

STANDING COMMITTEE MEETING MINUTES

JANUARY 22, 1993

Present were: George Brajcich, Gene Dixon, Kris Keeler, George Kiepke, Larry Reandeau, Al Grantham, John Melink, Randy McEwen, Al Rollins, Trisha Norvell, Joe Hertig.

Items discussed:

1. 401(k) Plan - US Bank
2. Workers' Compensation
3. Retirement Plan
4. Employee Termination
5. Page 33, Section 28 - Grievances
6. Cobra Plan
7. Grievance 93-1
8. Grievance 93-2
9. Grievance 92-8
10. Employees Time Off
11. Training Labor Pool Employees
12. Compressed Work Week
13. Federal Accounting Standard 106 & 109
14. Absentee Report
15. Relief Shift Mechanic Transition to Days
16. Restricted Periods
17. Meal Ticket Value
18. Vacation Donation
19. Storeroom Job
20. Clockroom Scheduling of Labor Pool Employees

1. 401(k) PLAN - US BANK

The Union Standing Committee is interested in hearing a presentation from US Bank on the Local 1097 negotiated (401(k) plan. Joe Hertig will arrange for this presentation.

The Union Standing Committee objects to the Company refunding contributions to the 401(k) plan as a result of contribution amounts failing the required discrimination test. The Union believes the money should be refunded from the JR Stock Plan or allow employees the option of choosing which plan the refund the refund should come from. Joe Hertig stated that the JR Corporation made the determination and locations cannot change that directive.

The Union will pursue their objections through the International Union. The Union believes that Corporate & International officers will have to resolve the issue.

2. WORKERS' COMPENSATION

The Union noted concerns regarding Worker' Compensation issues:

- . Workers' Compensation investigators are brought in to investigate a claim of work related injury or illness when there is no good cause.
- . HR is not being provided all the information when an incident occurs and schedules the investigation on insufficient information.
- . When a physician determines an incident is work related an investigation occurs. In one case, an employee went to the doctor because of sore feet which had become sore due to equipment needing repair. The investigation which resulted caused fear for this employee. The employee had reported concern for how the equipment was performing.
- . It is a waste of money to pay for an investigator when an investigation is not required.
- . Incidents of this kind result in an employee getting a bad "reputation" when it's not deserved.

3. RETIREMENT PLAN

The Union expressed concern about a letter mailed to all hourly employees regarding funding of the JR retirement plan. Joe Hertig will contact Tom Atkins in Richmond to get clarification of the intent of the letter. The Union Standing Committee stated that questions regarding the JR retirement plan may require the International Union officers get involved in order to assure that the retirement funds have been handled legally.

The Union recommended a joint committee be established to ensure that employees are properly informed about the retirement plan. Such a committee would provide in-house expertise on retirement. The Union stated that if a joint committee is not formed then the Union would form such a committee to represent Union members' interests. George Brajcich and Joe Hertig will pursue forming a joint committee.

4. REINSTATEMENT OF TERMINATED EMPLOYEE:

The Union confirmed their concern that they were not given the opportunity to represent a new hire employee who was terminated. The Union stated that they have the responsibility to represent an employee from their first day of employment and that the employee has rights to representation from that first day. The Union stated they are required by Federal Law to provide this representation and they have the responsibility to inform their members of this.

The Company recognizes the Union has certain responsibilities under the contract and welcomes the Union's participation in the "new employee" orientations. The Company stated the newly hired employee is an "at will" employee during the 60 day probation period and will be held to the same standards as all other employees in the department. The Company will clearly define those standards by outlining the specific objective expectations of job performance.

The terminated employee has been re-instated and will be blue slipped as if the employee had never left employment. The employee was provided all benefits and entitlements as if the employee had been working. When an employee has been drawing unemployment benefits, the amount of those benefits will be deducted from the amount of benefits the employee would have received had they been working.

5. PAGE 33/SECTION 28 - GRIEVANCES:

. 93-02 The Union identified this issue as a complaint. The Company expressed concern regarding the difficulty of processing a complaint presented on a grievance form.

The Union Standing Committee suggested taking the complaint out of grievance numbering system and that the Company answer it as a complaint. The Union requested that the Company treat disputes and complaints as seriously as grievances.

The Company Standing Committee expressed caution regarding processing complaints as though they were grievances. The Company stated that a complaint does not provide an arbiter a basis to decide on an issue which is not contractual.

The Union Standing Committee stated that Wauna has a legacy of solving issues internally without arbitration. The Union said they are seeking, or suggesting, a way to ensure that disputes not remain unresolved and then potentially lead to grievances.

The Company remains concerned that there could be non-contractual issues (complaints/disputes) that are un-reconcilable.

- The Union and Company agreed to view Grievance #93-02 as a complaint and attempt to address concerns regarding the transfer of maintenance personnel.

6. COBRA PLAN

The Union had questioned the rates which were set by Richmond for persons utilizing COBRA. The Company requested a review of those rates by James River and found that, in fact, they had been computed incorrectly for Wauna.

