

SPECIAL STANDING COMMITTEE MEETING MINUTES
February 25, 1993

Present were: Joe Hertig; George Brajcich; Gene Dixon; Larry Reandeau; Bob Sullivan; Kris Keeler; Trisha Norvell

KRAFT MILL/PULP DRYER: Ron McClintock presented the Kraft Mill management's plan for reducing the staffing in the Kraft Mill and Pulp Dryer. Following the discussion the Standing Committees confirmed agreement to combine the Utility positions in the the Kraft Mill with the Junior Balerman positions in the Pulp Dryer and send the department junior persons back to the Labor Pool. The Junior Balerman job will be eliminated and needs for Senior Balerman work to be performed in the Pulp Dryer will be met with the junior Utility person remaining in the progression ladder. If there is no Utility available to go over to the Pulp Dryer, the need will be met from the Labor Pool.

The junior person(s) from the Kraft Mill Utility positions who are returned to the Labor Pool, will be blue slipped to the Labor Pool with grandfather rights to the Utility job in the Kraft Mill when a permanent opening occurs. The blue slip will state the reason the employees are being returned to the Labor Pool and confirm those grandfather rights, in order of department seniority, when a permanent opening occurs.

The employees in the Junior Balerman position who are returned to the Labor Pool will be blue slipped to the Labor Pool with grandfather rights to the next permanent opening in the Senior Balerman's position or to the Junior Balerman's position, should the Junior Balerman job be re-instated.

When a permanent opening occurs above the Utility job in the Kraft Mill, only those employees who had been laid off from the Kraft Mill Utility may accept that opening. If the employee refuses the opening, no subsequent openings will be made available to that employee; in that case grandfather rights are considered revoked.

When a permanent opening occurs above the Utility job in the Pulp Dryer, only the employee(s) laid off from the Pulp Dryer may accept the opening. If the employee refuses the opening, no subsequent openings will be made available to that employee; in that case grandfather rights are considered revoked.

A letter confirming the plan for reduction of staffing in the Kraft Mill and the Pulp Dryer and the agreement to grandfather affected employees to the appropriate future permanent openings will be written to each affected employee. It will be signed by the Union and Management Standing

Committees. A copy of the letter will be placed in their personnel files.

PROBATIONARY EMPLOYEES IN MAINTENANCE:

Clay Pillar advised the Union Standing Committee that management had determined, in the face of current economic conditions, it is necessary to cancel the Maintenance Helper program. All Helpers selected to fill bids to millwright helper positions and an electrical and an instrument helper position, are within their 90 day probationary period and will be returned to the departments in which they maintain a current blue slip. These people will also be grandfathered to where they were in the probationary period in the Helper positions to which they had bid, when openings occur in each area.

Clay Pillar further advised the Union Standing Committee that the Journeyman Pipe Fitter position for which Joe Rudolphi had applied and was selected, was canceled. He will be returned to the department to which he is currently blue slipped during the 60 day probationary period. Joe Rudolphi will be grandfathered to the next opening for a journeyman pipe fitter.

Joe Hertig advised the Union Standing Committee that management will study additional reductions. When a decision is made the Union Standing Committee will be advised.

WAGE REDUCTIONS AT WAUNA: Joe Hertig asked the Standing Committee, based on questions brought to him from both salaried and wage employees, "What if salaried and wage employees took a 5 to 10% across the board cut in salary and wages to save jobs?"

The Union Standing Committee raised issues around that question. Joe Hertig will bring those issues to the Wauna Steering Group. They are:

- * If all wage and salaried personnel at Wauna took a 10% reduction in compensation, would that mean everyone stays?
- * Reminder: Local 1097, U.P.I.U., had a document signed by the James River Corporation and the U.P.I.U. that concessions would not be sought.
- * How long would a wage cut last if one was put in place? If business turned around would the money come back?
- * If the wage and salaried compensation cut were put in place, would that guarantee employment for everyone currently on the payroll?
- * Why is the cost reduction only geared to compensation

without considering other costs?

* If the compensation cuts were put in place would the 5% increase for salaried employees stay?

* If the compensation cuts were put in place, how would the Union know that salaried employees wouldn't continue to get their merit increases?

* How does Local 1097 explain the Halsey contract?

* Why should we keep meeting as a "High Road" Committee when we are taking the low road?

* Is the Company willing to discuss new Seniority Groundrules?

* Comment: The Union stated that is It is difficult to understand the financial problem when the recent Converting re-organization didn't result in any reductions- just re-assignments.

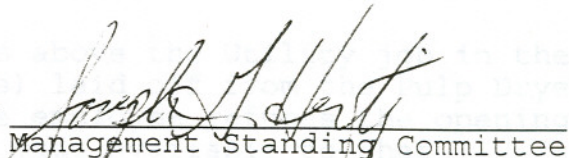
CONTRACTUAL PROVISIONS: George Brajcich informed the management of James River Wauna Mill that at this time Local 1097 will abide by the contract. He noted that the Labor Agreement provides that the Union and Company Standing Committees have the contractual authority to change or revise the Seniority Groundrules.

In response to a question regarding when it might be possible to sit down and talk about Seniority Groundrules, Joe Hertig stated that management will strive toward being prepared to talk with the Union early next week.

The Union Standing Committee stated that the Union feels urgency because the unknown is so upsetting and there is a real need for the plan to be clear.

APRIL 1, 1993, LUMP SUM: The Standing Committees confirmed that the lump sum payment applies to all persons on the payroll as of April 1, 1993.


Union Standing Committee


Management Standing Committee