

SOURCE	Cie		
EFF.	2000	01	03
TERM.	2003	01	02
No. OF EMPLOYEES	430		
NOMBRE D'EMPLOYÉS	LP		

COLLECTIVE AGREEMENT

BETWEEN :

INTERFOREST LTD.

-----AND-----

I.W.A. CANADA - LOCAL 500

Effective January 3, 2000 to January 2, 2003

00988 (07)

INDEX

(This index does not form part of this Collective Agreement.)

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THIS AGREEMENT MADE THIS 3rd. DAY OF JANUARY 2000

BETWEEN :

INTERFOREST LTD.

(hereinafter referred to as the "Company")

PARTY OF THE FIRST PART

-----AND-----

I.W.A. -- CANADA Local 500

(hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

PREAMBLE

The general purpose of this Agreement is to secure for the Company, the Union, and the employees, the full benefit of orderly collective bargaining and to the fullest possible extent, the safety and physical welfare of the employees, economy of operation, quality and quantity of output. It is recognized by this Agreement to be the duty of the Company and the employees to cooperate fully, individually and collectively for the advancement of the said conditions.

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

ARTICLE 1 - SCOPE

1.01 This Agreement shall apply to all employees of the Company save and except office staff, sales staff, supervisors and those above the rank of supervisor, security guards, stationary engineers and persons primarily engaged as their helpers.

ARTICLE 2 - RECOGNITION

2.01 The Company recognizes the Union as the sole collective bargaining agency for all employees, (save and except office staff, sales staff, supervisors and those above the rank of supervisors, security guards, stationary engineers and persons primarily engaged as their helpers) with respect to rates of pay, hours of work, and all other working conditions.

2.02 Management Rights - Except where expressly otherwise provided in this Agreement, nothing herein shall limit the Company in the exercise of the rights and functions of ownership and management. Accordingly, the Company will select and hire new employees and direct the working force; discipline, suspend or discharge employees for cause with justice and due regard for the reasonable rights of the employees; promote, transfer or lay off employees, make such reasonable rules and regulations as the Company considers necessary or advisable for the orderly and efficient conduct of its business, and to require employees to observe such rules and regulations; determine and designate all job classifications it has to offer its employees. The Company, however, will not exercise the rights and functions herein reserved for the purpose of discrimination against the Union or its members. It is agreed that the enumeration of the rights and functions of Management reserved above shall not be deemed to exclude other rights or functions of ownership or management not so enumerated which are also hereby reserved by law, providing the foregoing are not in conflict with express provisions and principles of this Agreement.

ARTICLE 3 - NO DISCRIMINATION

3.01 There shall be no discrimination by the Company or the Union or the members against any employee in compliance with Ontario Human Rights Code.

ARTICLE 4 - UNION SECURITY & CHECK-OFF

4.01 The Company agrees that, after an employee has been in the service of the Company forty-five (45) days worked, that the said employee shall become and remain a member in good standing of the Union as a condition of continued employment. Upon completion of the probation period and then when the employee joins the union he/she shall authorize payroll deduction for union dues in accordance with the Article 4.02 authorization form.

4.02 The Company agrees to deduct the regular Union dues on a monthly basis from all employees whom have worked five (5) days or more in any month and who has authorized such deduction on the form provided. The Company further agrees to deduct the regular initiation fee from the pay of new employees at the same time as their first Union dues are deducted. Union dues and initiation fees so deducted will be remitted to the designated officer of the Union, together with a list of names of those from whom such deductions were made.

4.03 The Company agrees to deduct seven dollars (\$7.00) per year special assessment from each Union member's wages. Union to inform Company in writing what pay period deduction will be taken from.

4.04 The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of deductions made or payments made in accordance with this Article.

ARTICLE 5 - UNION STEWARDS' COMMITTEE

5.01 The company shall recognize the Union Stewards' Committee which shall consist of not less than eight (8) employees, nor more than twelve (12) employees, elected or appointed by the Union. It is understood by the parties that the union representation based upon the ratio presently established will increase or decrease proportionately in relation to the size of the bargaining unit. Adjustments in the representation will be made every six (6) months should the ratio change substantially. A committee of not more than four (4) including the Plant Chairperson, shall meet the Company at such time as is mutually agreed upon at the request of either party. The Union shall notify the Company in writing of the names of the Union Stewards. A collective agreement negotiating committee of not more than five (5) plant members shall meet the Company at such time as is mutually agreed upon at the request of either party for the purpose of negotiating changes to the collective agreement.

5.02 It is clearly understood that stewards and other Union officers will not absent themselves from their regular duties unreasonably in order to deal with grievances of employees or with other Union business. Before absenting themselves from regular duties, permission must be obtained from the Supervisor or Plant Manager. In accordance with this understanding, the Company will compensate such employees for time lost in negotiating with the Company and in meeting with the Company to handle grievances of employees.

5.03 The Company will grant leave of absence without pay for two months in any one year, unless otherwise mutually agreed upon, to an employee who is elected as an official representative on behalf of the Union, providing that at least one week's notice is given and efficiency of the Department is not affected.

ARTICLE 6 - GRIEVANCE PROCEDURE

6.01 In the event of any complaint by an employee covered by this agreement that he/she had been dealt with contrary to its terms, he/she may take the matter up as a grievance with the employer within and not after three (3) days of the incident excluding weekends or holidays, or the time at which the employee could reasonably have been expected to become aware of the incident, giving rise to the grievance.

Step (a) The aggrieved employee shall first take up the matter verbally with his immediate Supervisor who shall render a verbal decision immediately, unless other reference is required, but at least by the employee's next shift. The aggrieved employee may request the presence of his/her steward if the company has more than one person present.

