

Collective Agreement

Savona Specialty Plywood

Savona Division

<p>Effective January 1, 2015 – December 31, 2021</p>
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COLLECTIVE AGREEMENT

2015 - 2021

THIS AGREEMENT entered into this 2nd day of March, A.D. 2015

BETWEEN: Savona Specialty Plywood, Savona Division
(Hereinafter known as the "COMPANY")

OF THE FIRST PART

AND: United Steelworkers (USW) Local 1-417
(Hereinafter known as the "UNION")

OF THE SECOND PART

PREAMBLE:

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

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

Wherever a masculine reference is used in this Agreement it shall be deemed to include the equivalent feminine reference.

NOW THEREFORE the Parties hereto mutually agree as follows:

ARTICLE I - BARGAINING AGENCY

Section 1: Recognition

- a) The Company recognizes the Union as the sole collective bargaining agency of the Employees of the Company at Savona as set out in the Certificate of Bargaining Authority.

- b) When a dispute arises as to whether or not a person is an Employee within the bargaining unit, it shall be subject to the grievance procedure as provided for in Article XIV, Step 3, and, in the event of failure to reach a satisfactory settlement, it shall be dealt with as provided for in Section 139 (a) of the Labour Relations Code of B.C.

Section 2: Bargaining Authority

The Party of the First Part agrees that the Bargaining Authority of the Party of the Second Part shall not be impaired during the term of this new collective agreement. The Party of the First Part agrees that the only certification it will recognize during the term of this new agreement is that of the Party of the Second Part unless ordered by due process of law to recognize some other **Bargaining Authority**.

Section 3: Bargaining Location

The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing and adjusting any matters within the confines of this Agreement which come within the scope of collective bargaining between Employer and Employee.

ARTICLE II - EMPLOYERS' RIGHTS

Section 1: Management and Direction

The Management of the operation and the direction and promotion of the Employees are vested exclusively in the Management; provided, however, that this will not be used for the purpose of discrimination against Employees.

Section 2: Hiring and Discipline

The Company shall have the right to select its Employees and to discipline or discharge them for proper cause.

ARTICLE III – UNION SECURITY

Section 1: Co-operation

The Company will co-operate with the Union in obtaining and retaining as members the Employees as defined in this Agreement, and to this end will present to new Employees and to all Supervisors and Foremen the Policy herein expressed.

Section 2: Union Shop

All new Employees shall, within thirty (30) calendar days after the execution of this Agreement, or thirty (30) calendar days after entering employment, whichever date last occurs, become

members of the Union, and maintain membership therein throughout the term of this Agreement, as a condition of continued employment.

Section 3: Maintenance of Membership

Any Employee who is a member in good standing, or is reinstated as a member of the Union shall, as a condition of continued employment, maintain such membership in good standing throughout the term of this Agreement.

Section 4: Discharge of Non-Members

Notwithstanding anything contained in the foregoing Sections 2 and 3 of this Article, no Employee shall be subject to discharge except for refusal to pay Union Dues. If an Employee fails to pay Union dues within seven days after the Company and the Employee have been notified by the Union of the Employee's delinquency, such Employee shall be discharged forthwith by the Company.

Section 5: Union Membership

- a) No Employee shall be subject to any penalties against his application for membership or reinstatement, except as may be provided for in the United Steelworkers Constitution and in accordance with the By-Laws of Local Union No.1-417.
- b) Any Employee who applies to join the Union pursuant to the provision herein and whose application is rejected by the Union shall not be subject to discharge from employment.

Section 6: Check-Off

- a) The Company shall require all new Employees at the time of hiring to execute the following assignment of wages in duplicate, the forms to be supplied by the Union.



United Steelworkers

CHECK-OFF



START DATE _____ 20 _____ NAME OF EMPLOYER _____
PLEASE PRINT OPERATION _____
NAME OF EMPLOYEE _____ PHONE _____
MAILING ADDRESS _____ POSTAL CODE _____
SOCIAL INSURANCE No. _____ Are you a member of the United Steelworkers or IWA Canada? _____
In what operation were you last employed? _____
_____ Local Union _____

I hereby authorize and instruct you to deduct from my wages and remit to Local 1-417 the following in payment of the amounts set out below:

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

APPLICATION FOR MEMBERSHIP

I hereby request and accept membership in the United Steelworkers Local No. 1-417, and agree to abide by the constitution and by-laws of the organization. In case of misstatement of qualification for membership I agree to forfeit all rights, privileges and moneys paid. This information is held in the strictest confidence in accordance with the confidentiality policies of the Local Union.

SIGNATURE OF APPLICANT _____

CLOCK No. _____

KEEP 1 COPY - FORWARD COPY TO LOCAL UNION

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- b) This assignment in the case of Employees already members of the Union shall be effective immediately, and for those Employees not previously members of the Union, it shall become effective thirty (30) calendar days from the date of execution.
- c) The Company shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the Employee) to the Local Union named therein not less often than once each month, with a written statement of names of the Employees for whom the deductions were made and the amount of each deduction. The Company will deduct Union dues from the employees and will correct any errors or omissions in calculations and deductions.

Section 7: Social Insurance Number

The Company shall furnish the Union with the Social Insurance number of each Employee on its payroll on the first occasion when dues are forwarded to the Union after the execution of this Agreement or after the Employee enters the employment of the Company, whichever date last occurs.

