

November 29, 2013

MEMORANDUM OF AGREEMENT

BETWEEN: INTERIOR FOREST LABOUR RELATIONS ASSOCIATION
(Herein known as the "Company")
OF THE FIRST PART

AND: UNITED STEELWORKERS Local 1-405, 1-417 and 1-423
(Herein known as the "Union")
OF THE SECOND PART

It is agreed that acceptance of the terms of this Memorandum will be recommended by both parties to their respective principals for final settlement of the 2013-2018 British Columbia Southern Interior Master Agreement. Unless otherwise noted, all changes will be in effect as of the first of the month, following date of ratification.

Subject to the foregoing the parties hereby agree that a Collective Agreement is entered into (hereinafter called the "2013 – 2018 Southern Interior Master Agreement") in the terms of the Collective Agreement described as the "2009 – 2013 Southern Interior Master Agreement" (including Supplements), save for the amendments herein set out, and shall be effective from and after the 1st day of July, 2013 to midnight the 30th day of June, 2018.

1. Article 22 Apprenticeship Training Program

Section 3: Joint Committee Replace with:

Form an Apprenticeship Review Committee with one representative from 1-405, 1-423 & 1-417 and three representatives of the IFLRA that will review and may propose amendments to the apprenticeship training program. All existing Apprenticeship Agreements will remain in effect unless changes are agreed to by the parties. This committee will make recommendations to the parties prior to December 31, 2014.

2. Article 22 Apprenticeship Training Program, Add new section 4:

- a) Living Away From Home Allowance: Forty (\$40) per day to a maximum of Two Hundred and Eighty (\$280) per week, for apprentices who are required to maintain a second residence while attending school.
- b) Travel Allowance: Fifty cents (50¢) per kilometer if commuting greater than thirty kilometers each way from the school, minus the first 24 kilometers each way, for one (1) round trip to school per year. This is based on the distance between the town of employment or residence (whichever is closer) and the school.

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If an employee is attending school outside of their community for more than six (6) weeks they will qualify for a second return trip.

Apprentices who are required to travel by ferry or air will be reimbursed for such fares where such travel is the most reasonable, or the only option available. The apprentice must receive prior approval for such travel.

3. Sawfiler

Ensure the components of the Sawfiler apprenticeship program will be completed to the highest level (Sawfiler or Benchperson) as required by the needs of the specific operation.

4. Article 18, Section 3(f) (iii) replace with:

Lifetime limit for Extended Health Benefits to increase to \$100,000 effective on ratification; \$150,000.00 July 1, 2014, \$200,000 July 1, 2015, \$250,000 July 1, 2016, and \$300,000 July 1, 2017.

5. Article 18, Section 3(g) (iii) replace with:

Orthodontics – Plan C: Plan pays 60% of approved schedule of fees (life-time maximum \$4,000)

6. Other benefit changes:

a) Article 18, Section 3 (g) (i) add:

Include composite (white) fillings to be a covered item beginning July 1, 2014.

b) Paramedicals

Physiotherapist to a maximum of \$550, with extended coverage with referral from a qualified Medical Practitioner.

Massage Therapists to a maximum of \$550, with extended coverage with referral from a qualified Medical Practitioner.

Hearing aids limited to \$550 every 5 years.

7. Weekly Indemnity

The Plan provides a Weekly Indemnity benefit of the Employment Insurance level + \$100.

8. Article 18, Section 3(f) (vi) replace with:

A medical travel provision of \$1,000.00 per year, beginning on January 1, 2014.

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9. Article 18, Section 3(f) (ii) replace with:

The Extended Health Care plan provides payment to a maximum of four hundred dollars (\$400) per member or dependent, in any twenty-four (24) consecutive month period for charges incurred relative to the purchase of lenses and frames, contact lenses, or laser eye surgery, when prescribed by a person legally qualified to make such prescription; and/or eye exams.

10. Article 5 Wages

Five year term:

July 1, 2013 - Yr 1 - 3% + \$400 lump sum

July 1, 2014 - Yr 2 - 2%

July 1, 2015 - Yr 3 - 2.5% + \$1,000 lump sum

July 1, 2016 - Yr 4 - 2.5% + \$1,000 lump sum

July 1, 2017 - Yr 5 - 3% + \$1,000 lump sum

Lump sums are payable to active employees defined as those working and receiving pay on the date of ratification and then on July 1 of each year. Employees who are on leave and return to work in a full-time capacity after the day of payout shall be paid a pro-rated amount based on whole months worked. Employees other than regular, full time employees will receive a prorated amount based on their percentage of full time hours.

