

JOINT STANDING COMMITTEE MEETING MINUTES

September 20, 2006

Members Present:

USC: Rick Erickson, Curt Ollila, Larry Reandeau, Ron Jones, Mike Bouse

MSC: Ann Fleck, Maury Shipper, Shawn Wood, Bruce Linehan, Frank Walsh

JSC: Both

Agenda:

- **Grievances:** 06-25, 06-31, 06-32
- **Other Items:**
 1. Timeliness of Step 1 Grievance Responses
 2. Attendance Discipline
 3. FMLA and the Attendance Policy
 4. Vacation Leveling
 5. "Scheduling Alert" Communication
 6. Maintenance Staffing Levels
 7. Rapid Transformation Staffing Update
 8. Operator Basic Care Work
 9. Skill Builders in Converting
 10. #7 PM Staffing
 11. Converting Seniority Issues

Grievances:

06-25: Call-Time Issue - Storeroom

USC: Want to confirm that the grievance was paid. Also suggest that when an adjustment is made, a copy of the form be sent to the employee. Because of the way things show up on an employee's pay stub, it is sometimes difficult to see if it has been paid or not. Sending the form might clear up some of the confusion.

MSC: Will confirm with payroll and look at sending copies of adjustment forms to the employee involved in the future.

06-31: No Call, No Show Issue

USC: This grievance was referred back to 1st step for resolution. Has the grievance been resolved?

MSC: We are working through the issues involved with this grievance. Each individual situation is being reviewed on a case-by-case basis.

06-32: Scheduling Issue

USC: The employee was on a day-off to day-off vacation. When the employee returned to work on what would have been their normally scheduled day, they learned that their crew had been changed. While this is fine, the employee was given no notification that their schedule had changed. They were sent home shortly after having started work.

MSC: Agree that the employee was not properly notified. However, believe that penalties were paid to the employee.

USC: Understand, however, the employee did not receive the full amount due them for the situation. They only received part of the penalty. We believe they should have received four hours of call time plus three hours failure to provide.

JSC: Sent back to 1st step for resolution.

Other Items:

1. Timeliness of Step 1 Grievance Responses

USC: We are having some issues with new supervisors understanding that they need to respond to 1st Step Grievances in a timely manner.

MSC: There may be occasions when it takes some additional time to research the information since folks are newer to the mill. But we will follow-up to ensure everyone understands the process.

JSC: Need to jointly work together to ensure both sides understand the grievance process and the contract language.

2. Attendance Discipline

USC: We are seeing an increase in disciplinary actions for attendance. In some cases, employees are on or very close to the 1.6% threshold. We had one case where we are concerned that the employee was disciplined but had not really crossed the threshold.

MSC: We will review the specific employee's record and confirm if the disciplinary action was appropriate.

Note: After reviewing the individual's absenteeism record, as of the date of the absence that resulted in disciplinary action, the employee's rate was at 1.65% which is above the threshold.

3. FMLA and the Attendance Policy

USC: We have been getting a number of questions about FMLA and whether or not days that are covered by FMLA are being counted as part of individuals' absenteeism rate. In some cases, in EAS it looks like the day has been marked as FMLA, but is still included in the rate.

MSC: FMLA is not included in the absenteeism calculation. The confusion may occur when we have situations where FMLA is pending. In situations where an individual has applied for FMLA, there may be comments in the system that the absence is pending FMLA coverage. While it's still pending, the absences are still included in the rate. Once we have the final documents from the physician and/or employee and it has been determined that FMLA coverage is appropriate, the change is made in the system to correct the attendance. In the event this changes any actions that have been taken with an employee, that is also corrected if appropriate. We have had several situations recently in which individuals may have exhausted their FMLA allotment, but still had additional absences. In those situations, the absences are not covered by FMLA and are included in the absence rate. Typically, those absences may not result in disciplinary action if they are related to the original serious health condition. However, additional absences that occur beyond that will be addressed if the individual's rate is above the acceptable 1.6% threshold. These situations are all reviewed on a case-by-case basis, but the reality is that at some point it becomes an availability to work issue.

4. Vacation Leveling

USC: We have a situation in the PM where junior employees are being approved for vacation ahead of more senior employees that have signed up for the same period of time. This has occurred because of a variety of reasons, but needs to be addressed.

MSC: We will work with the appropriate individuals to address the situation.

5. Scheduling Alert

MSC: Recently, we've had a few issues where folks (both salaried and hourly) have "forgotten" about scheduling guidelines that the Standing Committee has either agreed to or changes that have been officially communicated through the Standing Committee. Often people may simply not be aware of guidelines. To help correct that situation, we will occasionally be putting out a "Scheduling Alert" to remind people of various scheduling guidelines.

USC: Believe that is a good idea. Would request that a reference to where the information came from be included.