Section 8: Employer Deductions From Wages - Employee Benefit Plans

The Parties agree that the Company shall deduct from an Employee's wages and shall remit to the appropriate Employee Benefit Plan, the Employee's contribution which is specified in any benefit plan agreed to by the parties.

ARTICLE IV - COMMITTEES

Section 1: Definition

For the purpose of this Agreement, when the word "committee" is used it shall mean Plant Committee, members of which are appointed by the Union.

Section 2: Composition

The Committee shall consist of not less than three (3) Employees and not more than seven (7) Employees with completed probationary period of employment with the Company who are members of the Union and they shall be selected, wherever possible, on a departmental basis.

Section 3: Notification

The Union will, within sixty (60) days from the date of this Agreement, notify the Company in writing of the members on the Committee. The Union or Committee will inform the Company in writing when any member change takes place on the Committee. No member of the Committee will be recognized by the Company unless the above procedure is carried out.

Section 4: Exceptions

The provisions of Sections 1, 2 and 3 will not apply in reference to:

Article XIII, Section 2: Accident Prevention Committee, where the members are designated according to the provisions of the Workers' Compensation Act and Occupational Health and Safety Regulation.

ARTICLE V – WAGES

Section 1: Rates

- a) Effective January 1, 2015 all rates will be adjusted by 3% and will be as follows;

Entry level	\$17.66
Mill Utility	\$24.29
Mill Operator	\$27.59
Trades	\$35.32

- b) Effective January 1, 2016 the Company will implement a wage increase which will be the greater of the percentage wage increase negotiated by the IFLRA, July 1, 2015 or as negotiated during the reopening period (November 1, 2014 to February 28, 2015).
- c) Effective January 1, 2017 the Company will implement a wage increase which will be the greater of the percentage wage increase negotiated by the IFLRA, Jul 1, 2016 or as negotiated during the reopening period (November 1, 2016 to February 28, 2017).
- d) Effective January 1, 2018 the Company will implement a wage increase, which will be the greater of the percentage wage increase negotiated by the IFLRA July 1, 2017 or as negotiated during the reopening period (November 1, 2016 to February 28, 2017).
- e) Effective January 1, 2019 the Company will implement a wage increase, which will be the greater of the percentage wage increase negotiated by the IFLRA July 1, 2018 or as negotiated during the reopening period (November 1, 2018 to February 28, 2019).
- f) Effective January 1, 2020 the Company will implement a wage increase, which will be the greater of the percentage wage increase negotiated by the IFLRA July 1, 2019 or as negotiated during the reopening period (November 1, 2018 to February 28, 2019).
- g) Effective January 1, 2021 the Company will implement a wage increase, which will be the greater of the percentage wage increase negotiated by the IFLRA July 1, 2020 or as negotiated during the reopening period (November 1, 2020 to February 28, 2021).

h) Savona Mill Operations Groupings and rates for Tradesmen are as follows:

Position	Group	Wage Rate
Clean Up	Entry Level	\$17.66
Fire Watch		
New Hires (to a maximum of 6 months)		
Watchman		
Auto Patcher	Mill Utility	\$24.29
Caul Plate Grinder		
Clean Up/Utility/Strapper		
Core Feeder		
De-sticker		
Dryer Feeder		
Dryer Grader Offbearer		
Dryer Stacker Attendant		
Load Painter/Putty Patch		
Panel Repair – Repair Line		
Press Loader		
Raimann Line Grade Offbearer		
Raimann Operator		
Sheet Turner		
Spreader Clean Up		
Strip Cutter		
T+G Feeder		
T+G Stacker		
Veneer Pre Grader		
Watchman/Utility		
Auto Strapper Operator	Mill Operators	\$27.29
Core Layer		
Dryer Operator		
Forklift		
Glue Mixer		
Lay Up Line Operator		
Lay Up Line Sheet Placer		
Lay Up Line Utility		
Press Operator		
Repair Line Operator		
Sander Operator		
Shipper		
Trimsaw Operator/Grader		
Veneer Composer Operator		
Veneer Scarfer Operator		
Electrician – Certified	Trades	\$35.32
Heavy Duty Mechanic – Certified		
Millwright – Certified		

- i) All First Aid Attendants shall receive:

Level 3 - Eighty-five cents per hour (\$0.85/hr.) plus their occupational rate of pay.

These premiums will be paid upon First Aid Attendants attaining certificates as required by the Worksafe BC.

Section 2: Tools

- a) The Company shall, upon the signing of this Agreement, at its expense, insure for damage or loss caused by fire or flood, the tools of its Employees which are required to be used in the performance of their work.
- b) The Company shall, upon the signing of this Agreement, at its expense, insure the tools of its Employees, which are required to be used in the performance of their work, for loss by theft where the tools are stored in a designated place of safety within the control of the Company and there is forcible breaking and entering. The insurance coverage provided shall be subject to a deductible of \$50.00 in respect of each Employee's claim.
- c) The Company will repair or replace those tools referred to in (a) and (b) that are damaged or broken in the performance of regular duties.
- d) The employee will supply, to the Company, an inventory of his tools to be verified annually by the Company.

Section 3: First Aid Training

Employees of the Company who, by mutual agreement, train or retrain for Industrial First Aid Certificates will be compensated in the following manner:

- a) Company will pay the cost of course tuition and materials required to those Employees who pass the course.
- b) The Company will pay lost time wages to designated First Aid Attendants who must take time off to renew their First Aid Ticket.

Section 4: Call Back Time

Employees called back to work after completion of the scheduled hours of their regular scheduled shift shall be paid a minimum of three (3) hours at rate and one-half.

