

Letter of Agreement

between

Aspen Planers Ltd.
("Aspen")

and

IWA Local 1-417
("Union")

This agreement is conditional upon the union successfully voting the crew on the attached shift schedule by Thursday May 27, 2004.

Whereas certain issues have arisen which each of the parties hereto are anxious to resolve; therefore the Union and Aspen have committed to the following;

Aspen Planers Ltd. agrees:

1. a) It will not operate with less than seven(7) millwright's in the bargaining unit. Term employees may be utilized until replacement bargaining unit employees are hired. If tradesmen work beyond thirty(30) working days then the Term employee's term can be extended beyond thirty(30) working days for a mutually agreeable time, permission will not to be unreasonably withheld.
b) The third shift will be manned with two(2) millwrights and one(1) electrician. If the third(3rd) shift is discontinued, the three(3) positions mentioned above will be laid-off as per the collective agreement.
2. Weekend clean-up will be reduced to five(5) persons plus the owner and equipment.
 - The five(5) people, excluding the owner, will pay a \$70.00 per month permit fee to the union local if they work during that month. They will not be a member of the bargaining unit and will have no bargaining unit rights.
 - The contractor will pay to a maximum of five(5) person, despite the number utilized in any one month.
3. The forklift that loads and unloads trucks will become a bargaining unit position once the third(3rd) flex shift is implemented.
4. Contract weekend maintenance manning levels will remain at historical levels.
5. Supervisor's/Foremen shall not perform bargaining unit work unless they are training, for relief, or emergency purposes. The company agrees that in the event of a perceived violation and a grievance being filed, the matter will proceed within 14 days and go before an arbitrator within thirty(30) days(a total of 44 days).
6. The company agrees it will not use contractors to do bargaining unit work. If the situation arises that a bargaining unit employee cannot be hired, the company may hire a Term employee, to allow time to hire a bargaining unit employee.
7. Aspen agrees to train the most senior person, Surjit Randhawa, as indicated on the training memorandum posted on August 9, 2002. This shall be done when he returns to work. All training for him shall be subject to the terms of the Collective Agreement. If Surjit Randhawa does not return to work in thirty(30) days, the training posting will be re-posted and a new candidate will be selected in line of seniority.
8. The DDM position shall be reposted as per the Job Posting Supplement by May 31, 2004.
9. The Company shall post a manning schedule, in the main lunchroom, for each shift on Friday of the previous week.

10. The Company shall grant access to the Union as per the Collective Agreement.

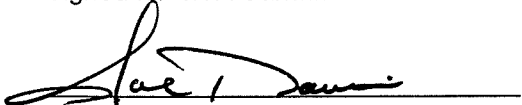
The IWA Local 1-417 and the Plant Committee agree to the following:

1. The local union acknowledges that the walkout of its members at Aspen on May 10, 2004 was contrary to the terms of the collective agreement. The local union will make every effort to instruct the membership that this type of action is illegal and is not condoned by the local union and as such the membership has put their jobs at risk by such actions. The local union will work with Aspen to make the legal remedies contained in the collective agreement work.
2. They agree to make up the four(4) production shifts lost as a result of this illegal strike action. The shifts will be made-up on Saturday June 5, 2004 and Saturday June 12, 2004 at straight time.
3. Alternate Shift Schedule – See Appendix A attached.

The continuance of a third shift will depend upon market and operational exigencies.

This agreement shall be in force and effect upon signing and ratification of the Alternate Shift by a positive crew vote.


Signed for IWA Canada Local 1-417



Al Bowman

Date *MAY 21, 2004*

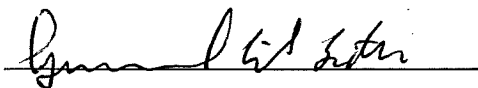
Signed for Aspen Planers Ltd.



May 21/2004


Date

Signed for IWA Canada



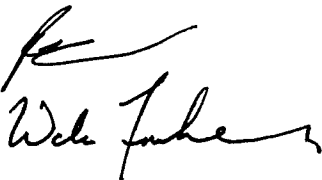
Cliff Nicholls

Date



MAY 21/2004

Date


Wade Fisher

APPENDIX A

LETTER OF UNDERSTANDING

BETWEEN

ASPEN PLANERS LIMITED
MERRITT, B.C.

AND

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

PREAMBLE:

The purpose of this agreement is to allow more production hours for the mill.

A) REGULAR SHIFT:

1. The work schedule shall be four (4) shifts each of ten (10) hours duration. These shifts shall be Monday through Thursday.
2. The normal hours of work will be 5:00am to 3:30pm and 6:00pm to 4:30am. The starting and stopping times may be adjusted to meet Forestry and Community needs.
3. There shall be two paid rest periods, one ten (10) minute and one fifteen (15) minute, per shift in addition to an unpaid lunch break.

