

May 16, 2019

FINAL OFFER

MEMORANDUM OF AGREEMENT

BETWEEN THE BARGAINING COMMITTEES OF THE:

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 of Agreement will be recommended by both parties to their respective principals for final settlement of the 2018 to 2023 Collective 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 “2018-2023 Southern Interior Master Agreement”) in the terms of the Collective Agreement described as the “2018-2023 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, 2018 to midnight the 30th day of June, 2023.

Where a member company of the IFLRA was signatory to a previous collective agreement different than the 2013-2018 Southern Interior Master Agreement, any substantive provisions in the previous collective agreement which differ from the 2018-2023 Southern Interior Master Agreement will be recorded in a Letter of Understanding applicable to that member company, as a local attachment to the 2018-2023 Southern Interior Master Agreement.

1. Term of Agreement

That a Collective Agreement is entered into (hereinafter called the “2018 – 2023 Agreement”) in the terms of the Collective Agreement described as the 2013-2018 Collective Agreement (including supplements), save for the amendments herein set out, and shall be effective from and after the 1st day of July, 2018 to midnight the 30th day of June, 2023.

2. Article V – Wages

Following confirmation of ratification of agreement between the parties, the following will apply:

- *Upon written ratification confirmation from both parties, every active regular full time employee, working and receiving pay on the date of ratification, will be provided a lump sum payment of \$500. 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 hours worked. Employees other than regular, full time employees will receive a pro-rated amount based on their percentage of hours worked.*

MOA Only: The administration of this lump sum payment will be in accordance to the principles in the Letter of Understanding between the parties dated March 30, 2015, with a relevant date for analytical purposes as the date of ratification between the two parties.

- Effective July 1, 2018, the wages of all hourly rated employees will be increased by two percent (2%).
- Effective July 1, 2019 the wages of all hourly rated employees will be increased by two percent (2%).
- Effective July 1, 2020 the wages of all hourly rated employees will be increased by two percent (2%). In addition, a lump sum payment of five hundred (\$500) will be processed for all active regular full-time employees, working and receiving pay as of July 1, 2020.

MOA Only: The administration of this lump sum payment will be in accordance to the principles for the ratification lump sum listed above, and in the Letter of Understanding between the parties dated March 30, 2015.

- Effective July 1, 2021 the wages of all hourly rated employees will be increased by two percent (2%).

- Effective July 1, 2022 the wages of all hourly rated employees will be increased by two and one half percent (2.5%).

(c) Designated First Aid Attendants shall receive:

Level 2 – Fifty cents per hour (50¢/hr.)

Level 3 – ~~Eighty five cents per hour (85¢/hr.)~~ **One dollar per hour (\$1.00/hr.)**

Section 7: Shift Differential

The recognized Day Shift, which may vary in individual operations, shall be considered the First Shift. Hours worked outside the recognized Day Shift will be regarded as the Second and Third Shifts. Premium rates of ~~thirty one forty~~ **thirty one forty** cents (~~3140¢~~) per hour will be paid for Second and Third Shifts. A Day Shift Employee working in excess of his regular shift will be paid rate and one-half without the differential. Any Employee on the Second and Third Shift working in excess of his regular shift, shall receive rate and one-half. For the purpose of the last sentence, rates shall be rate plus ~~thirty one forty~~ **thirty one forty** cents (~~3140¢~~). Persons employed other than on regular shifts shall be paid the ~~thirty one forty~~ **thirty one forty** cents (~~3140¢~~) premium rate for all hours worked outside the recognized Day Shift. To qualify for Night Shift Differential under the preceding sentence, the Employee must work in excess of one (1) hour outside of the Regular Day Shift, provided that, where this results in an overlapping of shifts, the Employees shall be paid the Night Shift Differential for all time worked on the overlapping shift.

Article VII – Hours of Work

Section 4: Tuesday to Saturday Work

It is agreed to amend Section 4 as follows:

It is agreed that Maintenance, Repair, *Clean-up* and Construction Employees can be employed on a Tuesday to Saturday work week for which they will be paid straight time for Saturday work. In such event, Sunday and Monday will be recognized as their rest days and any work performed on their rest days will be paid for at rate and one-half. It is further agreed that the rest day, Monday, may be changed by mutual consent between the Employee and the Company. In such event, work performed on Monday will be paid for at straight time. If the Employee works on Monday at the request of the Company, the rate of pay will be rate and one-half. However, if the Employee requests a temporary change from his rest day on Monday, work performed on Monday will be paid for at straight time.

MOA Only: It is agreed that employees assigned to a current cleanup crew in effect as of the date of this memorandum will maintain the current pay arrangements as long as they remain assigned on that clean-up crew.