ARTICLE VI - PAY DAYS

The Company will pay wages in accordance with the Provincial Regulations and furnish each Employee with an itemized statement of monthly earnings and deductions. The Company shall provide for pay days every two (2) weeks.

ARTICLE VII - HOURS OF WORK

Section I: Regular Shifts

The following shift configurations will all be considered "regular" shifts.

- i. 8 hours per day 5 days per week. This shift schedule may operate, in any different configuration offering two consecutive days off per week, on a Monday to Sunday basis. This shift may operate on dayshift, afternoon shift or graveyard shift. All shifts will be 8 ½ hours with pay for 8 hours. Each of the shifts will have a 1/2 hour unpaid lunch break.

All hours worked will be paid at straight time. All hours worked in excess of eight hours per day will be paid at time and one half. All hours worked in excess of 40 hours per week will be paid at time and one half.

- ii. 10 hours per day 4 days per week. This shift schedule may operate, in any different configuration offering a minimum of two days off per week, on a Monday to Sunday basis. This shift may operate on dayshift or afternoon shift. All shifts will be 10 1/2 hours with pay for 10 hours. Each of the shifts will have a 1/2 hour unpaid lunch break.

All hours worked will be paid at straight time. All hours worked in excess of ten hours per day will be paid at time and one half. All hours worked in excess of 40 hours per week will be paid at time and one half.

- iii. 12 hours per day, scheduled Monday to Sunday preserving the principle of 40 hours work per week. This shift may operate on dayshift or night shift. All shifts will be 12 hours with pay for 11 1/2 hours. Each of the shifts will have a 1/2 hour unpaid lunch break.

All hours worked will be paid at straight time. All hours worked in excess of twelve hours per day will be paid at double time. All hours worked in excess of 40 hours per week, over an averaging period not to exceed eight weeks, will be paid at time and one half. Any time missed in the averaging period will cause the overtime to not be paid.

Section 2: No Work Guarantee

The foregoing provisions of this Article shall not be construed as guaranteeing to any Employee any number of hours of work per day or per week.

Section 3: Rest Periods

All Employees in Manufacturing Plants shall be entitled to two (2) ten (10) minute rest periods during each regular shift, providing always that the Company shall have the right to use relief Employees in implementing this provision. Employees working twelve (12) hour shifts will be entitled to two (2) fifteen (15) minute rest periods during each regular shift. The Company shall ensure that such periods are taken during the mid two hours of each half of each regular shift.

Section 4: Hot Meals

Where Maintenance, Repair or Construction Employees are required to work two (2) hours or more overtime beyond their normal shift, at the request of the Employee, the Company will provide a hot meal for consumption at the site.

ARTICLE VIII - CALL TIME

An Employee reporting for work on the call of the Company, shall be paid his regular rate of pay for the entire period spent at the place of work in response to the call, with a minimum in any one day of

- (1) Two (2) hours' pay at the Employee's regular rate except when the Employee's condition is such that he is not competent to perform his duties or he has failed to comply with the accident prevention regulations of the Workers' Compensation Board; and
- (2) If the Employee commences work, four (4) hours' pay at his regular rate, except where his work is suspended because of inclement weather or other reasons completely beyond the control of the Company then two (2) hours must be paid.

The Parties hereby agree to work out a mutually satisfactory Agreement determining the method by which the Employee will be notified, cancelling the call for work.

ARTICLE IX — SENIORITY

Section 1: Principle

- a) The Company will recognize the principle of seniority, competency considered. The Company shall have the right to select its Employees and to discipline or discharge them for proper cause.
- b) The selection and promotion of supervisory officials shall be entirely a matter for the Company's decision.

Section 2: Job Posting

If no job posting and seniority supplement exists at an operation of the Company covered by this Agreement, the following shall apply:

- a) Permanent group vacancies will be posted in advance for a period of not less than two (2) working days, except where otherwise agreed.
- b) This Section shall not apply to temporary replacement of two (2) weeks or less necessitated by illness, injury or other leave of absence, or to temporary replacements of longer duration for employees on vacation, but in filling these vacancies senior employees will be given preference in accordance with Section 1 of this Article.

Section 3: Probationary Period

Notwithstanding anything to the contrary contained in this Agreement, it is mutually agreed that all Employees are hired on probation; the probationary period to continue for sixty (60) working days (480 working hours) during which time they are to be considered temporary workers only and during this same period no seniority rights shall be recognized. Upon completion of sixty (60) working days, (480 working hours) they shall be regarded as regular Employees, and shall then be entitled to seniority dating from the day on which they entered the Company's employ, provided however, that the probationary period of sixty (60) working days (480 working hours) shall only be cumulative within six (6) calendar months following the date of entering employment. Days spent fire fighting will not be included as days of probation.

Section 4: Reduction in Forces

- a) In the event of a reduction of forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of Section 1.
- b) Where a reduction of forces is caused by emergency conditions, the application of seniority as agreed to under Section 2 may be postponed for such periods as may be necessary, but not exceeding three (3) working days. If the Company decides to exercise its rights under this provision, it shall notify the Committee as soon as possible.
- c) Subject to the provisions of the Job Posting and Seniority Supplement as referred to in Section 2 above, during a reduction of forces where an Employee's seniority is such that he will not be able to keep his regular job, he may elect to apply his seniority to obtain a job paying a higher rate subject to the competency of the person involved and the provisions of Section 1.
- d) During a reduction of forces where an Employee's seniority is such that he will not be able to keep his regular job, he may elect whether or not to apply his seniority to obtain a lower paid job or a job paying the same rate of pay or accept a lay-off until his regular job becomes available, provided however:
 - (i) If during the lay-off period the Employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority entitles him to a job.
 - (ii) The application of this provision (Section 4(d)(i)) shall not result in an Employee, in the exercise of his rights, bumping an Employee with less seniority.