Federal law regarding COBRA states that the employer can only charge 2% above the group rate for employees covered under the specific plan. The current rates are above that 2%.

Joe Hertig will follow up on concern to assure that the Company is managing the COBRA plan appropriately and the group on which the rate is based is the correct group.

The Union's concern regarding the Company's response to other grievance settlements was discussed at this time. The grievance

7. GRIEVANCE 93-01

The Union Standing Committee is challenging the denial of transfer to an employee. The denial was based on a current record of disciplinary action regarding unsatisfactory work performance.

The Union requested that the employee be allowed to transfer to the job and demonstrate his ability to perform satisfactorily during the 60 day probationary period.

The Company stated that the employee has demonstrated unsatisfactory work performance in his current job and that his current job duties are very similar to those of the job to which he has requested transfer.

8. COMPLAINT RE: MECHANICS TRANSFERS

The Union Standing Committee stated that the Company improperly transferred a mechanic from one area to another. The decision has created friction and it is viewed as favoritism, since people who previously requested to work in Converting have not been assigned there. The Union believes that the decision was based on convenience to the Company.

The Company Standing Committee stated that we had an issue with an apprentice who, upon making Journey level was designated to go to Converting (or at least Towel & Tissue Mtce.). The Company confirmed that it is difficult to match where people want to go with crewing needs. The employee who was moved to another department had not expressed dissatisfaction with the proposed move. The Company stated that the move was not based on ability to perform the work.

The Union Standing Committee stated that pre-assignment of new journey level mechanics should not be pre-ordained. Maintenance employees with many years of service are upset that a new journeyman was assigned to Converting.

The Company stated that the decision was made by management to meet the needs of the mill while being sensitive to those affected by the decision. Management will go back to the grievant and the displaced employee to further talk about the process and to get their input on what other sensitivities to the move might exist.

The Union Standing Committee stated that the issue of transfer of maintenance personnel is unresolved and that they may choose to process the issue further.

9. GRIEVANCE 92-08

This issue was resolved with the Company agreeing to reduce a "Letter of Reprimand" to a "Letter of Discussion". The Company stated its intent to act expeditiously when there is agreement at the Standing Committee level that a specific action will be taken.

The Union's concern regarding the Company's response to other grievance settlements was discussed at this time. The grievance

pertaining to punch lists on new construction was reviewed. The Company confirmed that:

- The notification process was followed concerning the grievances on the CLO₂ Project.
- The punch list is a tool used in project management, not a method to be used for notification.
- The issue was referred back to the Mechanics Comm. where it is being worked on. Should the Mechanics Comm. not be able to resolve the concerns, the grievance will be referred back to the Standing Committee.

10. EMPLOYEE'S TIME OFF (Bona-Fide Reasons)

The Union requested that bona-fide reasons for granting time off be clarified or better defined.

The Company Standing Committee stated that determining whether a basis for granting time off is bona fide is a judgment call based on the situation at hand. Each case must stand on its own merits.

The Standing Committees agreed there is a need to inform employees about the State of Oregon law which requires employers to grant unpaid leave, up to 12 weeks annually, to employees requesting it to care for family member who is ill or in the event of the birth of their child. The Company has posted notices and some employees have utilized the family leave policy. The Company committed to ensuring that supervisors understand that this type of leave is required by law and is to be entered in the absentee report as an excused leave rather than as an absence.

The Company stated that it is appropriate to review an employee's record of absenteeism to determine whether family leave or parental leave has been incorrectly entered as a personal absence and included in the absentee rate.

11. TRAINING LABOR POOL EMPLOYEES

The Union expressed concern that the Company has not trained the more senior laid off employees to perform some of the jobs which are available to laid off employees. The Union believes the Company's objective is to provide an opportunity to become qualified, rather than deny assignment to senior people because they may not be qualified.

The Company noted that the labor agreement does not require training to assure qualifications for jobs available to Labor Pool employees. The Company is, however, sensitive to the issue of qualified and is training senior laid off employees to provide qualifications when it is appropriate to do so.

12. COMPRESSED WORK WEEK

The Union Standing Committee has been informed that a management employee is using taking away the Compressed Schedule as a threat. The Union noted that the forum for discussing such issues is the

Joint Standing Committee; the Company concurs.

The Union stated that penalties incurred as a result of the Compressed Schedule are largely the result of scheduling meetings to accommodate day shift management employees. The Union Standing Committee stated its interest in participating in efforts to improve the way meetings are scheduled rather than being told that the Compressed Schedule will no longer be an option.

The Union stated that employees also need clarification regarding whether training is mandatory or voluntary.

FASB 106 & 109

Joe Hertig informed the Standing Committees that the Federal Accounting Rules 106 & 109 will have an impact on the profit sharing for employees.

Joe Hertig confirmed that Tracy Trahan will discuss FASB 106 & 109 at the February Standing Committee Meeting.