B) SHIFT DIFFERENTIAL:

This will be as per the Collective Agreement.

C) OVERTIME:

1. Rate and one half shall be paid after ten (10) hours worked and double time after eleven (11) hours worked per day.
2. Employees working on a rest day will be paid time and one half for the first eleven (11) hours and double time thereafter.
3. Straight time hourly rates apply if a change in rest day results from the application of seniority or has been agreed between the employee and company. Any hours in excess of forty (40) in a week will be paid for at the appropriate overtime rates.
4. There shall be no premium paid to any employee whose rest days are changed as a result of shift rotation, implementation or discontinuance of an alternate shift schedule.

D) BEREAVEMENT LEAVE:

Bereavement Leave will be paid as per Article XI Leave of Absence, Section 6: Bereavement Leave, of the Southern Interior Master Agreement.

E) JURY OR WITNESS DUTY:

Income lost from the regularly scheduled hours of work in the alternate shift schedule.

F) STATUTORY HOLIDAYS:

Remembrance Day, Christmas Day, Boxing Day and New Year's Day will be down days and will be observed on the day they fall:

- a) if they fall on the employee's rest day the employee will receive eight (8) hours pay at straight time rates
- b) if they fall on your regular scheduled work day then the employee will receive the hours he/she would have normally received if he/she had worked
- c) the employer has the right to schedule all other Statutory Holidays to the employee's rest day and said employee shall receive eight (8) hours pay at straight time rate.
- d) if an employee works on the designated Statutory Holiday, he/she will receive rate and one half for the first eleven (11) hours and double time thereafter. He/She will also be paid the regular scheduled hours at straight time.

G) FLOATING HOLIDAY:

An employee taking a Floating Holiday will be paid the hours of his/her regular scheduled shift.

H) VACATIONS:

For the purpose of this Agreement, one week vacation entitlement will be considered to be the equivalent of four ten (10) hour shifts.

I) PROBATIONARY PERIOD:

Reference to thirty (30) working days shall be changed to two hundred and forty (240) hours under Article X Seniority, Section 3 Probationary Period.

12 HOUR WEEKEND SHIFT SCHEDULE

A) REGULAR SHIFT

The established hours of work shall be twelve (12) hour shifts, days and nights.

1. The work schedule will be three (3) shifts - Friday, Saturday and Sunday.
2. The day shift shall be from 5:00 am to 5:30 pm Friday and Saturday, and the Sunday night shift shall be from 4:00 pm to 4:30 am. The starting and stopping times may be adjusted to meet Forestry and Community needs.
3. Rest periods shall be two fifteen (15) minute rest periods per shift and one half (½) hour unpaid lunch.
4. All hours worked shall be at straight time rate.

B) OVERTIME:

1. Rate of double straight time shall be paid for all hours worked in excess of twelve (12) hours in any day of the week.
2. Incumbent employees on an assigned shift who, at the direction of the company, are re-assigned to another shift after their tour has commenced, will be paid straight time up to forty (40) hours. Any excess hours will be paid for at the appropriate overtime rates.
3. Employees working on their rest day will be paid time and one half for the first eleven (11) hours and double time thereafter.

C) STATUTORY HOLIDAYS:

Remembrance Day, Christmas Day, Boxing Day and New Year's Day will be down days and will be observed on the day they fall:

- a) if they fall on the employee's rest day the employee will receive eight (8) hours pay at straight time rates
- b) if they fall on your regular scheduled work day then the employee will receive the hours he/she would have normally received if he/she had worked
- c) the employer has the right to schedule all other Statutory Holidays to the employee's rest day and said employee shall receive eight (8) hours pay at straight time rate.
- d) if an employee works on the designated Statutory Holiday, he/she will receive rate and one half for the first eleven (11) hours and double time thereafter. He/She will also be paid the regular scheduled hours at straight time.

D) FLOATING HOLIDAY:

An employee taking a Floating Holiday will be paid the hours of his/her regular scheduled shift.

E) BEREAVEMENT LEAVE:

Will be paid as per the Southern Interior Master Agreement.

F) JURY OR WITNESS DUTY:

Income lost from the regularly scheduled hours of work in the alternate shift schedule.

G) HOLIDAYS:

For the purposes of this Agreement, one week's vacation entitlement will be considered to be the equivalent of three twelve (12) hour shifts.

H) BENEFITS:

Pension Plan, LTD contributions, Health Safety Fund and the Education Fund contributions will be made based on a minimum of forty (40) hours for the weekend shift.

Signed this _____ day of _____, 2004.

**I.W.A. CANADA,
LOCAL 1-417**

**ASPEN PLANERS LIMITED
MERRITT, B.C.**

