

2012 - 2017

COLLECTIVE AGREEMENT

between



**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION
High Level, Alberta**

and



**UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED
INDUSTRIAL AND SERVICE WORKERS
INTERNATIONAL UNION
LOCAL 1-207
Edmonton, Alberta**

August 1st, 2012 to July 31st, 2017

TABLE OF CONTENTS

| <u>ARTICLE</u> | | <u>PAGE</u> |
|-----------------------|---|--------------------|
| | PREAMBLE | 1 |
| 1 | BARGAINING AGENCY | 1 |
| 2 | EMPLOYER'S RIGHTS | 2 |
| | Section 1 Management & Direction | 2 |
| | Section 2 Hiring and Discipline | 2 |
| | Section 3 Disciplinary Action | 2 |
| | Section 4 Notification of Disciplinary Action | 2 |
| 3 | UNION SECURITY | 3 |
| | Section 1 Cooperation | 3 |
| | Section 2 Union Shop | 3 |
| | Section 3 Discharge of Non-Members | 3 |
| | Section 4 Union Membership | 3 |
| | Section 5 Check-Off | 3 |
| | Section 6 Social Insurance Number | 4 |
| | Section 7 T4 Slip | 4 |
| 4 | COMMITTEE | 4 |
| | Section 1 Definition | 4 |
| | Section 2 Composition | 4 |
| | Section 3 Notification | 4 |
| | Section 4 Exception | 4 |
| | Section 5 Union Office | 4 |
| 5 | ADJUSTMENT OF GRIEVANCES | 5 |
| | Section 1 Composition | 5 |
| | Section 2 Initiation | 5 |
| | Section 3 Steps | 5 |
| 6 | ARBITRATION | 6 |
| | Section 1 Interpretation | 6 |
| | Section 2 Discharge or Failure to Hire | 6 |
| | Section 3 Costs | 7 |
| | Section 4 Location | 7 |
| 7 | WAGES | 7 |
| | Section 1 Rates | 7 |
| | Section 2 Subject to Sawmill Evaluation | 7 |
| | Section 3 Shift Premium | 8 |
| | Section 4 Certified Graders | 8 |
| | Section 5 Multiple Trades Qualifications | 8 |

ARTICLE

PAGE

7 WAGES – (Continued)
Section 6 Weekend Clean-up Rates8
Section 7 Northern Residents Travel Assistance8

8 PAY DAYS9

9 JOINT HEALTH AND SAFETY COMMITTEE.....9
Section 1 Composition9
Section 2 Duties9
Section 3 Pay for Meetings9
Section 4 Investigations9
Section 5 Fatal Accident9
Section 6 Cessation of Work.....9
Section 7 Accident Prevention10

10 SENIORITY AND JOB POSTING10
Section 1 Principle10
Section 2 Reduction10
Section 3 Recall.....10
Section 4 Probationary Period.....11
Section 5 Reduction by Emergency11
Section 6 Absent Without Leave.....11
Section 7 Seniority List11
Section 8 Return to Bargaining Unit.....12
Section 9 Scalehouse Operators12
Section 10 Bumping.....12
Section 11 Displaced Employees13
Section 12 Job Posting Agreement13
Section 13 Job Training Program.....15

11 LEAVE OF ABSENCE18
Section 1 Injury or Illness18
Section 2 Written Permission.....18
Section 3 Union Business.....18
Section 4 Extended Vacation Leave.....18
Section 5 Education and Training Leave19
Section 6 Bereavement Leave19
Section 7 Jury or Witness Duty.....20
Section 8 Maternity Leave20
Section 9 Parental Leave21
Section 10 Family Responsibility and Compassionate Care Leave21
Section 11 Reservist Leave22
Section 12 Federal, Provincial or Municipal Leave22

| <u>ARTICLE</u> | <u>PAGE</u> |
|--|-------------|
| 12 VACATIONS WITH PAY..... | 23 |
| Section 1 Less Than One Years Service | 23 |
| Section 2 Incremented Years of Service | 23 |
| Section 3 Vacation for Piece Work | 23 |
| Section 4 Allocation of Vacation | 23 |
| Section 5 Days Considered for Determining Vacation Pay | 24 |
| Section 6 Vacation Payouts..... | 24 |
| Section 7 Vacation Ground Rules | 24 |
| | |
| 13 HOURS OF WORK | 26 |
| Section 1 Hours and Overtime | 26 |
| Section 2 Time Lost - General Holidays | 27 |
| Section 3 Lunch Breaks..... | 28 |
| Section 4 Starting and Ending Shifts | 28 |
| Section 5 Call Back Time | 28 |
| Section 6 Refusal of Overtime | 28 |
| Section 7 Unavoidably Prevented from Work | 28 |
| Section 8 Alternate Shift Schedule | 29 |
| Section 9 Overtime Equalization | 30 |
| | |
| 14 GENERAL HOLIDAYS | 30 |
| Section 1 General Holidays..... | 30 |
| Section 2 Qualifying Conditions | 31 |
| | |
| 15 GENERAL PROVISIONS | 32 |
| Section 1 Access for Union Representation | 32 |
| Section 2 Strikes and Lockouts | 32 |
| Section 3 Rest Periods..... | 32 |
| Section 4 Supervisors Operating of Equipment | 32 |
| Section 5 Tools..... | 32 |
| Section 6 Safety Equipment | 33 |
| Section 7 Apprenticeship Program..... | 34 |
| Section 8 Coveralls | 34 |
| Section 9 Boot Allowance..... | 34 |
| Section 10 Permanent Plant Closure | 34 |
| Section 11 Qualification and Requalification Costs | 34 |
| Section 12 Pay Cheques | 35 |
| Section 13 Union Bulletin Boards..... | 35 |
| Section 14 Overtime Hot Meals | 35 |
| Section 15 Christmas Shutdown | 35 |
| Section 16 Union Representation..... | 35 |
| Section 17 Chargehands..... | 36 |
| Section 18 Union Education Fund | 36 |

| <u>ARTICLE</u> | <u>PAGE</u> |
|---|-------------|
| 16 HEALTH AND WELFARE | 37 |
| Section 1 Medical..... | 37 |
| Section 2 Weekly Indemnity Coverage..... | 39 |
| Section 3 Long Term Disability Program | 40 |
| Section 4 Surviving Spouse and Dependent Coverage | 40 |
| Section 5 Doctors Forms..... | 40 |
| Section 6 Medical Travel Fund | 41 |
| 17 SAWMILL JOB EVALUATION | 41 |
| Section 1 Implementation | 41 |
| Section 2 Sawmill and Poleyard Wage Curve | 41 |
| 18 TECHNOLOGICAL CHANGE | 44 |
| Section 1 Advance Notification | 44 |
| Section 2 Severance Pay | 44 |
| Section 3 Rate Adjustment..... | 44 |
| 19 PENSION PLAN – PLAN A..... | 44 |
| Section 1 Past Service | 45 |
| Section 2 Future Service | 45 |
| Section 3 Service Differential | 46 |
| Section 4 Vesting | 46 |
| Section 5 Funding | 46 |
| Section 6 Trustees | 46 |
| 20 PENSION PLAN – PLAN B..... | 46 |
| 21 CONTRACTING OUT | 47 |
| 22 SAFETY | 47 |
| 23 DURATION OF AGREEMENT..... | 47 |
| SUPPLEMENT NO. 1 - WAGE SCHEDULE | 48 |
| SUPPLEMENT NO. 2 - SAWMILL JOB EVALUATION PLAN | 58 |
| SUPPLEMENT NO. 3 – ALTERNATE SHIFT SCHEDULING | 63 |
| SUPPLEMENT NO. 4 – WAGE PARITY | 66 |
| APPRENTICESHIP AGREEMENT | 67 |

| <u>ARTICLE</u> | <u>PAGE</u> |
|--|-------------|
| LETTER OF UNDERSTANDING | |
| CARPENTER APPRENTICE TRAINEE POSITION | 73 |
| 12-HOUR SHIFT AGREEMENT KILNS | 75 |
| ALTERNATE PLANER #2 LINE DAY SHIFT AGREEMENT | 77 |
| ALTERNATE PLANER GRAVEYARD SHIFT | 79 |
| MAINTENANCE ALTERNATE SHIFT AGREEMENT | 80 |
| VWM – MAKE WHOLE AGREEMENT | 83 |
| APPLICATION OF ARTICLE 18 – TECHNOLOGICAL CHANGE | |
| SECTION 2 – SEVERANCE PAY | 84 |

AGREEMENT

This AGREEMENT entered this 13th day of March, 2013

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

HIGH LEVEL, ALBERTA

(Hereinafter known as the "Company" of the FIRST PART)

and

**UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY,
ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION
(USW) Local 1-207**

Edmonton, Alberta

(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 employees to cooperate 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.

ARTICLE 1 - BARGAINING AGENCY

- (a) The Company recognizes the Union as the sole collective bargaining agency of the employees of the Company at its operations at the Industrial Area at High Level, excluding office staff, watchmen/security, foremen with the right to hire and fire, and those above that rank.

- (b) The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing wages and working conditions and adjusting matters within the confines of this Agreement which come within the scope of collective bargaining between the employer and the employees.
- (c) The Company agrees that it will take no steps to impair the bargaining authority of the Union during the term of this Collective Agreement. The Company agrees that the only certification it will recognize during the term of this Agreement is that of the Union unless required by due process of law to recognize some other bargaining authority.

ARTICLE 2 - EMPLOYER'S RIGHTS

Section 1 - Management & Direction

The Management of the operation and the direction and promotion of the working forces is vested in the Company. The Company shall have the right to select its new employees and to discipline or discharge them for proper cause, provided however, that this will not be used for the purposes of discrimination against employees and is not inconsistent with the terms of the Collective Agreement.

Section 2 - Hiring and Discipline

The Company shall have the right to maintain a list and copy of warnings on the file of each employee, provided however, that once an employee with one (1) verbal warning on his/her file has gone a period of three (3) months without accumulating a further warning and, in the case of a written warning, a period of six (6) months without a further verbal or written warning and, in the case of record of suspension, a period of twelve (12) months without a further record of suspension recorded on his/her file, the previous warnings and record of suspension shall be destroyed by the Company and removed from the employee's file.

Section 3 - Disciplinary Action

- (a) The presence of a Job Steward will be mandatory at any meeting during which an employee is disciplined.
- (b) The Plant Committee will receive copies of all disciplinary action.

Section 4 - Notification of Disciplinary Action

When the Company discharges or suspends an employee, the Company shall notify the Plant Chairman in writing within twenty-four (24) hours.

ARTICLE 3 - UNION SECURITY

Section 1 - Cooperation

The Company will cooperate with the Union in obtaining and retaining as members all the employees as defined in this Agreement and to this end will present to new employees and all Supervisors and Foremen the policy herein expressed.

The Company will provide the Chairman of the Union Committee with a list of new employees names and employment start dates.

The Company will provide a maximum of one half (1/2) hour paid leave for a Union plant committee member, on site, to meet with new employees at the time of their orientation to provide information on the Union.

Section 2 - Union Shop

All present employees and all new employees shall within thirty (30) calendar days after the execution of this Agreement, or thirty (30) days after entering employment with the Company, 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 - Discharge of Non-Members

Any employee who fails to maintain membership in the Union as prescribed herein by reason of refusal to pay dues and assessment, shall be subject to discharge after seven (7) days' written notice to the Company of the said employee's refusal to maintain his membership.

Section 4 - 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 USW Constitution and in accordance with the By-Laws of Local Union No. 1-207.
- (b) Any employee who applies to join the Union pursuant to the provisions herein and whose application is rejected by the Union, shall not be subject to discharge from employment.

Section 5 - Check-Off

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:

This assignment in the case of employees already members of the Union shall be effective immediately and for those employees not previously members of the Union it shall become effective thirty (30) calendar days from the date of execution.

The Company shall remit dues deducted pursuant to such assignment to the Local Union named herein not less often than once each month, with a written statement of names of employees for whom the deductions were made and the amount of each deduction.

Section 6 - 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 7 - T4 Slip

Commencing the 1985 taxation year, Union Dues deducted will be reported on each employee's annual statement of earnings, i.e. T4 slip.

ARTICLE 4 - COMMITTEE

Section 1 - Definition

For the purpose of this Agreement when the word "Committee" is used it shall mean Shop, Camp or Mill Committee, members of which are appointed by 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 wherever possible they shall be selected 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 the 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 - Exception

The provisions of Section 1, 2, and 3 do not apply to the Joint Health and Safety Committee.

Section 5 – Union Office

The Company will designate an office to be made available for the Union to carry out Union business.

ARTICLE 5 - ADJUSTMENT OF GRIEVANCES

Section 1 - Composition

The Union Committee shall select a maximum of four (4) members from the plant committee to act as a grievance committee, names of whom shall be supplied to the Company.

Section 2 - Initiation

Any complaint, disagreement or difference of opinion concerning the interpretation, application or operation of this Agreement, violation of the terms and provisions of this Agreement, shall be considered a grievance, subject to the grievance and arbitration provisions of this Agreement. It is further agreed that an employee has the right to commence a grievance alleging that discharge or other disciplinary action taken against him/her was without just cause. All grievances must make reference to the provision of the Collective Agreement that has been considered a contravention or violation wherever possible. It is further understood that grievances should be initiated in a timely manner.

Section 3 - Steps

The Company and the Union mutually agree that when a grievance arises in the plant coming under the terms of this Agreement, it shall be taken up in the manner set out below:

- (a) Step 1. The employee and a Shop Steward shall present his/her problem or issue to the supervisor both verbally and in writing. The Supervisor will review the issue and present his reply in writing. Should the parties not resolve the issue, then a grievance should be initiated and together with the written positions of the Grievor and the Supervisor advance to Step 2.
- (b) Step 2. The Superintendent with the employee, Shop Steward, and the Supervisor would review the grievance and reply to the grievance in writing. If the issue is still unresolved it will advance to Step 3.
- (c) Step 3. The Plant Manager, together with the Grievance Committee and the Union Business Agent will review the grievance. The Plant Manager will respond in writing.
- (d) Step 4. If the issue is unresolved it may be advanced to arbitration. If both parties agree that a grievance can be resolved by mediation this step may be chosen prior to arbitration.

It is recognized that there are circumstances where a grievance does not arise out of an individual complaint or disagreement. In this instance the Union or the Company may choose to submit a grievance, the grievance would be initiated at Step 3 of the Grievance Procedure.

If a grievance has not advanced to the next stage under Steps 1, 2, or 3 within fourteen (14) days after completion of the preceding stage then the grievance shall be deemed to be abandoned, the fourteen (14) day limit may be extended by mutual consent of both parties.

If the Company fails to respond to a grievance within the appropriate time limits it will be deemed to be resolved in the Union's favour.

The Parties agree that all grievances that are advanced to Step 3 will be dealt with at the next scheduled Labour/Management Meeting and that in so doing may be beyond the time allowed within the Collective Agreement. It is understood that the fourteen (14) day time limit will be extended to accommodate the scheduled Labour/Management meeting that the Local Business Agent is at.

ARTICLE 6 - ARBITRATION

Section 1 - Interpretation

- (a) In case of dispute arising regarding the interpretation of this Agreement which the parties hereto are unable to settle between themselves the matter shall be determined by arbitration in the following manner.

Either party may notify the other party in writing by registered mail of the question or questions to be arbitrated. In addition, such notification shall include a list of names of people who will be acceptable to act as a single arbitrator to hear the issue or issues. After receiving such notice, the other party shall within five (5) working days notify the other party of names proposed by the first party. If the parties fail to agree on a single arbitrator, they shall forthwith request the Minister of Labour for the Province of Alberta to appoint an arbitrator.

- (b) The decision of the arbitrator will be final and binding on the parties of the first and second parts.

Section 2 - Discharge or Failure to Hire

- (a) In the case of a dispute arising regarding the discharge of an employee or the failure to rehire an employee under this Agreement, which the parties are unable to settle between themselves as set out in Article 5, the matter shall be determined by arbitration in the following manner:

Either party may notify the other party in writing, by registered mail of the question or questions to be arbitrated. In addition, such notification shall include a list of names of people who will be acceptable to act as a single arbitrator to hear the issue or issues. After receiving such notice, the other party shall within five (5) working days notify the other party of the acceptance of one (1) or more of the names, or reject all of the names proposed by the first party. If the parties fail to agree on a single arbitrator, they shall forthwith request the Minister of Labour for the Province of Alberta to appoint an arbitrator.

- (b) The decision of the arbitrator regarding the discharge or failure to rehire an employee or employees which have been referred to arbitration will be final and binding on the parties of the first and second part.

- (c) If an arbitrator finds that an employee has been unjustly suspended or discharged such employee shall be reinstated with all rights and privileges preserved under the terms of the Agreement.

Section 3 - Costs

The parties of the first and second part shall bear in equal proportions the expenses and allowances of the arbitrator, and stenographic and secretarial expense, and rent connected with his duties as arbitrator.

