

IN THE MATTER OF AN ARBITRATION

BETWEEN:

CANADIAN FOREST PRODUCTS LTD.  
NORTHWOOD PULP MILL

("Employer")

AND:

COMMUNICATIONS, ENERGY AND PAPERWORKERS' UNION  
OF CANADA BILL HICKEY LOCAL 603

("Union")

COUNSEL:

FOR THE EMPLOYER:

Peter F. Parsons John

FOR THE UNION:

Rogers

DATE OF HEARING:

November 1, 2, 3, 2004 Prince  
George, BC

COLIN TAYLOR, Q.C.  
Arbitrator

This arbitration arises out of a grievance dated May 20, 2004 whereby the Union alleged that certain re-organizational and staff changes proposed by the Employer were in breach of the collective agreement.

The Employer submits that changes involving reduced testing requirements, conversion of panel controls to DCS/PLC, equipment upgrades, installation of analytical equipment, truck dumping automation, reduction of shift forklift operation requirements and process equipment obsolescence give rise to the need to implement certain re-organizational changes with consequential staffing changes,

The proposed changes, submits the Employer, create better relief ratios, increase clean-up resources and improve communications, training and efficiency while minimizing the impact on the workforce, the Employer emphasized that, while the proposed changes will result in amended job descriptions and the elimination of some jobs, there will be no layoffs out of the mill.

Article XXI , Section 1 of the collective agreement reads as follows:

## ARTICLE XXI - SENIORITY

### Section I: Principles

- (a) The Company recognizes the principles of seniority in their application to the promotion, demotion, transfer, layoff, recall and permanent movement from day to shift positions of an employee, providing the employee has the qualifications and ability to perform the

In cases of permanent job transfers, it is not the Company's intent to give a junior employee preference over a senior employee on the basis that he has acquired experience in providing relief.

If an employee is moved out of a line of progression for any reason, the employer will not require retesting of the employee for him to return to that specific line of progression. No employee will be removed from the mill as the result of unilateral testing by the employer.

- (b) The Company and the Union recognize that it is desirable to reduce the effect of layoffs on employees and at the same time continue to recognize mill seniority, job qualifications and the role of lines of progression, job seniority and departmental seniority.
- (c) Arrangements to implement the above principles will be discussed by the Company and the Union.

Following consideration of the submissions and the evidence and having regard for the principles found in Article XXI, I award as follows:

1. The Machine Room and Warehouse will operate as shown in the document attached to this Award and marked Appendix "A".
2. The Warehouseman positions shall be filled according to seniority but employees may elect not to take the job.
3. The Employer is not required to relieve in the Warehouseman positions.
4. Bruno Boppart shall be given an opportunity to fill a warehouseman position.
5. The Warehouseman position is a 12-hours-day-shift only position, subject to being affirmed by a vote of employees occupying the position of Forklift and down to and including all Utility positions. If the vote fails, then I will determine if a vote is required under the collective agreement.
6. The following changes shall take place in the Woodroom:

- (a) The first step is the creation of one line consisting of:

- Cat Operator
  - Front End Loader
  - Chip Dump Operator
  - Chip Screens Operator
  - Truck Dump Operator
  - Chip Dump Helper/Field Operator (8 persons)

- (b) The second step involves the elimination of the following positions:

- Chip Dump Operator
  - Chip Screens Operator
  - Truck Dump operator

- (c) The third step is for all employees to bump down.

7. Chip Screens duties will be moved to the Pulping Group line and filled in the usual way.

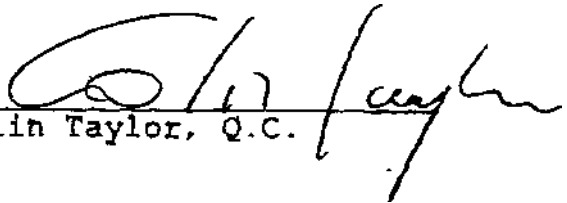
8. Displaced employees from the Woodroom and Fibreline Testers are provided a one-time only opportunity to bump into any Utility position (i.e. utility positions at the bottom of the Woodroom, Pulping Group, Machine Room & Warehouse lines of progression). Once the bump has been exercised, the employee has no right of recall.

Employees who choose not to exercise this opportunity to bump shall be moved to the labour pool.

9. All eligible employees have the right to apply for tech change severance pursuant to the collective agreement.
10. All employees affected by this Award shall be red-circled consistent with the Power Group model.
11. I have determined that the Power Group changes are consistent with the principles found in Article XXI of the collective agreement.
12. The following issues are remitted to the parties for discussion and resolution:
  - (a) The field operator rate;
  - (b) The status of the Chip Dump Helper job.
13. This Award does not affect certain outstanding grievances dealing with alleged contracting out. In the absence of an agreement between the parties, those grievances will proceed to arbitration.

I retain jurisdiction to deal with any issues arising out of the implementation of this Award.

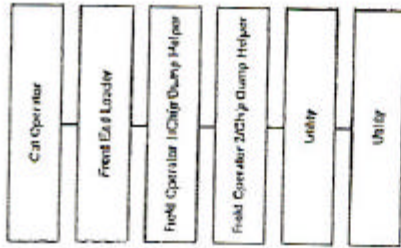
DATED at Vancouver, British Columbia, this 1st day of December 2004.

  
Colin Taylor, Q.C.

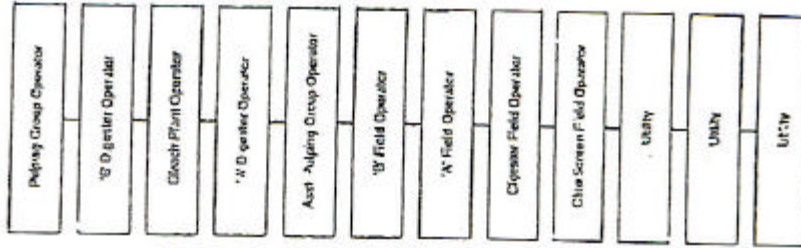
Appendix "A"

FIBRELINE - Final

WOODROOM



FULFILL GROUP



MACHINE ROOM & WAREHOUSE