Step (b) If the matter is not settle, the matter shall within and not after three (3) working days from the date a decision was given in step (a) present in writing on Union forms made out in triplicate, with the original for the Company, 2 copies for the Union and a copy for the employee. A subsequent meeting with the Plant Manager or his/her delegate and the Human Resources Director or his/her delegate and the Union (Committee Chairperson, Committee Vice-Chairperson, Committee Secretary and Steward) will be held. The grievor, Supervisor and Leadhand (if involved in the mater) may attend the meeting for the presentation of the facts then the grievor and Leadhand will withdraw. A decision will be made within seventy-two (72) hours, excluding weekends and holidays. Policy grievances, including cases of discharge, may be presented at this stage by either the Company or the Union.

Step (c) In the event a settlement is not achieved at Step (b), the Union shall within, and not after three (3) working days from the date a decision was given at Step (b), inform the Company and the problem will be taken up with the Corporate

Management at a meeting between the Company, the Union (Committee Chairperson, Committee Vice-Chairperson, Committee Secretary), and the Union Representative. After the meeting a decision shall be rendered within seventy-two (72) hours, excluding weekends and holidays.

Step (d) If a satisfactory settlement of the grievance is not then reached within and not after fourteen (14) working days from the date a decision was given at Step (c), the Union will inform the Company in writing that the matter may be dealt with by Arbitration as hereinafter provided.

Step (e) The time limits contained in this Article are compulsory and binding on both parties unless waived, in advance, by mutual agreement.

ARTICLE 7 - DISCHARGE

7.01 Any employee who is suspended or discharged by the Company shall have the right to submit the circumstances to His/her Steward or Chairperson immediately, providing they are on the premises, and a meeting place will be arranged at that time.

7.02 Any employee who has been discharged unjustly and is reinstated shall be reinstated in his/her former position and shall receive retroactive pay from the time of his/her dismissal.

ARTICLE 8 - LAY OFF

8.01 Any employee who is laid off unjustly and is reinstated shall be reinstated in his/her former position, if it is available and shall receive retroactive pay from the time of his/her lay off at the wage being paid at the time of lay off.

8.02 In the case of the Company giving notification of lay off during the day prior to the lay off actually occurring then the employee must submit this grievance immediately and in any case before the expiration of his/her employment.

8.03 In the case of the Company not giving notice prior to the day on which the lay off occurred, then the employee shall have a three (3) hour period without pay on the work day immediately after the day of lay off to submit his/her grievance.

8.04 A lay off shall be interpreted as referring to a period of time of eight (8) hours per work day or greater. Periods of time less than eight (8) hours per work day are a reduction of hours.

8.05 In the event of a lay off the least senior employees would be laid off first except where no other person with the qualified experience is available. The affected employees in the department may displace a less senior employee in his/her department providing he/she has the skill and ability to perform the work required. The bottom senior employees in the department would be placed by skill and ability into the other jobs left vacant by the lay off.

(a) Persons replacing employees who are in a lay off position shall continue to receive their posted rate or the rate of the job they are performing which ever is greater, for a period of time no longer than five (5) working days from date of lay off.

8.06 It is understood all positions assumed because of a lay off situation are temporary in nature.

8.07 Employees on call-back from lay off must accept any available job; refusal to accept any available job will result in termination. It is understood that when the plant resumes full production, temporarily displaced employees will return to their original jobs.

8.08 If the employee has been laid off and following notice to return to work, sent by the Company by registered mail to his last address on record, fails to report to work within ten (10) working days after the date of the mailing of the notice, he will lose his/her seniority. A copy of the notice mailed to the employee will be given to the Union within a reasonable time from when it was sent.

8.09 Upon written request by an appropriate Union officer the Company will provide within a reasonable time period a written list of all employees that are on lay off and in addition those employees who have been recalled.

8.10 The Company and the Union agree that in the event any position or assignment is terminated by the Company then such employee may exercise his/her department seniority within the department to replace an employee with less departmental seniority provided the employee has the skill and ability to perform the work required. It is agreed that the employee may not replace any other employee with more departmental seniority.

8.11 In the event that an employee chooses to leave the position or assignment (excluding medical reasons, which will be discussed with the Union Committee) then such employee may exercise his/her departmental seniority to replace the most junior employee (in terms of departmental seniority) in department provided the employee has the skill and ability to perform the work required.

8.12 At the time of plant closure as defined by the legislation all employees shall receive the notice and severance entitlement provided pursuant to the Ontario Employment Standards Act.

ARTICLE 9 - ARBITRATION

9.01 In the event that grievances or disputes cannot be satisfactorily settled by the methods outlined above, or in the case of direct difference between the Company and the Union which cannot be settled by direct negotiations and notwithstanding any statutory provision, the matter shall be referred to a single arbitrator, such single arbitrator will be mutually chosen by the Union and the Company, provided that, in the event of failure of the Company and the Union to agree upon an arbitrator, the assistance of the Minister of Labour shall be requested. It is agreed that not more than ten (10) days shall elapse between the time that one of the parties hereto requests arbitration and the appointment of the arbitrator. No person shall be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.

9.02 It is agreed that the parties hereto will endeavour to see that the Board of Arbitration shall commence the hearing of the grievance as quickly as possible after his/her appointment. It is understood, however, that no matter may be submitted to arbitration which has not been properly carried through the required steps of the grievance procedure.

ARTICLE 10 - SENIORITY

10.01 The Company agrees to recognize the principles of seniority, that is, the granting of preferences to employees in promotions, demotions, layoffs and recall after layoffs in accordance with the employees' continuous length of employment, provided however, that the employee can fill the normal requirements of the job, having been given a reasonable opportunity to demonstrate his ability on the job, up to fifteen (15) working days.

10.02 Any new employee will be considered probationary for the first forty-five (45) days worked and will have no seniority during that period. After forty-five (45) days worked service, his/her plant-wide seniority shall date back to the day on which his employment began. His/Her departmental seniority shall date back to the day he entered the department on a posted job. During the probationary period, an employee not being a member of the Union shall have no

recourse to the grievance procedure. Part-time employees will be granted preference in recall in accordance with the employee's seniority after the completion of their probationary period provided however, that the employee can fill the job requirements.

10.03 Any employee transferred temporarily by the Company to another department shall retain his/her seniority in the department from which he/she was transferred.