11. Trades Increase

Effective July 1, 2013 an increase of \$0.50 per hour, and then a further \$0.50 per hour increase in each of the following 4 years effective July 1 of each year beginning July 1, 2014 for a total increase \$2.50 per hour over the term of the Collective Agreement applicable prior to the percentage increases.

12. Carpenters

Amend Article 5 to reflect the rate for Journeyman Carpenters, to be the same rate as of other Journeyman (ex. Millwright).

13. Employee Safety Guidelines

The parties agree that safety is paramount and for purposes of ensuring safety only, and without restricting the Company's rights under the Collective Agreement, to assign any work to employees, it is agreed that when performing work, employees will only perform work within the scope of their training and qualifications.

14. Scalers

Amend the collective agreement to provide Scalers a 50¢ per hour premium for workers with a valid scaling ticket, when working as a scaler.

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15. Article 25 Pension Plan

Employer contributions will increase by \$1.00 per hour effective July 1, 2014 to address funding shortfall. Existing \$0.275 per hour temporary contribution to become permanent. Effective July 1, 2014 employee contributions into the pension plan will increase by \$0.60 per hour.

The parties agree, when the Pension Plan permits graduated retirement, Article 32, Section 10 will be engaged and activated.

16. New Hires:

The company will provide a Plant Committee member the opportunity to meet with new hires, without disruption to operations.

17. Dust Abatement

The Parties agree to approach SAFER for funding of a one (1) year pilot project wherein USW personnel would be utilized for the purpose of promoting awareness and compliance of the evolving dust standards for the purpose of safety and productivity.

18. Chargehands

Amend the collective agreement provisions related to Chargehands as follows;

- a) Training received by a charge hand, other than training received in accordance with Divisional agreements, will not be recognized for future job postings or reduction of forces.
- b) It is understood that charge hands do not have priority to overtime over and above divisional overtime agreements.

19. Article 32 add new section 11 Utility/Relief

Without restricting the employer's rights under any other provision of the Collective Agreement, or under any local agreement, when the employer requires a permanent utility/relief operator position it will be posted in accordance with local job posting supplements.

20. Family Day

Add Family day to Article 13 sections 1(a) and 2(a)

21. Education Trust Fund

Increase contribution by \$0.01 per hour in each year of the first three years of the new Collective Agreement for a total increase of \$0.03 over the five year term of the Collective Agreement.

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22. Employee Record

Amend the collective agreement to acknowledge that discipline will remain on the employee's file for 24 months and will not be used after that period provided no other discipline has occurred during that time. In disciplinary cases involving harassment the time limits may be extended. The employee must be informed of this decision at the time of the discipline.

23. Humanity Fund

Amend the collective agreement to include a new Article entitled Humanity Fund to be as follows;

- a) The Company agrees to deduct on a bi-weekly basis the amount of 1¢ per hour from the wages of all employees in the bargaining unit for all hours worked.
- b) Prior to the 15th day of the month following said deduction, the Company shall pay the amounts to the "Humanity Fund" and to forward such payment to United Steelworkers National Office, 234 Eglinton Avenue East, Toronto, Ontario, M4P 1K7. The Company will advise in writing both the Humanity Fund at aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

24. ROCE

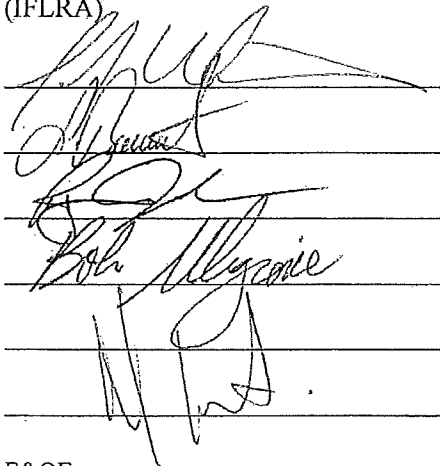
Delete all language pertaining to ROCE payments from the collective agreement.

25. Forestry and Engineering Technicians

Increase rate of pay two (2) Groups from Supplement No. 1, Forestry and Engineering Technicians I, II, III, IV, effective July 1, 2013.

Signed this 29th day November, 2013.

For:
Interior Forest Labour Relations Association
(IFLRA)



For:
United Steelworkers Wood Council
United Steelworkers Local 1-405,
Local 1-417 and Local 1-423

