



Explanatory Notes
Memorandum of Agreement (2018-23)
CONIFER mainstream companies

Date of Tentative Agreement: February 13, 2019

Note: Content in this document is intended to provide further explanation on the meaning and necessary steps to administer the agreement appears in larger red italicized font.

Content as contained in the February 13, 2019 MOA appears in black non-italicized font.

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.

Notes re Item 1, Article XXXII, Duration of Agreement:

The term of the agreement is relatively self-explanatory and is five (5) years, effective from July 1, 2018 to midnight of June 30th, 2023.

2. Article V, Wages

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

- Following formal written notice of ratification of the 2018 to 2023 Collective Agreement from the Union a lump sum payment of five hundred (\$500) will be processed for all active regular employees.

MOA Only: Administration of the Lump Sum payment will be accordance with the principles contained in the Conifer – USW LOU (Lump Sum Payment Protocol), dated April 8, 2015. The relevant date for analytical purposes will be the date of this MOA (as opposed to July 1st).

Notes re Administration of Lump Sum Payment (\$500) following ratification:

All “active” regular employees are entitled to the \$500 lump sum payment upon written confirmation of ratification from the USW to the Company.

Any employee not “active” at the date of ratification will be eligible for the \$500 lump sum payment, or portion thereof, upon return to “active” status.

Please find the Lump Sum Payment Protocol attached to these explanatory notes, and the associated administrative guidelines. Questions on this payment should be directed to your company’s negotiating committee representative, or to the staff at CONIFER.

- Effective July 1, 2018, the wages of all hourly rated employees will be increased by two percent (2%).

This adjustment is retroactive to July 1, 2018. The actual wage rates to be applied to the payroll system MUST be manually programmed into the payroll system in accordance with the Job Evaluation wage tables and Supplementary (negotiated) Wage rates provided by CONIFER. The reason for this is that there are nuances and unique arrangements in the bargaining history that a simple 2% “programmed” change will otherwise miss. Please contact the staff at CONIFER or your firm’s negotiating committee representative if you have any questions.

- 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 employees as of July 1, 2020.

MOA Only: Administration of the Lump Sum payment will be accordance with the principles contained in the Conifer –USW LOU (Lump Sum Payment Protocol), dated April 8, 2015. The relevant date for analytical purposes will be July 1, 2020.

Notes re Administration of Lump Sum Payment (\$500) as of July 1, 2020:

All “active” regular employees as at July 1, 2020 are entitled to the \$500 lump sum payment.

Any employee not “active” at July 1, 2020 will be eligible for the \$500 lump sum, or portion thereof, upon return to “active” status. (See notes above re \$500 lump sum at ratification)

- 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%).

Section 5: First Aid Attendants

It is agreed to amend sub-section 'c' to provide for an adjustment to the Level 3 premium to \$1.00 per hour, effective the first pay period following notice of ratification.

Notes re change to Level 3 FA premium:

*It is important to note that this change from the previous Level 3 premium of \$0.85/hour to \$1.00/hour is for **designated** first aid ticket holders. The increase in the premium is to become effective the first day of the first new pay period following the date of the notice of ratification from the USW to the Company.*

Section 9: Shift Differential

It is agreed to amend this section to provide for an adjustment to the shift differential premium to \$0.40 per hour, effective the first pay period following notice of ratification.

Notes re change to Shift Differential:

It is important to note that this change from the previous Shift Differential of \$0.31/hour to \$0.40/hour is to become effective the first day of the first new pay period following the date of the notice of ratification from the USW to the Company.

3. Article VII, Hours of Work and Overtime

Article VII, Section 4 a), General Principles Item #9 will be amended to capture the existing item 9, 12 and 13, along with additional content as follows:

9. The Company will not change an employee's work schedule to avoid a statutory holiday.

Remembrance Day, Christmas Day, Boxing Day and New Year's Day are operational down-days.

Statutory and Floating Holidays will be paid as per the employee's regular schedule.

4 x 10 Shift Schedules

For all statutory holidays falling by calendar on a scheduled work day, the statutory holiday will be observed on that day unless otherwise agreed to by the Company and the Plant committee. Employees will be paid ten (10) hours statutory holiday pay at their regular job rate.

For all statutory holidays falling by calendar on a rest day, employees will be required to work their full regular schedule and will receive their regular pay. In addition, employees will be paid ten (10) hours statutory holiday pay at their regular job rate.

3 x 12 Shift Schedules

For all statutory holidays falling by calendar on a scheduled work day, the statutory holiday will be observed on that day unless otherwise agreed to by the Company and the Plant committee. Employees will be paid twelve (12) hours statutory holiday pay at their regular job rate.

When a Statutory Holiday falls on or is observed on a Sunday employees will be paid time and one half for hours worked.

For all statutory holidays falling by calendar on a rest day, employees will be required to work their full regular schedule and will receive their regular pay. In addition, employees will be paid twelve (12) hours statutory holiday pay at their regular job rate.

This amendment will be applicable to shifts implemented under Article VII, Section 4 a), subsequent to the date of ratification of this MOA.