10.04 If any job ceases to exist, the employee shall be entitled to exercise plant-wide seniority to the degree that his/her skill and ability permit consistent with Article 10.01.

10.05 Any employee laid off because of curtailment of production, shall be re-hired according to the inverse order in which he/she was laid off, i.e. the last employee laid off shall be the first employee re-hired. To be entitled to this re-hire provision, the laid off employee must maintain on file with the Company, a current address and telephone number where he/she can be reached on short notice.

10.06 It is further understood that no outside persons shall be hired until regular company employees have been recalled. Recall shall be subject to the same provisions as outlined in Article 10.05.

10.07 Seniority records shall be posted by the Company in each department within thirty (30) days of the signing of this Agreement. Any objections thereto shall be subject to the grievance procedure within fifteen (15) days of posting. The Company shall furnish the Union with copies of the seniority lists upon receipt of a written request from the Union. Such lists shall be brought up to date every six (6) months.

10.08 An employee who may be transferred to a job outside the bargaining unit will have his/her Union seniority protected in the job classification from which he/she was transferred, for a period of one year from the date his/her transfer becomes

effective. The employee shall accumulate union seniority during this time. This period may be extended to a maximum of eighteen (18) months by mutual agreement. In order to qualify a member will pay regular monthly union dues.

10.09 Loss of Seniority

Employee shall lose all seniority if:

- (a) Voluntarily quit the employ of the Company;
- (b) Is discharged for cause;
- (c) If the employee overstays an authorized leave of absence or if an employee is absent without leave for three (3) consecutive working days.
- (d) Accepts employment elsewhere without the consent of the Company while on a leave of absence.

ARTICLE 11 - JOB POSTING

11.01 All permanent vacancies and/or newly created positions, with the exception of the Lead Hands, the Management Trainees and the Students shall be posted on the Plant Bulletin Board and outside on the Security Office Bulletin Board by 11:00 a.m. each working days and removed in no less then (30) hours. Applicants will have thirty (30) hours after posting deadline to remove their name from the posting.

11.02 An employee desiring a position must make written application to Management within the thirty (30) hours set out in Article 11.01. In the event of multiple job postings, applicants will be limited to first and second posting choices and a copy will be given to the Union.

(a) In the event that two (2) or more employees apply, the Company will consider the skill and ability of the applicants and where these are relatively equal, seniority shall govern.

(b) The applicants from the department concerned are given first consideration over plant seniority.

(c) If no qualified applications are received, the Company reserves the right to hire.

(d) The employer shall post the vacancy caused by transferring the successful applicant. Should the successful applicant be unsatisfactory he/she shall be returned to his/her former job.

(e) No employee may change jobs more than two (2) times in a twelve (12) month period unless by mutual agreement between Company and the Union with the exception of employees covered by Article 11.02 (f).

(f) An employee after having qualified for and receiving an operators job that employee may not post for another job for a twelve (12) month period.

(g) Any general labour job which is vacant because of illness, accident, casual work, vacation, leave of absence or temporary transfer shall not be deemed to be vacant for the purpose of this Article.

(h) Temporary jobs of over twenty-one (21) days will be posted, however, the successful candidate must return to his/her former job at the end of the work term. Should the candidate remain in the posted job more than eighteen (18) month period then the job will be posted as a permanent position.

(i) An employee wanting to transfer to another job must give up his/her job and take whatever other work is available at the time of his request.

(j) After completion of a job posting results will be posted. A copy of all applications will be sent to the Union as soon as reasonable possible.

(k) Employees are encouraged to apply for temporary postings to gain skill and ability.

ARTICLE 12 - DISCIPLINE

12.01 Written warnings or suspensions shall be made a matter of record and a dated copy to be given to the Union. Record of such offences will be deleted after one (1) year providing occurrences of a similar nature have not occurred within this one year period.

12.02 Any employee may be immediately terminated without warning notice for such causes as: Theft of the property of the Company or of a fellow employee, sleeping while on duty, falsification of any records, leaving the plant during working hours without permission, intentionally punching in or punching out the time card of another employee, use of company equipment or tools without permission, fighting on company property, wilful damage of property, horseplay, smoking in unauthorized areas, refusal to obey a direct order of a member of Supervision, unless complying with such instruction would place the life, health or safety of the employees or other people in jeopardy, gross disrespect to a Supervisor, possession or use of intoxicants or controlled substances in the plant facility, being intoxicated or under the influence of a controlled substance in the plant facility.

ARTICLE 13 - TEMPORARY TRANSFER

13.01 Temporary transfers shall be those of no longer duration than twenty-one (21) calendar days. Where possible, employee seniority will be considered.

- (a) Employees will not gain skill and ability through temporary transfers.

13.02 Any employee who, for the convenience of the Company, is temporarily transferred to another job in which the rate of pay is different to that in effect in such employee's regular job, shall be paid while so employed as follows:

- (a) If the rate of the job to which he/she is temporarily transferred is less than the employee's regular rate, he/she shall continue to receive his/her regular rate.
- (b) If the rate of the job to which he/she is temporarily transferred is higher than the employee's regular rate of pay, he/she shall receive the higher rate of pay.

13.03 Any employee who, for the convenience and benefit of the employee is temporarily transferred to another job shall be paid while so employed as follows:

- (a) If the rate of the job to which he/she is temporarily transferred is less than the employee's regular rate, he/she shall receive the rate for the job to which he/she is transferred starting with the next full scheduled shift following such temporary transfer.
- (b) If the rate of the job to which he/she is temporarily transferred is higher than the employee's regular rate of pay, he/she shall receive the higher rate of pay starting with the next full scheduled shift following such temporary transfer.

ARTICLE 14 - HOURS OF WORK AND OVERTIME

14.01(a) Subject to Article 14.01(b), the normal work week shall not exceed forty (40) hours work per week, Monday through Friday except when the necessity of the operation requires the Company to schedule any other five (5) consecutive days as an employee's normal work week. Any work performed in excess of eight (8) hours in any one day, or forty (40) hours per week, shall be paid at the rate of time and one-half the regular rate of pay. All work performed on Sunday shall be paid at the rate of double time. All work performed on Saturday shall be paid at the rate of time and one-half (1-1/2).