Section 4 - Location

Any arbitration to be held hereunder shall be held at such place as may be decided by the arbitrator.

ARTICLE 7 - WAGES

Section 1 - Rates

- (a) Effective August 1, 2012, the wages of all hourly rated employees will be increased by five percent (5%) per hour.

Effective August 1, 2013, wages will be increased by two percent (2%) per hour.

Effective August 1, 2014, wages will be increased by two percent (2%) per hour.

Effective August 1, 2015, wages will be increased by three percent (3%) per hour.

Effective August 1, 2016, wages will be increased by three percent (3%) per hour.

- (b) Should the Collective Agreement(s) negotiated between Conifer and USW provide a total wage increase greater than that provided in the last four (4) years of this Agreement, a total of ten percent (10%), that total increase will be matched. The difference will be distributed to remain in parity. Any Retroactivity will be to the expiry of the High Level Collective Agreement. (See examples in Supplement No. 4 – Wage Parity).

- (c) Charge Hand rate to be twenty-two cents (\$.22) per hour over job rate.

Section 2 - Subject to Sawmill Evaluation

Wage rates for production job categories shall be subject to Sawmill Evaluation in accordance with the Northern Interior Sawmill and Poleyard Job Evaluation Manual and Procedures.

Wage rates for non-production categories which are established or revised shall be a matter of negotiations between the Company and the Union.

Section 3 - Shift Premium

The first shift which may vary in individual operations is the recognized Day Shift. Employees employed on other than the recognized Day Shift shall be considered as Second and Third Shifts.

Effective August 1, 2012, the shift premium will be fifty cents (\$.50) per hour for the second and third shifts.

A day-shift employee working in excess of his regular hours will be paid rate and one-half without the differential.

Section 4 - Certified Graders

Graders with Certificates will receive forty cents (\$.40) per hour over the evaluated rate. Graders with permits will receive the evaluated rate.

Section 5 - Multiple Trades Qualifications

The Company agrees to pay a premium of thirty cents (\$.30) per hour above the regular job rate for all hours worked for Tradesmen possessing multiple trades that as part of his regular job as required by the Company applies the knowledge of his ticketed trades. These premiums will be paid one hundred percent (100%) of the time. The trades that will be recognized will only be those trades listed in the wage supplement. The Company will not post for dual trades.

Section 6 - Weekend Clean-up Rates

All weekend clean-up employees will receive seventy-five percent (75%) of base rates and will be paid straight time for Saturday and Sunday work. Weekend clean-up employees will not be eligible for benefits or seniority rights under the Collective Agreement. However, the Company will agree that any weekend clean-up employee who meets the regular full time entry level requirements will be given preferred status at the time of hire over an outside applicant. It is further understood that these employees shall serve a full probationary period and if successful will be granted their seniority days accrued while working as a weekend clean-up employee. Weekend clean-up will receive overtime pay for work on General Holidays that may fall on Saturday or Sunday. They will not be entitled to general holiday pay on that day unless they have worked more than thirty (30) working days. The following order of preference will apply for recall of Weekend Clean-up employees.

- (1) Regular employees laid off due to seasonal shutdown or a reduction of the work force.
- (2) Weekend clean-up employees.

Section 7 – Northern Residents Travel Assistance

Ten percent (10%) of an employee's regular gross earnings shall be designated as travel assistance to a maximum of five thousand dollars (\$5,000.00) pursuant to the Income Tax Act.

ARTICLE 8 - PAY DAYS

The Company shall establish regular paydays on every second Thursday and hand deliver to each employee on shift an itemized statement of earnings and deductions for each pay period. The remainder of the statements will be mailed to the employee at close of business the next day, unless prior notification is given to Payroll.

ARTICLE 9 - JOINT HEALTH AND SAFETY COMMITTEE

Section 1 - Composition

- (a) The Management of every operation shall maintain an Joint Health and Safety Committee consisting of not more than twelve (12) members nor less than four (4) members.
- (b) Such Joint Health and Safety Committee shall consist of an equal number of representatives of the employer and of the employees. Employee representatives will be elected by a vote supervised by the Union.
- (c) Employee representatives shall be regular employees in the operation with at least one (1) year's experience in that type of operation over which their inspection duties shall extend.

Section 2 - Duties

The general duties of the Joint Health and Safety Committee shall be as directed by the regulations made pursuant to the Occupational Health and Safety Act.

Section 3 - Pay for Meetings

The Company will pay straight time rates not exceeding two (2) hours per week to such Safety Committee for the actual time spent in attending safety meetings outside of working hours.

Section 4 - Investigations

Employees called in to investigate accidents will be paid straight time rates for those hours worked. Where safety meetings are held during working hours with the consent of the employer, employees' time will not be deducted for attending such meetings or investigations into accidents.

Section 5 - Fatal Accident

In the case of a fatal accident, the Joint Health and Safety Committee shall be the principle internal investigating body.

Section 6 - Cessation of Work

Anyone or all employees working in the immediate proximity when a fatal accident has occurred may without discrimination refrain from working the balance of the shift.

Section 7 - Accident Prevention

An accident resulting in medical aid will be investigated by an equal number from Union and Management, as soon as is possible after the occurrence of such an accident.

Suggestions from joint Health and Safety Committee Members will be voted on by the Committee. Any votes resulting in a tie, will cause that suggestion to be void.

All newly hired employees will be given a complete tour of the mill site, at which time they will be made aware of any obvious safety and health hazards they may encounter while at work.

ARTICLE 10 - SENIORITY AND JOB POSTING

Section 1 - Principle

The Company recognizes the principle of Seniority, competency considered. In the application of Seniority, it shall be determined by the Plant seniority.

Section 2 - Reduction

In the event of a reduction of the forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of Section 1.

Section 3 - Recall

- (a) It is hereby agreed that when rehiring, all employees laid off due to a seasonal shutdown or reduction of the working forces will be notified by telegram or registered letter at least seven (7) days before restart of operations and they shall be rehired in the order of their Plant Seniority provided they reply to the telegram or registered letter in the affirmative within ninety-six (96) hours of the telegram or registered letter being sent out and appear for work not later than the end of the above stated seven (7) day period. It is agreed that all employees shall, upon returning to the employment within the required number of days of being notified by the Company, retain all seniority rights. It shall be the employee's responsibility to keep the Company informed of his address during layoff.
- (b) The rights of the employee, and the obligations of the Company under this paragraph (a) shall be limited as to time as follows:

Employees having less than one (1) year's service
one (1) year.

Employees having one (1) or more years' service
two (2) years.

- (c) Employees laid off due to a seasonal shutdown or reduction of the working forces of the Company shall receive a telegram or registered letter, as set out in (a) above to return to work. It is in the employee's interest to complete a form when laid off showing their name, address and their intention of returning to the Company when work is available. The Company will provide these forms.

Section 4 - Probationary Period

Notwithstanding anything to the contrary contained in this Agreement, it shall be mutually agreed that all employees are hired on probation, the probationary period to continue for two hundred, forty (240) paid hours, during which time they are to be considered temporary workers only and no seniority rights shall be recognized. Upon completion of two hundred, forty (240) paid hours service they shall be regarded as regular employees and be entitled to seniority dating from the day on which they entered the Company's employ.

The Company will work to establish a forty (40) hour work week whenever possible and employees who are called in to cover short-term absences will be scheduled such that short notice of change of shifts will not compromise their health and safety. These employees will be given a minimum of twenty-four (24) hours notice of change of shift and a minimum of eight (8) hours of rest between shifts.

Section 5 - Reduction by Emergency

When a reduction of forces is caused by emergency conditions, the application of seniority may be postponed for such period 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 Shop Committee as soon as possible.

Section 6 - Absent Without Leave

Any employee who is absent without leave for a period of more than three (3) consecutive working days shall forfeit all seniority rights. This shall not interfere with the employer's right to discharge for proper cause.

Section 7 - Seniority List

The Company agrees to provide the Union with a Seniority List monthly, setting out the name and starting date with the Company of each regular employee. Copies of the Seniority List to be posted on all bulletin boards in the operation.

Section 8 - Return to Bargaining Unit

Any supervisor who returns to the bargaining unit shall be allowed to only apply their seniority they had earned as a bargaining unit employee for the purposes of competing with other bargaining unit employees (i.e. such as job posting or seniority clauses). The supervisor will return to a base rate position before they can exercise their previous seniority for bidding purposes. The Company will maintain total Company service for vacation entitlement and other appropriate provisions.

Section 9 - Scalehouse Operators

Current seasonal incumbents (July 1998) will be given the opportunity to maintain their position of scalehouse operator, log scaler and buckerman, and their seniority from date of hire. It is understood that at the end of the logging season, these employees may elect to take a lay off each year or move into a mill position, but in either case will be recalled to these positions each fall. If the employee elects a lay off he/she will be committed to the seasonal position with the layoff each year until such a time that he/she elects to move into a position within the mill. This employee would then continue the assignment to the seasonal position in the log-yard as well as the other seasonal positions in the mill and at that time has forfeited the right to lay off.

It is further understood that as scale house operators, log scaler and buckerman positions become open they will be filled by permanent seasonal postings. Successful incumbents will also be given a one-time-only opportunity to elect layoff. As with the current incumbents, they will forfeit that right if they return to a position within the mill at the end of the season. The successful incumbent shall be free to exercise this one time layoff right without time restriction. The successful employee shall have the right of recall to these positions each season without a job posting. After an employee has committed to the seasonal position in the yard then they are committed for the entire log haul season. Due to the critical element of this short season, dependability of any new incumbent becomes critical.

Section 10 - Bumping

This will establish the order of bumping caused by an employee set in motion by a reduction in the work force, which may include technological change, production cutbacks and layoffs. A reduction in the work force with respect to this provision will also include jobs that are eliminated that may not result in a lay off. An employee will utilize his or her seniority to bump an employee occupying a position that he or she will have been previously qualified in on the shift of the employee's preference. Qualifications shall be understood to mean those positions held by bid or by having been a qualified trainee. For the purposes of this provision the Company and the Union will compile a list of every employee and their qualifications. This list will be maintained and used for the purposes of establishing where employees may be set back in the reduction of a work force. Any qualifications beyond August 31, 1998 will only be accepted through job training or by holding the bid position. It is understood that the principle of seniority of first in last out will be maintained beyond this provision.

Following notification of a reduction of forces of a duration of more than six (6) weeks, employees with fifteen (15) or more years seniority who are not qualified for any position above clean-up that they can bump to, will be offered a one-time opportunity to be trained for up to three (3) weeks and qualify in a position where their seniority may take them.

For the purposes of this Section, Sparemen will be able to bump to any individual position that they are qualified as Sparemen to perform, even if they have not held that position by bid or as a qualified trainee.

Section 11 – Displaced Employees

If an employee is displaced from their job through the bumping or lay off process they will have a one time option of becoming one of the trainees for the position from which they were displaced. This must be exercised at the time they are displaced from their posted position. It is understood that exercising this option may cause the employee to hold three (3) trainee positions.

If the employee DOES choose to become a trainee, they retain their ability to return to their former classification without applying through the Job Posting procedure under Section ‘b’ of the Job Posting Agreement only if there are more senior trainees above them. If the employee is the senior trainee at the time a permanent vacancy occurs, they are required to fill the job as outlined in Section ‘6’ of the Job Training Agreement.

If the employee DOES NOT choose to become a trainee, they remain as a laid-off incumbent and retain the ability to return to their former classification without applying through the Job Posting procedure under Section ‘b’ of the Job Posting Agreement, but may not fill temporary vacancies on their job classification, as temporary vacancies are to be filled with trainees.

Section 12 – Job Posting Agreement

Job Posting, where it will apply:

All jobs, with the exception of those covered by the Job Training Program, upon becoming permanently vacant, will be posted. The position of trim block puller will not be posted as it is often used for alternate work.

Temporary vacancies for jobs not part of the Job Training Program, will be filled in the following way:

Job postings shall not apply to temporary replacements of thirty (30) days or less, necessitated by illness, injury or other leave of absence including vacation, but in filling those vacancies, senior employees will be given preference, competency considered.

For vacancies longer than thirty (30) days, the vacancy will be posted for jobs that are not part of the Job Training Agreement.

When the seasonal job of log scaler, buckerman and scale house operators become available, these jobs shall be posted.

Procedure For Posting Job Or Trainee Vacancies

- (a) Upon a vacancy occurring, the job will be posted for the shift in which the vacancy occurred for a period of eight (8) calendar days at the designated bulletin board sites. Positions will be filled on the basis of seniority and competency. Only written applications that are legible, on the forms provided, will be accepted. Each employee will be limited to a maximum of three (3) successful job bids per year under the job posting agreement. Successful means “senior applicant”.

All Job Posting forms shall include shift identification. All jobs will be identified by A, B, C, and D shift. D will designate a day shift. In the case of Forklift Operator and Loader Operator, if a position becomes open, the senior person in that job classification, whether an operator or trainee, will have the option of moving into that position/location. If the open position was filled with other than the trainee, the trainee would then be required to fill the open position created.

- (b) If an employee has been moved to a different classification due to a reduction in the work force, he shall have the option of returning to his former job classification, in accordance with his seniority, when a vacancy occurs without applying through the Job Posting procedure.
- (c) If the applicant list is exhausted within thirty (30) days, the Company will fill the position with the senior employee who does not have a bid job.
- (d) All applicants will be given equal consideration for the position. Unsuccessful applicants having higher seniority than the successful applicant, will be advised why they were not accepted.
- (e) The successful applicant will be notified of his progress from time to time, as determined by the Company. Successful candidates are entitled to a trial period of up to thirty (30) days during which time they may voluntarily, or for just cause, be sent back to their original job, without prejudice and without loss of seniority. The foregoing section does not apply to individuals that qualified in accordance with the Job Training Program in effect.
- (f) The Company will provide the Plant Committee with a list of employees who bid on a job, and will advise the Plant Committee of the successful applicant.
- (g) Successful applicants confirmed in a job may not bid for any job until ninety (90) days have elapsed from the date of the original job posting.
- (h) Applicants must indicate preference when bidding on more than one (1) job. If preference is not indicated, the Job Bid will not be accepted. An employee awarded a job as per preference, who is not confirmed on that job, must return to his previous job.
- (i) All employees will be eligible to bid on any apprenticeship vacancies, regardless of their job posting status.

- (j) The successful bidder will be moved to the new position within ten (10) days of the closing of the posting.
- (k) If a qualified incumbent subsequently requires a certificate or other training as required by an outside agency, the Company will bear the cost of the training.

Either party to this agreement may require, with thirty (30) days notification, that the parties meet and discuss the operation of this Job Posting Procedure.

Section 13 – Job Training Program

Purpose

To select suitable employees for training in production, and hereby afford them the opportunity to become competent in performing other jobs in the operation.

Joint Union/Management Committee

A joint Union/Management Committee will be comprised of two (2) Union and two (2) Management representatives. This Committee shall be responsible for the overseeing and implementation of the Job Training Program. The following general principles shall form the basis for the Job Training Program.

Key Jobs

For the purpose of this Agreement, the Company will post for Trainees in the following jobs:

Planer

MSR Operator
 Planer feeder #1
 Planer feeder #2
 Grader
 Planer Stacker #1 Line
 Planer Stacker #2 Line
 Bander Operator
 Spareman/Planer

Yard

Crane
 Forklift
 Log Loader
 Bucket Loader
 Crane/Log Handler
 Forklift/Kiln Attendant
 Forklift/Kiln Operator
 Sample Loader
 Shipping Forklift Operator
 Yard Maint. Equipment Operator
 Spareman/Yard
 Log Scaler

Sawmill

Log Deck Chaser
Barker Operator
Chip'n Saw Operator/Quad/VSS
Chip'n Saw Operator/Twin
Chipping Edger Optimizer
Bobcat
Bobcat/Cleanup
Spareman/Sawmill

Outfeeds Operator
Unscrambler #1
Unscrambler #2
Auto trimmer #1/Sawmill
Auto trimmer #2/Sawmill
Stacker Operator #1 Line/Sawmill
Stacker Operator #2 Line/Sawmill

1. It is agreed by both parties that the Company will give as much training time as possible to employees bidding under this program. However, it is understood that a good training program takes considerable time to operate properly and both parties will do their utmost to see that this training program is fully developed.
2. During their training period, trainees will receive their regular job rate, except that they shall not receive more than the established rate for the job for which they are being trained. In the event that the operator/instructor is removed from the trainee in excess of four (4) hours, and is engaged in activities not related to his/her training instruction, the trainee left to perform the duties of the job, will be paid the occupational negotiated rate for the work being done.
3. The procedure for the selection of employees for training positions shall be in accordance with Article 10, Section 12 – Job Posting Agreement.
4. If during the training period the trainee wishes to discontinue training, or for just cause, is removed at any time during training, the next employee in line amongst the applicants shall then be given the opportunity to train. The posting will be valid for ninety (90) days after which time it will be re-posted.