With respect to existing shifts under Article VII, Section 4 a), as of the date of ratification of this MOA, the employees scheduled on such shifts will vote to have the aforementioned amendment apply or to maintain the current statutory holiday practices. Conifer and the Local Union will meet within two (2) weeks of the date of ratification of this MOA to finalize the list of existing shifts for vote purposes.

This amendment does not apply to the statutory holiday content contained under any existing negotiated alternate shift agreement under Article VII, section 4 b) through 4 d).

Notes re Restructuring of Article VII, section 4, a), General Principles Item 9 (Article VII, Section 15, a), General Principles Item 10 of Canfor CA):

The first point to emphasize here is that this is complicated subject matter pertaining to complex collective bargaining history. ANY question on this negotiated content MUST be directed to your firm's negotiating committee representative and/or the staff at CONIFER.

This content in the MOA provides for a much more specific arrangement in regard to the administration of Statutory Holidays under the alternate shifts specified under Article VII, 4 a) (Article VII, 15, a) of the Canfor CA). This amendment will be fully applicable to alternate shifts implemented FOLLOWING the date of the notice of ratification from the USW to the Company.

*Employees CURRENTLY scheduled on alternate shifts provided for under Article VII, 4, a), (Article VII, 15, a), of the Canfor CA) as of the date of ratification from the USW to the Company will **vote** to have the new arrangement (amendment) on Statutory Holidays apply to the corresponding alternate shift OR to maintain the current Statutory Holiday practices (as provided for prior to the amendment). CONIFER staff (along with a sub-set of the negotiating committee) will meet with the USW following ratification to finalize a list of specific existing shifts to be entitled to the vote.*

It is important to note that this content does NOT apply in any way to the Statutory Holiday sections of any existing LOU under Article VII, section 4 b) through d) (Article VII, section 15 b) through d) of the Canfor CA).

Article VII, Section 4 a), General Principles Item #16 will be amended as follows:

16. The Company will provide notice of two weeks to the Local Union prior to the introduction of and/or the discontinuance of any alternate shift, except where a change in shift schedule is due to other circumstances not in the control of the Company.

MOA Only: See Sample Letter attached as Appendix # 1.

Notes Re Article VII, section 4, a), General Principles Item #16 (Article VII section 15, a), General Principles Item # 17 of Canfor CA):

The former item 16 (item 17 in Canfor CA) required the provision of two weeks' notice, but lacked precision on who the notice was to be provided to. This amendment results in the notice being required to be provided specifically to the Local Union. There is a sample letter attached to the MOA as Appendix #1 to illustrate.

Please be also aware that a formal alternate shift agreement (or LOU) is NOT required for the implementation of shifts specified under Article VII, section 4, a) (Article VII, section 15, a) of the Canfor CA).

4. Article VIII, Seniority

Section 1: 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) days have been worked, during which time they are to be considered temporary workers only, and during this same period no seniority rights shall be recognized.

It is agreed to amend sub-section 'd' as follows:

Upon completion of sixty (60) days worked, they shall be regarded as regular employees, and shall 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) days worked shall only be cumulative within the six (6) calendar months following the date of entering employment.

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

Notes Re Article VIII, Section 1, Probationary Period:

This item is fairly straight forward. The duration of the "probationary period" has been lengthened from the former 30 working days to 60 working days. The new arrangement is to apply to employees hired AFTER the date of the notice of ratification from the USW to the Company.

The commencement of benefit coverage entitlement for newly hired employees was agreed to be maintained as it was under the former 30 working day probationary period. Consequently, there are minor corresponding coverage eligibility amendments in the Health/Welfare Article, listed under item # 8, accordingly.

Section 3 c)

Conifer will formalize the Letter attached as Appendix #2.

Notes re Article VIII, Section 3c (Article VIII, Section 3b of Canfor CA):

This is a fairly complicated matter. In brief, there was an arbitration case (Kinzie) which provided a decision on a matter originating at the West Fraser, Chasm Division. The union raised a concern in negotiations that the case would be utilized to fundamentally vary when/how CONIFER firms permitted “bumping” to occur. CONIFER provided an assurance in the form of a letter, Appendix #2 to the February 13, 2019 MOA, outlining that CONIFER member companies will not change their existing bumping practices during a reduction of forces.

5. Article IX, Leave of Absence

An additional Section 11 will be added as follows:

Section 11: 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 short term disability due to an injury caused by domestic violence.

Reasonable documentation may be required to take domestic violence leave.

Notes re Article IX, Leave of Absence, Domestic Violence Leave:

This item in the MOA provides for an additional leave of absence category providing for up to 10 days unpaid leave in each calendar year. Please be reminded that this new section does not alter the traditional application of Section 4: Compassionate Leave.

6. Article XII, Safety and Health

Section 6: Right to Refuse Unsafe Work,

It is agreed to amend section 6: 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 relabeled as item “(6)”.