14.01(b) The normal work week for all employees who hold a posted position within the maintenance department shall be scheduled on a continental work week basis, including Saturdays and Sundays. Overtime for all such persons shall be paid for all hours worked in excess of the scheduled continental shift work hours over the continental work week cycle at the rate of time and one-half (1-1/2).

14.02 The Company reserves the right to schedule the Dryer operation on a continuous basis when this is necessary to meet the needs of the operation. When this operation is required to work on Sunday, the employees working shall be paid double time the regular rates of pay for such work.

14.03 (a) Employees are expected to work a reasonable amount of overtime. However, overtime in general is on a voluntary basis with the exception of emergencies, to avoid necessary lay offs and/or interference with production and to prevent spoilage of materials. It is understood that scheduled or volunteered overtime work is subject to the same reporting and attendance requirements as a regular shift.

(b) The Company expects the support and co-operation from the employees and the Union in providing properly qualified employees for overtime. The opportunity to perform overtime work will be presented on the following basis for daily overtime:

First to the senior person or persons in accordance with departmental seniority where the employee possesses the required skill and ability to perform the job. Second, a voluntary roster shall be posted on the main bulletin board. Employees outside of that department desiring to work overtime may sign the availability roster which will be posted by the first break of that shift and removed no less than one (1) hour before the shift ends. The other positions will be filled by senior employees from the daily availability roster who have the required skill and ability to perform the job. Skill and ability includes maintaining productivity and quality control standards set for the department.

(c) The opportunity to perform overtime work will be presented on the following basis for Saturday and Sunday and paid Holidays:

First to the senior person or persons in accordance with departmental seniority where the employee possesses the required skill and ability to perform the job. The skill and ability includes maintaining productivity and quality control standards set for the department. Second, employees desiring to work overtime on Saturday or Sunday outside their department may sign the overtime availability roster between Wednesday noon and Thursday noon. The overtime availability roster will be maintained by the Human Resources Department.

An employee who signs the roster must work overtime if asked. Where additional employees are needed the Company will ask the senior qualified employees on the roster. If no qualified employees are available on the roster, the Company may ask or assign the work to the least senior employee available with the skill and ability.

(d) The departmental overtime list will be posted and employees desiring overtime work other than production may sign the overtime voluntary roster between Wednesday noon and Thursday noon. When an employee who has signed the list is contacted he/she may inquire as to what the overtime consists of and has the opportunity to refuse the overtime at that time.

An employee committing him/herself to the stated overtime at this time will be subject to the same reporting and attendance requirements as a regular shift.

14.04 When an employee is required to work overtime, where possible he/she will be notified prior to his/her lunch period. The Union, however, agrees that circumstances sometimes will not make this possible and the Company will endeavour to give the employee some advance notice.

14.05 Normal hours of work for non-continuous operation will be:

- (a) Day shift-Monday through Friday 7:00 a.m.-3:00 p.m.
Evening shift Monday through Friday 3:00 p.m.-11:00 p.m.;
- (b) Normal three (3) shifts shall be Sunday to Thursday
11:00 p.m.-7:00 a.m. Monday to Friday 7:00 a.m.-3:00 p.m.
Monday to Friday 3:00 p.m.-11:00 p.m.;
- (c) The company reserves the right to schedule any department on a continuous basis, and also schedule hours of work in accordance with plant requirements and particular needs.

14.06 Any employee expected to work four (4) hours overtime after his/her regular shift shall receive either a food voucher authorized to be used in the cafeteria or cash payment not to exceed Six Dollars (\$6.00).

14.07 Employees reporting for work late will be docked accordingly. **For** example: one (1) minute late, one (1) minute deducted. Employees are required to go directly to their work stations upon clocking in.

14.08 It is agreed between the parties that for the purpose of this Article exceptions to the stated hours of work are required in some departments, and accordingly the Company will liaise with the Union in the event of further exceptions. It is agreed between the parties that subject to Article 14.00, the Company will endeavour to allow the showroom employees to work the normal scheduled plant hours when there are no sales visitors anticipated.

14.10 Any employee who regularly refuses production overtime over a three (3) month period shall not be asked to work any production overtime until such time **as** he gives written notice to his/her Supervisor with respect to his/her availability for overtime.

ARTICLE 15 - STATUTORY HOLIDAYS

15.01 The following Statutory Holidays shall be paid at the employees' regular rate of pay if not worked and, if worked, the employee shall be paid for such work at the rate of time and one half the regular rates of pay in addition to holiday pay.

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
Civic Holiday	Boxing Day

Plus one additional Statutory Holiday, exact date to be decided later by mutual agreement. One additional Statutory Holiday; either 1/2 day before Christmas and 1/2 day before New Years or 1 day before Christmas or 1 day before New Years, to be decided upon by mutual agreement between Company

and Union. Heritage Day will be accepted if it becomes a Statutory Holiday by the Federal Government during the term of the contract. Canada Day will be taken on either the Monday or Friday whichever falls closest to Canada Day.

15.02 To qualify for Statutory Holiday with pay, an employee must work during his/her last scheduled shift before and first scheduled shift after the holiday, unless absent through permission of his/her Supervisor or because of sickness or emergency in the employees' family. An employee must report such sickness or emergency promptly and directly to Management Staff wherever possible, and in the event the report must be made to the Company within two working days following the Statutory Holiday if possible.

Employees on Worker's Compensation will be entitled to and shall be paid for any Statutory Holiday named in the Statutory Holiday clause that is observed during the period for which the employee is drawing Worker's Compensation benefits provided such compensation benefits do not exceed sixteen (16) weeks. New employees must have been in the employ of the Company for forty-five (45) days worked prior to the holiday to qualify.

