00. The advance will be reimbursed through payroll deductions upon his return to work
 - (e) fifty percent (50%) of the premium cost of a Dental Plan #7, with plan #9 coverage (Two (2) year lag) 100% reimbursement. Twenty-five dollars (\$25.00) deductible for single coverage and fifty dollars (\$50.00) deductible for family Sixty percent (60%) of the premium cost effective March 11, 1999 Seventy percent (70%) of the premium cost effective March 11, 2000
 - (f) one hundred percent (100%) of the premium cost of a Vision Care Plan (\$175.00 per family member per 24 month period). (Deductible to be included in the Drug Plan deductible). Effective March 11, 1999 two hundred dollars (\$200.00) per family member per twenty-four (24) month period.

- (g) Employee paid Long Term Disability Plan. Details to be finalized with the Union executive.

27.02 The coverage outlined above will be administered in accordance with the terms and conditions established by the respective carrier.

27.03 (a) Group R.R.S.P. The Company agrees to contribute ten cents (\$0.10) per employee per hour worked into a group Registered Retirement Savings Plan,

- (b) A second R.R.S.P. plan shall be in effect where employees shall contribute four percent **(4%)** of their gross earnings. The Company will contribute thirty percent (30%) of the employee's four percent **(4%)** contributions.

Effective March 11, 1998 employees can contribute five percent (5%) of their gross earnings. The Company will contribute thirty percent (30%) of the employee's five percent (5%) contribution.

Effective March 11, 1999, the **5%** contribution will be mandatory. The Company will contribute thirty percent **(30%)** of the employee's five percent (5%) contribution.

- (c) All contributions to the group R.R.S.P. plan shall be locked in for the term of employment or the age of fifty-five **(55)**. Additional contributions can be made through payroll deductions, including profit sharing.

27.04 (a) Tool Allowance: the Company will provide a tool allowance of three hundred dollars (\$300.00) per contract year, such allowance will be paid on the anniversary of the contract, to all employees required by the Company to supply their own tools.

- (b) Tools broken on the job may be replaced at the supervisor's discretion



ARTICLE 28 DURATION OF AGREEMENT

28.01 This Agreement shall be in effect from March 11, 1998 to March 10, 2001 inclusively and thereafter from year to year unless either party desires to amend the agreement


The party desiring the change will notify the other party in writing within the period of ninety (90) days before the **expiry** date of the agreement or before any subsequent anniversary.

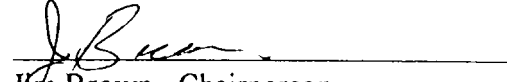
Where notice is given as provided herein the parties will meet within the following fifteen (15) days or within such further time as the parties agree upon.


In Witness whereof each of the parties has caused this Agreement to be signed by duly authorized officers or representatives this 7th day May, 1998.

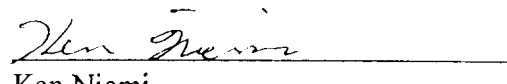
FOR THE COMPANY:


FOR THE UNION:



Tim Martin
Superintendent, Flooring Department



Jim Brown, Chairperson
Union Negotiating Comm



Betty Slatter,
Sawmill Production Supervisor



Ken Niemi
Union Negotiating Comm.



Cathy Wagstaff
Employee Services Supervisor


Patrick Casey Jr.
Union Negotiating Comm.