6. Maintenance Staffing Levels

MSC: Communicated an official letter from the Mill Manager that the Maintenance Staffing level is being changed as a result of the implementation of Rapid Transformation and the expected reduction of work that will be taking place.

7. Rapid Transformation Staffing Update

USC: There have been a lot of confusing rumors in the mill. Can you give us an update regarding where we are at with staffing levels and how many folks have already left the organization?

MSC: As you know, we have communicated that we expect to have a staffing reduction of ~ 100 employees within the hourly workforce, with about half targeted to come from operations and half from maintenance. These numbers were communicated prior to the approval of the #7 PM and do not include any staffing changes that may result from the new machine or other equipment changes that may occur.

As of 8/31, we have had 58 hourly employees terminate from the organization. In addition, we currently have about 12 others who have signed the paperwork indicating they are either retiring or resigning. So in total, ~70 of the 100 have been identified. And, again, this does not include staffing changes that will be made as a result of new capital (i.e. the #7 PM and any converting equipment that is still pending approval). With the current attrition rates, it is possible that the reductions may be able to be managed through attrition rather than via lay-offs.

USC: Are the numbers of employees that have left the organization balanced between maintenance and operations? What happens if we don't have enough maintenance employees leave through attrition?

MSC: In the event the attrition is not balanced and this occurs, we will follow the contract. In general, if it's clearly a temporary situation, before a maintenance employee would be laid off, they would be sent back to the labor pool and work in operations as their seniority entitled. If it was the result of a permanent reduction or elimination of their position, bump rights per the contract would also apply. Additionally, rate retention would apply per the contract.

8. Operator Basic Care Work

USC: There has been a lot of discussion regarding operators taking over and doing maintenance work. We believe that it is clearly defined in the contract that maintenance employees own maintenance work. The specific trades are listed in the contract.

MSC: Operators will be doing some basic care. However, this is similar to work that they already do and in most cases is included in their job descriptions. In some cases, such as with the elimination of the Adjuster positions, we will need to work on updating the job descriptions for the other positions and job analysis would apply. We intend to follow the contract.

USC: Interpretation is wrong on the floor. Aware that there will be changes in the job descriptions and job analysis will be needed.

JSC: Agree that it would make sense to have some additional education around RT with the Standing Committee to make sure it is understood exactly what "Operator Basic Care" includes.

9. Skill Builder in converting

USC: There are a lot of discussions going on in Converting regarding the new Skill Builder positions. This has not been reviewed at Standing Committee yet.

MSC: Agree that we need to discuss these roles with the Standing Committee. At this time, the positions have been approved, but we are still working on exactly how the roles will be staffed, what their responsibilities will be, etc. Before we begin staffing the roles, we will certainly discuss with the Standing Committee.

10. #7 PM Staffing

MSC: Currently we have an individual who is on special assignment supporting the #7 PM project. We would like to request that the union agree to extend the normal 6 month special assignment timeframe to last 18 months (essentially the duration of the project). We have been given authorization to "backfill" for individuals working on the project. This would allow us to retain an additional employee for this period of time.

USC: Would need to review the request and get agreement from the union body. Will respond after the next Union meeting.

MSC: There is the potential for additional, similar opportunities, but we will bring those forward on a case-by-case basis for discussion.

Note: The request was reviewed by the membership at the next Union meeting and approved. The employee can work special assignment on the #7 PM project for the 18 month period of time, but the request needs to be reviewed by the Standing Committee every 6 months.

USC: What is the status of the #7 PM bids? We need to discuss how many positions will be bid, the timing of when people accept the bids and start in their new positions, etc.

MSC: Agree that we need to discuss. The job descriptions are nearly complete and we will share those as soon as they are. As we agreed, the bids will be posted for a 30-day time frame. We are currently targeting posting the bids toward the end of October once the T-rates have been established and then begin the selection process once the bid closes. Training is targeted to begin in the February/March time frame.

MSC: Will staff #7 PM with 5 employees per crew – 1 machinetender, 1 backtender, 2 A-pool and 1 B-pool. Additionally, we are working on identifying the appropriate number of reliefs that will be part of the ladder.

USC: Suggest that the bidding process includes a way to leave a contact number so they can be reach within 24 hours of notification. Should post jobs in January as not many people are on vacation then or possibly then end of December.

MSC: January is probably too late to wait if we want to free employees up to begin training and have the backfills identified and trained so that the rest of the mill can continue to run without major disruption. Agree that we need to make sure and communicate when the bids are posted so that folks who are interested don't miss the opportunity to sign up.

JSC: Need further discussion on the bid process and timing.

11. Converting Seniority Issue

USC: We have a situation in Converting in which an employee has been on Special Assignment over the 6 month time frame. While we understand the reasons for it, we believe that the employees who have been set up for that time frame should be blue slipped into the positions to protect their seniority.

MSC: Agree. Will follow-up.

Next Standing Committee Meeting: October 18, 2006

For the Company

For the Union

Date

Date