(a) An employee with seniority shall receive eight (8) hours pay at his/her classification rate, provided he/she has completed his/her last regular scheduled shift preceding the holiday and his/her first regular scheduled shift following the holiday accordance with the shift schedule, and he/she has also completed any overtime commitment adjacent to the holiday for which he/she has been committed.

15.03 Employees absent from work because of illness, shall be paid for Statutory Holidays as named in the Statutory Holiday clause, provided such holidays occur during the period of illness and provided such illness does not exceed sixteen (16) weeks.

15.04 The Company agrees that when an employee is laid off he/she shall be paid for any Statutory Holiday as named in the Statutory Holiday clause that is observed during the period of lay off, provided that such lay off does not exceed three (3) months and provided the employee returns to work when recalled. Only upon return to work shall the employee be paid for any Statutory Holiday that was observed during the period of his/her lay off, and which did not exceed the three (3) month limit.

ARTICLE 16 - WAGES

16.01 During the life of this Agreement the Company agrees to pay and the Union agrees to accept the attached Wage Schedule.

16.02 (a) The Company agrees to pay to employees working on a second shift thirty cents (.30) per hour above their regular rate.

(b) The Company agrees to pay to employees working on the third shift fifty five cents (.55) per hour above their rate. This rate is to be effective on January 3, 2000 and an additional five cents (.05) each following year for the duration of this contract.

16.03 The Company is prepared to pay weekly by direct deposit every Thursday, to the financial institution of the employees' written choice. The Company will make every effort at vacation and Christmas shutdown to pay employees forty (40) hours at their regular rate for the last week worked and adjustments will be made on the first payroll following the shutdown.

16.04 The Company agrees that there will be equal pay for the same quality and quantity of work performed, regardless of the sex or age of the employee performing it.

16.05 It is agreed between both parties to the Agreement that no form of incentive or bonus earnings plan will be instituted in the future except by mutual consent of the signatory parties.

16.06 Probationary employees upon completion of their forty-five (45) days worked probationary period will move to the Employee Wage Progression Schedule progressing in three steps. It is understood the total time period will not exceed twelve (12) calendar months.

16.07 Probationary Employees

All probationary employees who are laid off and are rehired during the same calendar year, will have their days worked counted towards their probationary forty-five (45) days worked.

ARTICLE 17 - LEADHANDS

17.01 An employee assigned as a Leadhand will receive additional compensation of seven percent (7%) above the highest job classification of the group he/she leads.

17.02 Leadhands shall report directly to their respective Department Supervisor and in his/her absence to the Plant Production Managers. Leadhands shall be required to have knowledge within the Department of production and product requirements, quality control, machinery operation, health and safety requirements, the general plant Rules and Regulations to enable them to assist the Department Supervisor in the efficient operation of the Department.

Leadhands shall have the leadership ability to keep the Department working smoothly and efficiently in the Supervisors' absence. Leadhands shall have the authority to decide and direct necessary work assignments within the Department as is required. Leadhands shall undertake any additional work as is required from time to time by the Company. It is understood that Leadhands will not hire, fire or undertake disciplinary action.

ARTICLE 18 - TRAINEES

18.01 Plant trainees, in job classification of grade five (5) and above in the Wage Rate Schedule will receive twenty cents (20) less than the full rate until they attain permanent posted vacancy or for full days worked as a fill-in, provided candidate has completed at least three (3) months on the job training. New employees will follow the employee's Wage Progression Schedule.

18.02 Management Trainees selected by the Company will be provided the learning opportunity for a period of time up to a maximum of twelve (12) months on-the-job training throughout all departments of the Plant. Management Trainees will be compensated at a Management Trainee rate for all jobs to which they may be assigned. Management Trainees will not displace an available full-time regular employee.

ARTICLE 19 - STUDENTS

19.01 Students affiliated with a recognized educational institute will be assigned jobs for a maximum period of six (6) months. Preference will be afforded students pursuing careers in the wood products industry and also to students who are the children of Company employees. Students will not displace an available full-time regular employee.

(a) In the case of a lay off or reduction of hours probationary employees and students will be replace by Union employees.

19.02 Students will be paid at the Wage Progression Rates for all jobs to which they may be assigned and as in the past they will be subject to the terms of the collective agreement but will not be obliged to join the Union. Should a student be designated as a permanent employee his/her service time and union dues will be made retroactive to the end of his/her probationary period.

ARTICLE 20 - VACATIONS WITH PAY

20.01 Every person in the employ of the Company on the first day of June of each year that this Agreement remains in effect, shall be entitled to and shall be required to take an annual vacation of one (1) week, every person in the employ of the Company continuously for one (1) year shall be entitled to and shall be required to take two (2) weeks' vacation, every person in the employ of the Company continuously for five (5) years shall be entitled to and shall be required to take three (3) weeks' vacation, every person in the employ of the Company continuously for fourteen (14) years shall be entitled to and shall be required to take four (4) weeks' vacation, and any person in the employ of the Company continuously for twenty-five (25) years shall be entitled to and shall be required to take five (5) weeks' vacation.

20.02 (a) Employees entitled to one (1) or two (2) weeks' vacation shall receive four percent (4%) of the total earnings for the twelve (12) month period ending with the last pay period in May of each vacation year.

(b) Employees entitled to three (3) weeks' vacation shall receive six percent (6%) of the total earnings for the twelve (12) month period ending with the last pay period in May of each vacation year.

(c) Employees entitled to four (4) weeks' vacation shall receive eight percent (8%) of the total earnings for the twelve (12) month period ending with the last pay period in May of each vacation year.

(d) Employees entitled to five (5) weeks' vacation shall receive ten percent (10%) of the total earnings for the twelve (12) month period ending with the last pay period in May of each vacation year.

20.03 (a) The time of the fourth and fifth week of vacation is to be mutually agreed upon between the Company and the employee.

(b) In the event of a three (3) week or longer plant shutdown for vacation period, at least three (3) weeks of the shutdown will be taken the last three (3) weeks of July or as mutually agreed.