Conrad Blake
Human Resources Manager
Specialty Products Division


William Smith
Union Negotiating Comm


Yves Ouellet
Corporate Director, Human Resources


Joe DaCosta
President, Local 1000

Schedule "A"
WAGE RATES

Sawmill and Forestry Job Classifications

Year 1 - Effective March 11, 1998

POSITION	1	2	3	4	5	6	7	8
RATES	13.10	13.44	13.99	14.60	14.98	15.39	16.29	17.06
General Labourer	X							
Green Chain Piler	X	>2yrs						
Resaw Feed		X						
Security		X						
Filer Helper		X						
Stacker Operator		X						
Chipper Operator/Cleanup			X					
Truck Driver/Cleanup			X					
Grader Operator			X					
Loader Operator			X					
Debarker Operator			X					
Edger Operator			X					
Mobile Equipment Operator			X					
Resaw Operator			X					
Trimmer Grader			X					
Bulldozer Operator			X					
Kiln Helper/Cleanup			X					
Engineer 4 th Class				X				
Kiln Operator				X				
Resaw Operator w/o Helper				X				
Shipper/Inventory				X	>18mth	>3yrs		
Utility					X			
Circular Saw Filer					X			
Bulldozer Operator					X		>2yrs	
Log Scaler					X		>2yrs	
Lumber Inspector Uncertified					X			
Lumber Inspector NHLA						X	>2yrs	
Sawyer							X	>2yrs
Filer							X	>2yrs

Schedule "A"
WAGE RATES
Flooring Plant Job Classifications

Year 1 - Effective March 11, 1998

POSITION	1	2	3	4	5	6	7	8
	13.10	13.44	13.99	14.60	14.98	15.39	16.29	17.06
General Labourer	X							
Feed Matcher		X	>6mth					
Knot Sawyer - Rough		X	>6mth					
Residue Shipper		X						
Optimizing Packager		X	>6mth					
Lug Loader		X	>6mth					
Trimmer Operator		X						
Knot Sawyer - Finish		X	>6 mth	>12mth				
Rerip Tail/Utility (All Level 2)		X						
Lift Truck Operator			X					
Rip Saw/Hoist Operator			X					
Optimizing Operator/Grader			X	>6mth				
Grader/Nester			X	>6mth	>18mth			
Utility				X	All Jobs			
Rerip Operator/Utility				X				
Lift Truck Operator/Shipper				X				
Shipper/Inventory				X	>18mth	>3yr		
Matcher				X	>6mth	>18mth	>3yr	
Quality Control					X	>18mth		
Filer						X	>2yr	

Schedule "A"
WAGE RATES
 Trades Job Classifications

Year 1 - Effective March 11, 1998

POSITION	D	C	B	A	CC	BB	AA
RATES	15.34	16.28	16.80	17.84	17.57	18.10	20.38
Industrial Millwright	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Heavy Industrial Mechanic	X	Enrolled or after 2 years experience	6 months or after 5 year experience	Certified			
Industrial Electrician	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Machinist	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Electrician/Millwright					Enrolled	6 mths	Certified
Industrial Millwright/Machinist					Enrolled	6 mths	Certified

Schedule "B"
WAGE RATES

Sawmill and Forestry Job Classifications

Year 2 - Effective March 11, 1999

POSITION	1	2	3	4	5	6	7	8
RATES	13.49	13.84	14.41	15.04	15.43	15.85	16.78	17.57
General Labourer	X							
Green Chain Piler	X	>2yrs						
Resaw Feed		X						
Security		X						
Filer Helper		X						
Stacker Operator		X						
Chipper Operator/Cleanup			X					
Truck Driver/Cleanup			X					
Grader Operator			X					
Loader Operator			X					
Debarker Operator			X					
Edger Operator			X					
Mobile Equipment Operator			X					
Resaw Operator			X					
Trimmer Grader			X					
Bulldozer Operator			X					
Kiln Helper/Cleanup			X					
Engineer 4 th Class				X				
Kiln Operator				X				
Resaw Operator w/o Helper				X				
Shipper/Inventory				X	>18mth	>3yrs		
Utility					X			
Circular Saw Filer					X			
Bulldozer Operator					X		>2yrs	
Log Scaler					X		>2yrs	
Lumber Inspector Uncertified					X			
Lumber Inspector NHLA						X	>2yrs	
Sawyer							X	>2yrs
Filer							X	>2yrs

Schedule "B"
WAGE RATES
Flooring Plant Job Classifications

POSITION	1	2	3	4	5	6	7	8
RATES	13.49	13.84	14.41	15.04	15.43	15.85	16.78	17.57
General Labourer	X							
Feed Matcher		X	>6mth					
Knot Sawyer – Rough		X	>6mth					
Residue Shipper		X						
Optimizing Packager		X	>6mth					
Lug Loader		X	>6mth					
Trimmer Operator		X						
Knot Sawyer – Finish		X	>6 mth	>12mth				
Rerip Tail/Utility (All Level 2)		X						
Lift Truck Operator			X					
Rip Saw/Hoist Operator			X					
Optimizing Operator/Grader			X	>6mth				
Grader/Nester			X	>6mth	>18mth			
Utility				X	All Jobs			
Rerip Operator/Utility				X				
Lift Truck Operator/Shipper				X				
Shipper/Inventory				X	>18mth	>3yr		
Matcher				X	>6mth	>18mth	>3yr	
Quality Control					X	>18mth		
Filer						X	>2yr	