Section 5: Seniority List

It is agreed that upon request of the Union a list will be supplied by the Company setting out the name and starting date with the Company of each regular Employee. Such request will be granted once in July and once in December of each year. The Company will advise the Union once each month of changes to the said list.

Section 6: Reinstatement

- a) It is hereby agreed that, when rehiring, all Employees shall be notified in the following manner:
 - i. Delivery of notice either orally, by telephone or email by a Company representative.
 - ii. By registered letter

In the case of (i) such oral or email notice shall be confirmed by notation in a call log of the date the call was placed and received and the date of the sending of the email.

If in the case of (i) above where the call was not confirmed by the employee or the email was not replied to, within 24 hours, the Company will send a registered letter. A period of up to seven (7) days within which the Employee is to return to work will be allowed, provided the Employee replies within ninety-six (96) hours of the sending of the letter in the affirmative.

- b) The Employee must reply to the call to work within ninety-six (96) hours of the sending of the call to work as in (i) above and appear for work at the specified date.
- c) All recalls shall be in accordance with the Employee's seniority rights, competency considered.
- d) It is agreed that all Employees shall, upon returning to employment within the required number of days of being notified by the Company, retain all seniority rights.
- e) It shall be the Employee's responsibility to keep the Company informed of his address, telephone number and email (if applicable) during lay-off.
- f) Any Employee who fails to respond to the recall notice within the specified time allowed will be deemed to have terminated their employment.

Section 7: Absence Without Leave

Any Employee who is absent without leave for a period of more than three (3) consecutive working days, who cannot show just reason for such absence, shall forfeit all seniority rights and will be deemed to have terminated their employment.

Section 8: Supervisor's Return to Bargaining Unit

In any case where an Employee has been transferred by the Company to a supervisory position outside the bargaining unit and at a later date ceases to be a supervisory worker and the Company desires to retain his services, it is hereby agreed that reinstatement can be made within the bargaining unit, provided however, that supervisory worker reinstated in the bargaining unit must return to the job held at the time of their promotion to a supervisory position. (Refer to Supplement No.2 Adjustments and Interpretations, No.2 - for interpretation and further provisions under this Section.)

Section 9: Retention During Lay-off

Seniority during lay-off shall be retained on the following basis:

- a) Employees with less than one (1) year's service shall retain their seniority for a period of eight (8) months.
- b) Employees with one (1) or more year's service shall retain their seniority for one (1) year, plus one (1) additional month for each year's service, up to an additional twelve (12) months.
- c) A laid-off Employee's seniority retention is reinstated on the completion of two (2) days work.

ARTICLE X - LEAVE OF ABSENCE

All leaves of absence are unpaid. For all leaves of absence greater than 30 days, the employee will be responsible for paying all benefit premiums. In the case of a leave of absence exceeding 90 days, the employee will not accumulate seniority during the period exceeding 90 days.

Section 1: Injury and Illness

The Company will grant leave of absence to Employees suffering injury or illness for a reasonable period subject to a medical certificate. The Employee will report, no later than three (3) days, to the Company the illness or injury which requires his absence and within seven (7) days, of the illness or injury, will supply the Company with a medical report. Failure of an employee to meet the required time limits may result in termination of employment.

Section 2: Written Permission

Any Employee desiring leave of absence must obtain permission in writing from the Company.

Section 3: Union Business

- a) The Company will grant leave of absence to Employees who are appointed or elected to Union Office. The Employee who obtains this leave of absence shall return to his Company within thirty (30) calendar days after completion of his term of employment with the Union.
- b) The Company will grant leave of absence to Employees who are elected as representatives to attend Union meetings and Union conventions or as members of any Negotiating Committee of the United Steelworkers of America in order that they may carry out their duties on behalf of the Union. The Company shall not be required to grant such leave when the number of Employees on leave, or

to be on leave, at any one time under this Section, exceeds three (3) in number; provided that the Employer will grant leave to no more than five (5) Employees where, in its opinion, it will not have the effect of interfering with the normal flow of production.

- c) In order for the Employer to replace the Employee with a competent substitute, it is agreed that before the Employee receives the leave of absence set forth in Clauses (a) or (b) above, the Employer shall be given notice in writing; in the case of (a) twenty (20) calendar days and in the case of (b) ten (10) calendar days.

Section 4: Returning to Work

Employees on leave of absence and/or illness for an indeterminate period or Employees, who wish to return to work prior to the expiration date of a leave of absence for fixed period, shall give the Employer notice of intention to return to work in the following manner:

- a) An Employee reporting for work on the Day Shift shall give notice during the preceding working Day Shift.
- b) An Employee reporting for work on the Second or Third Shifts shall give notice no later than noon one (1) day immediately preceding his return to work.

Section 5: Bereavement Leave

- a) When death occurs to a member of a regular full-time Employee's immediate family, the Employee will be granted a leave of absence for a maximum of three days.
- b) Members of the Employee's immediate family are defined as the Employee's spouse, mother, father, **brothers**, sisters, sons, daughters, mother-in-law, father-in-law, step-parents, grandparents, grandparents-in-law, grandchildren, sons-in-law, daughters-in-law and stepchildren.
- c) Notwithstanding anything to the contrary contained in the preamble to Article X, the Employee may apply and having provided acceptable documentation, receive reimbursement for lost time wages not exceeding three shifts at regular hourly rate at regular work schedule.