The Company reserves the right to operate through this period all or any Department. A staggered system of vacations will then be developed and the Company will attempt to accommodate employee preference on a seniority basis with Management's decision being final.

Unless asked to work, all employees will be required to take their vacation at Plant shutdown unless otherwise mutually agreed upon.

20.04 Employees will be paid their vacation pay on the immediate pay prior to the plant shutdown, however, it is further understood that employees with scheduled vacation during the time period from June 1st. to plant shutdown may request their vacation pay for the vacation to be taken at that time.

20.05 For the purpose of this Article, any regular working days on which an employee is absent from work on Worker's Compensation or Weekly Indemnity benefits up to a maximum of sixteen (16) weeks, will be regarded as time worked at his/her regular hourly rate of pay and included in total earnings as specified in Section 20.02.

ARTICLE 21 - HEALTH AND SAFETY

21.01 The Company shall make all reasonable provisions for the safety and health of its employees and the Union Stewards' Committee shall have the right to make recommendations to the Management respecting the safety and health of its employees. The Union agrees that it will cooperate with the Company in the maintenance of these services. Where, in the opinion of the Union, the welfare and safety of any employee is endangered, the matter shall be taken through the grievance procedure.

21.02 Each employee will obtain and wear safety shoes on the job as a condition of employment. It is compulsory for all employees to wear safety apparel supplied by the Company. The Company agrees to enforce good housekeeping rules and maintain safe conditions within its operation at all times.

(a) Safety glasses must be worn by hourly employees and Production Supervisors as a condition of employment. The Company shall pay \$2.50 once per year towards the cost of safety glasses, or the employee can wear safety glasses designated by the Company.

21.03 When the Company designates that gloves must be worn in any area, the Company will provide the employee with a pair of gloves. Gloves wearing out due to normal use will be replaced by the Company on receipt of the worn out gloves.

21.04 The Company will pay sixty dollars (\$60.00) towards the purchase of one (1) pair of safety shoes once in every twelve (12) months effective from January 3, 2000 and for the life of this contract. An employee may apply their safety shoe allowance from a given year to the purchase of a pair of safety shoes in the following year, for a total not exceeding the sum of the two yearly allowances. In the event that the cost of a pair of safety shoes purchased by an employee is less than the sum of the two yearly allowances, the company will not reimburse the difference.

ARTICLE 22 - REST PERIOD

22.01 (a) Employees will receive thirty-five (35) minutes broken into one (1) twenty (20) minute and one (1) fifteen (15) minute paid rest time so that the total shift duration, excluding overtime, will not exceed eight (8) hours.

(b) It is understood that an employee is required to be at his work station at the end of the rest period.

22.02 Employees shall receive a ten (10) minute break after his scheduled shift before continuing with overtime.

ARTICLE 23 - STAND BY PAY

23.01 In the event of an employee being required to stand by for any reason, such an employee shall be paid his regular hourly rate.

ARTICLE 24 - BULLETIN BOARDS

24.01 The Company agrees to supply Bulletin Boards in places in the Plant to be mutually agreed upon and the Union shall have the right to use such Bulletin Boards for the purpose of posting notices.

ARTICLE 25 - JURY DUTY

25.01 An employee who is on jury duty, subpoenaed or reporting for jury roll call on his/her scheduled work day shall be paid the difference between the pay received for such jury duty and eight (8) times the straight time hourly rate he/she would otherwise have received. Such employee must have at least six(6) months continuous service.

ARTICLE 26 - MINIMUM RECOMPENSE

26.01 An employee reporting for work at the start of his/her regular shift and finding no work available shall be given the opportunity to do other work for four (4) hours or more and the employee will be expected to accept such work. If four (4) hours' work or more is not available, however, two (2) hours straight time shall be paid.

26.02 The Union agrees that if the Company notifies the employee by the means provided by the employee that work is not available, the above shall not apply.

ARTICLE 27 - HEALTH INSURANCE BENEFITS

27.01 The Company will pay one hundred percent (100%) of the O.H.I.P. premiums.

27.02 The Company will pay one hundred percent (100%) of the costs of the Group Insurance plan covering Major Medical, Life Insurance and A.D.&D. Major medical deductible is single \$25.00, family \$50.00. The Company agrees to implement a drug card under the existing Major Medical Plan. Life Insurance coverage is \$35,000.00 per employee. The Company will provide a vision care plan, \$100.00 every 24 months. The Company agrees to pay the cost of eye examinations once every 24 months, if the coverage is eliminated by O.H.I.P.

It is agreed that the Company will be responsible for funding complete semi-private coverage, less the standard deductible.

27.03 Weekly Indemnity: Sixty-six and two-thirds percent (66-2/3%) of weekly earnings to the present U.I.C. maximum for sixteen (16) weeks. The Company will pay seventy-five percent (75%) of the premium and the employee to pay the balance of twenty-five per-cent (25%). Benefits will be paid on first day of hospitalization.

27.04 Dental Plan

Company will have Orthodontic coverage at 80% reimbursement with no maximum and Denture Service; and coverage for bridges under Major Restorative Service for teeth that were missing prior to date of coverage both at 80% reimbursement up to a maximum of \$1,000 per person per calendar year. Deductible single \$25.00, Family \$50.00. The Company will pay sixty-six and two-thirds percent (66-2/3%) of the plan premiums. The Company has agreed to provide the ODA rate applicable for the previous year. Additional information is contained in the Employee Insurance Handbook.

27.05 It is understood and agreed between the parties that the Company responsibility is solely to pay for the negotiated premium share of the cost of any insurance policy or benefit plan and the obligation to provide insurance or benefit coverage is subject to employee acceptability for coverage and the terms of such plan policy provided by the insurance or benefit carrier. Further the Company reserves the right to select the insurance or benefit carrier or to change the carrier provided that there shall be no reduction in the level of benefit.