The length of the training period will be determined by the applicants progress. Management will endeavor to train and qualify trainees as soon as possible, unless absenteeism or a shortage of employees makes this temporarily impossible. The training period shall not exceed ninety (90) calendar days, with the exception of spareman and crane. Where the training period shall not exceed eighteen (18) months, and within these time frames, the Company shall declare the trainee either qualified or unqualified.

5. In the case of a trainee being declared incompetent for training in a certain job:
 - (a) He can no longer bid for that training position for a period of twelve (12) months, except in the case of changes in job content or the employee's qualifications.

6. It is agreed that when an employee bids for a training position, and becomes qualified, he will be required to fill the job in which he has trained when a permanent vacancy occurs. Upon an employee becoming qualified in a training position, the employee will be obligated to that training position for a period of one (1) year. Upon the anniversary date, the employee who was awarded the training position will be given the opportunity to continue the training position for another one (1) year period.

It is agreed that in all trainee positions will be identified swing or graveyard shifts at the time of posting. It is understood that in all cases, the senior qualified trainee will be successful on filling the permanent vacancy. The Company recognizes that there may be extenuating circumstances where the Company may relieve him or her of that obligation. At the time when a trainee fills a permanent vacancy, whether it be a key job or not, the employee may relinquish any other trainee positions he or she may hold. The employee has the responsibility to inform the Supervisor of their decision at the time when the employee signs off the qualification form.

7. If there are no trainees for a position at the time when a permanent vacancy occurs, the vacancy shall be filled in accordance with the Job Posting Agreement.
8. Temporary vacancies of less than fifteen (15) days, resulting from vacation, illness, leave of absence or other reasons, will be covered by the senior qualified trainee "on that shift", as long as this does not result in overtime being paid on that shift. The senior incumbent on the opposite shift will cover all extension of shift or full-shift overtime as long as overtime is being paid, subject to overtime equalization. If there is no qualified trainee on that shift, the vacancy shall be filled by another employee on that shift, with preference to senior employees, competency considered. Examples of "shift" may mean Sawmill A Shift or Planer B Shift. It is agreed that the Company may utilize non-incumbents for emergency only, such as overtime required at the start of the shift where the incumbent is not coming off-shift to cover until the operator arrives.

In the event there is no trainee for the vacant position the Company will post for a trainee.

Known temporary vacancies of over fourteen (14) days shall be filled by the senior qualified trainee plant wide, providing the vacancy is known by the previous Thursday as these moves are typically made on the following Monday.

9. The Company will post for a minimum of two (2) trainees for each position. Once these trainees have been qualified, and the Company wishes to train other employees for the job, then the training position shall be reposted.
10. During training, the trainee may not bid for another trainee position.
11. Upon an employee becoming qualified in a trainee position, he shall not be allowed to bid on another trainee position until ninety (90) calendar days has elapsed from the date of posting.

12. No employee shall be allowed to train for more than two (2) positions during any twelve (12) month period.
13. This Agreement may be terminated by either party at the expiry of the present Collective Agreement.

Either party to this Agreement may require, with thirty (30) days notification, that the Parties meet and discuss the operation of the Job Training Program.

ARTICLE 11 - LEAVE OF ABSENCE

Section 1 - Injury or Illness

The Company will grant leave of absence to employees suffering injury or illness for the term of this Agreement, subject to a medical certificate if required by the employer.

Section 2 - Written Permission

Any employee desiring leave of absence must obtain permission in writing from the Company for such leave.

Section 3 - Union Business

- (a) The Company will grant leave of absence to employees who are appointed or elected to Union Office for a period of up to and including one (1) year. Further leave of absence may be granted by mutual consent. The employee who obtains this leave of absence shall return to his Company within thirty (30) calendar days after the completion of his term 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 United Steelworkers in order that they may carry out their duties on behalf of the Union.
- (c) In order for the employer to replace the employee with a competent substitute it is agreed that before the employees receive this leave of absence as set forth in clauses (a) and (b) above, the employer will be given due notice in writing; in the case of (a) twenty (20) calendar days, and in the case of (b) not less than five (5) calendar days.

Section 4 - Extended Vacation Leave

The Company will grant leave for extended vacation where a bona fide reason is advanced by the applicant on the following terms:

- (a) The employee shall disclose the reason for such application.

- (b) An employee making application for absence for "Extended Vacation" shall apply at least one (1) month in advance.
- (c) It is agreed that for an employee requesting leave of absence for an extended vacation, such leave shall only be granted once every three (3) years and that a record be kept for the purpose of rotating such leaves to the most senior applicant.
- (d) An application for extended vacation may be postponed where a suitable replacement is not available.
- (e) Applications for extended vacation leave will be processed by the Company as expeditiously as possible.

Section 5 - Education and Training Leave

The Company will grant leave of absence to a maximum of eight (8) months without pay to employees for their educational or training purposes conditional on the following terms:

- (a) That the employee has at least one (1) year seniority with the Company.
- (b) That the employee apply at least one (1) month in advance unless the grounds for such application could not reasonably be foreseen.
- (c) That the employee shall disclose the grounds for application.
- (d) That the Company shall only be obliged to grant leave to employees who intend to take training that will assist the individual in obtaining skills related to the industry, which includes high school upgrading, or may postpone leave where a suitable replacement is not available.
- (e) That the Company shall be required to notify the Committee of its decision in respect to any application for leave under this section.
- (f) That the employee is only entitled to one (1) leave of absence for educational or training purposes per calendar year.

Section 6 - Bereavement Leave

- (a) When death occurs to a member of the immediate family of a regular full-time employee who has been in the continuous employ of the Company for ninety (90) calendar days, the Company will grant leave of absence for a reasonable period of time to the employee for the purpose of attending or making funeral arrangements.

"Members of immediate family are defined as the spouse, mother, father, brothers, sisters, sons, daughters, step-parents, step-children, grandparents, grandchildren, mother-in-law, father-in-law, grandparents-in-law, sisters-in-law, brothers-in-law, sons-in-law, daughters-in-law, legal guardians, great grandparents".

- (b) The Company will grant a leave of absence of three (3) days with pay at the employee's regular rate of pay, for bereavement leave, of any of the immediate family specified in (a) above.
- (c) If an employee is granted leave in accordance with (b) above, while the employee is on annual vacation, the three (3) days' bereavement leave shall be added on to the employee's vacation entitlement time, at the employee's request.
- (d) The employee will be granted an extra paid day of bereavement for travel to the funeral where the destination is over 500 km.

Section 7 - Jury or Witness Duty

- (a) The Company will grant leave of absence to any regular full-time employee who is required to perform Jury Duty, or who is subpoenaed to serve as a Witness in a Court Action or Coroner's Inquest, save and except actions involving the Company or Trade Union, unless subpoenaed by the Crown, on a day on which he would normally have worked.
- (b) The Company will reimburse the difference between the pay received for such duty and his/her regular straight time hourly rate of pay for his/her regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) hours per day or forty (40) hours per week, less pay received for such duty. The employee will be required to furnish proof of performing such service and such duty pay received.

Section 8 - Maternity Leave

- (a) Female employees shall be entitled to unpaid maternity leave up to seventeen (17) weeks. This leave may start up to four (4) weeks prior to the anticipated date of birth of the child.
- (b) A female employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under (a).
- (c) On the advice of her doctor, prior to twelve (12) weeks before the expected date of birth, if a pregnant employee requests a transfer due to workplace conditions, she will be provided alternate work, if available.
- (d) If, during the twelve (12) weeks immediately before the estimated date of delivery, the pregnancy of an employee interferes with the performance of her duties, the Company may give the employee written notice requiring her to start maternity leave.
- (e) The employee will notify the Company of their planned leave date at least four (4) weeks in advance.

Section 9 - Parental Leave

Employees are entitled to parental leave as follows:

- (a) Where an employee is entitled to maternity leave, a period of not more than thirty-seven (37) consecutive weeks immediately following the last day of maternity leave;
- (b) In the case of a parent, a period of not more than thirty-seven (37) consecutive weeks within fifty-two (52) weeks after the child's birth;
- (c) Where both parents are employed with the Company, the Company is not required to grant parental leave to more than one employee at a time;
- (d) If a child has a physical, psychological or emotional condition requiring an additional period of parental care, the employee is entitled to up to an additional five (5) consecutive weeks of unpaid leave, beginning immediately after the end of the leave taken under (a).
- (e) An employee's combined entitlement to leave under Section 8 (a) and 9 (a) above is limited to fifty-two (52) weeks, plus any additional leave the employee is entitled to under Section 8 (b) and 9 (b) above.
- (f) The employee(s) will notify the Company of their planned leave at least four (4) weeks in advance.

Section 10 – Family Responsibility and Compassionate Care Leave

Family Leave

An employee is entitled to up to five (5) days of unpaid Family Leave during each calendar year to meet responsibilities related to:

- (a) the care, health or education of a child in the employee's care, or
- (b) the care or health of any other member of the employee's immediate family.

Compassionate Care Leave

- (a) In the following sub-sections, "family member" means a member of the employee's immediate family and includes the spouse, child, parent, guardian, sibling, grandchild or grandparent of any person who lives with an employee as a member of the employee's family. It includes common-law spouses, step-parents and step-children and same-sex partners and their children as long as they live with the employee as a member of the employee's family.

- (b) An employee who requests Compassionate Care Leave under this section is entitled to up to eight (8) weeks of unpaid leave to provide care or support to a family member if a medical practitioner issues a certificate stating that the family member has a serious medical condition with a significant risk of death within twenty-six (26) weeks, or such other period as may be prescribed after:
 - i) The date the certificate is issued, or
 - ii) If the leave began before the date the certificate is issued, the date the leave began.
- (c) The employee must give the employer a copy of the certificate as soon as practicable.
- (d) An employee may begin a leave under this section no earlier than the first day of the week in which the period under subsection (b) begins.
- (e) A leave under this subsection ends on the last day of the week in which the earlier of the following occurs:
 - i) The family member dies;
 - ii) The expiration of twenty-six (26) weeks or other prescribed period from the date the leave began.
- (f) A leave taken under this subsection must be taken in units of one (1) or more weeks.
- (g) If an employee takes a leave under this section and the family member to whom the subsection applies does not die within the period referred to in that subsection, the employee may take a further leave after obtaining a new certificate in accordance with this subsection.

Section 11 – Reservist Leave

Employees will be entitled to Reservist Leave as provided for by provincial legislation prevailing as of November 2009.

Section 12 – Federal, Provincial or Municipal Leave

The Company will grant leave of absence to employees who have been elected to a fulltime position in Federal, Provincial or Municipal office. Any employee who obtains such leave of absence shall return to the Company within thirty (30) days after completion of his/her term of office.

ARTICLE 12 - VACATIONS WITH PAY

Section 1 - Less Than One Years Service

A vacation with pay will be granted to employees in accordance with the provisions of the Alberta Employment Standards Code governing Vacations with Pay, and any amendments thereto, and Vacation Pay shall be calculated at four percent (4%) of the employee's total earnings.

Section 2 - Incremented Years of Service

- (a) Employees with over one (1) year to and including two (2) years of continuous service shall receive (2) weeks vacation with pay based on five percent (5%) of total earnings.
- (b) Employees with over two (2) years to and including seven (7) years of continuous service shall receive three (3) weeks vacation with pay based on seven percent (7%) of total earnings.
- (c) Employees with over seven (7) years to and including fifteen (15) years of continuous service shall receive four (4) weeks vacation with pay based on nine percent (9%) of total earnings.
- (d) Employees with over fifteen (15) years to and including twenty-four (24) years of continuous service shall receive five (5) weeks vacation based on eleven percent (11%) of total earnings.
- (e) Employees with over twenty-four (24) years of continuous service shall receive six (6) weeks vacation with pay based on thirteen percent (13%) of total earnings.
- (f) Employees with thirty (30) or more years of continuous service shall receive seven (7) weeks of vacation with pay based on fifteen percent (15%) of total earnings.

Section 3 - Vacation for Piece Work

Vacations for employees engaged on a piecework rate shall be based on the total yearly earnings of the previous twelve (12) months or such lesser period of time employed.

Section 4 - Allocation of Vacation

Vacations for employees shall be taken at such time as mutually agreed upon by the Committee and the Company when quantity and regularity of production will not be impaired.

The third, fourth, fifth, sixth and seventh weeks of vacation may be taken when convenient for the Company and the employee, but does not have to be consecutive with the vacation period provided for in Section 2.

Section 5 - Days Considered for Determining Vacation Pay

The following shall be considered as days actually worked for determining vacations with pay for an employee after one (1) continuous year of employment:

- (a) Absence on Workers' Compensation up to a period of one (1) year, provided that the employee returns to his employment.
- (b) Absence in excess of one (1) week due to illness up to a period of one (1) year provided that the employee returns to his employment. The Employer shall have the right to require a certificate from a qualified medical practitioner.

Section 6 - Vacation Payouts

There will be two (2) vacation pay cut-offs per year, one on April 15 and one on November 15. Employees will receive their vacation pay as an automatic vacation pay-out within two (2) weeks following these vacation pay cut-off dates unless they request not to before the vacation pay cut-off date.

If an employee elects not to receive the automatic vacation pay-out, they may request their vacation pay when they take vacations. For the purpose of this section, a vacation shall be a minimum of five (5) days.

Section 7 - Vacation Ground Rules

Sub-Section 1

- (a) The prime period for vacations will be June 1st, through September 30th.
- (b) Plant seniority will govern when making a final determination of vacations where there is a conflict between two (2) or more vacation dates.
- (c) Maximum vacation time for employees scheduled for vacation during the period June 1st, to September 30th, shall be two (2) weeks unless scheduling permits longer, in accordance with the agreed upon numbers.
- (d) The number of employees allowed away on vacation at any one (1) time shall be in accordance with the specified number on the sheet attached to these ground rules.
- (e) Outside the prime period, vacations may be scheduled in one (1) unbroken period.
- (f) The attached schedule is designed to be a minimum. It is intended to allow more people when possible, provided the business is not adversely affected.
- (g) The first two (2) weeks of vacation will be scheduled in periods of not less than one (1) week. Any remaining vacation time can be scheduled in periods of less than one (1) week provided the Company can accommodate.

- (h) The Company may designate a one (1) or two (2) week vacation period within the months of July and/or August. If the Company intends to implement this shutdown, it will designate and communicate the dates of the shutdown to employees prior to March 15th of each year. Some maintenance, shipping and other employees may be required to work during the vacation shutdown but the Company will ask for qualified volunteers first. All other employees will use their vacation time.

Sub-Section 2

- (a) All vacations will be scheduled by each foreman or his superior, for each crew including employees absent due to illness or injury, subject to production requirements and the employee plant seniority. The Company will communicate where planners are located, which supervisor is responsible for each planner and which positions are covered by each planner.
- (b) Employees desiring vacations during the time period outlined in Sub-Section 1 (a) above, must have their request submitted by April 1st. Space available throughout this period will be open to the posting process in Sub-Section 2 (c) provided no one, who has not taken his original two (2) weeks applies for the space.
- (c) All non-prime time applicants will be posted to the holiday planner and confirmed the following week, the week being Friday to Thursday.
- (d) Employees wishing to cancel their confirmed holidays will give no less than two (2) weeks notice, unless due to uncontrollable circumstances.

Sub-Section 3

- (a) Vacation bids will be posted every Thursday and confirmed the following Thursday.
- (b) Exchange of vacation period may be allowed in extenuating circumstances. Request for exchange must be approved by the foreman or superior.
- (c) Employees may reschedule their holiday to open periods in the vacation schedule, providing that they give the Company two (2) weeks notice prior to their previously scheduled vacations, or two (2) weeks prior to the open period applied for. Seniority will govern the choice of confirmed applicants.
- (d) Applicants of this section shall not result in bumping of those who have been confirmed on the vacation schedule.
- (e) It is agreed that this letter of understanding shall not supersede the provisions of the Agreement between Tolko Industries Ltd., High Level Lumber Division and United Steelworkers, Local 1-207, dated March 1, 1991.

MINIMUM NUMBER OF PEOPLE TO BE GONE BY SENIORITY BY SHIFT

| | | |
|------------------------------|-----------|---|
| Sawmill | “A” Shift | 3 |
| | “B” Shift | 3 |
| | “C” Shift | <u>3/2</u> (when reduced shift) |
| Sawmill Total | | <u>9/8</u> (when reduced shift) |
| Mobile Equipment/Kilns Total | | <u>4</u> |
| Mobile Shop Total | | <u>1</u> |
| Maintenance | | 3 Millwrights, one from each of the following groups: i) Swing (Mon-Fri and Tues-Sat) ii) Graveyard iii) Weekend |
| | | 1 Electrician |
| | | 1 Welder |
| | | 1 Machinist |
| | | <u>1</u> Sawfiler |
| Maintenance Total | | <u>7</u> |
| Planer | “A” Shift | 2 |
| | “B” Shift | 2 |
| | “C” Shift | <u>2</u> |
| Planer Total | | <u>6</u> |
| Planer Maintenance | | <u>1</u> |
| PLANT TOTAL | | <u>28/27</u> |

ARTICLE 13 - HOURS OF WORK

Section 1 - Hours and Overtime

- (a) The regular hours of work shall be forty (40) hours per week and eight (8) hours per day, with rate and one-half for any hours worked over eight (8) hours per day or forty (40) hours per week. Regular production employees who have worked forty (40) hours or more in five (5) of the last six (6) days shall be paid double time for Sunday work. Work performed on Saturday shall be paid at rate and one-half provided that the employees have worked in excess of forty (40) hours in that week and further provided that, for the purpose of calculating overtime, a General Holiday shall be considered as eight (8) hours worked in that week. Double time rates shall be paid for any hours worked over eleven (11) hours per day.