If an employee is assigned production duties on Saturday, of which is a scheduled overtime production shift, all hours worked in that role will be paid a rate and one-half.

3. Article X – Seniority

Section 3: Probationary Period

It is agreed to amend sub-section ‘a’ as follows:

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 *until sixty (60)* working days during which time they are to be considered temporary workers only and during this same period no seniority rights shall be recognized. Upon completion of *sixty (60)* working days, they shall be regarded as regular Employees, and shall then be entitled to seniority dating from the day on which they entered the Company’s employ, provided however, that the probationary period of *sixty (60)* working days shall only be cumulative within the *six (6)* calendar months following the date of entering employment. Days spent fire fighting will not be included as days of probation.

MOA Only: The revised probationary period will apply to employees hired after the date of ratification of this MOA.

4. Article XI – Leave of Absence

An additional Section 12 will be added as follows:

Section 12: Domestic Violence Leave

An employee may take 10 days of unpaid domestic violence leave each calendar year for the following purposes:

- *to allow the employee, employee’s dependent child or a protected adult to seek medical attention for physical or psychological injury caused by domestic violence*
- *to obtain services from a victim services organization*
- *to allow the employee, employee’s dependent child or a protected adult to obtain psychological or other professional counselling*
- *to relocate (temporarily or permanently)*
- *to seek legal or law enforcement assistance, including time relating to legal proceedings*

Any leave days not used by an employee cannot be carried over into a new calendar year.

There will be no waiting period for employees who qualify for Weekly Indemnity due to an injury caused by domestic violence.

Reasonable documentation may be required to take domestic violence leave.

5. Article XIV – Safety and Health

Section 5: Right to Refuse Unsafe Work

It is agreed to amend Section 5: Right to Refuse Unsafe Work to incorporate the following content under a new item “(5)”:

(5) In the event of another employee being assigned the work being investigated under this section, the employee will be informed of the work refusal and the rationale for the refusal.

This will occur in the presence of:

- (a) a worker member of the joint committee,*
- (b) a worker who is selected by a trade union representing the worker, or*
- (c) if there is no joint committee or the worker is not represented by a trade union, any other reasonably available worker selected by the worker.*

The existing item (5) will be renumbered as item “(6)”.

6. Article XVIII – Health & Welfare

Section 3: Insurance Coverage

(a) Group Life Insurance for each qualified Employee is ~~\$120,000~~-\$140,000 (effective the first of the month following ratification)

(b) Accidental Death and Dismemberment Insurance for each qualified Employee is ~~\$120,000~~ \$140,000 (effective the first of the month following ratification)

(f) (x) It is agreed the Trustees will incorporate in to the SIHWP governance provisions for generic equivalent with medically necessary substitutions and a funding policy within 3 (three) months of ratification.

(xi) Effective first of the month following ratification coverage for prescribed Orthotics limit will be \$500 for every 5 years per member or dependent.

(xii) Effective first of the month following ratification Clinical Psychologists and Registered Counsellor coverage limit will be a combined maximum of \$1000 per year.

(xiii) Effective first of the month following ratification Chiropractic/Naturopath coverage limit will be a combined maximum of \$550 per year.

Section 4: General Principles

- (c) (ii) Insurance and Dental coverage eligibility for new Employees shall be the first of the month following date of completion of *thirty (30) working days within the three (3) calendar months following the date of entering employment.*

7. Article XIX – Long Term Disability

Effective the first of the month following ratification of this MOA, contributions from the Employer and the Employee to the Plan will be reduced from \$1.20 per Employee per hour worked (60 cents per hour from the Employee and 60 cents per hour from the Employer) to **76** cents per Employee per hour worked (**38** cents per hour from the Employee and **38** cents per hour from the Employer).

The Plan Actuary will update the Board of Trustees on the estimated financial position of the Plan as a standing agenda item every Board meeting. Effective the first of the month following the Board meeting where the Plan Actuary estimates the Plan is at or below a 120% funded ratio, the contributions to the Plan will be adjusted to a level so as to maintain the 120% funded ratio position (using the same methodology as used to determine the 172% as of September 30, 2017 valuation).

The maximum total contribution rate will be a total of \$1.20, split 50/50 between Employer and Employee.

8. Article XXXII – General Provisions

Section 9: Disciplinary Action

It is agreed to amend the first paragraph of this section as follows:

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

For MOA only: If a union representative is unavailable on shift, an employee may request to have another union employee present. This will not negate the discipline, nor be a violation of this section.