Section 6: Jury or Witness Duty

Any regular full-time Employee who is required to perform Jury Duty, Coroner's Duty or as a Crown Witness or Coroner's Witness will be granted an unpaid leave of absence.

Section 7: Compassionate, Educational, etc. Leave

A leave of absence may be granted, at the Company's discretion, to a maximum of six (6) months without pay to Employees for compassionate reasons or for educational or training or extended vacation purposes, conditional on the following terms:

- a) That the Employee applies at least one month in advance unless the grounds for such application could not reasonably be foreseen.
- b) That the Employee shall disclose the grounds for application.
- c) That the employee uses all outstanding vacations prior to the commencement of the leave.

Section 8: Pregnancy and Parental Leave

The Company will grant leaves of absence in accordance with the provisions of the Employment Standards Act in force at the time of the leave.

Section 9: Public Office

- a) The Company will grant leave of absence for campaign purposes to candidates for Federal, Provincial, Municipal or Indigenous elective public office for periods up to and including eight (8) weeks, provided the Company is given due notice in writing of twenty (20) calendar days, unless the need for such application could not reasonably be foreseen.
- b) Employees elected or appointed to Federal, Provincial, Municipal or Indigenous office shall be granted as much leave as is necessary during the term of such office. Municipal office holders, where the term of public office is served intermittently, shall give the Company reasonable notice for absence from work for conducting Municipal business.
- c) The Employee who obtains this leave of absence shall return to his/her Company within thirty (30) calendar days after completion of public office.

ARTICLE XI - VACATIONS WITH PAY

Vacation pay is determined solely on a percentage of earned wages. Vacation pay is not considered earnings for the purpose of calculating vacation pay.

With respect to annual vacations and vacation pay, the following provisions will apply:

Section: 1 Two Weeks Vacation

Employees with one (1) to two (2) years continuous service shall receive two (2) weeks vacation with pay based upon four per cent (4%) of earnings.

Section: 2 Three Weeks Vacation

Employees with two (2) or more years of continuous service shall receive three (3) weeks vacation with pay based upon six per cent (6%) of earnings.

Section: 3 Four Weeks Vacation

Employees with seven (7) or more years of continuous service shall receive four (4) weeks vacation with pay based upon eight per cent (8%) of earnings.

Section: 4 Five Weeks Vacation

Employees with fifteen (15) or more years of continuous service shall receive five (5) weeks vacation with pay based upon ten per cent (10%) of earnings.

Section: 5 Termination Calculations

An Employee who leaves the Company for any reason whatsoever shall receive vacation pay at the appropriate percentage of the wages earned during the period of entitlement in accordance with the Employee's years of service as provided in Sections 1, 2, 3, and 4 above.

Section: 6 Scheduling

Vacations for Employees shall be taken when quantity and regularity of production shall not be impaired.

Section: 7 Pay Entitlement Date

Vacation pay is to be paid out annually within fourteen (14) days of the Company's common vacation pay date.

Section: 8 Qualifications and Computation for Vacation Pay

Vacation pay is calculated on earnings, from work performed, for the period of January 1 to December 31 annually.

ARTICLE XII – STATUTORY HOLIDAYS

Section I: Designation of Days

- a) The following days are recognized as Statutory Holidays for the purposes of this article; New Years Day, Family Day, Good Friday, Victoria Day, Canada Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day.

- b) In order to ensure quantity and regularity of production, the Company will have the option of moving the statutory holidays with the exception of Family Day, Remembrance Day, Christmas Day, Boxing Day and New Years Day. For example, a statutory holiday falling on a scheduled work day may be moved to a scheduled day off so the mill will continue to operate and the employees will not miss a day of work. All work on the statutory holiday will be paid at straight time, with the exception noted in (g) below.
- c) When the statutory holiday is moved, the Statutory Holiday will be paid at eight (8) hours straight time.
- d) If a Statutory Holiday falls on a regularly scheduled work day and is not moved and is worked, all hours worked will be paid at time and one half and the employees working that day will be paid eight (8) hours straight time for the Statutory Holiday pay.
- e) If a Statutory Holiday falls on a regularly scheduled work day and is not moved and is not worked, the employees scheduled to work that day will be paid straight time for the regularly scheduled hours for that day as Statutory Holiday pay.
- f) If a Statutory Holiday falls on a scheduled day off and is not worked, the employees will be paid eight (8) hours at straight time rates as Statutory Holiday pay.
- g) If a Statutory Holiday falls on a scheduled day off and is worked, the employees will be paid time and one half for all hours worked and will be paid eight (8) hours at straight time rates as Statutory Holiday pay.

Section 2: Qualifying Conditions

- a) The hours paid for the Statutory Holiday will not be included in the weekly work schedule.
- b) An Employee, to qualify for Statutory Holiday pay, must have been on the payroll thirty (30) calendar days immediately preceding the Statutory Holiday and must have worked his last regularly scheduled work day before, and his first regularly scheduled work day after the Statutory Holiday, unless his absence is due to illness, compensable occupational injury, or the Employee is on authorized leave of absence.
- c) In the case of illness or injury the Employer shall have the right to request a certificate from a qualified medical practitioner.
- d) Notwithstanding any of the foregoing provisions, if the Employee fails to work one day before and one day after the Statutory Holiday, both of which must **fall** within a period of thirty (30) calendar days, the Employee shall not be entitled to be paid for any Statutory Holiday during that period.
- e) Employees while on leave of absence under Article X, Section 3(a) or any Employee while a member of a Negotiating Committee under Section 3(b) shall not qualify for paid Statutory Holidays.
- f) Casual labour and probationary Employees will not receive pay for Statutory Holidays.