- (b) Millwrights, Maintenance, Cleanup, Repair and Construction Employees, Scale Operators and Kiln Staff
1. The regular hours of work shall be eight (8) hours per day, with two (2) days rest each week, Monday through Sunday. Such days of rest will be consecutive days unless mutually agreed to be otherwise between the employee and the Company.
 2. The Company may schedule maintenance employees to work Tuesday to Saturday without mutual consent.
 3. Overtime shall be paid at rate and one-half for all hours worked in excess of eight (8) hours per day. Work performed on designated days of rest shall be paid at rate and one half (1 ½), provided that the employees have worked in excess of forty (40) hours in that week and further provided that, for the purpose of calculating overtime, a general holiday shall be considered as eight (8) hours worked in that week. . Double time rates shall be paid for any hours worked over eleven (11) hours per day.
- (c) Employees covered by Section (a) and Section (b) above will be paid time and one-half for hours worked on Sunday, unless they qualify for double time rates under the terms of this Agreement.
- (d) The following approved leaves of absence will be considered hours worked for purposes of calculating overtime:
1. Employees on leave of absence for Union Business.
 2. Employees on leave of absence for extended vacation purposes.
 3. Employees education and training leave.
 4. Bereavement
 5. Jury or Witness Duty
 6. Maternity/Parental Leave
 7. Employees on leave of absence for out of town travel.

Section 2 - Time Lost - General Holidays

If a General Holiday occurs during the work week, the employee shall only be required to work on Saturday and/or Sunday for the time lost due to the General Holiday by mutual consent.

Section 3 - Lunch Breaks

Employees will be entitled to a thirty (30) minute lunch break and if they work through their lunch on an eight and one half (8 1/2) hour shift, will be paid overtime. Those employees working an eight (8) hour shift such as trades, who can manage their shift but must respond to emergencies when they occur are paid for lunch and will not be paid overtime.

Section 4 - Starting and Ending Shifts

Details of starting and ending times of shifts shall be worked out by the Company and any changes thereto shall be posted forty-eight (48) hours in advance.

Union and Management are prepared to implement alternate shift agreements to improve competitiveness and viability. Both parties recognize the need for flexibility and cooperation in development an equitable agreement (hours paid for hours worked) when implementing these changes.

Section 5 - Call Back Time

Any employee called for work and finding none available due to reasons beyond his or her control shall be entitled to three (3) hours' pay at the regular rate. This shall not apply if the Company gives sufficient notice canceling the shift.

If an employee commences work, four (4) hours' pay at his regular rate will be paid, except where his work is suspended because of inclement weather or other reasons beyond the control of the Company.

Employees called back to work after having left the plant after the completion of a shift, on Sunday, on a designated day off, or on a General Holiday, because of an emergency or other reasons, shall be paid a minimum of three (3) hours at rate and one half or the overtime worked, whichever is the greater. Employees shall not be required to remain at work when the emergency is over.

Section 6 - Refusal of Overtime

No employee covered by this Agreement shall be subject to any penalties for refusing to work overtime whether the refusal be singular or in concert.

Section 7 - Unavoidably Prevented from Work

When an employee is unavoidably prevented from reporting for a scheduled shift, if reasonably possible, he/she must give notice to his/her supervisor or supervisor's office, at least one (1) hour before day shift and two (2) hours before all other shifts commence.

Section 8 – Alternate Shift Schedule

- (a) The Company, Union Committee and Local Union shall have the right under the terms of the Collective Agreement to agree upon and implement other schedules which, except for production shifts, may include Sundays, without overtime penalty, provided the principle of the forty (40) hour week is maintained over an averaging period. Rate and one-half shall be paid for hours worked on Sunday unless otherwise agreed by the Parties.
 - i) The Union agrees to meet with the Company to negotiate an Alternate Shift Agreement ahead of the intended utilization of the specific Alternate Shift Schedule. Following completion of the step outlined in Article 13, Section 8, b, ii, the concluded Alternate Shift Schedule may be implemented at a future date upon reasonable notice being provided by the Company.
- (b) Any variation(s) to Section 1 above shall be implemented only upon completion of the following steps:
 - i) Negotiated agreement between the Local Union and Local Management. At any point in the negotiation of an Alternate Shift Agreement either party may request the assistance of a Mediator in the negotiation of an Alternate Shift Agreement. The individual selected to act as Mediator shall be by agreement.
 - ii) Majority approval of the employees involved in the proposed variations.
- (c) When alternate schedules have been implemented in accordance with (a) and (b) above, the following overtime provisions will apply:
 - A. Rate and one-half shall be paid for the following:
 - i) The first three (3) hours worked in a day in excess of the normal daily hours of the established schedule.
 - ii) Hours in excess of forty (40) hours per week for forty (40) hours average when there is an averaging period.
 - iii) Hours worked on an employee's scheduled rest day, unless a change in rest day has been agreed to between the employee and the Company.
 - iv) All hours worked on a Sunday, unless they qualify for double time rates under the terms of this Agreement.
 - B. Double straight-time rates shall be paid for the following:
 - i) All hours worked in excess of A (i).

- ii) All hours worked on Sunday when Sunday is also an employee's scheduled rest day, if the employee has worked forty (40) straight-time hours in the preceding six (6) days unless a change in the rest day has been agreed to between the employee and the Company.

C. Supplement No. 3

- i) Alternate Shift Scheduling, contains the agreed upon general principles and parameters for the establishment, implementation of discontinuance of Alternate Shift Schedules.

Section 9 – Overtime Equalization

Tolko Industries Ltd., High Level Lumber Division is committed to the principle of an overtime equalization procedure. The procedure will provide for overtime opportunities to qualified employees on a seniority rotation basis. An employee refusing overtime, for whatever reason, will be returned to the bottom of the list, and the next senior employee in that job grouping will be asked. Once the overtime has been accepted and completed, that person will return to the bottom of the group. The next overtime opportunity will be afforded to the employee on the top of the list. It is understood that emergency conditions or specialized work may arise where the next senior employee is not able to perform the work related to a specific overtime opportunity. This is meant for specialized work, such as Programmable Logic Controllers or Hydraulic Systems. Overtime Equalization list will be posted in all lunchrooms by Tuesday noon, or Wednesday noon following a Monday General Holiday. Overtime sign-up sheets will be posted every Tuesday.

The following will be called in the order of seniority for overtime opportunities:

The first group asked to work overtime will be the job incumbents, followed by the qualified trainees. The Company and the Union will agree on a list of qualified people who will be called if none of the above are available.

ARTICLE 14 - GENERAL HOLIDAYS

Section 1 - General Holidays

- (a) All employees who work on New Year's Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Day (first Monday in August), Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, will be paid rate and one-half for all hours so worked.
- (b) In the event one (1) of the above General Holidays falls on a Saturday or Sunday, the following Monday will be observed as the General Holiday.

- (c) In the event of a General Holiday falling on a Tuesday the proceeding Monday will be observed as the holiday. In the event of a Statutory Holiday falling on a Wednesday or Thursday the following Friday will be observed as the holiday, with the exception of Remembrance Day, Christmas Day, Boxing Day and New Years Day which will be observed the day the holiday falls.

Section 2 - Qualifying Conditions

- (a) All hourly-rated and piecework employees who qualify for the said paid holidays under the conditions set out below shall be paid for the Holiday at their regular job rate for their regular work schedule.

It is agreed that the paid General Holidays will be:

| | | |
|----------------|------------------|-----------------|
| New Year's Day | Family Day | Good Friday |
| Easter Monday | Victoria Day | Canada Day |
| Labour Day | Thanksgiving Day | Remembrance Day |
| Christmas Day | Boxing Day | Civic Day |

- (b) An employee working on a paid holiday shall be paid, in addition to his holiday pay, rate and one-half for any hours worked on a shift designated as the "Holiday Shift".
- (c) An employee to qualify for General Holiday pay must have been on the payroll thirty (30) days during the twelve (12) months preceding and must have worked his last regularly-scheduled shift before and his first regularly-scheduled shift after the holiday, unless his absence is due to a compensable injury or illness, or due to authorized leave of absence. In the case of injury or illness, the Employer shall have the right to request a certificate from a qualified medical practitioner.
- (d) In addition to the foregoing provisions of subsection (c), all employees who have not worked a cumulative total of twenty-five (25) weeks for the Company in the preceding twelve (12) months must have worked within thirty (30) calendar days immediately before the holiday and within thirty (30) calendar days immediately after the holiday to be entitled to be paid for the General Holiday.
- (e) Employees meeting all qualifying conditions shall receive holiday pay equivalent to the regular straight time hours for their designated shift.
- (f) In the case of illness or injury the Company shall have the right to request a certificate from a qualified medical practitioner.
- (g) If the employee receives weekly indemnity or WCB benefits for a statutory holiday, the Company will top-up the benefit to full wages.

ARTICLE 15 - GENERAL PROVISIONS

Section 1 - Access for Union Representation

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 providing, however, that the Union representatives do not interfere or slow down the production of the employees.

Section 2 - Strikes and Lockouts

There shall be no strikes or lockouts by the parties to this Agreement with respect to any matter arising out of the Agreement for which Arbitration is provided under the terms of the Agreement.

Section 3 - Rest Periods

All employees shall be entitled to two (2) ten (10) minute rest periods during each regular shift, to be taken when production is least affected and must be at least one and one half (1 1/2) hours after the start of the shift and at least one and one half (1 1/2) hours before the end of the shift. At all times the Company shall have the right to use relief employees in implementing this provision.

All employees shall be entitled to one (1) thirty (30) minute lunch break during each regular shift to be taken when production is least affected and must be taken at least three (3) hours after the start of the shift and at least three (3) hours before the end of the shift and the Company has the right use relief employees in implementing this condition. Production employees required to work through their lunch breaks will be paid overtime.

Section 4 - Supervisors Operating Equipment

Supervisors will not operate equipment in the plant. However, there are circumstances that occur where the necessary instruction and or short term relief of an operator or emergency process condition exists and assistance is required.

Section 5 - Tools

- (a) The Company shall, at its expense, insure for damage or loss caused by fire or theft, the tools of its employees which are required to be used in the performance of their work. The tools must be stored in a designated place of safety within the control of the Company and in the case of theft there must be evidence of forcible breaking and entering. All losses must be reported immediately.
- (b) Employees must furnish a list of such tools to the Company before the Company will accept liability and the list must be kept current. The insurance coverage provided shall be subject to a deductible of fifty dollars (\$50.00) in respect of each employee's claim. The Company is under no obligation to comply with this Article unless and until the employee provides the Company with the said list.

- (c) All journeymen tradesmen shall be required to have, and shall not qualify for the journeyman rate unless they have a full kit of hand tools necessary to perform the job for which they are hired.
- (d) All apprentices shall be required to have and maintain a basic tool kit and to be in the general process of building up the necessary tools to equip themselves for the job.
- (e) The Company shall repair or replace tools damaged, broken or lost in the performance of regular duties. Where tools cannot be replaced with tools of the same brand, they will be replaced with tools of equal or greater value. Toolboxes that are stolen or are damaged by means other than that employee's personal use and general wear and tear will be replaced by the Company at a predetermined mutually agreed upon value. It is the intent of this Article that the employees not suffer a loss to their personal tools used in the performance of their duties for the Company. It is understood that the employees will not receive any windfall gain from this Article.
- (f) Where specialty hand tools are required, the Company will make such tools available.

Section 6 - Safety Equipment

- (a) The Company will replace lumber mitts and gloves in a range of different sizes at no cost to all employees with the Company and who work in positions where gloves or mitts are required, provided that these articles are presented worn or damaged beyond repair and there is no evidence of deliberate abuse.
- (b) The Company shall replace safety equipment and proper sized safety pants at no cost to the employee when these articles are presented worn or damaged beyond repair and when they are required by the Company or the Occupational Health and Safety Act.
 - 1. Aprons and Powersaw pants.
 - 2. Hard Hats and liners.
 - 3. Eye, ear and nose protective equipment.
- (c) Safety locks will be issued free of charge and will be replaced free of charge if damaged locks are returned.
- (d) Where the Company has been supplying safety equipment and clothing at no cost to the employee on the effective date of this Agreement, it will continue to do so at no cost to the employee.
- (e) Molded Earplugs

After one (1) year service molded earplugs will be made available to employees on a cost share basis as follows:

Company pays two thirds (2/3), Employees pay one third (1/3) – every four (4) years.

Section 7 - Apprenticeship Program

The Company agrees to continue the Apprenticeship Program as per attached Apprenticeship Agreement.

Section 8 - Coveralls

The Company shall make coveralls available to planermen, maintenance employees and employees working with sprayers.

Coveralls will be made available and provided upon request to employees working in abnormally dirty areas.

The Company shall reimburse up to one hundred, seventy dollars (\$170.00) for insulated coveralls.

Eligible employees shall include those employees whose job requires them to work outside for the majority of their shift through the winter months. The purchase must be pre-approved and the old coveralls, and the receipt for the new coveralls must be handed in.

The Company shall also supply the welders with fire resistant coveralls.

Coveralls will be cleaned and distributed from the warehouse.

Section 9 - Boot Allowance

Effective August 1, 2012 a subsidy of up to two hundred, thirty dollars (\$230.00) per pair, per year will be paid to an employee upon proven purchase of CSA approved, safety-toed footwear.

Section 10 - Permanent Plant Closure

In the event of a permanent plant closure, of a manufacturing plant of the Company's operation within the High Level area, employees of the permanently closed operation shall be entitled to severance pay equal to ten (10) days' pay for each year and parts thereof continuous service. All employees will be entitled to the above after fourteen (14) days of plant closure. This shall not apply if the employees involved have been offered employment by the Company in another manufacturing operation of the Company in the High Level area, certified by United Steelworkers, Local 1-207.

Section 11 - Qualification and Requalification Costs

All reasonable costs for required ticketed qualification and requalification will be borne by the Company inclusive of weekend hours paid at straight time, upon the employee's successful completion.

Section 12 - Pay Cheques

Employee pay will be direct deposited to their bank account.

Section 13 - Union Bulletin Boards

The Company agrees to install one locked Union Bulletin Board in each of the coffee rooms (sawmill, planer, mobile shop, kilns).

Section 14 - Overtime Hot Meals

The Company will provide a hot meal, to be furnished by a local restaurant, to be made available when:

- (a) An employee is required to work more than two (2) hours beyond the end of their regular shift. The meal will be at the expense of the Company, and shall be eaten on Company time, or;
- (b) In the event that an employee is called into work without one (1) hour notice, a meal will be provided, to be eaten during their regular lunch break, and;
- (c) There is no overtime meal entitlement for any overtime hours that have been prearranged. (Scheduled more than eight (8) hours in advance of the start of the employees regular shift).
- (d) An employee who is entitled to a hot meal under this section shall be provided with a coupon for the hot meal immediately upon their agreement to work.

All overtime meals will require Management approval.

(e.g.: breaded veal cutlets, hamburger steak)

Hot Meal Policy is a rate of fifteen dollars (\$15.00) per meal.

Section 15 - Christmas Shutdown

The Company agrees to work with the Union Committee to define the days which will be worked and banked for the Christmas break. It is understood, the dates identified will be worked as regular scheduled days (i.e. three (3) full shifts) with majority support of all employees. Each successive year will require an evaluation based on the years schedule to arrive at a decision on the same terms of reference by August 31 for that particular year.

Section 16 – Union Representation

All Union Committee Members who attend meetings with the Company on behalf of the Union during regular working hours will suffer no loss of wages.

Section 17 – Chargehands

The following terms are intended to communicate the intentions of the undersigned parties regarding the use of chargehands.

The designated chargehands will have a regular job listed in Supplement No. 1, of the Collective Agreement. As a chargehand he is classified as a work coordinator in his respective area of employment. He has no authority to discipline employees.

A Chargehand is a Union member who, under the direction of a supervisor, has been assigned the duties of relaying instructions, advising the supervisor of the progress of the work, and assisting the supervisor and crew in the common effort of maintaining the highest standards of quality and quantity of production.

The chargehand will be selected by the Company without posting the position.