ARTICLE 28 - PENSION PLAN

28.01 The Company has an Employee Pension Plan with equal contributions required by the company and the employees and has agreed to provide, effective January 3, 2000 a further contribution of three (3) cents per hour to a two thousand (2,000) hourly maximum. Total Company per hour contribution will be increased to twenty-three (23) cents towards the funding of this Plan effective on January 3, 2000. Effective January 3, 2002 the Company and employees have agreed to an additional contribution of three (3) cents per hour to a maximum of two thousand (2000) hours. Total Company per hour contribution will be twenty-six (26) cents.

Particulars of the Plan covered in the Employee Booklet

ARTICLE 29 - BEREAVEMENT LEAVE AND BEREAVEMENT PAY

29.01 The Company agrees to guarantee against loss of pay for up to three (3) days bereavement leave to all in the event of a death of father, mother, son, daughter, spouse, sister, brother, mother-in-law, and father in law, grandchild.

These days shall be taken between the date of death and date of burial inclusive. If an employee has completed his/her shift on the date of the death the paid leave time will be calculated from the next working day.

The Company agrees to grant one (1) day bereavement leave to attend the funeral, cremation or memorial service in the event of a death of a grandparent, a daughter-in-law or son-in-law, a sister-in-law or a brother-in-law and step-mother or step-father.

29.02 The Company agrees to pay such employee at his/her regular straight time rate only for those regular working hours that he/she would have worked had he/she not been on bereavement leave as defined in Section 29.01.

ARTICLE 30 - PAY WHEN INJURED ON THE JOB

30.01 Any employee losing time during his/her normal day or shift because of an injury occurring on the job will be paid for the balance of the shift at his/her regular rate.

ARTICLE 31 - CALL IN PAY

31.01 Any hourly employee called into work after leaving the premises of the Company following the end of his/her scheduled shift and before his/her next scheduled reporting time, shall be paid a minimum of four (4) hours' pay at his/her regular hourly rate, in respect to each call-in or paid time and a half for actual time worked at his/her applicable rate, if greater, or in the case of a Sunday call-in double time instead of time and a half.

ARTICLE 32 - EDUCATION AND TRAINING

32.01 Pursuant to requirements and at its discretion or as required in accordance with government legislation and regulation the Company will provide education and training for employees.

32.02 In addition, the Company will endeavour to set-up organized programs of study to improve the on-the-job knowledge and ability of skilled maintenance employees in order to meet the skill requirements of the Company.

Upon successful completion of each course, the employee will be reimbursed for the tuition fees associated with the course. The employee will also received an hourly premium of ten (10) cents for each course successfully completed.

ARTICLE 33 - GENERAL

33.01 All privileges not covered by this Collective Agreement shall be maintained.

33.02 (a) An employee outside the bargaining unit shall not perform work on an hourly rated or incentive job, where the effect is to displace a regular hourly or incentive worker, or to reduce his/her earnings or hours per week, except boiler engineers to do some work on high pressure steam lines as required by the Company.

33.02 (b) (i) A Supervisor outside the bargaining unit shall not perform an hourly rated job except under the following conditions:

- (a) Instruction or training of employees.
- (b) In the performance of work when difficulties are encountered on the job.
- (c) When it is temporarily necessary to meet the requirements of the business and qualified employees are unavailable because they are assigned to other duties or they are off the premises of the employer.
- (d) In the performance of experimental or development work.

33.02 (b) (ii) It is understood and agreed that the exception to clause 33.02 (b) (i) are the maintenance supervisors who because of their special expertise, will be allowed to do maintenance related work, providing no other maintenance employee with the expertise and experience is available to work.

33.03 (a) The Company will provide and clean coveralls to maintenance employees. The Company will provide an outside clothing allowance of one hundred and twenty-five dollars (\$125.00) with receipts, payable annually on September 1st for employees who regularly work outside and who are exposed to the weather.

33.04 Any person leaving the employ of the Company after joining the Union and is rehired by the Company within one (1) year shall not have to serve a probationary period. Seniority will commence from the date of return.

33.05 Employees shall not be required to change shifts during the week to make up lost hours or for the convenience of the employer except by mutual agreement with the employees.

33.06 It is understood and agreed between the parties that Insurance and other Benefit entitlements shall be paid as required only to the employee and one family group. For example, entitlement shall not be provided for an employees' legal family group as well as, or in addition to that employees' common-law family group.

33.07 It is understood and agreed between the parties that the Company pursuant to the Management Rights Article 2.02 may, at its discretion and for payment of the Doctor's fee, request from an employee returning to work and who has been away from work repeatedly or for a lengthy time period due to illness or injury, a Doctor's written confirmation of the illness or injury and that the employee is capable of returning to his/her regular job.

33.08 It is understood and agreed between the parties pursuant to the Management Rights Article 2.02 the Company can request that employees away from work due to illness or injury in excess of one (1) month are to provide a Doctor's written confirmation of their progress following the written request of the Company who will pay the Doctor's fee.

33.09 Shift changes initiated by an employee, must be approved by both Supervisors. The shift exchanges can only occur between employees in the same job classification.

33.10 Employees requesting special leave must make this request at least one (1) week preceding the day. Special leaves may be granted only if it does not affect the efficiency of the department.

ARTICLE 34 - STRIKES AND LOCKOUTS

34.01 During the duration of this Agreement, the Union agrees that there will be no strike or slowdown against the Company, and the Company agrees that it will not engage in any lock-out of the employees in the bargaining unit.

ARTICLE 35 - NOTICES

To the Company: The Manager
Interforest Ltd.
R.R.#2, Box 170
Durham, Ontario
NOG 1R0

To the Union: IWA - CANADA
2088 Weston Road
Weston, Ontario
M9N 1X4

ARTICLE 36 - RETIREMENT DATE

36.01 All employees sixty-five (65) years of age and over shall retire from the employ of the Company. The normal retirement date will be the first day of the month following the date on which an employee becomes age sixty-five (65).

