

IP, union sign labor agreement

Memphis Business Journal - 11:02 AM CDT Friday, August 24, 2007

International Paper and the United Steelworkers of America reached a four-year agreement which sets the framework for bargaining future local labor contracts at 14 of the company's U.S. pulp, paper and packaging mills.

Union members ratified the agreement on Thursday. IP and United Steelworkers of America reached a tentative master agreement on Aug. 15.

The agreement continues health care benefits, enhances company contributions to its retiree medical savings plan and could improve employees' pension benefits.

It also defines hourly wage increases over the four-year period and establishes a separate wage structure for new hires.

The agreement prohibits labor strikes and lock-outs during the term of the current mill contracts and their four-year extensions.

Based in Memphis, International Paper (NYSE: IP) is the world's largest pulp and paper producer, with total capacity of 17.2 million tons and 69,000 employees in operations across 40 countries. It employs approximately 2,500 people in the Memphis area.