Section 18 – Union Education Fund

Intent:

To assist the Union to deliver a wide range of comprehensive education programs which may include:

| | |
|------------------------------|---|
| Grievance Handling | Collective Bargaining |
| Environmental Issues | Land Use Issues |
| Stewards Training | Parliamentary Procedure and Public Speaking |
| Communication Skills | Leadership Training |
| Economic Issues | Benefits Training |
| Occupational Health & Safety | Human Rights Training |

Agreement:

1. The parties agree to a Union managed fund to be structured so as to comply with all requirements of a trust as specified by Revenue Canada.
2. The Company will contribute five cents (\$0.05) an hour to the fund with the provision that allows accountability to Tolko Industries Ltd., High Level Lumber Division.
3. The funds will be collected and administered by U.S.W., Local 1-207 of Edmonton, Alberta.
4. The Company will not be involved in the administration of the fund.
5. Upon request by the Company, the Union will provide information regarding training and total hours of training provided to Tolko Industries Ltd., High Level Lumber Division employees.

ARTICLE 16 - HEALTH AND WELFARE

Section 1 - Medical

The following coverage will be provided to employees commencing the first day of the month following completion of the probationary period. Premium costs will be paid 100% by the Company. In the event of a layoff, employees with one (1) to five (5) years service will receive three (3) months layoff coverage at no cost to the employee. Employees with over five (5) years of service will receive six (6) months layoff coverage at no cost to the employee.

- (a) The Company agrees to cover all employees with the Alberta Health Care Plan excluding those who are covered by the Department of National Health and Welfare Group Plan.
- (b) The Company shall provide the insurance to all employees covering the following:

- i) 90% Manulife Financial Plastic Card prescription.
- ii) Vision Care:

Effective March 1, 2004, three hundred and fifty dollars (\$350.00) per member or dependent in any given twenty-four (24) months. For dependents under fourteen (14) years of age, every twelve (12) months.

The Company has a policy for provision of safety prescription eyewear considering that it requires all employees to properly protect their eyesight at all times.

The Company is prepared to provide prescription safety eyewear (first pair only) at Company expense on the following basis:

1. Prescription lenses.
2. Safety type frames only with fixed side shields. Lenses and frames will meet current CSA Standards for safety eyewear.
3. Tinted glasses.

To obtain glasses, hardexing or safety frames under this policy:

1. The employee will contact the Personnel office and obtain a requisition form.
2. The requisition form is then completed and must be signed by the Department Superintendent to indicate approval.
3. The completed, signed form will then be taken to the optician as specified by the Company.

This policy applies to employees who have not obtained glasses during the previous Company program. All new and existing employees who have prescription lenses or become eyeglass dependent, are eligible for this program.

iii) Dental Plan:

Basic Dental Services (Plan A) - Plan pays 80% of approved schedule of fees;

Prosthetics, Crown and Bridges (Plan B) - Plan pays 60% of approved schedule of fees;

Orthodontic (Plan C) - Plan pays 60% of approved schedule of fees (Lifetime maximum \$3,500.00).

iv) Physiotherapy:

Seven hundred, fifty dollars (\$750.00) per calendar year, per member or dependent; including massage therapy two hundred, fifty dollars (\$250.00) per calendar year per member of dependant.

v) Chiropractic:

Eight hundred dollars (\$800.00) per calendar year, per member or dependent.

vi) Group Life Insurance:

\$140,000.00 Effective August 1, 2012

A. D. & D. Insurance:

\$140,000.00 Effective August 1, 2012

Should the Collective Agreement negotiated between Conifer and the USW provide for a life insurance value greater than \$140,000.00 that value will be applied in the same contract year.

Coverage shall be twenty-four (24) hours per day, which provides coverage for accidents occurring at work.

Group Life Insurance and A.D. & D. Coverage shall be effective ninety (90) days following the date of employment. If an employee terminates, coverage ceases immediately

Employees may elect to purchase optional life insurance for their spouses under the same terms and conditions as the optional life insurance that is available to the employee.

- vii) Orthopedic Shoes:
 - \$500.00 per calendar year for adults.
 - \$300.00 per calendar year for children.
- viii) Orthotics:
 - \$200.00 per member or dependent per calendar year.
- ix) Hearing Aids
 - \$550.00 per member or dependent every five (5) years (unless other funds are available).
- x) Specialty Items
 - i) Gloves for members or dependents who use wheelchairs.
 - ii) Catheters.
 - iii) Bath Bench Suction cups.
 - iv) Hydraulic lifts for getting in and out of bath tubs.
 - v) Repairs to specialty equipment and replacement parts - wheelchairs.
 - vi) New tires for wheelchairs.
 - vii) Wheelchair purchase and/or replacements.
 - viii) Diabetic supplies, testing equipment and insulin.
- (c) Copies of the Group Benefits Schedule will be made available at the main office. There shall be no reductions to any coverage contained within the Group Benefits Schedule during the term of the CBA, unless negotiated otherwise.

Section 2 - Weekly Indemnity Coverage

Weekly Indemnity coverage to commence the first day of accident and fourth day of illness for a period of twenty-six (26) weeks.

Weekly Indemnity will provide benefits of 57.5% of normal weekly straight time earnings calculated at forty (40) times disabled employee's hourly straight time rate at date of disability. Disabilities caused by self-inflicted bodily injury or sickness will not be excluded from coverage under the Weekly Indemnity Plan.

In the case of disability caused by non-occupational illness, weekly indemnity benefits will be payable commencing the first day of any such absence where the illness results in the claimant being hospitalized as a bed patient, and in cases where surgery is performed which necessitates loss of time from work.

Employees who are granted leave of absence or extended vacations to travel overseas, and submit a valid claim for weekly indemnity, will not be paid such weekly indemnity until such time as the claimant returns to Canada, or the Plan Carrier receives proof that the claimant is hospitalized in which case the claimant shall be required to return to his home as soon as he is released from hospital.

Coverage shall commence the first of the month following completion of the probationary period. If an employee terminates, coverage ceases immediately.

The Company has agreed to provide an advance on Weekly Indemnity to employees who have properly submitted their claim and who have not received their Weekly Indemnity payment within two (2) weeks, unless the claim is being disputed.

Layoff coverage same as in Section 1 above.

Premium cost of the above Plan to be paid 100% by the Company.

Section 3 - Long Term Disability Program

A Long Term Disability Plan will be provided based upon the following principles:

- (a) Plan is to be funded on a 50/50 Employer/employee cost sharing basis.
- (b) After twenty-six (26) weeks of disability, benefits of (50%) of regular weekly earnings calculated at forty (40) times disabled employee's hourly straight time rate at date of onset of disability with Long Term Disability Benefits payable, but not beyond the attainment of age sixty-five (65).

Section 4 - Surviving Spouse and Dependent Coverage

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reason of their own employment, the Company agrees to extend the coverage on the benefit plans for a period of one (1) year for the surviving spouse and dependents of a deceased employee.

Section 5 - Doctors Forms

The Company has agreed to reimburse the costs to the employee associated with having Weekly Indemnity and Long Term Disability claim forms filled out by the attending physician.

Section 6 - Medical Travel Fund

The Company and the Union shall establish a joint Union-Management Committee to establish and develop a program for travel for medical treatment for employees and their dependents required outside of High Level. The Program will be funded with employees and the Company making equal contributions of seven and one half cents (\$.075) per hour. A moratorium of contributions by both employees and the Company will be implemented when the value of the fund is in excess of 1.5 times the previous year's cost.

ARTICLE 17 - SAWMILL JOB EVALUATION

Section 1 - Implementation

- (a) The parties to the Agreement mutually agree to implement one (1) Job Evaluation Program for the sawmilling section, effective with the renewal of their respective Collective Agreements in accordance with the principals and procedures set out in a manual dated December 1971, and entitles, "Interior Sawmill Job Evaluation Manual" as amended July 1973, and as further amended July 1974, (but hereafter referred to as the B.C. Northern Interior Sawmill and Poleyard Job Evaluation Manual) and to exclude any categories not affected by Sawmill Job Evaluation.
- (b) The attached Supplement No. 2, which provided for the administration of the program between the Parties to this Agreement shall form part of the Collective Agreement.
- (c) The process of job evaluation will be conducted in accordance with the provisions of the B.C. Northern Interior Sawmill and Poleyard Job Evaluation Plan which shall include the wage curve as set out in Section 2 below, the present manual, present guide lines for manual interpretation, existing and/or new benchmarks, and existing gradings on record serving as basis for subsequent evaluation unless amended as provided for in the Supplement No. 2.

Section 2 - Sawmill & Poleyard Wage Curve

Effective August 1, 2012, the point range for the twenty-eight (28) groups in the Sawmill and Poleyard Wage Curves are as follows:

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

| Group Level | Points | Effective Aug 1/12 | | Effective Aug 1/13 | | Effective Aug 1/14 | |
|-------------|-------------|--------------------|-------|--------------------|-------|--------------------|-------|
| | | Increments | Rate | Increments | Rate | Increments | Rate |
| 1 | 1 – 60 | 0.00 | 25.59 | 0.00 | 26.10 | 0.00 | 26.62 |
| 2 | 61 – 70 | 0.11 | 25.70 | 0.12 | 26.22 | 0.12 | 26.74 |
| 3 | 71 – 80 | 0.15 | 25.85 | 0.15 | 26.37 | 0.16 | 26.90 |
| 4 | 81 – 95 | 0.16 | 26.01 | 0.16 | 26.53 | 0.16 | 27.06 |
| 5 | 96 – 115 | 0.14 | 26.15 | 0.14 | 26.67 | 0.14 | 27.20 |
| 6 | 116 – 140 | 0.22 | 26.37 | 0.22 | 26.89 | 0.23 | 27.43 |
| 7 | 141 – 165 | 0.15 | 26.52 | 0.16 | 27.05 | 0.16 | 27.59 |
| 8 | 166 – 195 | 0.28 | 26.80 | 0.28 | 27.33 | 0.29 | 27.88 |
| 9 | 196 – 230 | 0.24 | 27.04 | 0.25 | 27.58 | 0.25 | 28.13 |
| 10 | 231 – 270 | 0.23 | 27.27 | 0.23 | 27.81 | 0.24 | 28.37 |
| 11 | 271 – 320 | 0.25 | 27.52 | 0.26 | 28.07 | 0.26 | 28.63 |
| 12 | 321 – 370 | 0.29 | 27.81 | 0.30 | 28.37 | 0.31 | 28.94 |
| 13 | 371 – 420 | 0.27 | 28.08 | 0.27 | 28.64 | 0.27 | 29.21 |
| 14 | 421 – 470 | 0.28 | 28.36 | 0.28 | 28.92 | 0.30 | 29.51 |
| 15 | 471 – 520 | 0.28 | 28.64 | 0.30 | 29.22 | 0.29 | 29.80 |
| 16 | 521 – 570 | 0.38 | 29.02 | 0.38 | 29.60 | 0.39 | 30.19 |
| 17 | 571 – 620 | 0.28 | 29.30 | 0.28 | 29.88 | 0.29 | 30.48 |
| 18 | 621 – 670 | 0.33 | 29.63 | 0.34 | 30.22 | 0.35 | 30.83 |
| 19 | 671 – 730 | 0.26 | 29.89 | 0.27 | 30.49 | 0.27 | 31.10 |
| 20 | 731 – 790 | 0.38 | 30.27 | 0.39 | 30.88 | 0.39 | 31.49 |
| 21 | 791 – 850 | 0.30 | 30.57 | 0.30 | 31.18 | 0.31 | 31.80 |
| 22 | 851 – 910 | 0.38 | 30.95 | 0.39 | 31.57 | 0.40 | 32.20 |
| 23 | 911 – 970 | 0.39 | 31.34 | 0.40 | 31.97 | 0.41 | 32.61 |
| 24 | 971 – 1030 | 0.32 | 31.66 | 0.32 | 32.29 | 0.33 | 32.94 |
| 25 | 1031 – 1090 | 0.73 | 32.39 | 0.75 | 33.04 | 0.76 | 33.70 |
| 26 | 1091 – 1150 | 0.76 | 33.15 | 0.77 | 33.81 | 0.79 | 34.49 |
| 27 | 1151 – 1210 | 0.84 | 33.99 | 0.86 | 34.67 | 0.87 | 35.36 |
| 28 | 1211 – 1270 | 0.81 | 34.80 | 0.82 | 35.49 | 0.84 | 36.20 |

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

| Group Level | Points | Effective Aug 1/15 | Rate | Effective Aug 1/16 | Rate |
|----------------|-------------|-----------------------|-------|-----------------------|-------|
| | | Increments | | Increments | |
| 1 | 1 – 60 | 0.00 | 27.42 | 0.00 | 28.24 |
| 2 | 61 – 70 | 0.12 | 27.54 | 0.13 | 28.37 |
| 3 | 71 – 80 | 0.16 | 27.70 | 0.16 | 28.53 |
| 4 | 81 – 95 | 0.17 | 27.87 | 0.17 | 28.70 |
| 5 | 96 – 115 | 0.15 | 28.02 | 0.16 | 28.86 |
| 6 | 116 – 140 | 0.23 | 28.25 | 0.24 | 29.10 |
| 7 | 141 – 165 | 0.17 | 28.42 | 0.18 | 29.28 |
| 8 | 166 – 195 | 0.29 | 28.71 | 0.30 | 29.58 |
| 9 | 196 – 230 | 0.26 | 28.97 | 0.26 | 29.84 |
| 10 | 231 – 270 | 0.25 | 29.22 | 0.26 | 30.10 |
| 11 | 271 – 320 | 0.27 | 29.49 | 0.28 | 30.38 |
| 12 | 321 – 370 | 0.32 | 29.81 | 0.32 | 30.70 |
| 13 | 371 – 420 | 0.28 | 30.09 | 0.29 | 30.99 |
| 14 | 421 – 470 | 0.30 | 30.39 | 0.31 | 31.30 |
| 15 | 471 – 520 | 0.31 | 30.70 | 0.32 | 31.62 |
| 16 | 521 – 570 | 0.40 | 31.10 | 0.41 | 32.03 |
| 17 | 571 – 620 | 0.29 | 31.39 | 0.30 | 32.33 |
| 18 | 621 – 670 | 0.36 | 31.75 | 0.38 | 32.71 |
| 19 | 671 – 730 | 0.28 | 32.03 | 0.29 | 33.00 |
| 20 | 731 – 790 | 0.41 | 32.44 | 0.41 | 33.41 |
| 21 | 791 – 850 | 0.31 | 32.75 | 0.33 | 33.74 |
| 22 | 851 – 910 | 0.42 | 33.17 | 0.43 | 34.17 |
| 23 | 911 – 970 | 0.42 | 33.59 | 0.42 | 34.59 |
| 24 | 971 – 1030 | 0.33 | 33.92 | 0.35 | 34.94 |
| 25 | 1031 – 1090 | 0.79 | 34.71 | 0.81 | 35.75 |
| 26 | 1091 – 1150 | 0.81 | 35.52 | 0.84 | 36.59 |
| 27 | 1151 – 1210 | 0.90 | 36.42 | 0.93 | 37.52 |
| 28 | 1211 – 1270 | 0.87 | 37.29 | 0.89 | 38.41 |

ARTICLE 18 - TECHNOLOGICAL CHANGE

Section 1 - Advance Notification

The Company shall notify the Shop Committee and the Union not less than six (6) months 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 discharged, laid off or displaced from their regular job because of mechanization, technological change or automation, shall be entitled to severance pay of seven (7) days' 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 with a week being defined as seven (7) days of eight (8) hours per day. This section shall not apply to employees covered by Section 3 (b) below.

Section 3 - Rate Adjustment

- (a) 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. However, such employee will have the option of terminating his employment and accepting severance pay as outlined in Section 2 above, providing he exercises this option within the above-referred-to six (6) month period.
- (b) Following an application of (a) above, where an employee is set back to a lower paid job because of an application of Article 7 - Seniority brought on by mechanization, technological change or automation, he 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 19 - PENSION PLAN – PLAN A

The following pension plan will remain in effect and continue to apply to all regular, full time Tolko High Level employees of record on the date of ratification of the August 1, 2012 to July 31, 2017 Collective Agreement.

The Company has offered a locally funded and joint trusteed Pension Plan designed to offer all features of the IWA Forest Industry Pension Plan improving the benefit levels for the employees as follows:

Section 1 - Past Service

Effective the date of the new plan, March 1, 1992, but retroactive to July 1, 1991, all credited service earned prior to July 1, 1991, (continuous unbroken) to which the thirty-two dollar (\$32.00) benefit level applied will be increased to thirty-eight dollars (\$38.00).

Effective January 1, 1995, all past service benefit are increased by five dollars (\$5.00) per month, per year of service.

Section 2 - Future Service

Effective the date of the new plan of March 1, 1992, but retroactive to July 1, 1991, all credited service earned will accrue at the thirty-eight dollar (\$38.00) benefit level.

Effective March 1, 1993, all credited future service earned will accrue at forty-three dollars (\$43.00) per month, per year of service.

Effective March 1, 1994, all credited future service will accrue at forty-five dollars (\$45.00) per month, per year of service.

Effective January 1, 1995, all credited future service earned will accrue at fifty-five dollars (\$55.00) per month, per year of service.