ARTICLE XIII - SAFETY AND HEALTH

Section 1: Recognition of Importance

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

Section 2: Accident Prevention Committee

The Company shall maintain in each operation an Accident Prevention Committee, which shall be constituted and work in accordance with the Workers' Compensation Act and Occupational Health and Safety Regulations.

Section 3: Safety Meetings

Safety meetings will be paid up to one (1) hour at straight time and will be held at a time that best suits the mill production schedule. Employees' time will not be deducted for attending such meetings or investigations into accidents.

ARTICLE XIV – GRIEVANCE PROCEDURE

Section 1: Outline of Steps

The Company and the Union mutually agree that, when a grievance arises in the plant coming under the terms of the Agreement, it shall be dealt with without stoppage of work in the following manner:

Step 1: The individual Employee, with or without a Job Steward, shall first take up the matter with the Foreman in charge of the work within fourteen (14) calendar days. If a satisfactory resolution is not then reached, within fourteen (14) calendar days, the grievance shall be reduced to writing by the Parties and may be moved to Step 2 by either Party.

Step 2: The Employee and the Committee shall take up the grievance with the Superintendent or the Personnel Officer, or both, as designated by the Company. If a satisfactory resolution is not then reached, within fourteen (14) calendar days, the issue together with the minutes of the meeting may be moved to Step 3 by either Party.

Step 3: Authorized Senior officials of the Company and the Union shall undertake to resolve the grievance. If the parties are unable to reach a satisfactory resolution either Party may issue a fourteen (14) calendar day notice to move the process to Step 4.

Step 4: The grievance shall be dealt with by arbitration, as provided hereinafter.

Section 2: Abandonment

An employee must initiate the grievance procedure within fourteen (14) calendar days of the occurrence of the event which is the subject of the grievance otherwise it will be deemed to be abandoned and all rights of recourse to the grievance procedure shall be at an end.

If a grievance has not advanced to the next stage under Step 2, 3 or 4, within fourteen (14) days after completion of the preceding stage, then the grievance shall be deemed to be abandoned, and all rights of recourse to the grievance procedure shall be at an end. Any extension of the time limit herein must be

mutually agreed to in writing by the Company and the Union, and must have been agreed to prior the expiry of the time limit for which the extension was sought.

Section 3: Grievance Meetings

Grievance meetings shall, except in cases of emergency, and wherever possible, be held out of working hours.

ARTICLE XV - ARBITRATION

Section 1: Procedure

- a) In the case of a dispute arising regarding the application, operation or any alleged violation of this Agreement which the Parties are unable to settle between themselves as set out in Article XIV, the matter shall be determined by arbitration in the following manner:

Either Party may notify the other Party that they wish to resolve the matter by arbitration.

They then shall attempt to reach consensus on an Arbitrator, failing which either party may make application pursuant to Section 86 of the Labour Relations Code to have an Arbitrator appointed.

- b) No one shall serve as an Arbitrator who:
 - (i) either directly or indirectly has any interest in the subject of the arbitration;
 - (ii) has participated in the grievance procedure preceding the arbitration;
 - (iii) is, or has been, within the period of six (6) months, preceding the initiation of arbitration proceedings, employed by any Local Union, United Steelworkers or a Company directly engaged in the Forest Products Industry.
- c) The decision of the Arbitrator shall be final and binding upon the Parties of the First and Second Parts.
- d) If the Arbitrator finds that an Employee has been unjustly suspended or discharged, that Employee shall be reinstated by the Company without loss of pay and with all his rights and privileges preserved under the terms of this Agreement, provided always that if it is shown to the Arbitrator that the Employee has been in receipt of wages during the period between discharge (or suspension) and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Section.
- e) The Arbitrator shall be required to hand down his decision within fourteen (14) days following completion of the Hearing.
- f) The Parties will agree to a list of Arbitrators for use under this Section.

- g) In the event that the Arbitrators provided for in this Section are not available to preside as Arbitrator under this Section, the Parties agree to appoint a replacement.

Section 2: Cost Sharing

The Parties of the First and Second Parts will each bear the expense and charges of its representatives on any Arbitration Board, and shall bear in equal proportions the expenses and allowances of the Chairman or sole Arbitrator, as the case may be, and the stenographic and secretarial expense, and rent.

Section 3: Place of Hearing

Any Arbitration to be held hereunder shall be held at such place as may be decided by the Arbitrator or the Parties.

ARTICLE XVI - HEALTH AND WELFARE

Section 1: Institution

The Company will participate in the Southern Interior Health and Welfare Plan provided that should the premium for the Plan exceed \$180.00 per employee the Company may provide an equivalent plan for the employees.