Notes re Article XII, Right to Refuse Unsafe Work (Appendix 2, Section 8 of Canfor CA):

This amendment derives from negotiations discussion whereby the USW requested, in simplistic terms, that if Employee A exercises a “right to refuse unsafe work”, and the Company intends to direct Employee B to complete the same work, then Employee B must be advised of Employee A’s exercise of his/her right to refuse unsafe work, along with the rationale for the refusal.

7. Article XVI, General Provisions

Section 13: Disciplinary Action

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

For discipline 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.

MOA Only: November 4, 2003 clarification letter regarding the application of this section continues to apply.

Notes re Article XVI, Disciplinary Action (Article III, Section 2 of the Canfor CA):

This amendment results in a variance to the former content to now include “For discipline investigative meetings”. The implication is when a discussion is to take place with an employee as part of a disciplinary investigative process, the employee shall have the option of requesting Union representation.

The reference under “MOA only” clarifies the continued applicability of a clarification letter (November 4, 2003) on this section, which outlined an absence of Union representation will not negate the ultimate disciplinary action.

8. Article XVII, Health and Welfare

Section 1: Medical

It is agreed to amend this section to provide for the following:

- Effective January 1, 2019, the coverage for Psychologist or Registered Counsellor will be increased to \$1,000 per member or dependent per calendar year.
- Effective January 1, 2019, the Chiropractor/Naturopath coverage limit will be increased by one hundred and fifty dollars (\$150) to seven hundred and fifty dollars (\$750) per member or dependent per calendar year.
- Effective January 1, 2019, the coverage for prescribed orthotics will be five hundred dollars (\$500) per member or dependent per five (5) year period.

Notes re Article XVII, Section 1, Medical (Article VII- Medical Coverage of Canfor CA):

This content is self-explanatory. Plan coverage parameters will be amended as outlined.

Section 2: Insurance Coverage

It is agreed to amend this section to provide for the following:

- Effective the first of the month following notice of ratification, the Group Life Insurance for each qualified employee will increase by twenty thousand dollars (\$20,000) from one hundred twenty thousand dollars (\$120,000) to one hundred forty thousand dollars (\$140,000).
- Accidental Death and Dismemberment coverage will increase in keeping with the increase to Life Insurance coverage.

It is agreed to amend sub-section 'f' as follows:

- f) Eligibility 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.

Notes re Article XVII Section 2, Insurance Coverage (Article XVIII – Health and Welfare of Canfor CA):

This content is self-explanatory. Plan coverage parameters will be amended as outlined. The commencement of eligibility amendment of sub-section 'f' is intended to maintain the commencement point of coverage which has traditionally been the case under the former 30 day probationary period.

Section 3: Dental Plan

It is agreed to amend sub-section 'e' as follows:

- e) Eligibility 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.

Notes re Item 8, Section 3, Dental Plan:

This content is self-explanatory. The commencement of eligibility amendment of sub-section 'e' is intended to maintain the commencement point of coverage which has traditionally been the case under the former 30 day probationary period.

9. 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.

Notes re Item 9, Pension Plan:

Questions on this item should be directed to your company's negotiating committee representative, or to the staff at CONIFER.

10. 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.

Notes re Article XIX, Long Term Disability (Article XX of Canfor CA):

Effective the first of the month following the date of notice of ratification from the USW to the company. This item results in a reduction in the LTD plan funding arrangement from \$1.20/hour (split 50/50 between employer and employee) to \$.76/hour (split 50/50 between employer and employee). The second paragraph, as outlined, provides for a catalyst to alter the contribution rate upwards if the financial health position of the plan deteriorates below a 120% funded ratio. The maximum contribution rate is \$1.20/hour (split 50/50 between employer and employee).

11. Article XXXI, Education Fund

It is agreed to amend this article to provide for the following:

Effective March 1, 2023, contributions to the fund will be increased by \$0.01 per hour for a total of \$0.09 per hour worked per employee.

Notes re Article XXXI, Education Fund:

The current contributions to the fund, as adjusted at March 1, 2016, is \$0.08/hour worked per employee.

This amount will increase by \$0.01/hour to \$0.09/hour effective March 1, 2023.

Note: the “notes” contained in this document reflect the view of the CONIFER negotiating committee on each subject respectively.

Appendix #1

Sample Letter

Name
Union Local
United Steelworkers
Address
City
Postal Code

Dear Local Union Contact,

As per Article VII, Section 4 a), General Principles Item 16, 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,

Manager
Company ABC

Appendix #2

February 13, 2019

Mr. Brian O'Rourke
President
USW Local 1-2017
100-1777 Third Avenue
Prince George, BC
V2L 3G7

Dear Mr. O'Rourke,

During negotiations to renew the 2013-2018 Collective Agreement, the USW raised a concern in regard to the administration of Article VIII, Section 3 c) (Bumping) as a consequence of a recent West Fraser (Chasm) – USW 1-417 arbitration case (Kinzie, December 14, 2017).

Conifer member companies will not rely on the Kinzie decision to change the current practices or administration of Article VIII, Section 3 c).

Sincerely,

Michael Bryce
Executive Director