ARTICLE 37 - DURATION OF AGREEMENT

37.01 The parties hereto mutually agree that this Agreement shall be effective from and after the 3rd day of January 2000 to the 2nd day of January 2003, and thereafter from year to year unless sixty (60) days written notice of contrary intention is given by either party to the other party. The notice required hereunder shall be validly and sufficiently served given or made, at least sixty (60) days prior to the expiry of any yearly period. If no agreement is reached at the expiration of this contract and negotiations are continued, the Agreement shall remain in force up to the time subsequent Agreement is reached.

Dated at Durham, Ontario this 3rd. day of January 2000,

INTERFOREST LTD.

I.W.A. CANADA - LOCAL 500

Helge Meiche
Kevin Falkingham
Sidney Krull

Richard Graham
Eric Obermayer
Brenda Mueller
Bruce Weber
Dennis Byers

WAGE RATE SCHEDULE

	January 3, 2000	January 3, 2001	January 3, 2002
1. General Helper	13.60	13.85	14.15
2. Repair Face & Back	13.70	13.95	14.25
Air Bander	13.70	13.95	14.25
Breakout Off Bearer	13.70	13.95	14.25
Slicer Transfer Cart	13.70	13.95	14.25
Dryer Board Sorter	13.70	13.95	14.25
3. Dryer Feeder	13.80	14.05	14.35
Slicer Off Bearer	13.80	14.05	14.35
Cratemaking	13.80	14.05	14.35
Veneer Press Person	13.80	14.05	14.35
Trim/Tie	13.80	14.05	14.35
Slicer Flitch Prep.	13.80	14.05	14.35
Bundle Recorder	13.80	14.05	14.35
4. Forklift	13.95	14.20	14.50
Log Washer	13.95	14.20	14.50
Planer	13.95	14.20	14.50
Debarker	13.95	14.20	14.50
Chainsaw-Yard	13.95	14.20	14.50
Sawmill Flitch Bander	13.95	14.20	14.50
Sawmill Tagger	13.95	14.20	14.50
5. Splicer	14.15	14.40	14.70
Measurement Recorder B	14.15	14.40	14.70
Log Loader	14.15	14.40	14.70
Data Entry Control	14.15	14.40	14.70
Domestic Sample Grader Jr	14.15	14.40	14.70
Face Grader	14.15	14.40	14.70
Maintenance Helper (Perm. Posting)	14.15	14.40	14.70
6. Measurement Recorder A	14.30	14.55	14.85
Vat Loader	14.30	14.55	14.85
Log Scaler	14.30	14.55	14.85
7. Trim/Tie/Measurement	14.40	14.65	14.95
Vat Control	14.40	14.65	14.95

	January 3, 2000	January 3, 2001	January 3, 2002
8. Crew Leader	14.50	14.75	15.05
Sort & Grade Recorder	14.50	14.75	15.05
Domestic Sample Grader Sr.	14.50	14.75	15.05
9. Jointer Operator	14.70	14.95	15.25
Clipper Operator	14.70	14.95	15.25
Breakout Operator	14.70	14.95	15.25
Maintenance (Apprentice)	14.70	14.95	15.25
10. Sawyer	14.95	15.20	15.50
11. Clipped Veneer Order Entry	15.05	15.30	15.60
12. Slicer Operator	15.50	15.75	16.05
Grinder	15.50	15.75	16.05
13. Maintenance Skilled (Electrician, Millwright, Mechanic)	19.15	19.40	19.70
14. Head Saw Filer A	16.90	17.15	17.45
B	16.00	16.25	16.55
C	15.10	15.35	15.65
15. Electronic Tech. A	19.15	19.40	19.70
B	18.55	18.80	19.10
C	17.95	18.20	18.50

Maintenance (Apprentice) to be upgraded to Maintenance Skilled by evaluation of skill and ability by the company.

EMPLOYEE WAGE PROGRESSION SCHEDULE

Effective January 3, 2000

	After 45 Days Worked	After 60 More Days Worked	After 60 More Days Worked	After 60 More Days Worked
Group #1	10.40	11.73	12.66	13.60
Group #2	10.43	11.82	12.76	13.70
Group #3	10.47	11.88	12.84	13.80
Group #4	10.52	11.99	12.97	13.95
Group #5	10.60	12.15	13.15	14.10
Group #6	10.68	12.35	13.42	14.30
Group #7	10.76	12.72	13.83	14.40
Group #8	10.82	12.92	14.01	14.50
Group #9	10.90	13.12	14.16	14.70
Group #10	11.00	13.32	14.31	14.95
Group #11	11.10	13.52	14.46	15.05
Group #12	11.55	14.12	15.01	15.50

Effective January 3, 2001

	After 45 Days Worked	After 60 More Days Worked	After 60 More Days Worked	After 60 More Days Worked
Group #1	10.65	11.98	12.91	13.85
Group #2	10.68	12.07	13.01	13.95
Group #3	10.72	12.13	13.09	14.05
Group #4	10.77	12.24	13.22	14.20
Group #5	10.85	12.40	13.40	14.35
Group #6	10.93	12.60	13.67	14.55
Group #7	11.01	12.97	14.08	14.65
Group #8	11.07	13.17	14.26	14.75
Group #9	11.15	13.37	14.41	14.95
Group #10	11.25	13.57	14.56	15.20
Group #11	11.35	13.77	14.71	15.30
Group #12	11.80	14.37	15.26	15.75

Effective January 3, 2002

	After 45 Days Worked	After 60 More Days Worked	After 60 More Days Worked	After 60 More Days Worked
Group #1	10.95	12.28	13.21	14.15
Group #2	10.98	12.37	13.31	14.25
Group #3	11.02	12.43	13.39	14.35
Group #4	11.07	12.54	13.52	14.50
Group #5	11.15	12.70	13.70	14.65
Group #6	11.23	12.90	13.97	14.85
Group #7	11.31	13.27	14.38	14.95
Group #8	11.37	13.47	14.56	15.05
Group #9	11.45	13.67	14.71	15.25
Group #10	11.55	13.87	14.86	15.50
Group #11	11.65	14.07	15.01	15.60
Group #12	12.10	14.67	15.56	16.05

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