Effective March 1, 2002, all credited future service will accrue at sixty dollars (\$60.00) per month, per year of service.

Effective March 1, 2003, all credited future service will accrue at seventy dollars (\$70.00) per month, per year of service.

Effective January 1, 2004, all credited future service will accrue at eighty dollars (\$80.00) per month, per year of service

Effective January 1, 2007, all credited future service will accrue at ninety dollars (\$90.00) per month, per year of service

Effective January 1, 2010, all credited future service will accrue at one hundred dollars (\$100.00) per month, per year of service

An option for employees to contribute (at a yet to be determined cost) will be explored to offer flexibility of funding future service benefit levels above forty-five dollars (\$45.00) per month per year of service.

Section 3 - Service Differential

It is agreed that employees covered by “Plan A – Existing Employees” will be ‘grandfathered’ at the one hundred dollars (\$100.00) per month, per year of service benefit level, as a minimum. It is further agreed that the Company will maintain a benefit level for these employees that is at least three dollars (\$3.00) more than the IWA Forest Industry Pension Plan, for past and future service. The Company commits it will not propose reductions to benefit levels in any future negotiations.

Section 4 - Vesting

Effective January 1, 1999 the plan will provide for vesting after two (2) years of participation in the plan.

Section 5 - Funding

It is agreed that the Company will fund the new plan on a fifteen (15) year amortization. In the event of plant closure, Tolko Industries Ltd., High Level Lumber Division will assume all unfunded liabilities of the plan.

Section 6 - Trustees

It is agreed that the High Level/USW Pension Plan will have a Trustee Group composed of three (3) Union and three (3) Company representatives. At least two (2) of the Union Trustees will be from the Local Union.

ARTICLE 20 - PENSION PLAN – PLAN B

For all new regular, full time employees hired after the date of ratification of the August 1, 2012 to July 31, 2017 Collective Agreement, a Defined Contribution Plan (the DC Plan) will be established.

Employer contributions will be made on the following basis for hours worked.

Years one through five (1-5): \$1.23 per hour worked. New employees will receive retroactive credit after one (1) year of service.

Years six through ten (6-10): \$1.54 per hour worked.

Years eleven and greater (11+): \$2.82 per hour worked.

Defined Contribution Matching – DC Plan members only - Company will match employee contributions to the Defined Contribution Plan (the DC Plan) up to \$1,000 per calendar year.

ARTICLE 21- CONTRACTING OUT

- (a) It is acknowledged that Company employees shall perform work normally performed within the bargaining unit for which they are qualified.
- (b) The introduction of a Contractor or Sub-Contractor into an operation will not result in the loss of positions held by regular employees in the operation, except when justified by special circumstances.

ARTICLE 22 - SAFETY

The Company and the Union agree to cooperate in maintaining a strong sense of safety awareness amongst employees and supervisors. It is therefore recognized that every employee has the right to refuse work if he has reasonable cause to believe that to perform the work would create undue hazard to the health and safety of any person. In addition, whenever new equipment is installed or equipment is changed, all employees who are required to work on that equipment (both production and maintenance) are to be provided a proper safety orientation to the new or changed equipment.

ARTICLE 23 - DURATION OF AGREEMENT

The parties mutually agree that this Agreement shall be effective on or after the 1st day of August, 2012, to and including the last day of July, 2017, and thereafter from year to year unless ninety (90) days written notice to commence collective bargaining for amendments is given by either party.

The notice required hereunder shall be validly and sufficiently served at the office of the Company and the Local office of the Union at least ninety (90) days prior to the expiry of the Agreement.

If no agreement is reached at expiration of this Agreement, and notice to commence collective bargaining has been served, the Agreement shall remain in effect until an Agreement is reached or until a Strike/Lockout commences whichever occurs first.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

SUPPLEMENT NO. 1 - WAGE SCHEDULE

TOLKO INDUSTRIES LTD. HIGH LEVEL LUMBER DIVISION

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|-----------------------------------|--------------------|--------------------|--------------------|
| <u>GROUP 1</u> | 25.59 | 26.10 | 26.62 |
| Janitor | | | |
| Cleanup/Sawmill | | | |
| Cleanup/Yard | | | |
| Cleanup/Planer | | | |
| <u>GROUP 2</u> | 25.70 | 26.22 | 26.74 |
| Cleanup/Chipper Attendant/Planer | | | |
| <u>GROUP 3</u> | 25.85 | 26.37 | 26.90 |
| Lumber Wrapper/Planer | | | |
| <u>GROUP 4</u> | 26.01 | 26.53 | 27.06 |
| Planer Chain Puller | | | |
| Planer Hoist Operator/#1 Planer | | | |
| Planer Hoist Operator/#2 Planer | | | |
| Strip Piler | | | |
| Trim Block Puller | | | |
| <u>GROUP 5</u> | 26.15 | 26.67 | 27.20 |
| Car Blocker | | | |
| <u>GROUP 6</u> | 26.37 | 26.89 | 27.43 |
| “J” Bar Bin Attendant/#1 Planer | | | |
| Unscrambler #2 Line | | | |
| Unscrambler #1 Line | | | |
| Log Deck Sorter | | | |
| <u>GROUP 7</u> | 26.52 | 27.05 | 27.59 |
| Planer Stacker Operator/#1 Planer | | | |
| J Bar Bin Attendant/Sawmill | | | |
| <u>GROUP 8</u> | 26.80 | 27.33 | 27.88 |
| Planer Feeder/#1 Planer | | | |
| Planer Feeder/#2 Planer | | | |
| Planer Stacker Operator/#2 Planer | | | |
| Weigh Scale Operator | | | |
| Sawmill Outfeeds Operator | | | |
| <u>GROUP 9</u> | 27.04 | 27.58 | 28.13 |
| Sawmill Stacker Operator #1 Line | | | |

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|-------------------------------------|--------------------|--------------------|--------------------|
| <u>GROUP 10</u> | 27.27 | 27.81 | 28.37 |
| Stacker Operator/Sorter/#2 Line | | | |
| Cleanup/Bobcat | | | |
| Bobcat | | | |
| Trimmer #2 Line | | | |
| Bander Operator/PM | | | |
| <u>GROUP 11</u> | 27.52 | 28.07 | 28.63 |
| <u>GROUP 12</u> | 27.81 | 28.37 | 28.94 |
| Forklift/Plant/Cat 936 | | | |
| Forklift/Kiln Operator | | | |
| Forklift/Shipping | | | |
| Trimmer #1 Line | | | |
| <u>GROUP 13</u> | 28.08 | 28.64 | 29.21 |
| Yard Maintenance/Equipment Operator | | | |
| <u>GROUP 14</u> | 28.36 | 28.92 | 29.51 |
| Edgers | | | |
| Log Scaler/Licensed/Sample Bucker | | | |
| <u>GROUP 15</u> | 28.64 | 29.22 | 29.80 |
| #1 Planer Setup Man | | | |
| Log Loader/Cat 966 | | | |
| Cleanup/Cat 980 | | | |
| Forklift/Kiln Attendant | | | |
| <u>GROUP 16</u> | 29.02 | 29.60 | 30.19 |
| Crane Operator | | | |
| Crane/Loghandler | | | |
| Debarker Operator | | | |
| <u>GROUP 17</u> | 29.30 | 29.88 | 30.48 |
| Canter/Twin Operator | | | |
| <u>GROUP 18</u> | 29.63 | 30.22 | 30.83 |
| <u>GROUP 19</u> | 29.89 | 30.49 | 31.10 |
| <u>GROUP 20</u> | 30.27 | 30.88 | 31.49 |

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|--|--------------------|--------------------|--------------------|
| <u>GROUP 21</u> | 30.57 | 31.18 | 31.80 |
| #2 Planerman | | | |
| Planer Grader | | | |
| MSR Operator | | | |
| Canter/Quad/VSS Operator | | | |
| <u>GROUP 22</u> | 30.95 | 31.57 | 32.20 |
| <u>GROUP 23</u> | 31.34 | 31.97 | 32.61 |
| <u>GROUP 24</u> | 31.66 | 32.29 | 32.94 |
| #1 Planerman | | | |
| <u>GROUP 25</u> | 32.39 | 33.04 | 33.70 |
| <u>GROUP 26</u> | 33.15 | 33.81 | 34.49 |
| <u>GROUP 27</u> | 33.99 | 34.67 | 35.36 |
| <u>GROUP 28</u> | 34.80 | 35.49 | 36.20 |
| <u>MISCELLANEOUS CATEGORIES</u> | | | |
| Grinderman | 28.09 | 28.65 | 29.22 |
| Oiler | 27.04 | 27.58 | 28.13 |
| Scaler | 28.58 | 29.15 | 29.74 |
| Servicemen | 26.49 | 27.02 | 27.56 |
| Janitorial | 26.10 | 26.63 | 27.16 |

SUPPLEMENT NO. 1 - WAGE SCHEDULE

TOLKO INDUSTRIES LTD. HIGH LEVEL LUMBER DIVISION

| CATEGORY | August 1/15 | August 1/16 |
|-----------------------------------|--------------------|--------------------|
| <u>GROUP 1</u> | 27.42 | 28.24 |
| Janitor | | |
| Cleanup/Sawmill | | |
| Cleanup/Yard | | |
| Cleanup/Planer | | |
| <u>GROUP 2</u> | 27.54 | 28.37 |
| Cleanup/Chipper Attendant/Planer | | |
| <u>GROUP 3</u> | 27.70 | 28.53 |
| Lumber Wrapper/Planer | | |
| <u>GROUP 4</u> | 27.87 | 28.70 |
| Planer Chain Puller | | |
| Planer Hoist Operator/#1 Planer | | |
| Planer Hoist Operator/#2 Planer | | |
| Strip Piler | | |
| Trim Block Puller | | |
| <u>GROUP 5</u> | 28.02 | 28.86 |
| Car Blocker | | |
| <u>GROUP 6</u> | 28.25 | 29.10 |
| “J” Bar Bin Attendant/#1 Planer | | |
| Unscrambler #2 Line | | |
| Unscrambler #1 Line | | |
| Log Deck Sorter | | |
| <u>GROUP 7</u> | 28.42 | 29.28 |
| Planer Stacker Operator/#1 Planer | | |
| J Bar Bin Attendant/Sawmill | | |
| <u>GROUP 8</u> | 28.71 | 29.58 |
| Planer Feeder/#1 Planer | | |
| Planer Feeder/#2 Planer | | |
| Planer Stacker Operator/#2 Planer | | |
| Weigh Scale Operator | | |
| Sawmill Outfeeds Operator | | |
| <u>GROUP 9</u> | 28.97 | 29.84 |
| Sawmill Stacker Operator #1 Line | | |

| CATEGORY | August 1/15 | August 1/16 |
|-------------------------------------|--------------------|--------------------|
| <u>GROUP 10</u> | 29.22 | 30.10 |
| Stacker Operator/Sorter/#2 Line | | |
| Cleanup/Bobcat | | |
| Bobcat | | |
| Trimmer #2 Line | | |
| Bander Operator/PM | | |
| <u>GROUP 11</u> | 29.49 | 30.38 |
| <u>GROUP 12</u> | 29.81 | 30.70 |
| Forklift/Plant/Cat 936 | | |
| Forklift/Kiln Operator | | |
| Forklift/Shipping | | |
| Trimmer #1 Line | | |
| <u>GROUP 13</u> | 30.09 | 30.99 |
| Yard Maintenance/Equipment Operator | | |
| <u>GROUP 14</u> | 30.39 | 31.30 |
| Edgers | | |
| Log Scaler/Licensed/Sample Bucker | | |
| <u>GROUP 15</u> | 30.70 | 31.62 |
| #1 Planer Setup Man | | |
| Log Loader/Cat 966 | | |
| Cleanup/Cat 980 | | |
| Forklift/Kiln Attendant | | |
| <u>GROUP 16</u> | 31.10 | 32.03 |
| Crane Operator | | |
| Crane/Loghandler | | |
| Debarker Operator | | |
| <u>GROUP 17</u> | 31.39 | 32.33 |
| Canter/Twin Operator | | |
| <u>GROUP 18</u> | 31.75 | 32.71 |
| <u>GROUP 19</u> | 32.03 | 33.00 |
| <u>GROUP 20</u> | 32.44 | 33.41 |

| CATEGORY | August 1/15 | August 1/16 |
|---|--------------------|--------------------|
| <u>GROUP 21</u> | 32.75 | 33.74 |
| #2 Planerman Planer Grader MSR Operator Canter/Quad/VSS Operator | | |
| <u>GROUP 22</u> | 33.17 | 34.17 |
| <u>GROUP 23</u> | 33.59 | 34.59 |
| <u>GROUP 24</u> | 33.92 | 34.94 |
| #1 Planerman | | |
| <u>GROUP 25</u> | 34.71 | 35.75 |
| <u>GROUP 26</u> | 35.52 | 36.59 |
| <u>GROUP 27</u> | 36.42 | 37.52 |
| <u>GROUP 28</u> | 37.29 | 38.41 |
| <u>MISCELLANEOUS CATEGORIES</u> | | |
| Grinderman | 30.10 | 31.00 |
| Oiler | 28.97 | 29.84 |
| Scaler | 30.63 | 31.55 |
| Servicemen | 28.39 | 29.24 |
| Janitorial | 27.97 | 28.81 |

(a) First Aid Attendants

All employees who hold a valid “Standard First Aid Certificate” will receive a premium of thirty cents (\$.30) per hour over and above their job rate.

All employees who hold a valid “Emergency Medical Response Certificate” will receive a premium of seventy-five cents (\$.75) per hour over and above their job rate.

It is agreed the Joint Health and Safety Committee will forward recommendations to the Mill Manager and Chairman of the Plant Committee for their approval of how First Aid coverage will be organized in the plant.

(b) Auxiliary Equipment Spareman - Planer Spareman - Sawmill Spareman

The Company will train employees in the Spareman position in all jobs in the department, over a reasonable period of time. This process will not exceed twelve (12) months with the exception of the Auxiliary Equipment Spareman which will be eighteen (18) months.

The Spareman will be paid at the highest rated job that he/she can perform.

(c) Graders Certificate

An employee who is in possession of a valid Grader's Permit or Certificate and is prepared to grade when required, shall receive an additional fifteen cents (\$.15) per hour for certificate holders and seven and one-half cents (\$.07 1/2) per hour for permit holders, over their normal job rate when working in the following categories:

Planer Forklift Operator
Planer Chain Puller
Planer Feeder
Planerman
Paper Wrap Operator
Planer Stacker Operator

An employee who is in possession of a valid Grader's Certificate shall receive a premium of ten cents (\$.10) per hour for all hours worked while not in the above categories. This premium does not apply to any position where the premium has already been recognized in the job rate.

- (d) The Company recognizes that knife changing is a task, but will recognize that oilers designated with the task are recognized as Oiler/Knife Changer will receive second year millwright apprentice rate.

The Company agrees that future vacancies in this position will be filled in accordance to the job posting procedure.

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|---------------------------|--------------------|--------------------|--------------------|
| <u>ELECTRICIAN</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|-----------------------------------|--------------------|--------------------|--------------------|
| <u>MILLWRIGHT</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |
| <u>WELDER</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 3rd year Apprentice | 33.95 | 34.63 | 35.32 |
| 2nd year Apprentice | 30.19 | 30.80 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |
| <u>SAWFILER</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |
| <u>MACHINIST</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |
| <u>CARPENTER</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |
| <u>HEAVY DUTY MECHANIC</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |

| CATEGORY | August 1/12 | August 1/13 | August 1/14 |
|-----------------------------------|--------------------|--------------------|--------------------|
| <u>AUTOMOTIVE MECHANIC</u> | | | |
| Certified | 36.75 | 37.49 | 38.23 |
| Non-Certified | 35.22 | 35.92 | 36.64 |
| 4th year Apprentice | 33.95 | 34.63 | 35.32 |
| 3rd year Apprentice | 32.05 | 32.69 | 33.34 |
| 2nd year Apprentice | 30.19 | 30.79 | 31.41 |
| 1st year Apprentice | 28.54 | 29.11 | 29.69 |

| CATEGORY | August 1/15 | August 1/16 |
|---------------------------|--------------------|--------------------|
| <u>ELECTRICIAN</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>MILLWRIGHT</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>WELDER</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 3rd year Apprentice | 36.38 | 37.47 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>SAWFILER</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |

| CATEGORY | August 1/15 | August 1/16 |
|-----------------------------------|--------------------|--------------------|
| <u>MACHINIST</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>CARPENTER</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>HEAVY DUTY MECHANIC</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |
| <u>AUTOMOTIVE MECHANIC</u> | | |
| Certified | 39.38 | 40.56 |
| Non-Certified | 37.74 | 38.87 |
| 4th year Apprentice | 36.38 | 37.47 |
| 3rd year Apprentice | 34.34 | 35.37 |
| 2nd year Apprentice | 32.35 | 33.32 |
| 1st year Apprentice | 30.58 | 31.50 |

* Categories in Sawfiling rate schedule subject to change if an Apprenticeship Schedule is adopted that is different from listed categories.

