

# Lavallet addresses K-C Mill employees in letter

(On August 25, a letter was sent out to all local Kimberly-Clark employees by K-C Canada President Jack Lavallet on the same day as his announcement regarding the lay-off of 255 employees by the company, plus 100 temporary workers. As this is of interest to all area residents, the News is publishing the letter in full below, as a public service.)

Dear -----:

As you no doubt have heard by now, we have had to take the drastic measure of laying off 76 salaried mill and woodlands employees as well as 179 hourly mill and woodlands employees.

The jobs of all temporary employees are also being eliminated. Lay-offs of hourly mill employees will be determined by a joint union-management committee in accordance with a lay-off policy formulated by both groups in 1956. These employees will be notified as soon as possible.

In addition, we plan to suspend our woodlands operations for a two-month period, beginning Tuesday, September 2, 1986, in order to reduce wood inventory. Further action will be considered in the new year, depending on wood requirements at that time.

We want you to know that these steps were not taken without considerable agonizing on our part and only after an exhaustive study had been made of our problems and prospects. It is, in effect, our survival plan.

The problem, quite simply, is that our Pulp and Forest Products Operations

have been losing substantial amounts of money for a number of years--\$78 million in total since 1978 and \$17 million in the past year alone.

This has been due primarily to the continuing depressed prices of pulp in world markets as a result of over-capacity and over-supply in the industry in Canada and the lower cost of our competitors abroad in acquiring and harvesting fiber and producing pulp. This situation has been made even worse by increased consumer demand for competitive types of pulp.

Obviously, this cannot continue. We either have to find a solution or face the prospect of closing down, eliminating 1,800 jobs and, in effect, destroying the economy of this part of Northwestern Ontario.

We recognize the extreme hardship a decision such as this can impose and with this in mind, we have offered--to the extent that our financial resources allow--a generous severance and retirement package to help ease the effect on the communities of which we are proud to have been a part for nearly 40 years.

We want you to know that all employees being laid off will be treated fairly and justly--in most cases far beyond the legal requirements. A major effort will be made to assist them in finding other employment and to provide counselling on such matters as job search, benefit plans, pensions, unemployment insurance and the like.

A job placement committee, comprised of com-

pany, union and governmental representatives, will be set up immediately and a job centre established on the mill site to provide secretarial and financial counselling assistance.

In addition to the number of employees who will be laid off, we will be offering early retirement to salaried employees age 55 and over and mill hourly employees age 57 and over. A total of 109 employees are eligible for this benefit which will include extended Ontario Health Insurance and Company Health Care Plan coverage.

Under this program, eligible employees will receive an improved pension benefit, including a special monthly supplement. In many cases, this means that employees will be offered a pension equal to what they would receive if they had worked until the age of 65.

While we believe our plan will enable the mill to operate more efficiently, we must now turn our attention to woodlands costs. As indicated above, we have made a start by reducing and suspending our harvesting operations for the next two months--but much more needs to be done. Only when we have reduced these costs will we feel confident that we have a secure operation.

We thank you for your loyalty--now and in the past--and actively seek your support to reach our mutually-beneficial goal of making our operation one of the best in North America.

Yours sincerely,  
J. L. Lavallet  
President



## Cooking Demo

Tupperware Ltd. sponsored a microwave cooking demonstration on August 21 at the Terrace Bay Recreation Centre. There were about 17 in atten-

dance at the free class held by Lorraine Fee, seen above, and Grace Parker. Both women are from Thunder Bay.

## Play your part



Each year in Canada, about 70 young children are killed and 4000 are injured in car crashes.

The latest national survey showed that almost 80% of children under 5 are not being protected adequately in motor vehicles.

Transport Canada sets tough safety

standards that manufacturers of infant carriers, child safety seats and booster seats must meet.

You can provide the best protection for your children by securing them in a properly installed seat, anchored to your vehicle by a top tether strap.

### Buckle up. It's the thing to do.



Transport Canada Transports Canada

Canada



Ducks Unlimited Canada

Terrace Bay/ Schreiber Committee

**BANQUET & AUCTION**

**Friday, September 5, 1986**  
**Schreiber Recreation Complex**

**Minneapolis Vacation - sponsored by**  
**Austin Airways**

**Limited edition** framed prints, commemorative Beretta shotgun, wood carvings, and many other items to be auctioned and raffled.

**Admittance** by advance tickets only

**Tickets available at:** Home Hardware, Terrace Bay,  
Sun & Fun Sports, Terrace Bay  
Western Tire, Schreiber,  
Cebrario's Hardware, Schreiber

**or from the following committee members,** Dave Speer, Will Robinson, Joe Marcella, Bob Baxter and Preston McKeever.