14. ABSENTEE REPORTING

Trisha Norvell reported the progress to date on the upgrading of the absentee reporting system. Larry Reandeau and Trisha Norvell have participated in meetings with Mike Huff, MIS, and Kay Crist, Converting. The purpose of their efforts is to correct problems in the current reporting system to increase the accuracy of the data. Larry Reandeau encouraged employees who may have a concern regarding their percentage of absenteeism to discuss their concern with their supervisor or Shop Steward.

Kay Crist described the new reporting system. It is based on a 12 month rolling average and shows hours an employee is absent and categorizes the type of absence. Category A is a No show/No report; Category B is sick or personal business; Category C (no discipline) is contractual; Category D (no discipline) is industrial injury or illness, family or parental leave and military leave.

The current Absentee Policy uses 5% as a gauge. The Company will continue to collect data to test whether the 5% rate which triggers counseling and progressive discipline is appropriate or is too high and should be lowered. The Company will notify the Union if the percentage rate is to be lowered.

The Union Standing Committee requests a full description of the categories of absence of what kinds of absences fit in each category. The Company committed to review the categories with the Standing Committee and to create written guidelines which describes the entire program.

Kay Crist stated that four reports will be generated by MIS which will present the data the supervisors have entered. The four reports are: 1) Hours of absence by employee for categories A and B; 2) A department report of absences for categories A, B, C & D and

absentee rate for the department in categories A & B; 3) Absences by business unit in categories A,B,C & D and absentee rate for the business unit; 4) Hours of absence reported by each person authorized to enter data in the payroll system.

The Standing Committees discussed concerns regarding entering overtime hours missed as hours absent and the current incapability of the system to count those hours as hours worked. Mike Huff is working on the system to respond to that issue.

Employees are encouraged to periodically check with their supervisor to determine the percentage of absenteeism calculated and assure that it is accurate.

15. RELIEF SHIFT MECHANIC TRANSITION TO DAYS

The process for the transition of relief shift mechanics back to days has been reviewed by the Maintenance Superintendents. Several proposals have been discussed. The Company intends to return to the underlying principle of the Compressed Work Week which states that the Company will incur no additional penalties as a result of working that schedule.

The Union will discuss the transition issue further with the relief shift millwrights and shift millwrights whom it affects and come back to the Company Standing committee with that input.

16. RESTRICTED PERIODS

The Company Standing Committee at the last meeting committed to confirm any joint special agreement which may exist regarding restricted periods (post 1985). After conducting that research, Joe Hertig confirmed that no such special agreement exists in the records he was able to find.

The Union committed to review their 1985 negotiation notes for any references to restricted periods.

17. MEAL TICKETS

Joe Hertig presented the survey Shelley Prouty had completed of local restaurant meal costs, based on the 10 restaurants with the highest dollar volume. The survey indicated that in 1991 an average meal cost was \$7.74. The 1992 data indicated an average meal cost of \$7.61. This data included prices from some new restaurants added to the meal ticket list in 1992. The Wauna Steering Group reviewed the data and agreed to an increase in the value of a meal ticket to \$7.25. The WSG decision was based on fairness to Local 1097, the cost impact on the Company and comparisons with our competitors.

The Union Standing Committee expressed dissatisfaction with the decision to base meal ticket value on the value of competitors' meal tickets. The Union stated appreciation for the increase. The Union may wish to discuss the issue further at a future date.

18. VACATION DONATION

The Union stated that all requests for vacation donations will be referred to the Local Union. If an emergency donation request occurs, the Union Standing Committee will act.

19. STOREROOM JOB

Joe Hertig presented the need to fill Storeroom jobs from the Labor Pool through the period of the #2 Yankee Grind (to approximately February 2, 1993). The Union expressed frustration that this issue still exists and that the job or jobs have not been posted as vacation relief positions. The Company confirmed intent to properly resolve the issue of filling jobs in the Storeroom.

SCHEDULING OUT OF THE CLOCKROOM

Joe Hertig reported that meetings with the Clockroom attendants had resulted in a standardized procedure for filling job openings with department employees laid off to the Labor Pool from their blue slipped jobs and for filling jobs with blue slipped Labor Pool employees.

The process will be followed by all Clockroom attendants. It will require that departments advise the Clockroom of all laid off employees and of all jobs available to be assigned to laid off employees and employees blue slipped to the Labor Pool. Lay-off Pool and Labor Pool assignments will be made **AFTER** 8:00 a.m. on Fridays to those jobs we were advised were available **PRIOR** to 8:00 a.m. on Friday. Those jobs will be assigned to those employees who were advised, **PRIOR** to 8:00 a.m. on Friday, that they would be laid off and to Labor Pool employees. Jobs will be assigned on the basis of seniority and qualifications.

This procedure is designed to assign people appropriately and to minimize the impact of layoff to senior people where practical. The Union Standing Committee expressed appreciation for this effort.



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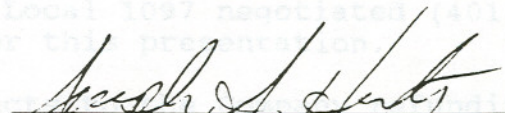
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Larry A. Pearson
Union Standing Committee


Joseph A. Hertig
Company Standing Committee