When the Company hires a certified tradesperson a copy of the tradespersons ticket will be made available to the Union Committee upon request.

SUPPLEMENT NO. 2

SAWMILL JOB EVALUATION PLAN

ARTICLE 1 - PRINCIPLES AND PROCEDURES

The parties to this Agreement mutually agree to implement and administer a job evaluation program for Tolko Industries Ltd., High Level Lumber Division Administration shall be in accordance with the principles and procedures adopted in the British Columbia Northern Interior Sawmill and Poleyard Job Evaluation Manual (herein referred to as the 'Manual'). Guidelines for Manual interpretation and grades on record will serve as the basis for subsequent evaluation.

ARTICLE 2 - INDUSTRY JOB EVALUATION COMMITTEE

There shall be a committee constituted and named the Industry Job Evaluation Committee (herein referred to as the "Sawmill Evaluation Committee"), to consist of one (1) member representative of the Company and one (1) member representative of United Steelworkers.

ARTICLE 3 - FUNCTION OF SAWMILL EVALUATION COMMITTEE

- (a) The Sawmill Evaluation Committee shall assume general responsibility for the uniform administration of the job evaluation program.
- (b) The unanimous decision of the said Committee shall be final and binding on the Parties hereto.

ARTICLE 4 - PLANT JOB REVIEW COMMITTEE

- (a) There shall be a Committee constituted in each Sawmill Plant named the Plant Job Review Committee (herein referred to as "Review Committee") to consist of two (2) members representative of Management and two (2) members representative of the employees. At least one (1) representative of Management must be a member of the Plant's salaried staff or Management, and at least one (1) representative of the employees must be an employee of the Plant whose job is subject to Sawmill Job Evaluation. Management may choose their second representative from amongst persons not employed at the plant, and the Union may do likewise except that neither party may choose as its representative a member of the Sawmill Evaluation Committee or any person who is employed as a job evaluator by the Company or by United Steelworkers.
- (b) The Company shall reimburse any of its hourly-paid employees for time lost from his regular work schedule while acting as a member of the Review Committee or while presenting information regarding his/her own job before a regularly convened meeting of the Review Committee. The Company shall not be responsible for remunerating employee representatives who are not its hourly-paid employees.

ARTICLE 5 - FUNCTION OF REVIEW COMMITTEE

- (a) The Review Committee will be responsible for seeing that all requests for evaluation or re-evaluation of jobs are adequately and accurately documented before being passed to the Sawmill Evaluation Committee for further action. The documents required will include a "Request for Job Evaluation" form submitted either by an individual employee or by local Management, and a fully completed "Job Study Record" form which provides sufficient information for the subsequent work of the Sawmill Evaluation Committee. The form of the documents, the procedures for submitting and handling them and the time limits for completion may be amended as required by the Sawmill Evaluation Committee in accordance with Article 3 of this Supplement.
- (b) Decisions of the Review Committee respecting the appropriateness of a request for evaluation or re-evaluation, or respecting the adequacy and accuracy of documents, shall be by unanimous agreement. Failing such agreement within the established time limit, the Review Committee shall at the request of any one (1) of its members, immediately forward the Request for Job Evaluation, together with any other documents on which there is unanimous agreement to the Sawmill Evaluation Committee and shall then have no further responsibility for documenting that request.
- (c) When the Sawmill Evaluation Committee has made a decision respecting the evaluation of the job, it shall communicate that decision to the appropriate Review Committee. The Review Committee will be responsible for informing Management and the employees concerned, giving reasons for the outcome where these are available. A decision of the Review Committee that an Application for Job Evaluation should not be forwarded to the Sawmill Evaluation Committee will, similarly, be communicated with reasons to those concerned.
- (d) Nothing in the Article limits the right of the Sawmill Evaluation Committee to determine the facts about any job, by direct observation or otherwise, or to amend any job descriptions or grading sheet submitted to them in support of a Request for Job Evaluation form.

ARTICLE 6 - APPLICATION OF PROGRAM

The job evaluation program shall apply to all hourly-paid employees except those categories listed below:

Millwright
Machinist
Blacksmith
Welder
Pipefitter - including Sprinklerman
Mechanics
Electrician
Painter
Carpenter

Bricklayer
Steamfitter
Boilermaker
Saw Filers, Fitters, Benchmen and Helpers
Engineers (Boiler House)
Firemen (Boiler House)
Grinderman
Oiler
and Improvers and Helpers to the above trades.

ARTICLE 7 - DIRECTION OF WORK

Job Evaluation descriptions are written with the intent to set forth the general duties and requirements of the job and shall not be construed as imposing any restriction on the right of the Company to create a new job or to assign duties to employees other than those specifically mentioned in job descriptions, provided always that if the assignment of such duties changes the job content sufficiently to justify a review of the evaluation the Sawmill Evaluation Committee shall make such a review in accordance with the procedure set out herein.

ARTICLE 8 - RE-EVALUATION

- (a) When a job has moved to a higher group as a result of re-evaluation, the resulting rate shall be retroactive from the date that Management or the employee has applied for re-evaluation.
- (b) When a job is moved to a lower grade as a result of re-evaluation, the incumbent shall maintain his job rate as a red circle rate subject to the provisions of Article 10 herein.

ARTICLE 9 - NEW JOBS CREATED

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

- (a) When the evaluated rate for a new job is higher than the temporary rate, the resulting rate shall be retroactive from the date that the job was installed.
- (b) When the evaluated rate for a new job is lower than the temporary rate, the incumbent(s) shall continue at the temporary rate.

ARTICLE 10 - RED CIRCLE PROTECTION

- (a) The Company shall supply the Union with a list of employees holding red circle jobs, the said list to include the name of the employee, name of the job category filled, the evaluated rate for the job, and the actual rate paid.
- (b) Employees on red circle rates who are promoted to a higher rate shall regain the red circle rate if subsequently found incompetent to continue in the higher grade.

- (c) Employees holding red circle jobs who are demoted during a reduction of forces, shall be paid only the evaluated rate for the job to which they are assigned. If at a later date, an employee is reassigned to his/her former job, he shall regain his/her red circle rate.
- (d) When the Company terminates a job, or a job is not occupied during a period of one (1) year, a record as to the cancellation of the applicable job description and classification shall be established.
- (e) If the employee is temporarily transferred at the request of the Company, he/she shall retain his/her existing rate or receive the rate for the new job, whichever is higher. On return to his/her regular job, the said employee shall regain his/her red circle rate.

ARTICLE 11 - SENIORITY

Subject to the provisions herein set out, Article on Seniority of this Agreement shall continue to apply.

ARTICLE 12 - REFERRAL PROCEDURE

- (a) When the Sawmill Evaluation Committee has decided the outcome of a Request for Job Evaluation, it shall transmit its decision to the appropriate Plant Job Review Committee.
- (b) When an employee's request for re-evaluation results in no change being made in the job grade, or in a reduction or when a Management request results in no change or in an increase, the Sawmill Evaluation Committee shall give to the appropriate Review Committee a short statement of the reasons for the decision. The statement should not go into great detail, but should indicate the criteria used in sufficient depth to show the applicant that the request was given adequate attention.
- (c) An evaluation done by the Sawmill Evaluation Committee shall be final and binding on the parties, but at any time after five (5) years since the last evaluation or re-evaluation of a job, Management or an individual employee may submit a request for re-evaluation of that job and no other reason than the elapsed time shall be necessary.
- (d) If the Sawmill Evaluation Committee is unable to reach agreement regarding the disposition of a Request for Job Evaluation or any other matter regarding the job evaluation program which falls within their jurisdiction, the matter shall be referred to the Company's Industrial Relations Department and to United Steelworkers for settlement.
- (e) All communication between any Plant Review Committee and the Sawmill Evaluation Committee referred to above shall be effected by sending one (1) copy to the Union representative or representatives on the committee and one (1) copy to the Company representative or representatives. In the case of communications to a Plant Review Committee, the Union representatives will be addressed in care of the office of the appropriate Local Union and the Company representative in care of the Company's offices at the Plant. In the case of communications to the Sawmill Evaluation Committee, the Union representative will be addressed in care of the office of United Steelworkers,

Vancouver, and the Company representative in care of the Industrial Relations Department of the Company.

ARTICLE 13 - TRAINING PROGRAM

A program of training for members of the Review Committee in each plant shall be instituted, the details of which shall be arranged by the Company and United Steelworkers.

SUPPLEMENT NO. 3

ALTERNATE SHIFT SCHEDULING

A. FLEXIBILITY OF HOURS OF WORK

The Parties recognize the need for the flexibility of hours other than those outlined in Article 13 – Hours of Work, Section 1 for the express purpose of better utilization of manpower and capital such as:

- Balancing of production
- Maintenance
- Market requirements
- Even flow production
- Continuous scheduling

B. SHIFT SCHEDULING

The Parties agree that the following shift schedules are examples of the type, which will provide flexibility required to meet the needs expressed above, provided the provisions of Article 13, Section 8 (b) (i) and (ii) have been met.

1. Manufacturing

- (a) Two (2) crews working four (4) days, ten (10) hours per shift.
- (b) Three (3) crews working Monday to Saturday, ten (10) hours in a shift not to exceed forty (40) hours per week.
- (c) Four (4) crews working in continuous seven (7) day operations may be scheduled to work shifts other than (a) and (b) above.

1. Manufacturing

- (a) Shifts of up to ten (10) hours per day, forty (40) hours per week, Monday to Sunday inclusive.
- (b) Three (3) shifts per week, not exceeding twelve (12) hours per day.

C. IMPLEMENTATION

Any variation(s) to Article 13 – Hours of Work, shall be implemented only upon completion of the following steps.

1. The Company and the Local Union will meet to discuss proposed shift schedules within the terms of Article 13, Section 8. Prior to the implementation of such schedules, the Parties must mutually agree on the resolution of issues such as:
 - (a) Details of shift.
 - (b) Details of General Holidays, Bereavement Leave and Jury Duty.
 - (c) Maximum lengths of shifts for physically demanding work. Accident prevention is a factor to be taken into account when determining shift lengths.
 - (d) The loss of hours/employment as a direct result of the implementation of alternate shift schedules.
 - (e) The use of employees for supplementary production work.
2. The Union Committee and the crew will be actively consulted by the Parties during this process.

D. GENERAL PRINCIPLES

When an alternate shift schedule is in effect other provisions of the Collective Agreement will be administered on the principle that an employee will not lose or gain any benefit over the normal five (5) day schedule.

1. The Company agrees that alternate shift schedules will not be introduced where the intention is to increase the use of casual employees in the place of regular employees.
2. Different parts of the operation may be scheduled on different shifts.
3. The principle of the forty (40) hour week is to be maintained over an averaging period.
4. This Article shall not change existing shift agreements, unless agreed to by both Parties.
5. Earned vacations shall be scheduled on the same basis as days and hours worked under the alternate shift schedule.
6. Other Articles of the Collective Agreement, which provide benefits after eight (8) hours, are extended by the amount the regular hours have been increased beyond eight (8) hours per day.

7. An employee's rest days may vary from week to week under an alternate shift schedule. Employees shall not be paid premium pay for changes in their rest days in these circumstances.
8. An employee, whose rest days are changed by the Company under an established alternate shift schedule, shall receive rate and one-half for work performed on his rest day.
9. There shall be no premiums paid to employees whose rest days are changed because of the implementation or discontinuance of an alternate shift schedule.
10. The Union commits that they will work cooperatively with the Company to implement alternative shifts to fully utilize the available fibre and to improve competitiveness, viability, and job security.

Signed this _____ day of _____, 2013.

Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta

United Steelworkers
Local 1-207
Edmonton, Alberta

SUPPLEMENT NO. 4

WAGE PARITY

Wage Parity – Example 1

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 2 | 3 | 3 | 2 | 10 |
| High Level “New” | 2 | 3 | 3 | 2 | 10 |

Wage Parity – Example 2

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 3 | 3 | 3 | 1 | 10 |
| High Level “New” | 3 | 3 | 3 | 1 | 10 |

Wage Parity – Example 3

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 2 | 2 | 2 | 2 | 8 |
| High Level “New” | 2 | 2 | 3 | 3 | 10 |

Wage Parity – Example 4

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 4 | 2 | 3 | 2 | 11 |
| High Level “New” | 4 | 2 | 3 | 2 | 11 |

Wage Parity – Example 5

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 1 | 1 | 3 | 3 | 8 |
| High Level “New” | 2 | 2 | 3 | 3 | 10 |

Wage Parity – Example 6

| | Aug 1, 2013 | Aug 1, 2014 | Aug 1, 2015 | Aug 1, 2016 | Total |
|------------------|-------------|-------------|-------------|-------------|-----------|
| High Level | 2 | 2 | 3 | 3 | 10 |
| Conifer | 4 | 4 | 2 | 0 | 10 |
| High Level “New” | 4 | 4 | 2 | 0 | 10 |

Note – The Parties agree that the above **examples** do not reflect positions or expectations of the Parties in future negotiations. This is for illustrative purposes only.

APPRENTICESHIP AGREEMENT

PURPOSE:

The purpose of the Apprenticeship Program is to develop well qualified Journeymen Mechanics through a recognized system that details selection, training and testing. Subject to the provisions of The Apprenticeship and Training Certifications Act - 1985 for the Province of Alberta and the regulations made pursuant thereto, respecting all trades, it is agreed as follows:

SELECTION:

1. (a) When the Company requires Apprentices for any Trade, the vacancy shall be posted on official notice boards in the operation within the Bargaining Unit. Apprentices shall be selected from the applicants in accordance with the Seniority provisions of the Collective Agreement, the educational requirements for the posted trade and successfully passing the required numbers of pre-apprenticeship tests.

The successful candidate will be the one with the highest score based on an evaluation program that considers seniority (up to fifty percent (50%)), test (up to twenty-five percent (25%)), interview (up to fifteen percent (15%)) and work history (up to ten percent (10%)). A joint Union/Management Committee will establish and oversee specific and objective criteria for the interview and work history components.

-
- (b) All apprenticeships shall be posted as first year apprentices.

It is understood by the parties that there are times when 3rd or 4th year apprentices from outside the plant may have to be hired where certified tradesmen are not available. This will only be exercised when the student teacher ratio is imbalanced. It is understood that good communication between the parties take place in such circumstances.

-
-
- (c) It is agreed that tradesmen at Tolko Industries Ltd., High Level Lumber Division will only be eligible for one (1) in every three (3) postings for each specific trade. If during the posting of any apprenticeship there are no successful non-tradesman applicants, then a tradesman may be eligible for that opportunity. In such instances, the one (1) in every three (3) postings will be unaffected. Also those tradesmen who have been trained in two (2) trades by Tolko Industries Ltd., High Level Lumber Division or are dual ticketed will be ineligible for apprenticeship opportunity.

For example, if an electrician apprenticeship is posted, trade and non-trade applicants may apply. If the apprenticeship is awarded to a tradesperson, then tradespeople are ineligible for the next two (2) electrician apprenticeship postings. However if no non-trades people qualify, tradespersons may be awarded the apprenticeship, provided they satisfy entry requirements. In such an instance the one (1) in three (3) ratio remains unaffected.

2. Plant seniority shall apply for Apprenticeship postings. Probationary employees will be considered for Apprenticeship postings only if there are no successful non-probationary applicants. Should an apprenticeship posting be awarded to a probationary employee, they will not be moved into the posting until they have completed their probation. The Company may hire new employees to fill Apprenticeship postings only if no existing employees (including probationary employees and current tradespersons) are successful on an Apprenticeship posting.
3. A candidate will only be considered for an Apprenticeship if he has documentary proof of his educational standards.
4. Minimum educational standards for entry into an apprenticeship will be as established by the Alberta Provincial Apprenticeship Act.
5. Pre-apprenticeship tests (Conifer - USW tests) as outlined below must be written prior to acceptance into an apprenticeship.

Definition: Conifer - Council on Northern Interior Forest Employment Relations

- (i) For those entering the mechanical trades - Mechanical Trades - Entrance Assessment Examination.
 - (ii) For those entering the electrical trade - Electrical Trades - Entrance Assessment Examination.
6. The passing mark for the Mechanical Trades and Electrical tests are established as being a combined requirement of firstly, seventy percent (70%) in the Mechanical Aptitude and Space Relations segments of the tests and secondly, seventy percent (70%) in the overall final scoring of the tests.
 7. All scoring computations of percentages in each section and overall scores of the tests are recorded as being rounded off to the next highest percentage point where any fraction of a percentage point exists.
 8. Tests will be conducted on plant property or near the plant by Management; a Union representative will be present when the tests are given and marked.