Schedule "B"
WAGE RATES
 Trades Job Classifications

Year 2 • Effective March 11, 1999

POSITION	D	C	B	A	CC	BB	AA
RATES	15.80	16.77	17.30	18.38	18.10	18.64	20.99
Industrial Millwright	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Heavy Industrial Mechanic	X	Enrolled or after 2 years experience	6 months or after 5 year experience	Certified			
Industrial Electrician	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Machinist	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Electrician/Millwright					Enrolled	6 mths	Certified
Industrial Millwright/Machinist					Enrolled	6 mths	Certified

Schedule "C"
WAGE RATES
Sawmill and Forestry Job Classifications

Year 3 - Effective March 1, 2000

POSITION	1	2	3	4	5	6	7	8
RATES	13.96	14.32	14.91	15.57	15.97	16.40	17.37	18.18
General Labourer	X							
Green Chain Piler	X	>2yrs						
Resaw Feed		X						
Security		X						
Filer Helper		X						
Stacker Operator		X						
Chipper Operator/Cleanup			X					
Truck Driver/Cleanup			X					
Grader Operator			X					
Loader Operator			X					
Debarker Operator			X					
Edger Operator			X					
Mobile Equipment Operator			X					
Resaw Operator			X					
Trimmer Grader			X					
Bulldozer Operator			X					
Kiln Helper/Cleanup			X					
Engineer 4 th Class				X				
Kiln Operator				X				
Resaw Operator w/o Helper				X				
Shipper/Inventory				X	>18mth	>3yrs		
Utility					X			
Circular Saw Filer								
Bulldozer Operator					X		>2yrs	
Log Scaler					X		>2yrs	
Lumber Inspector Uncertified					X			
Lumber Inspector NHLA						X	>2yrs	
Sawyer							X	>2yrs
Filer							X	>2yrs

Schedule "C"
WAGE RATES
Flooring Plant Job Classifications

Year 3 - Effective March 11, 2000

POSITION	1	2	3	4	5	6	7	8
RATES	13.96	14.32	14.91	15.57	15.97	16.40	17.37	18.18
General Labourer	X							
Feed Matcher		X	>6mth					
Knot Sawyer - Rough		X	>6mth					
Residue Shipper		X						
Optimizing Packager		X	>6mth					
Lug Loader		X	>6mth					
Trimmer Operator		X						
Knot Sawyer - Finish		X	>6 mth	>12mth				
Rerip Tail/Utility (All Level 2)		X						
Lift Truck Operator			X					
Rip Saw/Hoist Operator			X					
Optimizing Operator/Grader			X	>6mth				
Grader/Nester			X	>6mth	>18mth			
Utility				X	All Jobs			
Rerip Operator/Utility				X				
Lift Truck Operator/Shipper				X				
Shipper/Inventory				X	>18mth	>3yr		
Matcher				X	>6mth	>18mth	>3yr	
Quality Control					X	>18mth		
Filer						X	>2yr	

Schedule "C"
WAGE RATES
Trades Job Classifications

Year 3 - Effective March 11, 2000

POSITION	D	C	B	A	CC	BB	AA
RATES	16.35	17.36	17.90	19.02	18.73	19.29	21.72
Industrial Millwright	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Heavy Industrial Mechanic	X	Enrolled or after 2 years experience	6 months or after 5 year experience	Certified			
Industrial Electrician	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Machinist	X	Enrolled or after 2 yrs experience	6 mths or after 5 yrs experience	Certified			
Industrial Electrician/Millwright					Enrolled	6 mths	Certified
Industrial Millwright/Machinist					Enrolled	6 mths	Certified