9. Article XXXV – Education Fund

It is agreed to replace #1 of this article to the following:

The Parties agree to establish a Fund based on the following parameters:

1. The Company will contribute to the Fund and will continue such contributions throughout the period of the Collective Agreement. ~~Effective July 1, 2013 the contributions will be five cents (0.05) per hour worked per employee. Effective July 1, 2014 the contributions will be six cents (0.06) per hour worked per employee. Effective July 1, 2015 the contributions will be seven cents (0.07) per hour worked per employee.~~ Effective July 1, 2016 the contributions will be eight cents (0.08) per hour worked per employee. ***Effective March 1, 2023 the contributions will be nine cents (0.09) per hour worked per employee.*** The Company shall remit the contributions to the Local Union not less often than once each month, with a written statement of names of the Employees for whom the contributions were made and the hours worked by the Employee.

10. Incremental Understanding – IWA-FI Pension Plan:

The 2005 MEMORANDUM OF AGREEMENT Re: Pensions and Governance has been contemporized by the relevant parties and executed accordingly on September 12, 2018.

11. Supplement 8 – Alternate Shift Scheduling

D. Alternate Shift Schedule Selection

It is agreed to amend sub-section 3 as follows:

3. Failing notification from the Union of the selected shift, the Company may implement the proposed shift schedule at the conclusion of 14 days referred to in 2 above. ***The local union will be notified in writing of the shift implemented under this section.***

MOA Only: See sample letter.

Signed this _____ day of _____, 2019.

For: Interior Forest Labour Relations Association (IFLRA)

For: United Steelworkers Wood Council,

United Steelworkers Local 1-405, Local 1-417 and Local 1-423

Appendix #1

May 15, 2019

Mr. J. Bromley
Chair, Wood Council
United Steelworkers
Suite 300, 3920 Norland Ave.
Burnaby, BC
V5G 4K7

Dear Mr. Bromley,

During negotiations to renew the 2013-2018 Collective Agreement, the USW raised a concern in regard to the administration of Article X, Section 5 c) (Bumping) as a consequence of a recent West Fraser (Chasm) – USW 1-417 arbitration case (Kinzie, December 14, 2017).

IFLRA member companies will not rely on the Kinzie decision to change the current practices or administration of Article X, Section 5.

Sincerely,

Jeff Roos
IFLRA President

- c. D. Singer, President Local 1-405
- M. Gibbons, President Local 1-417
- P. McGregor, President Local 1-423

Appendix #2

May 15, 2019

Mr. J. Bromley
Chair – USW Wood Council
United Steelworkers
Suite 300, 3920 Norland Ave.
Burnaby, BC
V5G 4K7

Dear Mr. Bromley,

During negotiations to renew the 2013-2018 Collective Agreement, the USW raised concerns regarding various existing practices concerning maintenance contractors being on site. Where the local union identifies a concern at a specific operation, the parties agree to meet as per Article XXX, Section 4 with a goal of reducing contractors through items such as hiring or internal advancement opportunities.

Sincerely,

Jeff Roos
President, IFLRA

- c. D. Singer, President Local 1-405
- M. Gibbons, President Local 1-417
- P. McGregor, President Local 1-423

Sample Letter

Name
Union Local
United Steelworkers
Address
City
Postal Code

Dear Mr. Union Local,

As per the Southern Interior Master Agreement, Supplement 8, D. Alternate Shift Schedule Selection, 3. Company ABC has elected to put on an alternate shift in the planer mill. This ___-hour shift will consist of ___ crews working Monday to Thursday. First shift starts at ___:00 am and the second shift commences at ___:00 pm.

Should you have any questions or concerns, please do not hesitate to contact the undersigned.

Sincerely,

Mr. Mgr.

Company ABC

Appendix #3

May 16, 2019

Mr. J. Bromley
Chair – USW Wood Council
United Steelworkers
Suite 300, 3920 Norland Ave.
Burnaby, BC
V5G 4K7

Dear Mr. Bromley,

There are companies that are new members to the IFLRA (Interior Forest Labour Relations Association) for bargaining the renewal of the 2013-2018 collective agreement. The member company provisions which are different from the SIMA have been agreed to by the parties to be continued and added in the form of an LOU(s) as a local attachment to the renewed Southern Interior Master Agreement (SIMA).

Following ratification of the new collective agreement, the two parties agree to meet and commence the above process not later than three months after ratification of the new collective agreement.

These provisions will continue to be in force and effect and will continue to form part of the collective agreement following the date of the signing the memorandum of agreement for the 2018-2023 collective agreement.

Sincerely,

Jeff Roos
President, IFLRA

- c. D. Singer, President Local 1-405
- M. Gibbons, President Local 1-417
- P. McGregor, President Local 1-423