9. Tests recommended for the self-evaluation will be made available and may be taken by any interested employee. Failure to take such tests shall not jeopardize an employee's application for any apprenticeship.
10. Candidates may retest a second time under the initial posting provided they rewrite the test within five (5) days of being advised they failed to achieve a passing grade on the first test. Candidates will be allowed to retest a third and final time on a subsequent posting upon providing documentary proof of upgrading.
11. Successful applicants will be assigned for a three (3) month probationary period, prior to being apprenticed.
12. Results of all tests will be retained on file in the Company's office. An applicant who has met the criteria and successfully passed the requisite test and is the senior for any future apprenticeship posting within a three (3) year period, will be considered the successful applicant.
13. An applicant who qualifies and has passed the Mechanical Aptitude and Space Relations section of any of the available tests, but failed the overall test, will be eligible to bid and be re-tested for any future apprenticeship posting.

TRAINING:

1. Training time for Apprentices shall be in accordance with the Schedule for each Trade, as specified by the Apprenticeship Training and Certification Act - 1985.
2. In plant training programs will be designed to support the training syllabus as developed by the Apprenticeship Branch, Alberta Career Development and Employment.
3. During each year of the Apprenticeship, he shall work at the trade and attend the Vocational School as required by the regulations pursuant to the Apprenticeship Training and Certification Act - 1985.
4. For Apprentices traveling and living away from home, Tolko Industries Ltd., High Level Lumber Division will provide the following:
 - (a) The apprentice shall receive their regular straight time wages up to forty (40) hours per week.
 - (b) The apprentice shall receive a living out allowance of sixty dollars (\$60.00) per school day attended to a maximum of three hundred dollars (\$300.00) per week.

- (c) The apprentice shall be compensated at mileage rate of fifty-three cents (\$.53) a kilometer for one (1) round trip from their home to the educational facility they are attending, for every four (4) weeks of school. (e.g. A four (4) week millwright apprentice would receive one (1) round trip allowance, a six (6) week planer apprentice would receive one and one half (1 1/2) round trip allowances, and an electrician on an eight (8) week apprenticeship would receive compensation for two (2) round trips.)
- (d) Tolko Industries Ltd., High Level Lumber Division will reimburse any applicable tuition fees upon the successful completion of the current schooling period.

TESTING:

1. Upon completion of each period of training in an approved Institution an Apprentice will be required to pass examinations set by the Apprenticeship Branch. These examinations shall be confined to the area of training received. In the event of failure to pass examinations, the Apprentice shall be required to undergo a period of retraining on subject material specified by the Apprenticeship Branch authorities and will be required to be re-examined within twelve (12) months. Failure to pass the second examination will result in his removal from the program.

Employees who are removed from the Program will go back to their last posted job in line with their seniority.

2. Wage rates for Apprentices shall be those specified in the Wage Supplement. An Apprentice who passes his/her test and has completed his/her training requirements shall receive the appropriate increment specified in the Wage Supplement. Notwithstanding the foregoing, while an apprentice, employees will receive the higher of their last posted job rate or the appropriate apprentice rate.
3. If any of the aforementioned work periods are exceeded due to the unavailability of space at the Institutions, such extra time will be credited to Apprentices in succeeding training requirements. Also, the Apprentice's rate shall be adjusted retroactively to the commencement of the scheduled year providing he successfully passes the examination. Retroactively will not apply when retesting is necessary.
4. Wherever reference is made to a year for the purpose of measuring the period of time worked by an apprenticeship it shall refer to the period of time specified in the Apprenticeship and Training Act - 1991.

GENERAL:

1. Upon the successful completion of his term of Apprenticeship and receipt of his Certificate of Apprenticeship, issued by the Apprenticeship Committee, the Apprentice shall be designated as a Certified Journeyman.

2. The Company will pay one hundred percent (100%) of the costs of textbooks specified by the Apprenticeship Branch. The Apprentice will keep these books as his private property.
3. Where as a result of the Apprenticeship School schedule starting after Monday or ending before Friday and reasonable transportation schedules prevent the Apprentice from working on the day before school starts or the day after school ends, the Company will make up the Apprentice's wages for such day on the basis of eight (8) hours at the Apprentice's regular straight time rate. The application of this provision will not result in an employee being paid more than forty (40) straight time hours in any one (1) week. This provision will be for a maximum of one (1) day at the beginning, and one (1) day at the end of any one (1) school session.
4. A joint Union-Management Apprenticeship Committee will be developed comprised of an equal number of Union and Management representatives not to exceed, in total, three (3) from each group.
5. The purpose of the joint Union-Management Committee will be to develop and supervise the procedures required to carry out the intent of the program as agreed to.
6. An administrative manual shall be developed along the lines of the Conifer - USW Apprenticeship Administration Manual.
7.
 - (a) Once indentured into an apprenticeship the apprentice is not eligible to bid on further apprenticeships and/or other job postings until four (4) years after receiving certification.
 - (b) An employee who either removes himself or is removed from an apprenticeship program for a reason other than a reduction of forces will not be permitted to post on a further apprenticeship position for one (1) year from the date of removal, and five (5) years from the same apprenticeship position except in the case of significant changes in the employee's qualifications.
 - (c) An apprentice who is removed from an apprenticeship program due to a reduction of forces, will not be subject to a time period limitation for posting on future apprenticeship postings.
8. An employee upon completion of an apprenticeship opportunity is encouraged to work in the journeyman position for a minimum of four (4) years as a return to service commitment. Should the employee bid out or voluntarily leave the Company within the four (4) years, the employee's obligation for repayment of all costs, wages topped up by the Company while at school, out-of-town expenses, etc. will be reimbursed by the employee on the basis of the following:
 - Leaves before serving one (1) year – 100% reimbursement.
 - Leaves after serving one (1) year but before serving two (2) years – 75% reimbursement

- Leaves after serving two (2) years but before three (3) years – 50% reimbursement
- Leaves after serving three (3) years but less than four (4) years – 25% reimbursement

This repayment will apply to all new apprentices. If an apprentice is involuntarily displaced, repayment does not apply. This will include an employee terminating his employment after being on layoff in excess of ten (10) weeks in a twelve (12) month rolling period.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

CARPENTER APPRENTICE TRAINEE POSITION

INTENT:

The Carpenter Apprentice trainee will accumulate trade hours by filling in absences due to schooling, vacation, illness or injury in the Carpenter group. There will be no guarantee of trade hours promised or implied, however it is expected that ample opportunity will arise to enable the Carpenter Apprentice Trainee to practice his trade.

AGREEMENT:

1. When a Carpenter Apprentice Trainee is required, the position will be posted as per the Job Posting Agreement. The successful candidate will then write the pre-apprenticeship tests (Conifer-USW) as per the Apprenticeship Agreement.
2. All pertinent articles of the Apprenticeship Agreement apply. Trade hours accumulated will be applied toward the apprentice training time. The three (3) month probationary period will be trade hours accumulated. That means that four hundred, eighty (480) actual trade hours have to be worked to complete the probationary period. The assessment of the probationary period will be done in a fair and consistent manner taking into consideration that there will be time breaks between work opportunities. It is agreed that this process will take no longer than six (6) months.
3. The Apprentice Trainee will replace an absent tradesman, that will be absent more than four (4) days. When an Apprentice Trainee is not required, they will revert to their regular bid job. The Apprentice Trainee will remain a trainee until a full time apprentice position comes vacant, at which time the senior Apprentice Trainee in that trade will fill that position.
4. The Apprentice Trainee will receive the apprentice rate for that trade while working as an apprentice. General holidays and vacation pay will be at the higher of the apprentice rate or bid job rate if a General holiday or vacation time occurs during apprentice training opportunities.
5. Every reasonable effort will be made to complete the apprenticeship program within eight (8) years. It is understood by both parties that the Company has agreed to fill all vacant positions (over four (4) days known in advance) with an apprentice trainee, because of schooling, vacation, illness or injury.
6. In the event that the Apprentice Trainee has achieved the level of journeyman, and no full time positions are available, he will revert to his bid job and continue to act as a part time journeyman in that trade. When a full time position opens, he will assume that full time position.
7. If the full time journeyman position opens and the Apprentice Trainee has not achieved journeyman status, he will fill that position as a full time apprentice.

8. Employees already in possession of trades certificates are not eligible for this program.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

12-HOUR SHIFT AGREEMENT KILNS

For the purpose of a twelve (12) hour shift schedule for kiln employees, the Parties hereby agree to the following terms and conditions:

1. The twelve (12) hour shift schedule may be subject to negotiations at the request of the Company or Union at contract time.
 - (a) The regular schedule will consist of seven (7) consecutive days on and seven (7) consecutive days off.
 - (b) As the seven (7) consecutive twelve (12) hour days constitute a forty-two (42) hour week over a two (2) week averaging period, employees who work seven (7) consecutive regular shifts will be paid eighty (80) hours straight time and four (4) hours at rate and one half (1 ½).
 - (c) Rate and one half (1 ½) will apply to shifts worked on scheduled days off for Kiln employees who have worked in excess of eighty (80) hours in the current and previous week. When called in on a Saturday or Sunday, Kiln employees who have worked in excess of eighty (80) hours in the current and previous week will be paid at rate and one half (1 ½). Double time rates will apply for all work on the second day of rest for Kiln employees who have worked in excess of eighty (80) hours in the current and previous week.
 - (d) Double time rates will apply to all hours worked in excess of twelve (12) hours per day.
2. Incumbents working at the kilns will be given preference for overtime at the kilns.
3. Vacations are based on hours – example: eighty (80) hours equal two (2) weeks of vacation leave.
4. Paid bereavement will be three (3) shifts at eight (8) hours each.

5. Statutory holidays are paid as follows:

- (a) If the holiday falls on a scheduled day off, eight (8) hours at straight time.
- (b) If the employee works on a statutory holiday, rate and one half (1 ½) for hours worked up to twelve (12) hours and double time for hours worked in excess of twelve (12) plus twelve (12) hours at straight time.

All other terms and conditions of the Collective Agreement apply.

The twelve (12) hour shift schedule may be cancelled by either party with thirty (30) days written notice.

Signed this _____ day of _____, 2013.

Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta

United Steelworkers
Local 1-207
Edmonton, Alberta

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

ALTERNATE PLANER #2 LINE DAY SHIFT AGREEMENT

For the purpose of an Alternate Planer #2 Line Day Shift Agreement, the parties hereby agree to the following terms and conditions:

1. The Shift Agreement will consist of the following schedule:

| | |
|---------------------------------|------------------------|
| Monday 6:00 a.m. – 4:30 p.m. | 10 hours straight time |
| Tuesday 6:00 a.m. – 4:30 p.m. | 10 hours straight time |
| Wednesday 6:00 a.m. – 4:30 p.m. | 10 hours straight time |
| Thursday 6:00 a.m. – 4:30 p.m. | 10 hours straight time |

Overtime during scheduled shift will be paid at time and one-half (1½) rate for the first hour and double time (2x) rate for any hours thereafter.

Work eighty (80) hours per pay period.

In the event that an employee requires bereavement leave, the employee will remain whole. The employee will neither gain nor lose hours due to the necessity of bereavement leave.

These will be considered scheduled shifts and are not optional.

The above shifts are inclusive of a one-half (1/2) hour unpaid lunch break and two (2) ten (10) minute paid coffee breaks.

2. Vacations are based on paid hours – example: Four shifts of work = 40 hours worked = 40 hours of vacation leave entitlement.

3. General Holidays:

On weeks where a General Holiday is taken on a Monday or Thursday it shall be paid at ten (10) hours straight time. Where a General Holiday falls on a Tuesday or Wednesday, it will be observed on a Monday or Thursday with the exception of Remembrance Day, Christmas Day, Boxing Day and New Year's Day, which will be observed the day the holiday falls. Where a General Holiday falls on a rest day, the employee shall be compensated at eight (8) hours straight time pay with no additional day off.

- 4. All other terms and conditions of the Collective Agreement apply.
- 5. This Alternate Planer #2 Line Day Shift Agreement may be cancelled by either party with thirty (30) days written notice.
- 6. This Alternate Planer #2 Line Day Shift Agreement will be subject for review by the Labour/Management Committee on an as-needed basis.
- 7. This Alternate Planer #2 Line Day Shift Agreement includes the planer #2 line crew.

Signed this _____ day of _____, 2013.

Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta

United Steelworkers
Local 1-207
Edmonton, Alberta

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

ALTERNATE PLANER GRAVEYARD SHIFT

Whereas the Company has cancelled the Planer Graveyard 10 Hour alternate Shift Arrangement Agreement, and whereas the Union membership wishes to ensure maximum LGO run time to ensure the success of the operation, the Company and Union hereby agree to implement an Alternate Shift Schedule as follows:

1. The Alternate Shift Schedule will consist of:

| | |
|---|-----------------------|
| Sunday 10:30 p.m. – Monday 7:00 a.m. | 8 hours straight time |
| Monday 10:30 p.m. – Tuesday 7:00 a.m. | 8 hours straight time |
| Tuesday 10:30 p.m. – Wednesday 7:00 a.m. | 8 hours straight time |
| Wednesday 10:30 p.m. – Thursday 7:00 a.m. | 8 hours straight time |
| Thursday 10:30 p.m. – Friday 7:00 a.m. | 8 hours straight time |

2. All other terms of the Collective Agreement apply.

3. This Alternate Planer Graveyard Shift may be cancelled by either party with thirty (30) days written notice.

4. This Alternate Planer Graveyard Shift will be subject for review by the Labour/Management Committee on an as-needed basis.

5. This Alternate Planer Graveyard Shift includes the planer graveyard crew.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

MAINTENANCE ALTERNATE SHIFT AGREEMENT

For the purpose of the Alternate Maintenance Shift Agreement, the Parties hereby agree to the following terms and conditions.

1. Weekend Shift (three (3) days):

| | |
|----------|-----------------|
| Friday | 8 hours |
| Saturday | 12 hours |
| Sunday | <u>12 hours</u> |
| | 32 hours worked |

Hours worked will be paid at rate and a quarter (1 ¼).

One (1) half (½) hour paid dinner break.

Two (2) ten (10) minute coffee breaks (Friday Only)

Three (3) ten (10) minute coffee breaks (Saturday, Sunday)

2. If a General Holiday falls on a Monday or a Friday, the weekend-shift start or end day shall be adjusted so that the shift either begins or ends on the General Holiday. For example, if Monday is the general holiday, then the weekend shift will be Saturday twelve (12) hours, Sunday twelve (12) hours and Monday eight (8) hours).
3. An employee may withdraw from this agreement provided they give a thirty (30) day notice to their supervisor of their decision to withdraw.
4. Vacations are based on hours paid – example forty (40) hours equals one (1) week of vacation leave.

5. For the purpose of this agreement the designated second day of rest will be considered the Tuesday of each week. If an employee is required to work on the second day of rest they will receive double (2X) time rates.

6. General Holidays:

- a. If a General Holiday falls on an employee's day off, the General Holiday will be moved to the employee's next scheduled workday.
- b. If the employee works on a day designated as a General Holiday, he will be paid eight (8) hours rate and a quarter ($1 \frac{1}{4}$) for the General Holiday and will be paid rate and three-quarters ($1 \frac{3}{4}$) for all hours worked.
- c. If the employee is not required to work on a day designated as a General Holiday, the employee shall be paid General Holiday pay which equals the earnings to which the employee would have received if the day was a regular work day.
- d. If an employee is scheduled to work on Christmas Day, Boxing Day or New year's Day they shall have the option to not work these days.
- e. Employees on the alternate shift will have the option to bank general holidays to a maximum of eight (8) general holidays per year (ie. 8 hrs work x $1/25 = 10$ hrs pay. 8 stats x 10 hrs pay = 80 hrs or two weeks).

7. Health & Welfare:

An employee who is scheduled to work the alternate shift shall continue to be classified as a regular full-time employee for benefit eligibility purposes and shall be treated as working forty (40) hours per week.

8. Pension Plan:

The Company contribution to the Pension Plan for any employee who works the established hours under the above work schedule shall be hours paid.

9. Paid Leaves of Absence:

Employees working the alternate shift, taking paid leaves of absence, as per the Collective Agreement will be compensated for time lost. The compensation received shall not result in a windfall or penalty: employees will remain whole.

10. All other terms and conditions of the Collective apply.

11. Either party may cancel this agreement with thirty (30) days written notice.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

VWM – MAKE WHOLE AGREEMENT

The Variable Wage Memorandum, as it applies today, March 12, 2013, will be extended on an individual basis, until each employee is ‘made whole’ in regard to wages lost as a result of applying the 2010 VWM. As each employee is ‘made whole’ the program will no longer be applicable to that person. The VWM program will terminate in its entirety when the last employee is ‘made whole’.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

LETTER OF UNDERSTANDING

between

**TOLKO INDUSTRIES LTD.
HIGH LEVEL LUMBER DIVISION**

and

UNITED STEELWORKERS, LOCAL 1-207

Application of Article 18 – Technological Change; Section 2 – Severance Pay

It is agreed that, for the purposes of the above only, a forklift operator’s “regular job” will be as per The Incumbent Tracking sheet.

Signed this _____ day of _____, 2013.

**Tolko Industries Ltd.
High Level Lumber Division
High Level, Alberta**

**United Steelworkers
Local 1-207
Edmonton, Alberta**

