

## LETTER OF UNDERSTANDING

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BETWEEN: FEDERATED CO-OPERATIVES LIMITED  
FOREST PRODUCTS DIVISION, CANOE

AND: INDUSTRIAL, WOOD AND ALLIED WORKERS OF CANADA,  
LOCAL 1-417 (I.W.A. CANADA, LOCAL 1-417)

### SAWMILL DIVISION

### SENIORITY & JOB POSTING

#### PURPOSE

The following application of Seniority and Job Posting is mutually agreed upon between Federated Co-operatives Limited and the I.W.A. Canada, Local 1-417, hereinafter referred to as the Union, to expedite the movement of the working force covered by the bargaining unit and the 2003 - 2009 Collective Agreement.

#### DEFINITION & APPLICATION

- a) In deciding an employee's entitlement for a job, seniority, competency considered, will be applied as hereinafter provided.
- b) Federated Co-operatives Limited seniority is the length of an employee's continuous service in those operations of Federated Co-operatives Limited whose employees are represented by Local 1-417 of the Union.
- c) Federated Co-operatives Limited seniority, competency considered, will determine both the employee's job retention rights and entitlement to job vacancies.

#### FEDERATED CO-OPERATIVES LIMITED DIVISIONS

- a) Effective July 23, 2003, subject to ratification, it is mutually agreed that the Woods seniority list be end tailed to the Sawmill seniority list, thus creating one seniority list. The Woods Department employees will commence accumulating seniority in the Sawmill Division, effective July 23, 2003. Woods department vacancies will be filled in accordance with this Letter of Understanding based on company seniority.

- b) Employees may only exercise their seniority in the division in which they are regularly employed.
- c) In the event of a lay-off in one division, Federated Co-operatives Limited agree that the laid-off employees will be hired in the other divisions in line with their seniority, competency considered, before they hire any new employees. Such employee must return to his own division when called.
- d) Subject to the mutual agreement of the Union and the Federated Co-operatives Limited, an employee may permanently transfer from one division to another.
- e) Notwithstanding the provisions of Sub-Section (d) above, in the event of the permanent shutdown of the operation of any division, the employees of that division shall be considered as laid off and Sub-Section (c) above shall apply to the employees concerned.
- f) Notwithstanding any of the foregoing provisions, it shall be the employee's responsibility to notify the Human Resources Manager in writing of his/her desire to transfer to another division in the event of a lay-off of a temporary nature or a permanent shutdown.

#### **JOB POSTING PROCEDURE**

- 1. All job vacancies, above group 4, will be posted within the division for a period of three (3) working days. In the event of a temporary absence of an employee for thirty (30) calendar days or more, due to illness, occupational injury or approved leave of absence, the vacant position will be posted. If it is known that the vacancy will be in excess of thirty (30) calendar days, the vacancy will be immediately posted for bidding. Employees within the division may submit application on forms supplied by the company.
- 2. The successful applicant, if any, will be selected from those applying and the name of the individual selected will be posted for a further two working days.
- 3. At any time within 30 working days, management will notify the Committee that the applicant is permanently accepted or that he is required to revert to his former position.
- 4. The job posting form will contain the following information:
  - a) Job title.
  - b) Rate of pay.
  - c) Shift worked.
  - d) Date posted.
  - e) Date and hour of closing-off time for applications.
  - f) Person or place application may be filed.
  - g) Space for the name of the employee(s) Federated Co-operatives Limited have selected for the job.

- 5. An employee absent on approved leave of absence, lay-off, illness or accident at the time of job posting will be allowed to make application within two (2) working days of his return, but in no event later than seventeen (17) calendar days of the posting of such new job or vacancy.
- 6. If a carpenter position is posted and there is not a successful candidate from the division, then it will be posted in the plywood plant. If a plywood applicant is successful and becomes a carpenter at the sawmill, the employee will be governed by the terms of the sawmill collective agreement. All seniority rights at the plywood plant would be forfeited.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003

On behalf of:

FEDERATED CO-OPERATIVES LIMITED      I.W.A. CANADA, LOCAL 1-417

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