Section 2: General Principles

- a) The base premium cost for insurance will be paid by the Company. Premium costs are capped at the levels of the Plan in place at the expiration of the previous collective agreement. The costs for the benefits at the expiration of the previous collective agreement, as indicated below were \$180.00 per employee. Future increases in the premium costs, above the base premium in the following benefits, will be borne by the employee.
- Dental
 - Extended Health
 - Group Life insurance
 - Accidental Death and Dismemberment
 - Weekly indemnity
- b) Medical Services Plan of BC coverage will commence on the first day of the month following the month employment started. All other coverage will commence on the first day of the month following the completion of the probationary period. The current premium cost for the Medical Services Plan of BC (single \$57.00, couple \$102.00 and family \$114.00) will be the maximum the Company will be responsible for. All increases in premium cost for MSP will be borne by the employee.
- c) Coverage during layoff will be provided as follows:

- i. Employees with more than four (4) months seniority will receive three (3) months of benefit coverage.
- ii. In order for reinstatement of layoff coverage to occur there must be a return to regular full-time employment. An Employee returns to regular full-time employment when he is employed for ten (10) working days within a floating period of thirty (30) consecutive days.

ARTICLE XVII - LONG TERM DISABILITY

The Company will participate in the IWA Forest Industry LTD Plan or provide an equivalent to the plan in place at the expiration of the previous collective agreement. Effective September 1, 2010, contributions from both the Company and the Employees will not exceed one dollar and twenty cents (\$1.20) per hour per Employee per hour worked, of which the Employee will contribute sixty cents (\$0.60) per hour. If during the term of this agreement the cost of long-term disability coverage increases above \$1.20 per hour the increase will be shared equally.

ARTICLE XVIII – TECHNOLOGICAL CHANGE

Section 1: Advance Notification

The Company shall notify the Shop Committee and the Union not less than sixty (60) days in advance of intent to institute material changes in working methods or facilities which would involve the discharge or laying off of Employees.

Section 2: Severance Pay

Employees who lose a regular full time job due to automation or mechanization shall be entitled to severance pay provided they are unable to exercise their seniority to retain employment in the operation. The amount of severance pay is seven days' pay at the employees' regular rate of pay (a day is defined as 8 hours straight time pay) for each year of service with the Company. The amount calculated under such entitlement shall not exceed a maximum of thirty (30) weeks pay, (maximum 210 days, with a day defined as 8 hours straight time pay).

Section 3: Rate Adjustment

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

ARTICLE XIX - APPRENTICESHIP TRAINING PROGRAM

Section 1: Implementation

The Apprenticeship Training Program, which will be agreed to by the parties and become part of this Agreement, shall be implemented.

ARTICLE XX - PENSION PLAN

The Company will participate in the IWA Forest Industry Pension Plan. The Company contribution to the plan is \$2.675 per hour worked. Effective November 1, 2015 the Company will contribute \$3.675 per hour worked. All costs related to the Pension Plan over \$3.675 per hour will be the responsibility of the employee.

ARTICLE XXI - SAFETY EQUIPMENT

1. Where the following articles of equipment are required to be used by the Company or by the Workers' Compensation Board, the Company shall, at no cost to the Employee:
 - a) Supply new Employees with the articles of equipment as required;
 - b) Supply Employees moving to another department with the articles of equipment they require and that they do not have at the time of the move; and
 - c) Replace articles of equipment when those articles are presented worn or damaged beyond repair;

That is to say:
 1. Aprons
 2. Hard Hats
 3. Eye, Ear and Nose Protective Equipment
 4. Gloves
 - d) Replace gloves as required at no cost to the Employee, only when they are presented worn or damaged beyond repair; otherwise the replacement will be at the expense of the Employee.
2. The Employer shall make coveralls available and maintain same for use by End Sprayers, Panel Sprayers, Oilers, Filer-Grindermen and Tradesmen.
3. The Company will endeavour to arrange special discount prices at local stores for Employees for the following safety equipment:
 1. Caulk Boots
 2. Safety Shoes
 3. Rain Gear
 4. Coveralls

4. An Employee who is required to wear caulk boots by the Workers' Compensation Board shall receive a caulk boot allowance of \$120 per annum, provided that:
 - (i) the Employee has six (6) months or more seniority, and
 - (ii) seasonal lay-offs shall not interfere with the qualifying period herein.

ARTICLE XXII - PERMANENT CLOSURES

The Company agrees that Employees affected by a permanent closure of operations of the Company shall be given sixty (60) days notice of closure.

ARTICLE XXIII - SEVERANCE PAY FOR PERMANENT PLANT CLOSURE

1. Employees terminated by the Employer because of permanent closure of a Manufacturing Plant shall be entitled to severance pay equal to ten days' pay at the employees regular rate of pay (a day is defined as 8 hours straight time pay) for each year of continuous service and thereafter for partial years in increments of completed months of service with the Company.
2. Where a Plant is relocated and the Employees involved are not required to relocate their place of residence and are not terminated by the Employer as a result of the Plant relocation, they shall not be entitled to severance pay under this Article.

ARTICLE XXIV - CONTRACTING AND SUB-CONTRACTING

1. It is acknowledged that Company Employees should perform work normally performed within the bargaining unit for which they are qualified.
2. Contractors will not be introduced into an operation where this results in the loss of full time positions held by regular Employees unless there are special circumstances.
3. Contracting out issues should be settled at the Plant level on a practical common sense basis.
4. This Article does not alter existing contractor relationships.

ARTICLE XXV – GENERAL PROVISIONS

Section 1: Access Permission

Official Union representatives shall obtain access to the Company's operations for the purpose of this Agreement by written permission which will be granted by the Company on request and subject to such terms and conditions as may be laid down by the Company.

Section 2: No Strike or Lockout

- a) The Union agrees that it will not cause, promote, sanction or authorize any strike, sit down, slow down, sympathetic strike or other interference with work by the Employees for any cause whatsoever so long as this Agreement continues to operate.
- b) The Company agrees that it will not create or institute any lockout of the Employees with respect to any dispute between the Company and the Union or the Company and its Employees so long as this Agreement continues to operate.

Section 3: Signing Authority

The Union agrees to advise the Company of the names of the persons who have authority to sign Agreements on behalf of the Local Union.

Section 4: Establishing Rates for New Jobs

Where new machinery is installed that materially affects the condition of work of the Employee concerned, or a new category is created, the Union will be notified and negotiations commenced to determine the wage rate to be paid to the Employee affected, provided that the Company shall have the right to establish a rate to be paid until the regular job rate is agreed upon.

Section 5: Disciplinary Action

For formal disciplinary meetings, where a written warning, suspension or termination is being issued, the Employee shall have the option of requesting Union representation.

ARTICLE XXVI - DURATION OF AGREEMENT

Section 1: Effective Dates

The Parties hereto mutually agree that this Agreement shall be effective from the date of ratification to December 31, 2021, unless extended by operation of the Letter of Understanding RE: MANDATED NEGOTIATIONS DURING THE CURRENCY OF THE TERM OF THE COLLECTIVE AGREEMENT and thereafter from year to year unless written notice of contrary intention is given by either Party within four (4) months immediately preceding the date of expiry. The Notice required hereunder shall be validly and sufficiently served at the Head Office of the Party of the First Part, or at the Local Office upon the Local Officers of the Union, Party of the Second Part, within four (4) months immediately preceding the 1st day of January 2022. 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 an agreement is reached or until negotiations are discontinued by either Party.

Section 2: Section 50 (2) and 50 (3) Labour Relations Code of B. C. Excluded

The Parties hereto agree that the operation of Sections 50 (2) and 50 (3) of the Labour Relations Code of British Columbia, R.S.B.C. 1992, c. 82, is excluded from this Agreement.

ON BEHALF OF
UNITED STEELWORKERS (USW)
LOCAL UNION NO. 1-417

ON BEHALF OF
SAVONA SPECIALTY PLYWOOD
SAVONA DIVISION

SUPPLEMENT NO. 2

ADJUSTMENTS AND INTERPRETATIONS

In connection with the interpretation of certain clauses of the 1970-1972 Contract between the United Steelworkers and certain Interior Operators, the following interpretations of the Contract have been agreed upon:

2. **Re: Article X - Seniority - Section 9:**

It is understood that the interpretation of this clause made by the Honourable Gordon McGregor Sloan under the Coast Agreement will apply as set out below:

"When an Employee has left, or leaves, the bargaining unit because of promotion to a supervisory position, and who later is reinstated as a member of such bargaining unit because of demotion or reduction in forces, he returns thereto with the seniority he had when an Employee within the bargaining unit. In other words, his seniority is "frozen" at the time he leaves the bargaining unit and ceases to run until his return thereto".

It is agreed, however, that persons transferred out of the bargaining unit for temporary supervisory duty with the Company for a period of not more than four (4) months in each calendar year shall continue to retain their seniority. Employees temporarily transferred out of the bargaining unit will be reinstated in the job they held when they left the bargaining unit without loss of seniority.

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

It is agreed that the above understandings shall be of the same force and effect as if they had been written into the actual contract and this Section of Adjustments and Interpretations shall form Supplement No. 2 and be part of the Contract.

LETTER OF UNDERSTANDING

BETWEEN:

SAVONA SPECIALTY PLYWOOD, SAVONA DIVISION AND:

UNITED STEELWORKERS OF AMERICA, LOCAL 1-417

RE: MANDATED NEGOTIATIONS DURING THE
CURRENCY OF THE TERM OF THE COLLECTIVE AGREEMENT

WHEREAS both parties recognize that it is in their respective interests to address ongoing issues on a regular basis and to provide an opportunity for the extension of the term of this Collective Agreement well before its fixed expiry date.

THEREFORE it is agreed that:

1. The following windows will be utilized during the term of the Collective Agreement for the purpose of negotiating changes to the terms and conditions of the Collective Agreement and to further set the terms and conditions for an additional two year extension of the term of the Collective Agreement, which has an expiry date of December 31, 2017:
 - (i) November 1, 2012 to February 28, 2013;
 - (ii) November 1, 2014 to February 28, 2015;
 - (iii) November 1, 2016 to February 28, 2017;
 - (iv) Should the Collective Agreement be extended two years past January 1, 2017, then a further negotiating window will be added every two years until such time as the Collective Agreement has terminated.
2. It is agreed that should consensus not be reached in any negotiating window, then in each instance the last position tendered by the Company shall be put to a confidential vote of the bargaining unit employees. It is agreed that if a simple majority (50% plus 1) of the employees casting ballots are in favour of the Company's last offer, then that offer shall be incorporated into the terms and conditions of a revised and extended Collective Agreement which shall immediately come into force and effect.
3. The Company shall have the right to have a scrutineer present during the balloting and the counting of the ballots, which will occur immediately after the close of the poll.
4. It is agreed that if consensus is not reached by negotiation or vote on the terms and conditions governing the extension of the current Collective Agreement for an additional two years in any

window, then the terms and conditions of the existing Collective Agreement will continue in force and effect.

DATED at Vancouver, this 2nd day of Dec, 2010.

**SAVONA SPECIALTY PLYWOOD,
SAVONA DIVISION**

**UNITED STEELWORKERS OF AMERICA;
LOCAL 1-417**

By:

By: