

COLLECTIVE AGREEMENT

Between

**VERTEX CUSTOMER MANAGEMENT
(CANADA) LTD.**

and

POWER WORKERS' UNION

CANADIAN UNION OF PUBLIC EMPLOYEES – C.L.C.

LOCAL 1000

October 1, 2007 – September 30, 2010

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COLLECTIVE AGREEMENT

BETWEEN

VERTEX (The Company)

and

POWER WORKERS' UNION (PWU), CANADIAN UNION OF PUBLIC EMPLOYEES, Local 1000 - CLC, hereinafter referred to as the "Union" which executes this Agreement by *M. Hyatt, S. Bress, L. Perrault and D. Couvier*, who have been duly appointed for the purpose, in accordance with the constitution of the Union.

WHEREAS the Union has requested the Company to enter into a Collective Agreement and the Company has consented thereto:

NOW THIS AGREEMENT WITNESSETH

that there shall be **two (2)** parts, namely, Part 'A' - General Items, Part 'C' - Weekly-Salaried. It is also witnessed that the Company and the Union agree each with the other as follows:

ARTICLE 1 RECOGNITION COLLECTIVE BARGAINING UNIT

- 1.1 The Company recognizes the Union as the sole bargaining agent for all regular, part-time and temporary employees¹, but excluding:
- (a) Employees now represented by other bargaining agents.
 - (b) Persons above the rank of working supervisor.
 - (c) Persons who exercise managerial functions in accordance with the *Ontario Labour Relations Act*.
 - (d) Persons employed in a confidential capacity in matters relating to labour relations in accordance with the *Ontario Labour Relations Act*.
- 1.2 When an employee is removed from normal duties to act in a vacated position or relieve for an incumbent or perform a temporary assignment, the following shall apply:
- (a) When the length of time involved is known to be three (3) months or less, the employee will retain his/her present jurisdictional status.

¹ "Employees" are employees pursuant to the *Labour Relations Act* for Ontario SO, 1995, c.1 Schedule A, as amended.

- (b) When it is expected that the length of time will be longer than three (3) months, the employee will be excluded or included at the commencement of his/her new responsibilities. However, in the event the period is actually less than three (3) months:
 - (1) in exclusion cases, the Union will be reimbursed the dues which would have been paid;
 - (2) in inclusion cases, the Union will reimburse the employee the dues which have been paid.
- (c) When the length of time is unknown, the employee will retain his/her present jurisdictional status up to the three (3) month period. If the period extends beyond three (3) months, the employee will then be either included or excluded.

1.3 The term “working supervisor” shall include all supervisors who perform any non-supervisory work related to work performed by other PWU bargaining unit members.

1.4 Bargaining unit work currently performed or that work which has been performed by members of the Union’s bargaining unit and any work defined as work of the Union in any jurisdictional accord applicable to Vertex will continue to be performed by PWU represented staff unless otherwise agreed to by the parties. This does not apply to situations where work is eliminated.

1.5 “Work” in this Article shall be defined as a specific set of tasks, for example the union supervisory level of Clerical/Technical/Technologist classifications at Vertex .

1.6 The Company shall produce to the Union each quarter, documentation showing all persons doing work for the Company **within the bargaining unit**.

1.7 Additional Work Opportunities for Vertex

For purposes of this Agreement, Vertex Outsourcing LLC includes its parents, its direct and indirect subsidiaries, affiliates, joint ventures, partnerships, related companies, successors and assigns. By its execution of this Collective Agreement the Employer binds Vertex Outsourcing LLC to Article 1 and to any Mid-Term Agreements, which refer to Vertex Outsourcing LLC, and warrants it has the authority to do so.

The parties agree to approach new work opportunities for Vertex Outsourcing LLC, by observing the following principles and process:

Principles

- (i) Vertex Outsourcing LLC and the PWU (“the parties”) agree that their relationship is based on mutual trust and respect.
- (ii) The parties agree that it is in the interest of both Vertex Outsourcing LLC and the PWU that Vertex Outsourcing LLC grow its business and that the Vertex bargaining unit share in such growth where practicable.
- (iii) The parties agree, where it is practicable, that PWU represented employees, Vertex Outsourcing LLC employees and Vertex Outsourcing LLC clients will have the ability to work together on teams.

Related Work Opportunities

Vertex Outsourcing LLC agrees to give full consideration to the above principles in determining whether Related Work Opportunities will be subcontracted to Vertex for performance. In this Article, Related Work Opportunities shall mean Vertex Outsourcing LLC work that is related to or similar to work that is being done or has been done by the PWU bargaining unit at Vertex.

Process

The parties will meet quarterly to discuss Related Work Opportunities. Such discussions will involve a full and frank discussion (subject to reasonable confidentiality requirements) of ongoing or upcoming Related Work Opportunities, the nature of the Related Work Opportunities, the viability of such work being done by the PWU bargaining unit, and related topics.

- (a) Either party may, as appropriate, require discussion to be held between the Vertex Outsourcing LLC President (or delegate) and the PWU President (or delegate) to address issues of concern respecting Related Work Opportunities and the discussion process.
- (b) If the Presidents are unable to reach agreement, a mutually agreed upon Mediator shall work with the parties to mediate a resolution.
- (c) The discussion process will not prevent Vertex Outsourcing LLC from completing proposals, closing deals, or performing work with respect to Related Work Opportunities.

ARTICLE 2 GRIEVANCE PROCEDURE

- 2.1** This procedure shall not apply to Union concerns regarding the adequacy of job documents and/or the rating, for jobs covered by the Clerical-Technical Job Evaluation Plan, which shall be processed in accordance with the

challenge procedures contained in the Clerical-Technical Job Evaluation Manual.

2.2 Any allegation that an employee has been subjected to unfair treatment or any dispute arising out of the content of this Agreement shall be understood to be a fit matter for the following grievance procedure. All matters of grievance by any employee or group or class of employees for whom the Union is the bargaining agent and which the Union may desire to present shall be dealt with in accordance with the following procedure.

2.3 It is mutually agreed by the parties hereto that it is the spirit and intent of this Agreement to adjust grievances promptly. Therefore, any employee covered by this Agreement having a grievance may present such grievance to the representative of the Union appointed by the Union for that purpose. The Union representative may then proceed to have such grievance adjusted in accordance with the following steps established hereby for the purpose of adjusting grievances.

2.4 Grievances

Grievances are to be filed within thirty (30) days from the date that the grievor knew or should have known the facts giving rise to the grievance. The Company is to reply in writing within seven (7) days.

Steps in grievance process: Non-disciplinary matters:

Step 1 Within seven (7) days of reply or time limited for reply, a meeting with contact supervisor.

Step 2 If Step 1 meeting not held or if grievance not resolved at Step 1, grievances go to next scheduled meeting of Grievance Review Board.

2.5 Grievance Review Board

The Grievance Review Board shall consist of two (2) Union representatives (at a high level) and two (2) Management representatives (at a high level), who will have the authority to agree unanimously to a final and binding settlement of any grievance or unanimously agree to the scheduling of any grievance.

Grievance Review Board meetings are to be scheduled regularly as agreed to by the parties or ordered by the Chief Arbitrator in all work locations. The purpose of the Grievance Review Board will be to attempt to settle all cases, failing which the Grievance Review Board will agree to facts where possible and ensure that all documentary and other evidence is disclosed by the parties.

If not resolved at the Grievance Review Board, grievances move to arbitration.

2.6 Disciplinary Matters

- 2.6.1** Prior to the imposition of any disciplinary penalty, the Company shall hold a Disciplinary Interview, which shall replace Step 1 of the grievance process.
- 2.6.2** The Company shall provide the Union and any employees who may be disciplined three (3) days' notice of the Interview.
- 2.6.3** The Interview shall take place between the Company, the Union and the accused individual.
- 2.6.4** The Company shall set out its allegations and except where the allegations could constitute a criminal offence, the Union or the individual(s) shall set out their version of the events. Minutes, but not a transcript, of the Interview setting out the substance of the discussion shall be taken.
- 2.6.5** The minutes of the meeting shall be provided to the Union and the accused individual(s) within seven (7) days of the Interview.
- 2.6.6** The Union and the accused individual(s) shall forward a written reply to the minutes, if any, within seven (7) days of receipt of the minutes.
- 2.6.7** Should the Company choose to impose discipline, the Union has ten (10) days to file a grievance commencing at Step 2.
- 2.6.8** Nothing in the disciplinary interview process is intended to interfere with the Company's right to investigate matters.

2.7 Facilities and Costs

- 2.7.1** The Company shall provide the necessary facilities for all meetings in the grievance process.
- 2.7.2** Maintenance of normal earnings and payment of expenses shall be provided by the Company for all Union representatives on a grievance committee.
- 2.7.3** The fees of all arbitrators and costs associated with arbitration hearings shall be shared equally by the parties, subject to current practices.

2.8 Dispute Resolution – Article 8, Plan B and OGLs

Any Article 8, Plan B or OGL disputes shall be resolved on an expedited basis as set out below:

- 2.8.1** The Union shall commence this dispute resolution process by filing a grievance with the relevant contact supervisor. The parties shall meet within seven (7) days to attempt to resolve the grievance. Failing a resolution of the matter within fourteen (14) days of filing the grievance, the matter will be

referred to the next meeting of the Job Classification Committee (JCC). Failing resolution at that meeting, the grievance shall be referred to the Job Classification Tribunal (JCT).

- 2.8.2** The JCC shall sit monthly or as otherwise agreed to by the parties and consist of two (2) Union and two (2) Employer representatives. It shall have the power to resolve any Article 8 and Plan B disputes referred to it by unanimous agreement.
- 2.8.3** The JCT shall consist of a Chair, a Union nominee and a Company nominee. The parties hereby nominate Chris Palaire and Brett Christen as their nominees. Martin Teplitsky shall be the Chair and may, after consultation with the parties, appoint his successor as Chair.
- 2.8.4** The JCT shall hear grievances on an expedited basis and decide at least fifteen (15) grievances per day. No decision of the JCT is precedent setting unless the JCT expressly declares it to be so.
- 2.8.5** Briefs shall be prepared by each party for each grievance including a statement of facts, brief argument and the relevant provisions of the Collective Agreement. These briefs shall be provided to the Chair of the JCT at least seven (7) days prior to any hearing date. The Chair of the JCT will advise which grievances will require witnesses for credibility issues. The parties will also exchange these briefs.
- 2.8.6** The JCT shall determine its own procedure, may admit evidence that would not be admissible in court and may rely on such evidence to render a decision. The JCT shall have the power and authority to determine the real issues in dispute between the parties in any particular case and to relieve against time limits in the grievance process. All decisions will be final and binding. All arbitrators shall have the power to make interim relief orders. The JCT shall take into consideration the relevant terms of the Collective Agreement and its appendices.

2.9 Facilities and Costs

- 2.9.1** The Company shall provide the necessary facilities for all meetings in the Article 8, Plan B, and OGL grievance process.
- 2.9.2** Maintenance of normal earnings and the payment of expenses shall be provided by the Company for all Union representatives on a dispute resolution committee as per Article 2.8.
- 2.9.3** The fees of the JCT Chair and costs associated with JCT hearings shall be shared equally by the parties. Each party will pay its own nominee on the JCT.

2.9.4 Interest Penalties for Retroactive Payments

If retroactive payments are required as a result of any settlement (i.e., GRB, JCC, JCT, reclassification) the Company will endeavour to make payments within sixty (60) days of the signing of the settlement. If these payments are not made within sixty (60) days, the Company agrees to pay interest on the outstanding amounts as of the 61st day to the employees at a rate of two percent (2%) above prime. For each further delay of thirty (30) days, the interest rate will increase by an additional two percent (2%). Exceptions will be jointly agreed to by the parties.

2.10 The Company will finalize any formal grievances presently in the process of completion but not finalized before the Agreement is signed.

ARTICLE 2A DISCIPLINE AND DISCHARGE

2A.1 Any allegation that an employee has been demoted, suspended, discharged or otherwise disciplined without just cause shall be a fit matter for the grievance and arbitration procedures as provided for in this Collective Agreement.

2A.2 When disciplining or discharging probationary employees for just cause, it is recognized that the probationary period is an extension of the selection process and that they have short service. Therefore, the threshold for discipline and discharge may be less than that of a regular employee in similar circumstances.

2A.3 Disciplinary penalties resulting in a suspension without pay will not be imposed until a final decision, (agreement between Union and Management, or an arbitrator's judgment) has been reached.

2A.4 A copy of all letters of employee reprimand shall be sent to the Chief Steward, except in cases where in the Company's opinion the matter involved is of a confidential nature. In the latter instance, the letter will state that the Union has not received a copy of the letter.

This shall not prevent a supervisor from taking on-the-job disciplinary action including immediate suspension subject to later confirmation.

2A.5 Unless otherwise agreed to, after a letter(s) of reprimand has been on an employee's file for a maximum of two (2) years, and there have been no further occurrences, then the letter(s) of reprimand will be removed from all files.

ARTICLE 3 ARBITRATION

3.0 THE ARBITRATION PROCESS

The arbitration process will continue on the basis of the practice currently adhered to by the parties, but any disputes relating to such practice or any requests for changes in the practice may be referred to the Chief Arbitrator, or Deputy Chief Arbitrator as referred to herein, for a ruling.

3.1 This procedure shall not apply to Union allegations of unfair treatment or Union concerns regarding the adequacy of job documents and/or the rating, for jobs covered by the Clerical-Technical Job Evaluation Plan or the Area Clerk Plan, which shall be processed in accordance with the challenge procedures contained in the Union Clerical-Technical Job Evaluation Manual.

3.2 Where a difference arises between the parties relating to the interpretation, application, or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the parties may, after exhausting any grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.

3.3 Unless the parties agree to a Board of Arbitration, or the Chief Arbitrator or the Deputy Chief Arbitrator so order, all grievances shall be submitted to Single Panel Arbitration.

3.4 Chief Arbitrator and Deputy Chief Arbitrator

For the duration of this Collective Agreement, Martin Teplitsky shall serve as the Chief Arbitrator. The Chief Arbitrator will have exclusive, final and binding authority over all issues relating to the scheduling of cases, including decisions as to who hears which case and when it is heard and shall have the power to relieve against time limits, including those in the grievance process and the referral to arbitration in respect of all cases.

3.5 All Arbitrators

All arbitrators are to determine their own procedure, may admit evidence that would not be admissible in court and may rely on such evidence to render a decision. All arbitrators will have the power and authority to determine the real issues in dispute between the parties in any particular case and to relieve against time limits in the grievance process. All arbitrators' decisions will be final and binding. All arbitrators shall have the power to make interim relief orders.

3.6 Principles of Single Panel Arbitration

- (a) Arbitrators shall decide up to fifteen (15) grievances each day. The cases shall be heard on an expedited basis after the parties have exchanged their written briefs. Oral evidence may be called only where the arbitrator deems necessary and only with leave of the arbitrator.
- (b) The decisions are precedent setting and shall be accompanied by reasons on any non-factual issues.
- (c) The parties may use the services of counsel.

3.7 Powers of the Chief Arbitrator in the Single Panel Process

- (a) The Chief Arbitrator, in consultation with the parties, will have the power to:
 - (i) appoint arbitrators;
 - (ii) assign grievances for resolution;
 - (iii) schedule hearing dates in consultation with the parties.

Any of the Chief Arbitrator's powers may be delegated to the Deputy Chief Arbitrator.

3.8 Board of Arbitration

A Board of Arbitration shall consist of a Company nominee, a PWU nominee, and an Arbitrator. A party requesting that a grievance be heard by a Board of Arbitration shall do so in writing to the other party within ten (10) days of the date the GRB referred the grievance to arbitration.

3.8.1 Nominees

Once either party notifies the other party that an unresolved grievance will be referred to arbitration, such notice shall contain the name of the first party's nominee to an arbitration board. The recipient of the notice shall within ten (10) days, if he/she consents to the grievance being heard by a Board of Arbitration, advise the other party of the name of its appointee to the Arbitration Board. The parties shall then have ten (10) days to agree to a Chairperson for the Board of Arbitration.

3.8.2 Arbitrator

If the parties agree that a Board of Arbitration should hear a grievance but fail to agree upon a Chairperson within the time limit, an appointment shall be made by the Chief Arbitrator, or, if the Chief Arbitrator is incapable of doing so, through the facilities of the Ontario Labour Management Arbitration Commission or the Minister of Labour, upon the request of either party. The Arbitration Board shall hear and determine the difference or allegation and shall issue a decision and the decision shall be final and binding upon the parties and upon any employee affected by it. The

decision of a majority shall be the decision of the Board of Arbitration, but if there is no majority, the decision of the Chairperson shall govern. However, in no event shall the Board of Arbitration have the power to change, alter, modify or amend any provision of this Agreement.

3.8.3 Powers of the Chief Arbitrator in the Board of Arbitration Process

- (a) To determine the hours within which arbitrations are conducted.
- (b) To assist in reducing the cost, and reducing the delay and increasing the efficiency of the arbitration process.

ARTICLE 4 WORKING CONDITIONS

4.1 Working conditions during the term of this Agreement shall be as outlined in this Agreement and Mid-Term Agreement² except such Mid-Term Agreements as are agreed obsolete by the parties.

In addition, the general environmental privileges surrounding an employee shall also be considered as working conditions. These privileges would include such things as wash-up time, transportation facilities, safety appliances, general safety or health precautions.

4.2 Any modification within the confines of this Agreement shall be subject to agreement by the Company and the Union's executive. Changes to the undernoted subjects, however, can be made with the written agreement of the Chief Steward with the exception as noted in 4.2(e) and may be cancelled by either party upon the giving of thirty (30) days' notice:

- (a) Changes in working hours between the hours of 7:00 am to 6:00 pm for an individual, work group or crew.
- (b) The extension of acting positions beyond ninety (90) days as outlined in Part A, Section 37.1; and Part A, Section 37.3.
- (c) Modifications to hours of work (specific) at all locations for banked time arrangements.
- (d) Local extensions to a maximum of three (3) months beyond the normal twelve (12) accumulated months (in which there have been no breaks in employment exceeding five (5) months) on the use of temporary employees to meet short term staffing requirements without invoking regular-seasonal status.

² A Mid-Term Agreement is a modification of the Collective Agreement executed by the parties on the prescribed form (a specimen of which is shown below) during the term of the Collective Agreement.

- (e) Arrangements allowing flexibility for employees assigned to temporary work headquarters subject to PWU Sector Vice-President or delegate approval.

4.3 It is recognized that volume measurement is necessary to obtain an objective evaluation of the level of production of a group, a section or an office. The fundamental intent of these measurements is to improve customer and client service, not for the purpose of discipline.

Where volume measurement and monitoring systems are used in the workplace, Management and the Chief Steward will agree on the principles for the use of the information.

4.4 Unless specifically referred to in a Mid-Term Agreement the pertinent provisions of the Collective Agreement shall apply.

(SAMPLE)
**MID-TERM AGREEMENT
TITLE**

Number

Date

It is jointly agreed that the following Mid-Term Agreement shall form part of the Collective Agreement between the parties:

THE COMPANY

UNION

4.5 Employees shall be allowed access to their own personnel file. Employees should submit the written request to their supervisor. Review of the file shall be carried out in the presence of the supervisor or human resources contact. Additions or deletions to the file shall be made only with the approval of the supervisor and the human resources contact.

**ARTICLE 5
UNION SECURITY**

5.1 All employees covered by this Agreement who are members of the Union on the date hereof shall, as a condition of employment, maintain such membership.

5.2 Employees who are not members on the date hereof but who become members of the Union subsequent to said date shall as a condition of employment, maintain their membership thereafter.

- 5.3** New employees shall, as a condition of employment, be or become members of the Union within fifteen (15) days of their engagement and shall, as a condition of employment, maintain their membership thereafter.
- 5.4** Membership as a condition of employment as specified in 5.1, 5.2 and 5.3 shall not apply while membership is withheld or suspended, or where a member is expelled by the Union.
- 5.5** In all cases for employees in the Collective Bargaining Unit as defined in Article 1, the Company shall be responsible for the signing of dues authorizations and shall deduct from the weekly wages of each employee, an amount equal to the weekly Union dues in effect at the time and shall transmit the monies so deducted to the Financial Officer of the Union at the times designated by the Union.
- 5.6** A Union representative will be given an opportunity to conduct an orientation session for new probationary/regular employee(s) or temporary employees with greater than six (6) months' service within regular working hours at a time and of a duration that is mutually agreeable between the Company and the Union. The purpose is to acquaint the new employee with the benefits and duties of Union membership.
- 5.7** The Company will not oppose any action by the Union to discipline its members as identified in its constitution.

ARTICLE 6 NO DISCRIMINATION

- 6.1** The Company shall not discriminate against an employee because of membership or activity in the Union or the exercise of his/her lawful rights, and any employee covered by the Agreement who feels that he/she has suffered discrimination shall have the right to seek redress in accordance with Grievance and Arbitration Procedures.
- 6.2** An employee who has a complaint with respect to discrimination in the employment relationship, as envisioned under the Human Rights Code, will have access to the internal Human Rights resolution process if he/she so desires. The employee, if he/she so desires, may have a Union representative present. The complaint, the Human Rights resolution process and the results of same shall not be subject to the grievance/arbitration process.

Management agrees to process complaints in a timely fashion. The parties agree to review the process on an annual basis to ensure that there is accountability for the implementation of recommendations.

**ARTICLE 7
MANAGERIAL RIGHTS OF THE COMPANY**

The Company has and shall retain the exclusive right and power to manage its business and direct its working forces including, but without restricting the generality of the foregoing, to right to hire, suspend, discharge, promote, demote, and discipline any employee. The Company shall exercise the said functions in accordance with the provisions of this Collective Agreement.

**ARTICLE 8
JOB CLASSIFICATION AND WAGE RATES**

Job classification and wage rates shall be as they appear in wage schedules constituting part of this Agreement. The Company shall discuss with the Union any changes to existing job classifications and wage rates, or the introduction of new job classifications and new wage rates. Where a difference arises between the parties, the Company may introduce the new or amended job classification or wage rates; but either party may require that the difference between them be submitted directly to the arbitration process as detailed in Article 2.8 and the decision shall be binding on both parties.

**ARTICLE 9
SPECIFIC MATTERS OF AGREEMENT**

- 9.1** These matters are to be dealt with in accordance with Parts 'A', 'C' and the Union Clerical-Technical Job Evaluation Manual.
- 9.2** Where a new field of endeavour is undertaken by the Company and the employees concerned fall within the jurisdiction of the Union by virtue of Article 1, the question of whether such employees will be covered by an existing part of the Collective Agreement, an existing part of the Collective Agreement with special provisions or modifications, or a new part of the Collective Agreement will be one for joint agreement.

**ARTICLE 10
SELECTION TO VACANCIES**

10.1 General

- 10.1.1** No person shall be appointed to a vacancy in the PWU jurisdiction until all qualified PWU represented applicants have been selected. Non-represented employees may be appointed to positions within the PWU's jurisdiction but will only be able to use that portion of their service which was acquired while a member of the PWU.
- 10.1.2** If an employee is appointed to a vacancy within the PWU jurisdiction from a bargaining unit which restricts seniority in the Company to its own

membership, his/her seniority will be limited to service within the PWU bargaining unit.

- 10.1.3** The Company may request a waiver of Posting and/or Selection from PWU when there are medical reasons related to the employee or his/her immediate family, as verified by the Company appointed Physician. If the waiver request is agreed to by the Union, the employee will be appointed to the position.

Employees appointed to positions, which are filled due to an agreed to waiver of posting and/or selection, will be entitled to moving expenses in accordance with the provisions of Part A, Item 23.0.

10.1.4 Appointments/Notification

1. If the candidate selected has already been appointed to another position, but has not yet reported to the new job, he/she shall be given the opportunity of choosing the one he/she prefers unless it is in the Company's interest that he/she accepts the first appointment.
2. On request, the Company will explain, in writing, to any unsuccessful applicant for an advertised vacancy, the reason why he/she was not selected for the position.
3. All regular full-time and regular part-time positions within or one level above the Union's jurisdiction will be advertised province-wide when they become vacant. Selection to be made or the vacancy cancelled within four (4) months after the posting date of the advertisement. Transfers of successful applicants to be made or rate for the new position paid in accordance with the Promotion Rule as identified in Part A, Section 25.1, sixty (60) days from the date of selection for the position.
4. Vacancies as set out in Article 10.4 shall not be subject to the provisions contained herein 10.1.4.7 to 10.1.4.9 inclusive.
5. One (1) copy of the compiled list of applicants for all advertised vacancies will be forwarded to the Union office.
6. If the decision has been made within five (5) weeks of the closing date of the advertisement, then at that time, the vacancy management office will be responsible for:

Advising all applicants who have been interviewed of the decision in writing.

Supplying Human Resources with the list of successful applicants for publication. The published list will be considered appropriate notification for those applicants who were not interviewed.

7. If the decision has not been made within five (5) weeks of the closing date of the advertisement, then at that time, the supervisor with the vacancy or his/her Human Resources Manager will be responsible for:

Ensuring that all applicants who do not possess the necessary qualifications are notified that their applications have been considered and they were not successful.

Ensure that all remaining applicants are informed of the delay, the status of their application and when a decision is likely to be made.

8. When a final decision has been made, the supervisor of the vacancy management office will ensure that:

The unsuccessful applicants not yet informed are notified of the final decision as soon as possible. The name of the successful applicant should be given.

The successful applicant and his/her supervisor are notified.

Notify Human Resources of the name of the successful applicant for publication.

9. Similar Vacancies

When a similar vacancy occurs beyond four (4) months following the posting date of the advertisement, it must be re-posted and considered separately.

10.1.5 The following definitions shall be used to determine an employee's entitlement to be considered for a non-supervisory vacancy:

- (A) Seniority

Except as provided in Section 10.1 of this Article:

1. An employee's seniority, for purposes of selection to vacancies, shall be the service credit as defined in Part A, Item 5.0.
2. Service with an acquired company will be added to the employee's seniority.
3. The total service credit with the Company will be used for comparing seniority of applicants rather than service in a position, trade, or occupation.

- (B) Base Weekly Income

1. The maximum base rate per classification as shown on wage schedule 20.

2. The maximum base hourly rate per classification as shown on wage schedules 25 and 32 multiplied by forty (40) hours.

(C) Promotion Application

1. Where the base weekly income (maximum rate) of the advertised position is higher than the base weekly income (maximum rate) of the applicant's present position.
2. Where an employee submits an application to a position of equal rating (same base weekly income) which requires fewer normal weekly hours of work.
3. Where an employee who presently occupies a position regularly requiring or subject to shift work, applies for a position of equal rating (same base weekly income) but not regularly requiring or subject to shift work.

(D) Lateral Application

Where the maximum rate (base weekly income) of the position applied for is equal to the maximum rate of the applicant's present position and the factors identified in 10.1.5C(2) and 10.1.5C(3) do not exist.

(E) Demotion Application

Where the maximum rate (base weekly income) of the position applied for is lower than the maximum rate of the applicant's present position.

10.2 Supervisory Positions

1. In considering applicants for supervisory positions, primary consideration should not be given to seniority but to personal qualities such as leadership, reliability, judgment, ability to organize and instruct and an understanding and a display of the practice of good human relations. For supervisory positions, an endeavour will be made to select the most promising candidate.
2. Only those individuals satisfactorily possessing the above characteristics, as assessed by the Company, should be considered. Where practicable, applicants for supervisory positions should be interviewed by the supervisor responsible for the selection. Seniority will govern only in cases where there does not appear, in the Company's opinion, to be much difference in qualifications.
3. For the purpose of this Article, supervisory positions will include:

- (a) Clerical-technical jobs which are credited with degree 3 or higher in the Responsibility for Supervision factor of the Clerical-Technical Job Evaluation Plan.
4. The provisions of Article 10.2(3.) above will not affect the status of incumbents for Union representation or the future posting of vacancies as they may occur.
5. Appointments to positions above the jurisdiction of the Union shall not be subject to the Grievance Procedure. However, the Company will give due consideration to representations of the Union where there is evidence of obvious irregularities or discrepancies.
6. Candidates selected to supervisory vacancies which represent a lateral or demotion in accordance with Article 10.1.5 and employed for a minimum of five (5) years in their current work headquarters shall be entitled to moving expenses in accordance with the provisions of Part A, Item 23.0. Candidates selected to promotions shall be entitled to moving expenses in accordance with the provisions of Part A, Item 23.0.

10.3 Non-Supervisory Positions: Clerical-Technical

Exceptions: Positions identified in Section 10.2 and 10.4 of this Article.

1. The Company will use all available information and determine those applicants who are qualified to fill the vacancy.

One of the requisites is the minimum years of experience as set out in the job specification. Before any consideration is given to seniority the supervisor responsible for making the selection must determine, from the list of applicants, those employees who have the qualifications to do the job satisfactorily.

A recommendation by the supervisor should then be made from the qualified employees, overall seniority being the governing factor.

An employee's experience with another company will be taken into consideration in determining his/her qualifications for a position. Management reserves the right to restrict the application to a vacancy under Article 10.3 when the selection of candidates, for whom it may result in a lateral or demotion, reduces the capability in a given classification below that considered by Management as required for the effective continued operation of the sending department at a location. In such situations, only those senior qualified candidates will be selected from that department at a location which will not adversely affect its effective continued operation; the remaining senior qualified candidates will be selected

from other departments at a location on the same basis. Location is defined in Article 11.3.

Employees will receive written notice from his/her supervisor if their selection may be voided because they cannot be released. A copy of this written notice is to be given to the local Steward.

10.3.1 Transportation and Moving Expenses

Candidates selected to non-supervisory vacancies which represent a lateral or demotion in accordance with Article 10.1.5 and employed for a minimum of five (5) years in their current work headquarters shall be entitled to moving expenses in accordance with the provisions of Part A, Item 23.0. Candidates selected to the promotions shall be entitled to moving expenses in accordance with the provisions of Part A, Item 23.0

10.4 Non-Supervisory Positions: Other Positions

The following classifications will be selected on the following basis:

- Other jobs below Grade 55 covered by the Clerical-Technical Job Evaluation Plan.
- 1. Article 10.4 vacancies will be internally advertised province-wide for the same time period as other vacancies. Similar vacancies that occur within four (4) months of the posting date of the advertisement will not require posting.
- 2. All employees are eligible to apply and will be given fair and objective consideration prior to hiring of applicants from outside the Company. When making appointments, seniority will not be the governing factor.
- 3. The senior qualified applicant for whom the vacancy represents an equal classification will be selected subject to the following:
 - (I) The employee must be releasable in accordance with the provisions of Article 10.3.1.
 - (II) Employees with documented performance deficiencies or job related health limitations as identified by the Company appointed Physician may not be eligible for lateral considerations.
 - (III) When filled by the senior qualified applicant as per the above, the resulting backfill vacancy will be filled in accordance with provisions of paragraph 10.4(2.).

4. Selection Priority

Selections will be made in the following order:

- (I) Senior qualified applicants for whom the vacancy is an equal classification.
- (II) Applicants selected on the basis of fair and objective consideration.

5. Article 10.4 vacancies are different from other vacancies, hence there shall be no requirement upon the Company to apply the provisions related to posting of vacancies contained in 10.1.4. The successful applicant will be identified in the Selection Notices.

10.4.1 Transportation and Moving Expenses

Candidates selected to vacancies as per Article 10.4 will be automatically entitled to the moving and transportation expenses provided in Part A, Item 23.0.

10.5 Transition Provisions

- (a) After March 31, 2002, an employee in a bargaining unit who is in receipt of a notice of termination/layoff from that bargaining unit or who has been laid off and subject to recall or who has been identified as over-complement is eligible to apply to posted vacancies and placement opportunities in another bargaining unit whose Collective Agreement has a reciprocal clause. He/she will be given fair and objective consideration for employment before new hires. A successful applicant will transfer his/her service credit and seniority credits to the new Company. No employee hired pursuant to this Article will be entitled to any relocation or moving expenses under the provision of any Collective Agreement.
- (b) Employees in a bargaining unit who are not covered by Item 10.5(a) may apply for posted vacancies and placement opportunities in another bargaining unit. The employer in receipt of the application has no obligation to consider the application of such employee(s) from another bargaining unit. A successful applicant will transfer his/her service and seniority credits to the new employer.
- (c) The provisions of Article 10.5(a), (b) have no application to any person who was not an employee of Ontario Hydro on August 31, 1998 or whenever the move to successor Collective Agreements is complete.

- (d) Any service credit restoration, as per Part A, Item 5.0, shall include service earned as an Ontario Hydro employee and service earned as an employee of any Ontario Hydro successor company.

**ARTICLE 11
SURPLUS STAFF PROCEDURE**

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NOTE

Appendices A and B of Article 11 form part of this Collective Agreement. Any changes to lists, including the addition or deletion of locations, worksites and work centres shall require joint agreement. Such joint agreement will be reached prior to the movement of staff.

There will be no involuntary layoffs or demotions during the term of this Collective Agreement. Major changes in scope will be cause for reopener negotiations.

11.0 WORKSITE REDEPLOYMENT

This provision may be implemented and completed without activating Article 11 in total.

Employees who are over-complement and must redeploy will be given the options of available sites along with the option of severance as described in Article 11.14.1 and Item 2(a) below.

1. Within a worksite³, Management may deploy employees within equal classifications.
2. Where Management has identified an over-complement in a classification at a worksite(s) and an under-complement at another worksite(s) in an equal classification⁴, Management may deploy employees from an over-complement worksite to an under-complement worksite on a senior choice/junior force basis until either the over-complement or under-complement ceases to exist, whichever occurs first.
 - (a) A junior employee who refuses to be transferred will be subject to discipline up to and including termination. All disputes regarding the discipline and termination of an employee who refuses a transfer will be referred to Martin Teplitsky for resolution on an expedited basis. An employee who is terminated for refusing a transfer under the terms of this Agreement shall be eligible to receive reduced severance pay pursuant to Article 11.14.1(i) as well as Article 11.14.2 (Benefit Continuance/Tuition/Outplacement Services), if the proposed transfer is to a worksite that is not within a reasonable commuting distance from his/her residence.

Where an employee is terminated for refusing to transfer to a worksite which is within reasonable commuting distance from his/her residence, there is no severance or other provisions payable to such employees.

- (b) Management has the right to determine the classification(s), number of over-complement positions, number of under-complement positions and the worksite(s) that will be dealt with under each operation of this provision.
 - (c) Management will provide at least four (4) weeks' notice to employees in the over-complement classification and worksite of the intended date of transfer by posting in the over-complement worksite(s) a notice which sets out:

³ As defined by Article 11, Appendix B

⁴ As defined by Article 11

- the affected classifications;
- number of positions to be filled;
- under-complement worksite(s); and
- proposed transfer date.

Subsequent to this four (4) week posting employees designated for transfer will be provided with at least two (2) weeks' notice of their actual transfer date. In determining an employee's transfer date the Company will consider the personal circumstances of the employee and the business needs of the Company.

- (d) Employees transferring will be entitled to moving expenses and housing assistance as set out in Part A, Item 23.0 except where as a result of the transfer the employee has a different work headquarters that is within a reasonable commuting distance from his/her residence.
3. Under-complement positions that remain vacant after the operation of 1 and 2(a) will be posted in accordance with the Collective Agreement.
 4. If the transfer results in a move to a lower-rated equal classification, wage maintenance as per 11.18 will apply.
 5. There will be no permanent transfers under this Article into a worksite/centre which has been identified as a worksite/centre to be closed permanently during the eighteen (18) month period following intended transfer date.
 6. Medically restricted at work (MRAW) employees who have had a special position created for them cannot be terminated for refusing a transfer under 11.0(2.). In the event that there is a closure of a worksite, the MRAW employee will transfer in accordance with this Article and where necessary be accommodated in accordance with applicable legislation.
 7. Performance Limitations: When an individual has a verifiable physical or medical limitation and is not required to be accommodated under the Human Rights legislation and which prevents him/her from performing the essential functions of a job in his/her Occupational Group Listing (OGL) into which he/she may be transferred, and which is voluntarily identified in advance of determining those to be transferred, the Company and the Union will meet to discuss this individual. It is understood that if there is no mutual agreement the Company may proceed to implement the layoff. Nothing in this Article is intended to require any employee to self-identify or to modify in any way the rights or obligations of the Company, Union or employee under the Human Rights legislation.
 8. Employees on pregnancy/parental leave, or assignment outside Ontario or approved leave of absence, vacation, sick leave will be subject to this process and be required to participate as if they were in their regular position.

Such employees will assume their new positions upon return and until such time the positions will be filled on a temporary basis if required by the Company.

The Company will make reasonable efforts to contact personally employees on such leave but in any event such employees will be provided with written notification that the Company is initiating a worksite redeployment. The Company can only rely on the last address and telephone number provided by the employee.

9. Employees on LTD including those in a LTD funded Rehabilitation and Re-employment Program may not be subject to the provisions of Article 11.0.
10. Notwithstanding the provisions of this Article an employee who is within five (5) years of normal retirement or within five (5) years of eligibility for undiscounted pension when faced with worksite redeployment, with joint agreement may be given special consideration for worksite protection/preference. If the employee, within one (1) month of the worksite redeployment, irrevocably commits to not move, the Employer will pay reasonable accommodation expenses, excluding meals, in the new location.
11. Notwithstanding the provisions of this Article, the parties may make special arrangements for employees who are disabled to the extent that alternative employment would be difficult to find.

11.1 Surplus Staff Procedure – Sequence of Events

Prior to/in place of the implementation of the surplus staff procedure outlined below the Company will offer Cash Out to employees in a location in an over-complement classification (or equal classification) to eliminate the over-complement situation. Employees who elect to accept the Cash Out offer shall be eligible to receive the provisions of Article 11.8.1.

Layoffs/Termination(s) of regular employees, as a result of the operation of Article 11.1 will be implemented a maximum of once each calendar year.

1. The Company will notify the PWU and the Job Evaluation Department of the intention to run Article 11 approximately two (2) weeks in advance. Job challenges and Management job reviews will be frozen from the date of this notification until the announcement date of the results of Article 11.
2. All regular employees will have a completed Option/Election Form retained on their personnel file (901). Approximately one (1) week prior to notice date, all regular full-time and regular part-time employees shall be provided with a personal information package.
3. The Company will give initial notice of termination/layoff in accordance with Article 11.5.

4. The Company will confirm to employees all information received on revised Option/Election Forms.
5. Requests to correct employee base data (in Item 2. above) are received by the PWU from the employee and forwarded to the Company.
6. Employees who received initial notice of termination/layoff and employees who are in an equal classification at the location shall receive priority consideration to posted vacancies which represent a lateral or demotion, commencing eight (8) days after initial notice has been provided.
7. After all data is collected and the Company is in a position to apply Article 11, there will be a "freeze" period during which vacancies will be held open. This period shall be for a minimum of three (3) weeks before employee displacement rights are determined and announced by the Company. These vacancies may be filled on a temporary basis during this freeze period pending the determination and announcement of the results of the application of Article 11.
8. Employee displacement rights will be determined and those employees who will be displaced, laid off and/or terminated shall be identified. All displacements and the names of employees to be laid off or terminated will be identified "on paper" at the outset prior to implementation of any changes resulting from the announced reduction of complement.
9. The names of the employees who will be displaced, laid off and terminated shall be announced.
10. After the Company announces the results of the application of Article 11, employees displacing into another location will be identified and worksite/centre preference will be determined by seniority on a senior choice/junior force basis.
11. The "freeze" on filling vacancies ends at the time of the announcement. During the period after the announcement and prior to the date of termination set out in the initial notice of termination/layoff, the Company, pursuant to Article 10, will post vacancies which remain unfilled after the displacement process and new vacancies as they arise. Employees faced with layoff shall be given priority consideration to such vacancies which represent a lateral or demotion over other applicants. If vacancies remain unfilled after the Article 10 process, during the period prior to the layoff fair and objective consideration for such vacancies will be given to applications from employees to be laid off.
12. The implementation of displacements, layoffs and terminations pursuant to the Article 11 process will commence on the date of termination/layoff identified in the initial notices unless extended by the Company in accordance with the *Employment Standards Act* and regulations and

subject to any “reversals” which may have occurred as a result of employee terminations.

11.2 Application

- (a) This procedure applies only to the bargaining unit in this Collective Agreement.
- (b) This procedure applies to regular full-time and regular part-time employees. The displacement and recall rights of probationary employees and regular-seasonal employees are limited to those contained in 11.12.
- (c) The Company will supply the PWU Research Department with an accurate computerized seniority list (see note below) separated by Occupational Group Listings (OGL's) and sorted by province and locations on February 1st and August 1st and at the time the Company gives initial notice of termination/layoff under this Article.

The Company will also post a seniority list in each worksite on February 1st and August 1st. The seniority list will be a single list of employees, which will include the following information (subject to revision after consultation with the Company and the PWU):

- Name/Employee Number
- ECD
- Base OGL
- Level
- OCC Code
- Title
- Building Code
- Geographic Location
- Status
- Business

In the absence of a challenge in writing by the Union within thirty (30) calendar days of posting, the seniority list will be deemed to be accurate and the Union will not subsequently be able to challenge the accuracy of the list. In the event of a challenge, the parties will try to resolve any differences. If there is no agreement, either party may refer the challenge to Arbitrator Teplitsky under the expedited dispute resolution process for deciding OGL disputes.

NOTE

The computerized seniority list provided to the PWU will contain the following data:

Last Name, Initials, ECD, Occupational Code, Job Title, Schedule, Base Occupational Group Number, Grade, Location,

Building Code, Payroll Number, Business Unit, Division, Department, Hours of Work, Date of Notice of Termination/Layoff, Date of Expiry of Recall, End Rate of Classification.

(d) Approximately one (1) week prior to notice date, all regular full-time and regular part-time employees shall be provided with a personal information package containing the following:

- Name
- Employee Number
- Established Commencement Date (ECD)
- Base Building Code
- Geographic Location
- Occupation Code
- Job Title
- OGL Number and Level
- Current Option/Election Form Choices
- Blank Option/Election Form
- Listing of Locations (Appendix A)
- Copy of Vertex Maps

In the absence of a written challenge by the Union prior to freeze date, the employee data will be deemed to be accurate and the Union will not subsequently be able to challenge the accuracy of the information.

(e) Medically Restricted at Work (MRAW) employees who have had a special position created for them cannot be displaced. In the event that there is a closure of a worksite or the special position is redundant, the MRAW employee will displace in accordance with this Article and where necessary be accommodated in accordance with applicable legislation. For purposes of Article 11 the MRAW employee will be deemed to be in the classification held immediately prior to being placed in the special position.

(f) Performance Limitations: When an individual has a verifiable physical or medical limitation and is not required to be accommodated under the Human Rights legislation and which prevents him/her from performing the essential functions of a job in his/her Occupational Group Listing (OGL) into which he/she may be displaced, and which is voluntarily identified in advance of determination of displacement rights following notice of layoff, the Company and the Union will meet to discuss this individual. It is understood that if there is no mutual agreement the Company may proceed to implement the layoff. Nothing in this Article is intended to require any employee to self-identify or to modify in any way the rights or obligations of the Company, Union or employee under the Human Rights legislation.

(g) Employees on pregnancy/parental leave, or assignment outside Ontario or approved leaves of absence, vacation, sick leave will be subject to this

process and be required to participate as if they were in their regular position. Such employees will assume their new positions upon return and until such time the positions will be filled on a temporary basis if required by the Company.

The Company will make reasonable efforts to contact personally employees on such leave but in any event such employees will be provided with written notification that the Company has initiated layoff procedures and that their employment status may be affected. The Company can rely on the last address and telephone number provided by the employee.

- (h) Employees on LTD including those in a LTD funded Rehabilitation and Re-Employment Program may not displace nor are they subject to displacement.
- (i) Notwithstanding the provisions of this Article an employee who is within five (5) years of normal retirement or within five (5) years of eligibility for undiscounted pension when faced with displacement or layoff, with joint agreement may be given special consideration for worksite protection/preference. If these employees are transferred, the Employer will pay a subsequent move to the employee's previous location in accordance with Part A, Item 23.0.
- (j) Notwithstanding the provisions of this Article, the parties may make special arrangements for employees who are disabled to the extent that alternative employment would be difficult to find.

11.3 Definitions

- 1. "Base weekly rate" and "base hourly rate" include pay equity adjustments.
- 2. "Classification" shall mean an employee's job title.
- 3. "Equal Classification" or "Equal" is a classification in an employee's OGL where the base weekly rate or base hourly rate is the same except that:
 - (a) Some hourly rated trades have been identified as equals where most of the job duties are the same but the wage rate is different.
 - (b) For pay equity adjusted rates, equal will be deemed to be those jobs whose terminal rates meet or exceed the Step 3 rates listed on Salary Schedule 20.

Example 1: Grade 55 + PEA, equivalent to Grade 57, Step 2 = Grade 56 and can displace Grade 56 jobs under Article 11 (Grade 56 (no PEA) can also displace this Grade 55 job).

Example 2: Grade 55 + PEA, equivalent to Grade 58, Step 2 = Grade 57 and can displace Grade 57 jobs under Article 11 (Grade 57 or 56 (no PEA) can also displace this Grade 55 job).

4. Lower: "Lower Classification" or "Lower" is a classification in an employee's OGL where the base weekly rate or base hourly rate is lower.

For pay equity adjusted rates, lower will be deemed to be those jobs whose terminal rates are lower than the Step 3 rates listed on Salary Schedule 20.

Example 1: Grade 56 (no PEA) is lower than a Grade 55 + PEA equivalent to Grade 57, Step 3.

5. "Worksite" is a place of operations as identified by building code(s) and identified in Appendix A. An employee's worksite will be their regular work headquarters as defined in Part A, Item 18.2.
6. "Work Centre" as identified in Appendix A.
7. "Location" means a geographic area which includes worksite(s) and/or work centres. Locations are identified in Appendix A.
8. "Occupational Group List (OGL)" means a jointly agreed to list of equal and lower classifications into which an employee can exercise displacement rights. OGLs are equals and lowers within the appropriate job family which an employee can satisfactorily perform within a reasonable period of familiarization and orientation.
9. "Surplus Employee" is an employee who has been given notice of termination/layoff by the Company or an employee who may be displaced or who is displaced from his/her position.
10. (a) "Seniority" means the service credit as defined in Part A, Section 5.0, except for the restrictions contained in Article 10.1.2.
(b) Where employees have the same seniority the employee with the highest employee number is deemed to be the more senior employee.

For purposes of determining displacements, layoffs and terminations, seniority will be calculated as of the date of the initial notice of termination/layoff. For all other purposes including subsequent layoffs, seniority will continue to accrue.

11. "Job Family" is a collection of jobs or job classifications involved in the same general nature of work.

It is recognized that some jobs straddle two (2) job families, e.g., technical-clerical. For these exceptions, jobs from both families may be included in the OGL.

The family for those jobs which do not neatly fall into one of the below will be jointly determined as required.

There are **two (2)** families as listed below:

Clerical: Involving gathering, analysing, processing, recording, disseminating information or data, and/or the operation of miscellaneous office machines or equipment.

Technical: Involving the choice, application and/or manipulation of formulae, principles, techniques or natural laws in practical, mechanical or industrial arts or applied sciences.

12. "Former Classification" is defined as the position/classification (previous occupation code) last occupied by the employee within five (5) years of the Notice of Termination/Layoff excluding relief, acting and temporary assignments. If the previous occupation code has been obsoleted and replaced by a new code, the new code and the old code will be deemed to be one and the same code for the purposes of determining former classification.

11.4 Occupational Group Listings (OGLs)

1. For a job to be included in an OGL, it must be a job which can be satisfactorily performed by the average employee in the surplus classification within a reasonable period of familiarization and orientation. This period will vary depending on the complexity of the job.
2. All existing jobs are placed in OGLs. OGLs shall be part of this Agreement but shall be published in a separate publication.
3. New OGLs shall be jointly developed for new jobs or for existing jobs which have materially changed or for jobs which have the wage rate adjusted. If the parties cannot agree on an OGL, the dispute will be referred to Arbitrator Teplitsky for resolution in accordance with Article 11.4.2.

11.4.1 Failure to Demonstrate Qualifications

Once an employee displaces into a position in an OGL, the employee must be able to demonstrate an acceptable level of performance within a reasonable period of familiarization and orientation. Failure to achieve an acceptable level of performance in this time will result in layoff with severance as per 11.14 and recall rights to their pre-displacement classification.

11.4.2 Expedited Grievance and Arbitration Process for Job Classification Grievances and OGL Dispute Resolution

If the parties cannot agree on an OGL the disputes will be referred to Arbitrator Teplitsky for resolution as per Article 2.8 Dispute Resolution - Article 8, Plan B and OGL Process.

1. In the event of any layoff, it is the parties' intention that best efforts will be used to resolve outstanding disputes before the beginning of the "freeze" period which precedes the announcement of displacement rights and the expedited procedure established herein will be used for this purpose. Where possible, priority shall be given to those disputes which could have an influence on classifications which may be affected by the proposed layoff. However, any unresolved disputes will not stop the Company from implementing any terminations/layoffs.

11.5 Notice of Termination/Layoff

1. The Company will give initial notice of termination/layoff to the most junior employees in a classification in a worksite. Employees who receive initial notice of termination/layoff shall also receive cash out information, selection priority information, and personal OGL information. Notices listing those employees receiving initial notice of termination will be posted at all Company worksites/centres. Pursuant to the terms of this Article, employees receiving such notice will be permitted to take another position in the Company as a result of which some other person either loses his/her position and is permitted to take another position or loses his/her employment. Such notice shall be deemed to be notice of termination to all affected employees including to those employees who may be displaced and to those employees whose employment is terminated or who are laid off.
2. Employees receiving initial notice of termination/layoff will be provided with two (2) months' notice of termination/layoff. An employee who has been given notice of termination/layoff may be given temporary work following the date of termination in accordance with the *Employment Standards Act* and regulations.
3. When an employee is given notice of termination/layoff the Company will notify the Union office and Chief Stewards within three (3) working days from the date the employee is notified. The Union will be responsible for keeping the Company advised of the names of all Chief Stewards.

11.6 Employee Elections

1. All employees will be required to supply the Company, by a date determined by the Company, with information necessary to enable the Company to make decisions relating to employee displacements in Locations, and the Province. This information will be provided by employees on the Option/Election Form and a Location Preference Ranking Form, both of which are computer readable. The employees will rank all locations outside of their own in order of preference on the Location Preference Ranking form.
2. The information provided by the employee on the forms will amount to a decision by each employee, unless amended as set out in 11.6(4). The

Company will be entitled to rely on this information for purposes of applying the provisions of Article 11.

3. In addition to providing other information requested on the Forms provided, employees shall elect to be placed into positions in their OGLs in one of two streams, either the Equal Stream or the Lower Stream. The employee may also elect to displace outside his/her OGL pursuant to 11.11.1(2) by supplying the required information.
4. Each employee will ensure the Company has an updated Option/Election Form, to be maintained in his/her personnel file. When the Company initiates a layoff of employees under this Article, employees will have the opportunity to amend the Option/Election Form. Revisions to the Option/Election Form must be received prior to freeze date. The employee will be provided with a written confirmation of the information provided (refer to Article 11.1). If there is no request to amend by the employee by freeze date, the information contained in the confirmation shall be deemed accurate for all purposes.

11.7 Failure to Complete the Form

Any employee failing to supply the information requested on the forms, who receives initial notice of termination/layoff or is displaced, will be deemed to have chosen a lower classification in his/her Location and will not be entitled to displace into an equal or lower classification in the Province regardless of seniority. If there is no position in a lower classification in the Location into which he/she can displace, the employee will be laid off with recall or severance rights as per 11.14.

11.8 Cash Out During the Notice Period

1. Where a reduction in complement is to take place in a classification in a Location, all employees in that classification (or in an equal classification) in that Location may notify the Company of their desire to resign from the Company during the notice period. Upon request by an employee, the Company will provide relevant pension and benefit information to enable him/her to make an informed decision prior to being required to give notice of his/her intention to cash out during the notice period. Written notification by the employee of his/her desire to resign must be given within seven (7) days of receipt of the notice of termination/layoff. From the total number of eligible employees who indicate that they wish to resign, the Company will accept on a seniority basis a number from the classification (or an equal classification) equal to the number of surplus employees in the classification in that Location. Those employees accepted must resign and will receive:
 - (i) severance pay as per Article 11.14; and
 - (ii) base pay from the employee's date of resignation to the end of the two (2) month notice period provided in the notice of termination/layoff, plus a lump sum payment (in lieu of notice) equal to three (3) months

base pay (total = twenty-one (21) weeks). (For employees who resign within the seven (7) day period and whose resignation is accepted, the payment will be five (5) months' pay.)

The maximum number of weeks payable (i + ii) shall be one hundred four (104).

2. Where the number of eligible employees who have resigned in the seven (7) day period is less than the number of surplus employees in a classification in the Location, additional resignations will be accepted on a first come basis from employees in that classification (or in an equal classification) until the freeze period commences or until the resignations from eligible employees equal the number of surplus employees in the classification in the Location. The resignation by the employee must be in writing in order to be accepted by the Company.
3. Employees who resign with cash out may not be from the worksite/centres or the actual classification with the surplus and a temporary deployment of employees to other worksite/centres within the location may be required to balance the complement.

To achieve this balance between worksite/centres the most senior employee who is prepared to accept the transfer and who is in the classification or an equal classification in which there is an over-complement, and is at the worksite/centre from which an employee is to be transferred will be selected to the position. In the absence of senior volunteers, the most junior employee in the classification or an equal classification will be transferred to the position.

11.9 General

1. All employees work at a worksite or work centre in a Location.
2. Each employee shall have the responsibility to notify the Company of his/her current address and telephone number and any subsequent change. The Company shall be entitled to rely on the last address and telephone number furnished by the employee for all purposes.
3. Grievances under this Agreement or a predecessor Agreement which have not been resolved before the commencement of the freeze period do not affect the Company's right to layoff pursuant to Article 11.
4. At least two (2) weeks before the determination of employee rights and the announcement of the results of the application of Article 11, a freeze period shall be implemented wherein all vacancies shall be held and filled temporarily where necessary. This freeze on filling vacancies shall end when the results of the application of Article 11 are announced.

11.10 Senior Choice/Junior Force (Province Displacement)

The principle of "senior choice/junior force" is designed to allow senior employees to have Location preference where it is available. Employees who can be displaced in a Location, in the Province are always the most junior employees in the classification into which the more senior employee can displace.

Therefore, the Locations in which the most junior employees in a classification are employed are the Locations which are available to more senior employees who may wish to exercise displacement rights out of one Location and into another in the Province. Where there are junior employees in Locations who may be displaced, senior employees will be given Location preference to the extent possible. However, the Company will assign an employee to an available position to a location in the Province where the employee's preference is not accommodated (i.e., he/she can be forced to accept a particular Location).

11.11 Displacements

- (a) Subject only to the provisions of paragraph 11.11.1(2), an employee can only displace another employee of less seniority in classifications within his/her occupational group list.

Regular-Seasonal and Temporary positions and Agency employees are also displacement opportunities for regular employees in the absence of any regular positions.

- (b) A regular full-time employee may elect, in advance on the Option/Election Form, to decline all available regular part-time positions. A regular part-time employee may elect in advance, on the Option/Election Form to decline all available full-time regular positions. The employee must indicate his/her choice on the Option/Election Form failing which the employee will be deemed to have chosen to displace into both regular full-time or regular part-time positions.

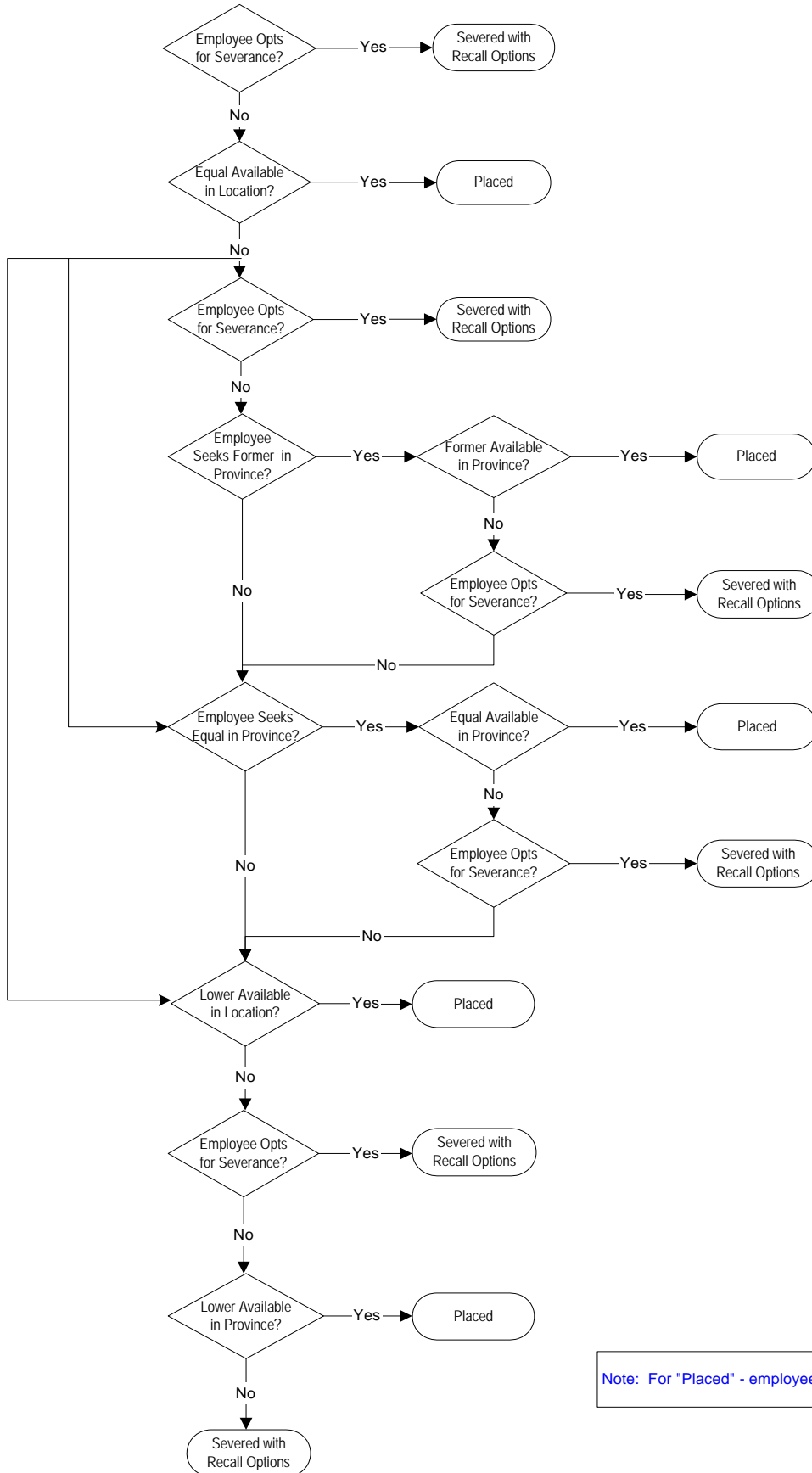
Each employee must indicate his/her status (i.e., regular full-time or regular part-time) on the Option/Election Form. The employee's designation must be accurate. The Employer will confirm the designation.

- (c) When an occupational group has more than one classification at the same level, the least senior employee shall be the most junior among all of the classifications at that level.
- (d) A vacancy within an employee's OGL is deemed to be the junior equal (see process in 11.11.1 below) or lower, (see process in 11.11.2 below) in all applications of the displacement process.
- (e) Displacements shall be on a senior choice/junior force basis.

- (f) Trainees are granted displacement rights into the classifications listed in the OGL of his/her terminal rated classification. Trainees can displace a junior employee within his/her OGL. If a Trainee displaces in an equal classification, the Trainee will continue in the program and will be paid as per their progression schedule.
- (g) Seniority rights outside the Location are only exercisable in the Province by employees with seniority of two (2) years or more.

Article 11 Displacement Flowchart

(This chart shall be read in conjunction with the text of the Collective Agreement)



Note: For "Placed" - employee must take if available.

11.11.1 Equal Stream

1. At the Location an employee must displace the least senior employee in an equal classification. Refusal to accept results in termination of employment. If no position is available, then;
2. Where an employee has so elected on the Option/Election Form, he/she must displace the most junior employee with less seniority in the Province in the employee's former classification provided the employee was in the classification within five (5) years of the date the notice of termination/layoff was issued pursuant to 11.5. Failure to accept results in termination of employment. If no position is available, then;
3. The employee will move to the "Lower Stream", or, if eligible, the surplus employee who has elected to displace in an equal classification in the Province must displace the most junior employee with less seniority in the Province. Refusal to accept results in termination of employment. If no position is available, then;
4. The employee will move to the "Lower Stream".

11.11.2 Lower Stream

1. An employee who has elected to displace in the Lower Stream must displace the least senior employee in an equal classification in the Location. Refusal to accept results in termination of employment. If no position is available, then;
2. An employee who has elected to displace into a lower classification and an employee not placed in the Equal Stream must displace the most junior employee with less seniority in next lower classification in his/her Location. If no position is available, then the employee will go to lower classifications in descending order in his/her Location until placed. Refusal to accept results in termination of employment. If no position is available, then;
3. An employee who has elected to displace into a lower classification must displace the most junior employee with less seniority in next lower classification in the Province. If no position available then the employee will go to lower classifications in the Province in descending order until placed. Refusal to accept results in termination of employment. If no position is available, then;
4. The employee is laid-off with recall rights.

11.11.3 Senior Choice/Junior Force (Within Location)

After the Company announces the results of the application of Article 11, employees displacing into another location will be identified and worksite/centre preference will be determined by seniority on a senior choice/junior force basis.

Employees displacing into a Location will be given worksite/centre preference within the Location to the extent possible on a seniority basis. Where there is more than one (1) employee displacing into a classification in a Location, the principle of senior choice/junior force will be applied to displace the most junior employees in the classification in the worksites/centres. In the absence of senior volunteers, the most junior employee in the classification will be transferred to the position.

11.12 Displacement and Recall Rights

The following sets out in full, the displacement, recall and severance rights, if any, for Probationary and Regular-Seasonal.

11.12.1 Probationary Employees

1. A probationary employee will displace the junior employee of lesser seniority in the next lower classifications in their OGL in descending order within his/her worksite/centre.
2. If 1. is not available, a probationary employee can displace a temporary employee in an equal or lower classification in his/her occupational group within his/her worksite/centre.
3. If 2. is not available, a probationary employee can displace an agency employee in an equal or lower classification in his/her occupational group within his/her line of business in head office or within his/her worksite/centre outside of head office.
4. If 3. is not possible, employment is terminated.
5. Probationary employees shall not be entitled to recall rights or severance pay.

11.12.2 Regular-Seasonal

1. A regular-seasonal employee can displace a temporary employee in an equal or lower classification in his/her occupational group within his/her worksite/centre.
2. If 1. above is not available, a regular-seasonal employee can displace an agency employee in an equal or lower classification in his/her occupational group within his/her worksite/centre.
3. If 2. above is not available, employment is terminated.

4. Regular-seasonal employees shall be entitled to recall to temporary positions for a period of three (3) years from the date of last termination.
5. A regular-seasonal employee shall be entitled to recall to their Location, provided they have at least twenty-four (24) months accumulated service.
6. To be recalled the employee must have filed a written request with the Company prior to March 1st of each year.
7. A person who is recalled by the Company shall be personally contacted when possible. Failing this contact a recall notice shall be forwarded by registered mail addressed to the last known address that he/she has recorded with his/her Human Resources Manager. They shall be obliged to advise his/her supervisor of his/her intention to return to work within three (3) working days and shall be available for work within five (5) working days after receipt of recall notice.
 - (a) Except in case of sickness, failure to be available for work within five (5) days of issuance of the recall notice shall make him/her ineligible for any further recall.
 - (b) It shall be the person's sole responsibility to inform the Union and the personnel manager in writing of any change of address. The Union will be notified in writing when persons are recalled to vacancies.
8. The Company shall notify the employee in writing at time of termination of the recall procedure. If the employee is not considered suitable for recall they shall be notified in writing and a copy of this letter shall be given to the employee's Chief Steward. Upon request the Company will provide the employee with the reasons why they are not considered suitable for recall.
9. The Company may hire a temporary employee for a period not exceeding one (1) month without using this recall procedure.
10. Summer students both secondary and post secondary levels have no rights to this recall procedure.
11. A Recall List from each work Location for regular-seasonal employees shall be provided to the Chief Steward concerned.
12. Regular-seasonal employees shall not be entitled to severance pay except in the case of permanent layoff. When permanently laid off severance pay will be calculated on actual time worked.

11.13 Permanent Location Closings

There will be no permanent displacements or moves into a worksite/centre which has been identified as a worksite/centre to be closed permanently during the eighteen (18) month period following notice of layoff/termination.

11.14 Severance Pay

Except as set out in 11.14.1, employees eligible for severance under Article 11 will receive the following:

- (a) An employee receiving severance pay waives any other rights under Article 11.
- (b) An employee may direct all or a portion of his/her payment into an RRSP up to the amount permitted by law. The employee shall provide the Company with the TD2 Form directing the payment into his/her RRSP.
- (c) An employee entitled to severance pay under 11.14 may elect to take a lump sum severance payment, or severance may be divided into two (2) equal instalments, the first on the date of termination and the second on or about January 15th of the following year, subject to statutory deductions, which is the lesser of:
 - (i) four (4) weeks' base pay per year of service up to a maximum of one hundred four (104) weeks' base pay (payments for incomplete years of service will be pro-rated); or
 - (ii) an amount which equals base pay from the end of the notice period until the end of the month in which the employee reaches his/her 65th birthday.
- (d) For purposes of clarification at any time during the three (3) year recall period, a laid off employee may opt for his/her full severance entitlement, once this election is made all recall rights will cease.
- (e) For regular part-time employees severance payments shall be pro-rated.

11.14.1 Reduced Severance Pay on Refusing a Position

1. An employee who refuses to accept a position under Article 11.11.1 or 11.11.2 (except in 2. below) will be terminated and is disqualified from receiving severance pay under Article 11.14 and shall have no recall rights under Article 11.17. Such employees may elect to take a lump sum severance payment, or severance may be divided into two (2) equal instalments, the first on the date of termination and the second on or about January 15th of the following year, subject to statutory deductions which is the lesser of:

- (i) two (2) weeks' base pay per year of service up to a maximum of fifty-two (52) weeks' base pay (payments for incomplete years of service will be pro-rated); or
 - (ii) an amount which equals base pay from the end of the notice period until the end of the month in which the employee reaches his/her 65th birthday.
- 2. In cases where an employee refuses to accept a position where the new classification provides either a reduction of base wages of two (2) or more salary grades for job evaluated positions or in excess of ten percent (10%) for others, the employee will receive severance pay pursuant to 11.14.
- 3. An employee may direct all or a portion of his/her payment into an RRSP up to the amount permitted by law. The employee shall provide the Company with the TD2 Form directing the payment into his/her RRSP.
- 4. For regular part-time employees severance payments shall be pro-rated.

11.14.2 Benefit Continuance/Tuition/Outplacement Services

A surplus employee who takes severance pay and terminates his/her employment is entitled to:

- i) coverage under the Company's Health and Dental Plan for a period of six (6) months from the date of termination of employment or until the commencement of alternate employment whichever occurs first;
- ii) reimbursement for tuition fees and other associated expenses up to a maximum of \$5000.00 upon production of receipts from an approved educational program within twelve (12) months of his/her termination;
- iii) outplacement services; the Company will determine the level of service and the service provider.

11.15 Failure to Report to Assigned Positions

In the event that an employee declines an assigned position and is terminated, or does not displace into a job occupied by another employee, or terminates after displacing another employee, the Company may reverse the displacement and leave the employee who would have been displaced in his/her job or return the displaced employee to his/her job. In all instances as described above the terminating employee will be entitled to severance pay in accordance with the appropriate sections of this Article.

Any vacancy which results from such a reversal will be filled by moving the previous incumbent back to his/her job. In other words, the chain of bumps (i.e., the displacement thread) caused by the initial reversal will be reversed except in circumstances set out below.

Where an employee has relied to his/her detriment on the announced relocation, and would be prejudiced by revocation of the displacement, the employee will not revert to his/her original position. Where the Company would be prejudiced, the employee will not revert to his/her original position even if the employee does not object.

The declining of an assignment will not require the Company to re-do the Article 11 process.

11.16 Selection to Vacancies

Between the end of the seven (7) day cash out window and freeze date and after the end of the freeze period all positions which remain unfilled and any new vacancies which arise shall be posted under Article 10. During the period after the end of the seven (7) day cash out window and before freeze date and after freeze date but before announcement of results, priority consideration for vacancies which represent a lateral or demotion will be given to surplus employees and to those employees who are in an equal classification (to the over-complement employee) in the location. After announcement of results and before layoff occurs applications from employees who are to be laid off shall be given fair and objective consideration for vacancies. Employees who, prior to being laid off, applied for vacancies continue to be entitled to fair and objective consideration for those vacancies after layoff. If selected to a vacancy posted prior to the date of layoff, the employee is eligible for moving expenses under Article 11. Among successful applicants seniority shall govern selection where all other factors are relatively equal.

11.16.1 Jurisdiction

No person outside the Union's jurisdiction will be selected to a vacancy commencing with the issuance of the notice of termination/layoff pursuant to 11.5 until:

- (i) All qualified PWU members are selected, including persons on the recall list; and
- (ii) All PWU applicants entitled to fair and objective consideration are selected pursuant to 11.16.

11.16.2 Selection Priority

The following applies for equal and lower-rated vacancies.

Each category will be considered independently and in the order indicated:

- (i) Surplus employees and those employees in an equal classification to the surplus employee at the location where the surplus exists.
- (ii) As per Article 10.

11.17 Recall

1. Laid off employees who do not receive severance payments shall have recall rights.
2. Employees who are laid off will be entitled to recall to classifications in their OGL for a period of three (3) years from the date of his/her layoff. Recall lists will be maintained province-wide.

If a person is recalled within one (1) year of the date he/she was laid off, entitlement to vacation credit, seniority, and sick leave credits shall be the same entitlement as on the day of termination less any vacation allowance received at termination.

If a person is recalled during the second or third year after layoff, he/she shall be treated as a new employee for all purposes. Service credit will be restored in accordance with Part A, Item 5.3.

Reinstatement in the Pension Plan shall be in accordance with the pension regulations.

3. A person who is recalled shall be personally contacted by the Company where possible. Failing this contact, a recall notice shall be forwarded by registered mail addressed to the last known address that he/she has recorded with his/her Human Resources Manager. They shall be obliged to advise his/her supervisor of the intention to return to work within five (5) working days and shall be available for work within ten (10) working days after receipt of the recall notice.

NOTE

- (i) It shall be the employee's sole responsibility to inform the Union and the Human Resources Manager in writing of any change of address. The Union will be notified in writing when employees are recalled to vacancies.
 - (ii) Except in the case of sickness, failure to be available for work within ten (10) days after the receipt of recall notice shall make him/her ineligible for any further recall.
4. Except as noted later in this paragraph, if an employee refuses recall to a regular full-time equal position or lower position at the location level he/she will be removed from the recall list and be entitled to reduced severance pay in accordance with 11.14.1. In cases where an employee refuses to accept recall to a position where the new classification provides either a reduction of base wages of two (2) or more salary grades for job evaluated positions or in excess of ten percent (10%) for others, the employee will remain on the

recall list. Refusal to accept recall to any position outside the Location will not result in loss of recall rights.

5. At any time during the three (3) year recall period, a laid off employee may opt for his/her full severance pay entitlement. Once this election is made all recall rights will cease.
6. If at the end of the three (3) year recall period an employee has not been recalled or has not elected to receive severance pay, he/she will automatically receive the full severance pay entitlement.
7. An employee who is laid off and does not elect to accept severance payment shall be entitled to receive:
 - i) coverage under the Company's Health and Dental Plan for a period of six (6) months from the date of commencement of layoff or until the commencement of alternate employment whichever occurs first; and
 - ii) reimbursement for tuition fees and other associated expenses up to a maximum of \$5000.00 upon production of receipts from an approved educational program within twelve (12) months of his/her layoff; and
 - iii) outplacement services; the Company will determine the level of service and the service provider.
8. Persons on the recall list will be recalled for vacancies contained in their OGL's which are posted as per Article 10 and 11.16 prior to the selection of candidates to whom they are senior.
9. People on recall will have the first priority on a seniority basis for temporary positions in their OGL arising at their location which were not filled by any displacements. Where such a temporary position also represents a recall opportunity for a regular-seasonal, the position will be offered on seniority.

11.18 Wage Maintenance

When an employee displaces another employee and is reclassified to a lower-rated position, or when an employee is selected to a lower-rated vacancy pursuant to 11.16 they will receive wage maintenance. His/her wage rate will be adjusted downward in accordance with the following:

- (i) Employees with two (2) or more years' service will have their rate frozen for a period of three (3) months at which time a two percent (2%) reduction in rate will take place. Subsequent reductions of two percent (2%) will take place annually thereafter until the maximum rate for the lower-rated job is reached.

- (ii) Employees with less than two (2) years' service will have their rate frozen for a period of three (3) months, after which time their rate will be adjusted to the maximum rate for the new job.

11.19 Moving Expenses

Notwithstanding Part A, Item 23.0 the Company will not be required to pay the moving expenses of an employee householder who displaces another employee or is selected to a vacancy and as a result has a different regular work headquarters which is within reasonable commuting distance from his/her residence. Where an employee is entitled to receive moving expenses, the amount of expenses will be in accordance with Part A, Item 23.0. Such moves will be treated as Company-initiated moves.

Except as is provided for in 11.16, the Company will not be required to pay moving costs of an employee who is recalled from layoff.

11.20 Surplus Staff Joint Working Committee

The parties agree to establish a Surplus Staff Joint Working Committee. The Joint Team will explore retraining/reskilling opportunities within the Company. Prior to any running of Article 11 the Joint Team will explore the business needs, reskilling and retraining opportunities within the Company, tuition opportunities, outplacement opportunities, benefits continuance and any other issues that may arise. The intent is not to unduly compromise the existing rights of the employee but to look at the operational use of Article 11 to deal more effectively with both business and employee decisions.

ARTICLE 12 PURCHASED SERVICES AGREEMENT

12.0 SCOPE

This Article has been developed jointly in a spirit of co-operation and trust. It is intended to provide a joint approach to making good business decisions which involve the use of purchased services. Its application calls for these decisions to be made in the same spirit of co-operation and trust.

What follows is based upon the belief that there is a value and benefit to the employee, the Company and the customer if:

- There is a greater involvement by employees in the decision-making process.
- There is an improved understanding as to why purchased services are used.
- Employment security is enhanced by a productive, healthy, and cost effective organization.

- Union and Management work together and act responsibly, balancing the interests of the customer, the Company and the employee in decisions relating to the use of purchased services.

This is a way of deciding how work gets done. It is not intended to hinder getting work done.

12.1 Assignment Of Work

12.1.1 Philosophy

It is the Company's intent to use regular staff to perform most of its work of a continuing nature. Furthermore, the Company will strive to provide regular staff with stability of employment.

The parties agree that a consistent, managed and joint approach to the assignment of work within the Company is necessary to provide security for employees, a more effective, productive organization and an excellent product for the customer.

12.1.2 Principles

The following principles apply to the relationship between the Company and the Union and the work performed by Union members.

- (a) We will within the Company have all work conducted as effectively as possible.
- (b) We will measure the effectiveness of all work by its impact on staff, on the business and by its ultimate impact on our customers.
- (c) We will do most work of a continuing nature with Company employees.
- (d) We will determine when work is to be done by non-PWU members through a joint decision making process and the results of these decisions will be a joint responsibility.
- (e) We will ensure that the impact of these decisions on continuous employment is minimized.
- (f) We will use a team and consensus approach when making decisions and any issues arising will be resolved internally where possible.
- (g) We will consult and make timely decisions consistent with the need to get work done.
- (h) We will develop, implement and continue a joint process of communications and education.
- (i) We will achieve consistency through the use of these principles versus policy and procedure.

12.2 Decision Process

12.2.1 Responsibility for Decisions

The persons who are responsible for applying the decision process are the Company representative with the appropriate decision authority and the Union representative designated by the Sector Vice-President. It is recognized that a given decision may require the involvement of more than these two (2) persons.

Subject to 12.2.6 and 12.3.2(c) below, decisions to use purchased services will be made on a consensus basis. Both parties must consider all relevant criteria with the mutual goal of selecting the most effective option.

The decision makers are responsible for making timely decisions and for the decision itself.

12.2.2 Opportunity

The parties recognize that work may be done more effectively internally or externally. Opportunities for the application of this Article to new or existing work can be initiated by Management and/or the Union. It is intended that joint discussion should commence as soon as possible and before detailed definition of the need to have new or existing work done by purchased services.

12.2.3 Definition of Need

The parties will consider what work must be done and why and include such dimensions as when it must commence and the duration of the work; the quantity of resources required; the quality of the results; the skills required and their availability internally and externally; and safety requirements.

12.2.4 Alternatives

The parties will consider such alternatives as, do the work internally; do part of the work internally and part externally; do the work externally and agree to acquire capability to do the work internally in future; or do the work externally.

12.2.5 Evaluation

The parties will evaluate the alternatives considering the impact on the customer, employees and the business. Such criteria as reliability of service to the customer, customer responsiveness, community impact, Company relations impact, job continuity, ability to perform work, degree of overtime required for the work, availability of resources, cost, timeliness, quality, need for control over results, safety and impact on environment will be assessed.

The total effectiveness of the alternatives will be evaluated considering both the short and long-term impacts. In given situations, certain criteria may be given a greater or lesser degree of importance.

12.2.6 Establishment of Thresholds

The establishment of the threshold is designed to remove from the process on a case by case basis certain issues relating to purchased services. The threshold will operate in such a way as to allow flexibility in local decision making. Any decisions regarding what is below the threshold will be non-precedent setting.

If there is a dispute with the Union on whether the proposed purchased service is permitted by the threshold and there is no consensus, and if it makes sense in the circumstances the dispute will be resolved before the purchased service occurs. Lack of agreement on obtaining an advance resolution will not preclude the work from being performed, neither will it preclude the matter from being resolved under the 12.2.7 process.

The guidelines to determine whether a purchased service is below the threshold are as follows:

- subject matter lacking in substance; or
- any consequences are relatively insignificant; or
- where the nature or consequences of the work which represents a purchased service is remote from work currently performed by the PWU on a continuing basis. For purposes of clarity, this does not mean geographically remote; or
- emergencies; or
- any work performed under a manufacturer's warranty, except where the manufacturer authorized the Company to do the work.

Except in the case of an emergency, failure by the Company to supply the Union with the following information by fax or as otherwise agreed will result in the work in question being deemed to be above threshold. (In the case of emergency such decisions to use purchased services will be subject to the same information requirements, review and dispute resolution as non-emergency cases.)

The Company will notify the Union **only after execution of a Non-Disclosure Agreement, which the Company will provide** of the:

- Value of Work as reflected in Tender/Contract/Bid or Estimate Documents
- Scope of the Work
- Location of Work
- Estimated Date of Commencement and Duration of the Work

Except in the case of emergency, after receipt of the above information regarding the work the Union shall have three (3) working days to request an opportunity to discuss the proposed purchased service, failing which the proposed purchased service will be deemed to be below threshold.

The parties will make themselves available for discussion within three (3) working days of the request for a discussion.

Upon request, once the work has been performed the Company will provide the Union with the details of the final contract costs **(only after execution of a Non-Disclosure Agreement, which the company will provide)**.

- (a) Threshold grievances will be completed by the Chief Steward responsible for the PSA and presented to the line Management person responsible for the work in question.
- (b) Line Management must respond in writing to the grievance citing its position within forty-eight (48) hours (as is required with all other grievances). Both parties should endeavour locally to complete a Record of Discussion form or an agreed statement of fact sheet.
- (c) The PWU office will assign a grievance number. Copies of the completed grievance and associated fact sheets or Records of Discussion forms should be sent to the PWU office and Labour Relations - Corporate Human Resources.
- (d) Grievances will be referred to Arbitration and scheduled through joint agreement between Labour Relations - Corporate Human Resources and the PWU office.
- (e) If it makes sense to do so, local discussions may take place with a view to resolving the threshold grievance up to the arbitration date.

12.2.7 Dispute Resolution Process

- (a) Mr. Teplitsky shall be appointed as Facilitator to assist the parties to resolve all issues of application and interpretation of this Article with the power and authority of an arbitrator under the *Ontario Labour Relations Act* but not subject to the Arbitrators' Act.
- (b) Any dispute between the parties relating to whether this Article applies to any decision to use purchased services or if a purchased service falls within the categories set out in 12.2.6 will be determined in an expedited manner by the facilitator whose decision shall be final and binding.
- (c) The Union will not be prejudiced in any subsequent case by a particular purchase of services. Similarly, the Company will not be prejudiced by any decision not to purchase services. This applies to all cases including threshold cases.

12.3 Joint Resolution Committee

12.3.1 Purpose

The purpose of this Joint Committee is to resolve disagreements, on a consensus basis in a timely and expeditious manner, as to whether proposed purchased services which are above threshold may proceed. In its deliberations, the committee will consider the factors in Items 12.0, 12.1 and 12.2.

Prior to a meeting of the Joint Committee **and only after execution by all the parties of the appropriate Non-Disclosure Agreement**, the Company will provide the Union with the following information related to the proposed PSA:

- copies of the Tender or Request for Proposal documents, if there are any;
- an accurate description of the work which is the subject of the proposed PSA;
- accurate details on bids, e.g., price, scope of the work as set forth in the bid; and
- a full cost benefit analysis including incremental costs but excluding overhead costs which would be incurred.

12.3.2 Membership

The membership of the Joint Committee shall be as follows:

- (a) The facilitator Mr. Teplitsky who shall act as Chairperson;
- (b) One (1) Management and one (1) Union representative plus additional resources as required.
- (c) In the event of the parties not being able to reach a consensus decision the facilitator will have the power to make decisions. Mr. Teplitsky will have the authority to make such orders as he deems appropriate to give full affect to his decision(s) and to deal with any consequences his decision(s) might have in the workplace.
- (d) Where either party wishes to proceed with a Purchased Services discussion which is above threshold, the parties will endeavour to complete discussion within ten (10) days of notice to the Union in the prescribed form and that full resolution, including review by the JRC, will occur within thirty (30) days of notification.

12.4 Application of This Article

12.4.1 The parties will jointly develop and maintain an operating plan consistent with the provisions of this Article. Such plans will be approved by the appropriate Company official and the Power Workers' Union Vice-President. Failure to jointly develop an operating plan will not adversely affect either party's rights under the provisions of this Article.

These operational plans will include:

- An approach for the development and delivery of joint training of decision makers.
- An identification of the type of contracts that are not subject to an in-depth review.
- A guideline for a time table on how often contracts of a recurring nature must be reviewed under this Article.
- A process for joint review of potential contracts which involve work normally performed by PWU represented employees and other stakeholders.
- A process and a time frame for decision making.
- An internal process for dispute resolution.

12.4.2 Management and Union representatives may choose to jointly review the application of their operating plan and determine the need for changes at any time over the life of this Agreement.

12.4.3 Until **the end of this Collective Agreement**, Article 13, Article 14, Mid-Term Agreement IN-MID-12 Contracting Out, IN-MID-20, and Mid-Term Agreement IN-MID-14 Future Agency Employees are suspended. Item 12.1 of this Article will apply to decisions regarding the use of agency employees.

ARTICLE 12 – APPENDIX A

The provisions in this Appendix and Article 12.3.2(c) are to be applied to those situations where employees are given surplus status as a result of a joint or arbitrated decision to use purchased services to do the work normally performed by the affected employees. The definitions contained in Articles 10 and 11 will also apply to this Appendix.

1.0 JOINT EMPLOYMENT SECURITY COMMITTEE

The function of the Joint Employment Security Committee is to resolve disputes regarding the appropriate application of this Appendix.

The committee will consist of six (6) regular members, three (3) representing the Union and three (3) representing the Company. Two (2) additional members from each party may be added from a work unit affected by the surplus situation under consideration. Meetings may be called by either party.

In all disputes referred to the committee for settlement, the committee's decision will be final and binding on both parties.

In the event that the Joint Employment Security Committee is unable to resolve a dispute, it will be referred to Mr. Teplitsky. The intention of both parties is to have a speedy resolution of the dispute. Verbal decisions which will be confirmed by a

written decision will be acceptable and all decisions are final and binding on both parties.

2.0 EMPLOYMENT SECURITY

The provisions of this Appendix will apply to a regular employee with two (2) or more years' seniority who becomes surplus from his/her position as a result of contracting out the work normally performed by that employee. The effect of decisions to use purchased services on PWU members will be minimized by accommodating required staff reductions wherever possible by attrition, transfer to other jobs or retraining. Redeployment/career counselling will be made available to affected staff when they are notified of their surplus status. Training and career options will be discussed and incorporated into the redeployment plan. Reasonable training and educational leave will be applied as appropriate. The provisions of this Article will not apply to regular-seasonal employees. The definitions contained in Articles 10 and 11 will also apply to this Appendix.

For the purposes of determining if the employee has sufficient seniority to qualify for this Appendix, his/her seniority will be counted up to the surplus date.

2.1 Surplus Identification

When a decision to contract out results in a surplus in a classification in any worksite the least senior employee in that classification in the worksite shall be identified as surplus. Such employees will be able to apply for vacancies as per Article 10.

2.1.2 If an employee with five (5) or more years seniority has not been selected to a vacancy within one (1) year after the surplus date, or an employee with two (2) years but less than five (5) years' seniority has not been selected to a vacancy within sixteen (16) weeks after the surplus date, he/she will be given displacement rights as contained in Article 11 and all other terms and conditions of Article 11 will apply. At this time all other provisions of Appendix A will cease to apply.

2.1.3 The one (1) year period for employees with five (5) or more years' seniority and the sixteen (16) week period for employees with two (2) or more but less than five (5) years' seniority is designed to allow employees not selected to vacancies to avail themselves of the retraining and reskilling opportunities outlined in 2.0 prior to any displacement as per Article 11.

2.2 Wage and Salary Treatment

2.2.1 Seniority - Five (5) Years or More

The employee's grade and progression step shall be maintained and negotiated increases shall apply for one (1) year from the surplus date regardless of placement. If the employee accepts a vacancy in a lower-rated classification his/her dollar rate shall be frozen at the end of the one (1) year until the rate for the classification equals

the employee's dollar rate, at which time the normal wage and salary treatment shall apply.

2.2.2 Seniority - Two (2) Years - Less than Five (5) Years

The employee's grade and progression step shall be maintained and negotiated increases shall apply for sixteen (16) weeks from the surplus date regardless of placement. If the employee accepts a vacancy in a lower-rated classification his/her dollar rate shall be frozen at the end of sixteen (16) weeks for a period of three (3) months at which time a four percent (4%) reduction in rate will take place. Subsequent reductions of four percent (4%) will take place annually thereafter until the maximum rate for the lower-rated job is reached.

2.3 General Conditions

2.3.1 Notwithstanding the provisions of this Article an employee who is within five (5) years of normal retirement or within five (5) years of eligibility for undiscounted pension when faced with displacement or layoff, with joint agreement may be given special consideration for worksite protection/preference.

Notwithstanding the provisions of this Article, the parties may make special arrangements for employees who are disabled to the extent that alternative employment would be difficult to find.

2.4 Moving Expenses

Prior to Article 11 applying, an employee who is identified as surplus as per this Appendix and is required to relocate his/her residence shall receive moving expenses in accordance with the provisions of Part A, Item 23.0. Such moves will be treated as Company-initiated moves.

ARTICLE 13 EMPLOYMENT SECURITY PLAN⁵

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⁵ This Article is suspended for the term of this Agreement.

13.0 PURCHASED SERVICES

During the term of this Collective Agreement, no regular employee will be declared surplus in his/her position as a result of the use of purchased services to perform the work normally performed by that employee.

13.1 Employment Security

Numerous factors may affect the nature and methods of accomplishing work. Changes in work patterns cannot be prevented but the effect of such changes on regular employees should be minimized as much as possible. The effect of such changes on PWU members will be minimized by accommodating required staff reductions wherever possible by attrition, transfer to other jobs or retraining rather than layoff.

The provisions of this Article will apply to a regular employee with five (5) or more years' seniority who becomes surplus from his/her position as a result of contracting out the work normally performed by that employee. The provisions of this Article will not apply to regular-seasonal employees.

Employees who become surplus for reasons other than contracting out will be entitled to Article 11 as applicable.

The definitions contained in Articles 10 and 11 will also apply to this Article.

For the purpose of determining if the employee has sufficient seniority to qualify for Article 13, his/her seniority will be counted up to the surplus date.

13.2 Joint Employment Security Committee

The function of the Joint Employment Security Committee is to resolve disputes regarding the appropriate application of Article 13 versus Article 11.

The committee will consist of six (6) regular members, three (3) representing the Union and three (3) representing the Company. Two (2) additional members from each party may be added from a work unit affected by the surplus situation under consideration. Meetings may be called by either party.

In all disputes referred to the committee for settlement, the committee's decision will be final and binding on both parties.

In the event that the Joint Employment Security Committee is unable to resolve a dispute, it will be referred to an expedited arbitration process. The intention of both parties is to have a speedy resolution of the dispute. A list of arbitrators will be agreed upon who are prepared to meet on short notice (within seven (7) days) and to render a decision within fourteen (14) days. Verbal decisions will be acceptable and all decisions are final and binding on both parties.

13.3 Application

When a surplus is identified in a classification in any location, the least senior employee in the surplus classification in the location shall be declared surplus.

Employees will be notified, in writing, a minimum of three (3) months in advance of their surplus date. A copy of the notice shall be sent to the PWU office and the Chief Steward.

13.4 Selection

The following selection criteria apply to vacancies and placement opportunities in equal and lower-rated classifications:

1. For non-supervisory vacancies, the senior qualified surplus regular employee applicant will be selected.
2. Placement opportunities will be filled from among the qualified surplus applicants so long as there are qualified surplus applicants. For selection to a placement opportunity in an equal classification (if the equal classifications have been determined at the time the application is made), the senior qualified surplus regular employee applicant will be selected.
3. Selections to supervisory positions will continue to be governed by Article 10.1.5(A) except when the vacancy is in the same classification as the surplus employee in which case the senior surplus applicant shall be selected.
4. If a surplus applicant is selected to a vacancy he/she must render his/her decision within three (3) working days of the offer being made. Failure to do so will be considered a rejection of the offer and will not affect his/her further treatment under this Article.

When there are no qualified surplus applicants, Management will assess the capability of the surplus applicants to become qualified in a reasonable period of time. Management will select from among those assessed to be qualifiable in a reasonable period of time.

Employees covered by this plan will be given surplus priority consideration from the date of notification until eleven (11) months after the surplus date. The selection priority will be the same as detailed in Article 11.16.2 which are repeated here for ease of application.

The following applies for equal and lower-rated vacancies.

Each category will be considered independently and in the order indicated.

1. Surplus employees represented by the PWU and surplus managerial services employees⁶.
2. Employees who were required to displace someone in a lower classification as a result of being surplus and who were previously in the classification that is now vacant.
3. Persons on the recall list whose occupational group contains the vacant classification.
4. As per Article 10.

13.5 Wage and Salary Treatment

The employee's grade and progression step shall be maintained and negotiated increases shall apply for one (1) year from the surplus date or until the date the employee accepts a vacancy whichever comes first.

If the employee accepts a vacancy in a lower-rated classification, his/her dollar rate shall be frozen until the rate for the classification equals the employee's dollar rate, at which time the normal wage and salary treatment shall apply.

13.6 Displacement

If the employee has not been selected to a vacancy within one (1) year after the surplus date he/she will be given displacement opportunities available in Article 11 and all other terms and conditions of Article 11 will apply, except for Article 11.4.

All other provisions of Article 13 will cease to apply.

13.7 General Conditions

An employee who is within five (5) years of normal retirement or within five (5) years of eligibility for undiscounted pension or an employee who is disabled to the extent that alternate employment will be difficult to obtain, may by agreement between the Company and the Union, be given special consideration when faced with displacement.

One (1) year's additional seniority shall be allowed Stewards and Chief Stewards for the determination of which employees are surplus within the electoral unit of the Chief Steward.

An employee who is assigned temporary duties or who accepts a vacancy will assume the working conditions of the position.

⁶ Managerial services employees in this context means employees paid from salary schedule 16 with the following exceptions: security guards, fire and safety inspectors, first aid attendants, and project medical attendants.

A surplus employee who is required to relocate his residence, shall receive moving expenses in accordance with the provisions of Part A, Section 23.0. Such moves will be treated as Company-initiated moves.

ARTICLE 14 EMPLOYMENT SECURITY AND WORK ASSIGNMENT⁷

14.0 It is the Company's intent to use regular staff to perform most of its work of a continuing nature. Furthermore, the Company will strive to provide regular staff with stability of employment.

The Working Paper on Staffing and Employment dated March 15, 1985 states Management's intentions with regard to continuity of employment for regular staff and proportions of work expected to be undertaken by regular staff. For at least the term of this Collective Agreement, the Company will not reduce the stated proportions of work to be done by regular staff.

At the end of each six (6) month period commencing January 1987, the Company will prepare a statement showing the proportions of work done by regular staff and make this information available to the PWU.

It is understood that the Working Paper on Staffing and Employment, as distinct from the terms of the above provisions, does not form part of the Collective Agreement and is not subject to the grievance and arbitration process.

14.1 Work Assignment

1. It is understood that the assignment of work to purchased services does not convey a right to such work in the future, nor does it create any precedent with respect to future assignment of such work to purchased service employees by the Employer.
2. It is agreed between the parties that no more than four hundred fifty (450) of the Company tradespersons will be assigned by the Company at any one time under the EPSCA Maintenance Assist Agreement to perform work for the Company. The Company agrees to inform the Union of the number of Company tradespersons assigned under the EPSCA Maintenance Assist Agreement on a monthly basis.

⁷ This Article is suspended for the term of this Agreement.

ARTICLE 15 SUCCESSOR RIGHTS

The Employer agrees that it will not directly or indirectly request government to exempt the Company or the Union from the successor rights provisions of the applicable labour relations legislation.

The successor rights provisions of the applicable labour relations statute shall be incorporated by reference into this Collective Agreement. No Board of Arbitration established pursuant to the grievance and arbitration provisions of this contract has jurisdiction to make any decision within the jurisdiction of the Labour Relations Board and nothing herein is intended to affect the jurisdiction of the Labour Board to resolve disputes related to the application of the provisions of the statute. For purposes of s.48 of the *Ontario Labour Relations Act* and s.57 of the *Canada Labour Code*, the Ontario Labour Relations Board or the Canada Labour Relations Board shall be deemed to be a Board of Arbitration for the resolution of disputes related to the interpretation, application, administration or alleged violation of this provision of the Collective Agreement. The remedial powers of the Labour Board shall be as set out in the relevant statutory provisions governing successor rights.

ARTICLE 16 DURATION OF THE AGREEMENT

This Agreement shall come into effect as of the 1st day of **October 2007**, and shall remain in effect until the 30th day of **September 2010**, and thereafter from year to year unless terminated by written notice given by one of the parties to the other within a period of not more than two (2) months, but not less than one (1) month prior to the anniversary date.

In the event that either party desires to amend the Agreement but not to terminate the same, either party may, by notice in writing not more than ninety (90) days and not less than thirty (30) days before the anniversary date, serve notice of the proposed amendments and both parties shall thereupon commence to negotiate in good faith with a view to arriving at an agreement on the proposed amendments and all provisions of the Agreement, other than those proposed to be amended, shall continue in full force and effect.

ARTICLE 17 – TRANSFER OF EMPLOYEES ON CHANGE OF EMPLOYER

1. In this Article transfer shall mean any sale, lease, transfer or any other transaction between the Company and any other entity, by virtue of which the control over any part of the Company's business or assets becomes held by such other entity and the Company's employees become employees of a new employer.
2. The Company recognizes the importance of securing for employees opportunity for continuing employment with the new employer and are committed to using

its best efforts in securing such opportunity for employees with the new employer.

3. Prior to the new Company commencing operations, the Company and the new receiving company will define the scope of work, the job classifications involved and the staffing required for each job classification together with employee category.
4. When such information has been gathered, the PWU and the Company will meet to review the staffing requirements and confirm the full-time equivalents together with the affected job classifications.
5. Based upon the step outlined in paragraph 4 above and a current seniority list for the affected employees, an allocation will be made using the rule of “senior choice/junior force”. This joint allocation will determine the staffing complement and employees allocated to the new employer.
6. The PWU and the Company will, prior to a new employer commencing operations, ask those selected employees, employed at the Company, their intention to continue employment with the new employer.

The Company and the PWU agree issues may arise with respect to employees who refuse ongoing employment opportunity with the new employer.

Therefore, the parties agree as follows:

- a) At a time selected by the Company, in consultation with the PWU, but no later than sixty (60) days before the new employer commences operating the business, employees at the Company will be asked to state in writing their intention to accept continuing employment with the new employer.
 - b) The PWU and the Company will attempt to resolve all issues that arise upon the refusal of any employee to accept continuity of work with the new employer.
 - c) If there is no agreement on issues relating to employees who decline continuing employment with the new employer, the issues will be submitted to an expedited mediation/arbitration process. Martin Teplitsky Q.C. will be the mediator/arbitrator. The mediator/arbitrator will have discretion to make any award that he considers fair and reasonable in all of the circumstances.
7. The Company agrees that it shall provide in writing to the PWU at the earliest possible time after selection of the new employer but in any event prior to the time period in paragraph 6(a) above, all available information relating to the new employer that is relevant to employees and that is not confidential.

8. Effective on the date the Company officially provides the PWU with a listing of the staff positions and numbers to be transferred to the new employer the following will apply:
 - I. Subject to (III), an employee who successfully applies for a vacancy in the affected business shall thereafter exercise seniority rights within the affected business and will have no seniority rights enforceable outside the affected business notwithstanding any other provision of the Collective Agreement.
 - II. Employees at the affected business may apply for vacancies outside the affected business in accordance with the applicable provisions of the Collective Agreement up to thirty (30) days prior to the scheduled date for closing of the transaction but not thereafter.
 - III. An employee in the Company who is declared over-complement/surplus by the Company prior to the date of closing shall have full rights under Article 11.
 - IV. Employees at the Company who are eligible for regular retirement or undiscounted retirement on or before the date of closing of the transaction to transfer shall be given sixty (60) days notice of their right to make an irrevocable election within that sixty (60) days and prior to the closing date to retire effective on the closing date. Should an employee make a decision to retire they will retire effective on the date of the closing and receive a lump sum payment equal to one (1) year's base salary. This amount will be paid as a retirement allowance. The employee may direct all or a portion of this payment into an RRSP up to the amount permitted by law. The employee shall provide the Company with the appropriate form directing the payment into his/her RRSP.
 - V. If the Company needs to replace the services provided by the new employer and the Company is still accountable to provide these services to its Clients, those former employees will be given the opportunity to return to the Company with their jobs, service, rights and entitlements intact. If any such employee was subject to wages, benefits and/or Pension Plan provisions that were more provident than this Collective Agreement, such wages, benefits and Pension Plan provisions will be red circled until such time as the related provisions in this Agreement are equal or better.
 - VI. If the new employer reduces the total complement of employees at the affected business which results in the permanent layoff of former Company employee(s), the employee(s) identified to be permanently laid off will be entitled to apply to vacancies existing within the original Company, having preference over new hires and exercising seniority rights equal to their original Company service plus service accumulated with the new employer.

9. An employee who is not afforded the opportunity for continuing employment by the new employer shall have full rights under Article 11.
10. The PWU agrees that no proceedings will be brought against the Company claiming the Company is a related or common employer with the new employer or any of the new employers related or subsidiary businesses so long as the relationship in the Agreement contemplated in paragraph I does not materially change.

11. Retraining/Reskilling

A Joint Team will be established to explore retraining/reskilling opportunities within the Company. Prior to any running of Article 11 the Joint Team will explore the business needs, reskilling and retraining opportunities within the Company, tuition opportunities, outplacement opportunities, benefits continuance and any other issues that may arise.

Signed
Vertex

Manager,
Human Resources

Signed
Power Workers' Union
Canadian Union of Public Employees - Local 1000

Sector Vice-President
duly appointed to execute this Agreement on behalf of the Union.

PART A

GENERAL ITEMS

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PART A
GENERAL ITEMS

1.0 EMPLOYEE CATEGORIES

All employees fall into one or the other of four principal categories as outlined below.

1.1 Probationary

This category describes persons taken on strength on a probationary basis with the prospect, if their services are found satisfactory, of a change of category to regular full-time or regular part-time (Section 1.2, following).

1.2 Regular

Regular employees are those employees who, having satisfactorily met the job requirements, are judged medically fit by the Company appointed Physician for positions which are part of the continuing organization of the Company. They must have served the required time in a probationary category which is part of the Company's continuing organization, or in a temporary category which becomes part of the Company's continuing organization.

1.2.1 Regular Full-Time

Regular full-time employees work the regular hours of the classification into which they are hired.

1.2.2 Regular Part-Time

The establishment of a regular part-time position is a joint decision of local management and the Chief Steward made in a spirit of trust and co-operation. The parties will ensure that regular part-time positions are appropriately used to maintain corporate effectiveness, in handling peak call volumes. The Company will not utilize part-time employees to replace regular full-time employees. The Company will maintain a ratio between regular part-time and total PWU represented regular staff of no more than twenty-five percent (25%). (Total number of regular part-time PWU staff divided by total number of PWU represented regular staff). The Company will supply the regular part-time shift schedule to the union at the bi-monthly Joint Union/Management meeting.

Regular part-time employees are regularly employed on an average of twenty-four (24) hours or less per week calculated on a monthly basis. During the initial training/coaching period (not to exceed eight (8) weeks), regular part-time employees may work full time hours (35 hours per week). This work at full-time hours will not require advertisement to all employees. They are employed for a minimum of sixteen (16) hours per month. Regular part-time employees are treated as regular employees except where noted otherwise.

Pro-Ration Formula: The regular part-time employee benefit pro-ration formula is calculated based on the hours worked by the regular part-time employee expressed as a percentage of the normal scheduled number of hours for the classification. Where the number of regular part-time hours vary in a week it will be necessary to calculate this percentage over a jointly agreed upon extended period to get an accurate figure.

1.2.3 Regular - Job Share

Regular full-time employees interested in job sharing arrangements shall find an appropriate partner from the same work location with similar skills and the same or lower terminal rates. These employees must establish an acceptable arrangement between themselves before approaching Management with the request.

Upon attaining agreement between Management and the employees, the job share arrangement will operate for a trial six (6) month period. Following the six (6) month trial period, the arrangement will:

- (a) be considered a temporary arrangement and be extended by a maximum of six (6) months at which time the arrangement will end,

OR

- (b) be considered a permanent job share arrangement. At this time the vacated position will be posted and filled in accordance with Article 10. In the case of the permanent job share arrangement, the incumbents are required to remain in their arrangement until one (1) partner permanently leaves the job share. At that time, the other partner is required to assume responsibility for the full-time position on thirty (30) days' notice.

Employees engaged in a job share work arrangement are regular part-time employees for the purposes of benefits administration. Employees in job share arrangements will revert to regular full-time status for the purposes of application of Article 10 and Article 11.

Service credit for time spent in job sharing arrangements will be calculated on a pro-rata basis.

1.3 Temporary

Temporary employees are hired to perform work that is expected to last for a short period of time or to perform work in place of a regular employee who is absent from his/her position.

For temporary full-time and temporary part-time employees, accumulated service shall mean the period of employment during which there has been no break in employment exceeding five (5) months.

1.3.1 Temporary Full-Time

Temporary full-time employees work the regular hours of the classification into which they are hired and may be engaged for up to **twenty-four (24)** months of accumulated service.

1.3.2 Temporary Part-Time

Temporary part-time employees are employed for a period of up to twelve (12) accumulated months on an average of twenty-four (24) hours or less per week (calculated on a monthly basis). During the initial training/coaching period (not to exceed eight (8) weeks), regular part-time employees may work full time hours (35 hours per week). This work at full-time hours will not require advertisement to all employees. Temporary part-time employees are treated as temporary employees except where noted otherwise. Benefits are pro-rated the same as regular part-time employees.

To ensure that temporary part-time employees are properly classified as temporary, an assessment is to be made as to the regular or temporary status of the position whenever the temporary part-time employee is employed for twelve (12) continuous¹ calendar months. This assessment is subject to the grievance procedure.

This assessment is made based on the definition of a regular part-time position, i.e., the work is of a continuing nature with a minimum of sixteen (16) hours in a calendar month. If the position is determined to be temporary this will be conveyed to the Chief Steward (the employee should be given an end date and will remain temporary).

If the position is determined to be regular part-time, a joint discussion must take place as per the regular part-time provisions in the Agreement prior to the position being posted. If the incumbent's employment exceeds twelve (12) continuous months the incumbent will be given regular part-time status and the incumbent's seniority will be calculated on a pro-rated basis.

If as a result of the assessment above, the position is still temporary part-time at the twelve (12) month accumulated service mark one of the following options must be selected:

- 1) the job is posted as a regular part-time. This decision is a joint decision as per regular part-time provisions in the Agreement.
- 2) The Steward agrees to an extension of the temporary part-timer's service for a specific period and the employee retains temporary status.
- 3) The temporary part-timer is terminated.

¹ If an employee commences on January 20th and works any portion of a calendar month for 12 continuous months, they will have 12 continuous calendar months service on January 20th of the following year.

Accumulated service applies to temporary employees. Such employees do not have either seniority or service credit.

1.3.3 Benefits

The following are the benefit provisions that apply to temporary employees.

A temporary employee who achieves twelve (12) months or greater accumulated service will be entitled to a fifteen percent (15%) per month payment in lieu of pension and health benefits.

A temporary employee who achieves twelve (12) months or greater accumulated service will be entitled to one (1) day bereavement leave and be released from duty without reducing base earnings in the event of the death of an immediate family member.

Once an employee achieves regular status, they will be given the option of buying back the time that is deemed to be probationary for pension purposes.

1.3.3.1 Vacations

Entitled to a cash vacation allowance of four percent (4%) of accumulated wages. After 12 months of accumulated service an employee is eligible to one working day vacation for each full month of service to a maximum of ten (10) days in lieu of 4% payment.

1.3.3.2 Statutory Holidays

Temporary employees will be entitled to statutory holiday pay provided that they have more than three (3) months' accumulated service.

Temporary part-time employees will be entitled to statutory holiday pay provided that they:

1. Have more than three (3) months' calendar service;
2. Have worked on at least twelve (12) days during the four (4) weeks immediately preceding the holiday;
3. Have worked on their scheduled regular day of work preceding and following the holiday.

Payment for such statutory holidays will be the amount the employee would normally earn on a scheduled day of work.

1.3.3.3 Floating Holidays

Temporary employees who have accumulated twenty (20) weeks' service in a calendar year will be entitled to three (3) floating holidays subject to the following:

1. Floating holidays may be taken on such days as the employee and his/her supervisor mutually agree upon, following reasonable advance notice on the part of the employee.
2. Floating holidays shall not be carried over into the following year unless work considerations prevent the employee from taking the floater(s) in the year of entitlement.
3. Where the employee is unable to reach mutual agreement with his/her supervisor to take his/her floating holiday(s) before year-end because of absence due to illness, unused floating holidays will be assigned on the last working day(s) of the year.
4. Where an employee falls sick on his/her scheduled floating holiday, that day will not be charged against his/her sick leave credits, but shall be treated as a floating holiday for pay purposes.
5. Entitlement on Termination: If the employee terminates after having accumulated twenty (20) weeks' service in the calendar year, the Company will make a cash payment in lieu of any unused floating holiday credit.

If the employee terminates prior to accumulating twenty (20) weeks' service in the calendar year, entitlement will be as follows:

- (a) If the employee has not qualified for entitlement in the previous year, he/she will have no entitlement in the current year. If he/she was granted a floating holiday under 4. above, the Company will recover one (1) day's pay for each floating holiday taken.
- (b) If the employee has qualified for entitlement in the previous year, his/her entitlement will be pro-rated based on the number of weeks' accumulated service in the year of termination. For example, an employee who terminates after accumulating five (5) weeks' service in the year would be entitled to 5/20ths of three (3) days.

The Company will either make a cash payment in lieu of any unused floating holiday credit or recover the value of the unearned portion of floating holidays taken under 4. above.

In no case will an employee be entitled to more than three (3) floating holidays or floating holiday credit in a calendar year.

6. Temporary part-time employees shall receive pro-rated payment (Ref. Part A, Item 1.3.2).

1.3.3.4 Sick Leave Entitlement

Temporary employees shall earn sick leave credit of one-half day at one hundred percent (100%) pay for each month of accumulated service.

1.3.3.5 Health Insurance Plan (Excluding Summer Students Regardless of Wage Schedule Paid From)

These employees shall be considered as a group in order that they may apply to participate in the Supplementary Plan and the Extended Health Benefit Plan at group rates. One hundred percent (100%) of all premiums will be paid by the employees.

The Company will pay one hundred percent (100%) of the Ontario Health Insurance Plan premium for temporary employees who have four (4) months' accumulated service.

1.3.4 Notice of Termination

When the employment of a temporary employee is terminated for other than cause, he/she is entitled to one (1) week's notice in writing. **These employees may be terminated as the specific work they were hired to perform expires, and such termination may be conducted without regard to accumulated service.**

2.0 REGULAR STATUS

Appointments to regular status are contingent on satisfactorily meeting the Company's medical requirements.

1. Probationary employees must serve a minimum of three (3) months on probation. If service is satisfactory, they may be accorded regular status at that time. A period of not more than three (3) more months can be used as a further period of probation if it is needed. At the end of this further period, employees must either be made regular, transferred to another position or dismissed. Regular part-time probationary employees must serve up to six (6) calendar months on probation.
2. Where it can be foreseen that full-time work at a location within the PWU's jurisdiction will be ongoing for more than a twenty-four (24) month period or full-time work at a location has been ongoing for a twenty-four (24) month period, the full-time position will be posted and filled as a regular position in accordance with Article 10. Gaps of two months or less in continuity of the full-time work will not limit the employer's obligation to post and fill said position.

The Employer shall meet quarterly with the Union to provide detailed information on all upcoming work as far in advance of the work as possible and updates on current projects.

Once a temporary employee has attained twenty-four (24) months of accumulated service he/she shall be granted regular full time employee status. In such circumstances the employee's position will be considered a vacancy and posted. If the former temporary employee is not selected to this vacancy he/she will be declared surplus in accordance with Article 11.

No later than eighteen (18) months after the commencement of work by a temporary employee, or a combination of temporary employees performing work in the same classification at a location, the Employer shall notify the Union of its intention to (a) post and fill full time regular position(s) in the appropriate classification or (b) lay off the temporary employee within the next six (6) months.

3.0 ANNIVERSARY PROGRESSION

Progression dates shall be calculated from the date of appointment or promotion to the position. Subsequent salary adjustments shall be on anniversary dates except as otherwise specified on the appropriate wage schedule.

NOTE

- (a) The progression date for a regular part-time employee who works on average fifty percent (50%) or more of the base hours of the full-time classification for the year will be at the completion of one and one-third years of service.
- (b) The progression date for a regular part-time employee who works on average less than fifty percent (50%) of the base hours of the full-time classification for the year will be at the completion of two (2) years service.

As a regular practice employees shall automatically progress from minimum to maximum as indicated in the respective wage schedules subject to the following:

3.1 Withholding Progression (Unsatisfactory Performance)

If an employee fails to make satisfactory progress his/her progression may be withheld for a period of six (6) months. (eight (8) months for a regular part-time employee working fifty percent (50%) or more of the base hours; twelve (12) months for regular part-time employee working less than fifty percent (50%) of the base hours.)

In taking this action the Company shall provide the employee with one (1) month's notice and the reason for the withholding.

The performance of an employee whose progression has been withheld as above will be reviewed within seven (7) months (nine (9) months for a regular part-time employee working fifty percent (50%) or more of the base hours of the classification and fourteen (14) months for regular part-time employee working less than fifty percent (50%) of the base hours of the classification). If progress and general performance are found to be satisfactory, progression shall be granted. If not, the employee shall be either transferred or dismissed.

If at the time of this review the employee's progress and general performance were found satisfactory and if six (6) months after the review his/her performance has continued to be satisfactory, he/she may be granted the next step in his/her progression.

This will then re-establish his/her original progression status.

If an employee in a recognized hourly-rated training program has not reached the acceptable level of performance his/her progression may again be withheld in accordance with the above. Progression to the journey person or job rate will not be delayed by more than six (6) months.

3.2 Deferral of Progression (Absences from Work)

When an employee has been absent from work for a period in excess of three (3) months, excluding approved vacation, his/her progression may be deferred without prior notice for a period of time not to exceed the length of the absence. Subsequent progression dates may be adjusted accordingly.

3.3 Relief Progression Time

Employees who perform relief, acting, temporary or rotation time in a position for three (3) calendar months or more will have that time and satisfactory progression associated with that position counted toward their progression. Such time and subsequent relief, acting, temporary or rotation time will be cumulative, provided there is not a break of twelve (12) months or more between relief, acting, temporary or rotational periods. Once an employee has accumulated enough time to proceed to the next step under the constraints mentioned above, they will move to the next appropriate step as per their wage schedule. In the event the employee is successful to a vacancy in the same classification, their relief time will be counted towards their progression.

4.0 RETROGRESSION POLICY

The term 'retrogression' is used to indicate a gradual reduction in pay to predetermined adjusted rate.

4.1 Where Applicable

1. Retrogression shall apply where a regular employee becomes unable to perform the duties of a job for which he/she is receiving the standard rate and is transferred to a lower-rated job because of:
 - (a) A disability caused by accident or illness.
 - (b) Inability to cope with increased responsibility due to change in job content.
 - (c) Where the unsatisfactory performance is due to faulty selection and the employee has served in the position for a period of at least one (1) year.

Any retrogression for medical reasons is subject to ratification by the Company appointed Physician.

2. Retrogression shall not apply where:
 - (a) An employee has less than ten (10) years' established service credit.
 - (b) The change to the lower-rated job is made at the request of the employee to escape heavy work or responsibility or for personal reasons.
 - (c) The change to the lower-rated job is made necessary for unsatisfactory job performance due to causes other than in Section 4.1(1).

NOTE

Where retrogression does not apply, the employee will receive the job rate for the new job effective at the time of transfer to the new job.

4.2 How Applied

The Company will endeavour to provide an employee to whom Section 4.1(1) applies with work he/she is capable of performing. His/her rate of pay shall be calculated as follows:

1. A new rate for the employee will be calculated at the time the employee is retrogressed. This is calculated by adding to the base rate of the new classification an additional two and one-half percent (2.5%) (except as specified below) of the differential between the base for the new job and the base rate for the employee's former job for each year by which his/her continuous service exceeds ten (10) years at the time of transfer. For regular part-time employees, the new rate is calculated on an hourly basis. For employees with twenty-five (25) or more years of service, where the reason for retrogression is one of 4.1(1)(a) or (b), five percent (5%) is used in the calculation instead of two and one-half percent (2.5%).

The calculation determines the rate to which the employee's pay will be reduced.

2. The reduction in rate will take place in steps each amounting to but not exceeding approximately four percent (4%) of his/her former base rate. (Hourly rate for regular part-time employees.) The first step shall occur three (3) months after he/she has been transferred to the new job. The subsequent steps shall occur at six (6) month intervals until the rate determined in 4.2(1.) has been reached.
3. Where the retrogressed employee is unable to do the job to which he/she has been retrogressed and demotion to another job is necessary, the rate for this new job shall be based on the differential between the base rate of the original job from which he/she has been retrogressed and the base rate of his/her new job.
4. While retrogression is in progress and after retrogression is completed, increases in pay that occur will be applied only to the base rate for the new job and the retrogressed employee will only receive a benefit when the base rate for the new job exceeds his/her adjusted rate.
5. It shall be the responsibility of each Human Resources Manager/Officer to advise the Union in writing when any employees are placed on retrogression. This information will be provided to the Union as soon as possible but in any case before the reduction in rate specified in 4.2(2.) takes place.

4.3 Special Provisions

1. Retrogressed employees who are within ten (10) years of being eligible to retire without discount or who are within fifteen (15) years of normal retirement, shall have their rate frozen until the rate for the job being performed catches up to the frozen rate.
2. An employee with twenty (20) years' service who is retrogressed for medical reasons related to the working conditions and job environment during a significant portion of his/her employment with the Company, will have his/her wages maintained until he/she is eligible for an undiscounted pension. The wage rate will be frozen thereafter.

The medical reasons will be reviewed and assessed by the LTD Review Committee.

3. If, in the opinion of the LTD Review Committee, an employee is retrogressed because of a serious injury that resulted from an on-the-job accident with the Company, he/she will have his/her wages maintained until he/she is eligible for an undiscounted pension. This provision will apply to all regular employees regardless of service.

4. An employee with ten (10) years' service who is retrogressed because of a muscular-skeletal repetitive strain injury or injury arising therefrom, which is deemed compensable by the WSIB and relates to his/her working conditions with the Company will have his/her wages maintained until eligible for an undiscounted pension. The wage rate will be frozen thereafter.

The medical reasons will be reviewed and assessed by the LTD Review Committee.

- 4.4 Nothing in this regulation will override special commitments that have been made by the Company that in certain instances rates of pay will be maintained.

5.0 SERVICE CREDIT

5.1 Introduction

This item defines service credit and describes the basis for calculating service credit for all purposes except those of the Pension Plan which are covered in the Vertex Pension Plan Rules.

The application of such service credit to vacations, LTD, sick leave and other benefits will continue to be governed by the appropriate instructions.

5.2 Service Credit Calculation

In most cases the service credit of a regular employee is that employee's seniority. The exception to this can be found in Article 10.1.2 where an employee who is appointed to a position within the PWU jurisdiction from a bargaining unit, which restricts seniority to its own membership, has his/her seniority limited to service within the PWU bargaining unit.

Seniority applies to regular, regular-seasonal, and probationary employees only.

Temporary employees have accumulated service only.

Service credit will not be granted for absences without pay of greater than thirty (30) days with the exception of:

1. Normal and Extended Pregnancy/Parental/Adoptive leave.
2. Elected Union officials absent on Union business.
3. Medical leave of absence.
4. Time off in lieu of overtime worked.

5.2.1 Regular Employees

Service credit shall be the period of employment with the Company and any service restored as per Part A, Item 5.3.

5.2.2 Temporary Full-Time and Part-Time Employees When Granted Regular Status

When temporary employees are granted regular or regular-seasonal status, service credit shall be granted for all previous full-time service and on a pro-rata basis for all part-time service.

5.3 Restoration of Service Credit

Regular employees who terminate and are re-employed to a continuing position shall have their service credit restored. Proof of past service must be provided by the employee in the first sixty (60) days of re-employment unless the Company is capable of providing the proof within the first sixty (60) days of re-employment. They shall not be required to serve a further probationary period. No service credit will be allowed for the period between termination and re-employment. Regular employees who were formerly employees of Ontario Hydro shall have their service credit restored as per Article 10.4.

Former regular employees who are rehired for temporary full-time or temporary part-time assignments will not be granted regular status upon rehire. Former regular-seasonal employees will retain regular-seasonal status when rehired for a temporary assignment, within one (1) year of their last termination date.

5.4 Restoration of Previous Service for Pregnancy Leave

Female employees of the Company or its predecessor, Ontario Hydro, who were granted pregnancy leave will be eligible for service credit as follows:

- (a) those employees who took normal pregnancy leaves will be eligible for service credit up to a maximum of seventeen (17) weeks.
- (b) those employees who took extended pregnancy leaves on or after April 1, 1977 will be eligible for service credit for the full duration.

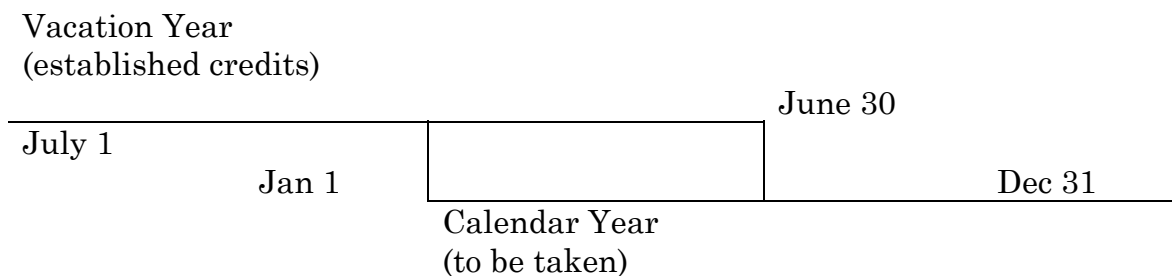
6.0 VACATIONS

6.1 General Policy

Whenever possible, vacations will be granted at dates requested by the employees, but in view of the Company's role in providing a vital service at all times, the Company reserves the right to determine the dates when vacations may be taken.

6.2 Relationship between Vacation Year and Calendar Year

For the purpose of calculating vacation allowances, the vacation year commences July 1st of the previous year and ends June 30th of the calendar year in which the vacation is to be taken.



6.3 Vacation Entitlement

Definition: The *Employment Standards Act* states that every employer shall give to each employee a vacation with pay of at least two (2) weeks upon the completion of each twelve (12) months of employment. The amount of pay for such vacation shall not be less than an amount equal to four percent (4%) of the wages of the employee in the twelve (12) months of employment for which the vacation is given.

Wages are defined as any monetary remuneration payable by an employer to an employee under the terms of a contract of employment as well as any payment under the *Employment Standards Act* except vacation pay. Included in wages are termination pay, overtime pay, holiday pay, sick pay, equal pay adjustments, shift differentials, premiums for weekend or holidays, on-call and standby.

Wages do not include vacation pay previously paid in the twelve (12) month period, supplementary unemployment benefits, tips or other gratuities, gifts and bonuses that are dependent on the discretion of the employer and are not related to hours, production or efficiency. Also excluded are travelling allowances or expenses, contributions made by an employer to pension funds, unemployment insurance, death grants, disability plans, accident plans, sickness plans, medical plans, nursing plans or dental plans.

Where an employee receives a greater benefit for vacation or vacation pay, that benefit will prevail over the conditions set out in the *Employment Standards Act*.

The amount of pay for a vacation shall be not less than an amount equal to four percent (4%) of the accumulated wages of the employee in the twelve (12) months of employment for which the vacation is given and in calculating wages no account shall be taken of any vacation pay previously paid.

Regular Employees

A regular employee shall be eligible for a vacation of:

Less than One (1) Year's Service by June 30th: One (1) working day for each full month of service completed between June 30th of the previous year and July 1st of the current year up to a maximum of two (2) weeks (ten (10) working days).

The employee shall be paid four percent (4%) of the accumulated wages in the year for which the vacation is given.

For One (1) Year and Less Than Three (3) Years' Service: Ten (10) working days (two (2) weeks) annually. Vacation pay shall equal ten (10) days' base earnings or four percent (4%) of accumulated wages, whichever is greater.

For Three (3) to Seven (7) Years of Service: Fifteen (15) working days (three (3) weeks) annually when an employee has completed from three (3) to seven (7) years of service by the end of any calendar year. Vacation pay shall equal fifteen (15) days' base earnings or four percent (4%) of accumulated wages whichever is greater.

For Eight (8) to Fifteen (15) Years of Service: Twenty (20) working days (four (4) weeks) annually when an employee has completed eight (8) to fifteen (15) years of service by the end of any calendar year. Vacation pay shall equal twenty (20) days' base earnings.

For Sixteen (16) to Twenty-Four (24) Years of Service: Twenty-five (25) working days (five (5) weeks) annually when an employee has completed sixteen (16) to twenty-four (24) years of service by the end of a calendar year. Vacation pay shall equal twenty-five (25) days' base earnings.

In the year in which the employee is first eligible for twenty-five (25) working days' vacation, he/she shall be granted it in one continuous period if he/she so requests.

NOTE

Employees hired on the first working day of January shall be deemed to have completed a calendar year on December 31st of the same year.

For Twenty-Five (25) or More Years of Service: Thirty (30) working days (six (6) weeks) vacation in the calendar year in which he/she completes twenty-five (25) years of service, and in each succeeding year.

Vacation Bonus

In the calendar year in which a regular employee completes:

- 26 years' service - 1 day's base pay
- 27 years' service - 2 days' base pay
- 28 years' service - 3 days' base pay
- 29 years' service - 4 days' base pay
- 30 years' service - 5 days' base pay
- 31 years' service - 6 days' base pay

32 years' service - 7 days' base pay
33 years' service - 8 days' base pay
34 years' service - 9 days' base pay
35 years' service - 10 days' base pay and beyond

The vacation bonus shall be calculated on the employee's base rate of pay as of July 1st of the year in which the bonus is payable. These bonuses are payable on the closest payday to July 1st of each year.

Regular Part-Time Employees

Regular part-time employees are eligible for paid vacation time off. The entitlement is based on calendar years of service and payment for time off is calculated on a pro-rata basis (Ref. Part A, Item 1.2.2).

Probationary Employees

A probationary employee shall be entitled to a vacation of one (1) working day for each full month of service completed between June 30th of the previous year and July 1st of the current year up to maximum of two (2) weeks (ten (10) working days).

Four percent (4%) of the total pay of the employee shall be paid in the year for which the vacation is given, whichever is greater.

Temporary Employees Made Regular

On attaining regular status, temporary employees will receive vacation entitlement for all service as defined in Part A, Item 5.2.2.

Temporary Employees

For less than one (1) year's accumulated service: Entitled to a cash vacation allowance of four percent (4%) of all accumulated wages.

6.4 Special Provisions and Allowances

6.4.1 Deferment or Interruptions of Vacations

Reimbursement will be made for out-of-pocket expenses incurred by an employee who, at the request of the Company, either defers an approved vacation or returns before the vacation has expired.

When an employee is called back from vacation or when an employee's vacation is cancelled at the request of the Company, the employee shall receive premium rates of pay for all normal hours worked on cancelled vacation days for which seven (7) calendar days' notice has not been given up to a maximum of seven (7) calendar days.

NOTE

In the above cases, the deferred or interrupted vacation days are to be rescheduled at a later date subject to Sections 6.1 and 6.5.

6.4.2 Statutory Holidays and Vacations

If statutory holidays, to which an employee is entitled with pay, occur within his/her vacation period, the employee shall be granted an additional day's vacation for each in lieu thereof.

6.4.3 New Employees

An employee joining the staff between January 1st and June 30th and taking a vacation before July 1st, shall receive only the days allowed for service to the date of commencing the vacation. Any remaining days credited for service between the vacation commencement date and June 30th shall be taken between July 1st and December 31st.

An employee joining the staff between January 1st and June 30th and taking his vacation after July 1st, shall receive only the days allowed for service to June 30th.

If an employee joins the staff between July 1st and December 31st, no vacation allowance can be used until after December 31st.

6.4.4 Re-engaged Employees

An employee whose employment is terminated and who is re-engaged within twelve (12) months of termination shall be granted a vacation allowance based on the employee's re-established service credit (see Part A, Section 5.0). However, the initial vacation allowance, while pro-rated on the same basis as above, must be taken as outlined in Section 6.4.3.

6.5 Postponed Vacations

6.5.1 With the exception of new employees as outlined in Section 6.4.3, vacations appropriate to the particular calendar year may be granted at any time but normally must be completed by the end of that year. Carry-over or postponement of vacations beyond the end of that year shall be in accordance with the following:

1. Where it is mutually agreeable, the employee may carry-over a maximum of one (1) week's vacation to the following year (to be taken by April 30th of that following year). Request for carry-over must be made prior to September 1st.
2. Under special extenuating circumstances (as identified in Subsections 6.4.2, 6.5.2 and 6.5.4), application for postponement or carry-over of more than one (1) week's vacation may be made to the respective

director, or official of equivalent rank, but the vacation must be completed by April 30th of the next year.

6.5.2 An employee who is on sick leave shall not be granted a vacation until judged fit to return to work. If still disabled when sick leave credits expire, however, the employee may be placed on earned vacation.

6.5.3 An employee who becomes ill while on vacation shall not be placed on sick leave until after termination of the vacation. Under exceptional circumstances in case of very serious illness, sick leave may be granted at the discretion of the Company appointed Physician. The employee would then be entitled to the unused portion of his/her vacation after recovery from the illness.

Minor illnesses and injuries may cause some degree of discomfort or disability to an employee while on vacation. Yet for the most part, these do not necessitate complete removal from the vacation setting or loss of the beneficial effects of the holiday. However, when an employee on vacation becomes seriously ill or injured and as a result must be removed from vacation setting entirely, he/she should be entitled to sick leave.

The decision as to when an illness or non-occupational injury is sufficiently severe to justify transfer from vacation to sick leave should be made on medical grounds and rests with the Company appointed Physician. Normally hospitalization or complete confinement to bed in the home under regular physician's care have been the criteria used to judge severity, often after consultation with the attending doctor. "Exceptional circumstances" may include a number of things such as hospitalization, the need to be flown home from a trip abroad, becoming seriously ill on the first day of vacation, etc.

The decision to transfer from vacation to sick leave must be based on reliable medical evidence and made by the Company appointed Physician. All cases of requests for such consideration should be referred to the Company appointed Physician without exception.

6.5.4 Where an employee is on sick leave or workers' compensation and thereby is unable to use his/her vacation credit during the current year such vacations may be carried over to the following year in accordance with Sections 6.1 and 6.5.1. Any outstanding vacation credit that has not been approved for carry over into the next year shall be paid out by Dec. 31 of the current year.

6.6 Vacation Payment on Termination

An employee whose service is terminated by the Company or by resignation shall be entitled to a cash payment in lieu of an outstanding vacation allowance, calculated proportionately from July 1 marking the beginning of the twelve (12) month period in

which the vacation entitlement applies. Upon the death of an employee, his/her estate shall be entitled to the same payment.

The payment will be based on:

1. Four percent (4%) of accumulated wages for an employee entitled to the pro-rated amount of ten (10) working days annually.

NOTE

In each of the following subsections, the minimum amount to be paid must be at least four percent (4%) of accumulated wages (see Definition, Subsection 6.3) of the employee in the year for which the vacation is earned.

2. Six percent (6%) of base earnings to date for an employee entitled to fifteen (15) working days annually.
3. Eight percent (8%) of base earnings to date for an employee entitled to twenty (20) working days annually.
4. Ten percent (10%) of base earnings to date for an employee entitled to twenty-five (25) working days annually.
5. Twelve percent (12%) of base earnings to date for an employee entitled to thirty (30) working days annually.

The value of the vacation bonus will be based on the employee's base rate at the time of termination. The vacation bonus for the incomplete year of service is pro-rated for the number of completed months from the employee's ECD to the date the employee terminates.

Vacation allowance regulations for employees whose service is terminated owing to retirement on early, normal, disability or postponed pension are in accordance with the above.

7.0 STATUTORY HOLIDAYS

7.1 Recognized

The days listed below will be recognized by the Company as statutory holidays, regardless of any conflict between these holidays and those declared as statutory holidays by municipal, provincial or federal statutes. **These holidays reflect the hours of operation of Hydro One and it is agreed that any changes to the application of these holidays will be reflected in a Letter of Understanding.**

New Year's Day
Good Friday
Easter Monday
Victoria Day

Civic Holiday
Labour Day
Thanksgiving Day
Christmas Day

Canada Day

Boxing Day

When Canada Day falls on a Saturday it shall be observed on the following Monday.

In the event that Boxing Day or New Year's Day falls on a Sunday, it shall be observed on Monday. Similarly, if Christmas Day falls on a Sunday, it shall be observed on Monday and Boxing Day on Tuesday.

When Christmas falls on Tuesday, Boxing Day shall be observed on Monday.

All regular and probationary employees shall be paid for statutory holidays.

A statutory holiday falling within an employee's vacation period shall not be counted as part of his/her vacation but shall be taken as an extra day of holiday.

Regular part-time employees will be entitled to statutory holiday pay provided that they:

1. Have more than three (3) months' accumulated service;
2. Have worked on at least twelve (12) days during the four (4) weeks immediately preceding the holiday;
3. Have worked on their scheduled regular day of work preceding and following the holiday.

Payment for such statutory holidays will be the amount the employee would normally earn on a scheduled day of work.

7.2 Sick Leave Credits

If an employee is not scheduled to work on a statutory holiday and falls sick, his/her pay for that day will not be charged against his/her sick leave credits and he/she will receive payment at one hundred percent (100%) of his/her normal daily base earnings.

If an employee is scheduled to work on a statutory holiday and falls sick, that day is treated as a normal sick day and the employee would receive a lieu day at a later date.

8.0 FLOATING HOLIDAYS

Regular, regular-seasonal and probationary employees who have accumulated twenty (20) weeks' continuous service in any calendar year will be entitled to three (3) floating holidays subject to the following:

1. Floating holidays may be taken on such days as the employee and his/her supervisor mutually agree upon, following reasonable advance notice on the part of the employee.

2. Floating holidays shall not be carried over into the following year unless work considerations prevent the employee from taking the floater(s) in the year of entitlement.
3. Where the employee is unable to reach mutual agreement with his/her supervisor to take his/her floating holiday(s) before year-end because of absence due to illness (except when exhausting sick leave prior to LTD) unused floating holidays will be assigned on the last working day(s) of the year.
4. Where an employee falls sick on his/her scheduled floating holiday, that day will not be charged against his/her sick leave credits, but shall be treated as a floating holiday for pay purposes.
5. Regular and probationary employees may take their floating holiday(s) before accumulating twenty (20) weeks' service in a calendar year.
6. Regular part-time employees are entitled to three (3) floating holidays upon completing twenty (20) weeks of service. Pay treatment for the three (3) days is on a pro-rata basis (Ref. Part A, Item 1.2.2).
7. Entitlement on Termination: If the employee terminates after having accumulated twenty (20) weeks' service in the calendar year, the Company will make a cash payment in lieu of any unused floating holiday credit.

If the employee terminates prior to accumulating twenty (20) weeks' service in the calendar year, entitlement will be as follows:

- (a) If the employee has not qualified for entitlement in the previous year, he/she will have no entitlement in the current year. If he/she was granted a floating holiday under 5. above, the Company will recover one (1) day's pay for each floating holiday taken.
- (b) If the employee has qualified for entitlement in the previous year, his/her entitlement will be pro-rated based on the number of weeks' accumulated service in the year of termination. For example, an employee who terminates after accumulating five (5) weeks' service in the year would be entitled to 5/20ths of three (3) days.

The Company will either make a cash payment in lieu of any unused floating holiday credit or recover the value of the unearned portion of floating holidays taken under 5. above.

In no case will an employee be entitled to more than three (3) floating holidays or floating holiday credit in a calendar year.

9.0 SPECIAL TIME OFF

9.1 Additional Time Off at Christmas and New Year's Holidays

When Christmas falls on Friday and Boxing Day on Saturday, an additional half holiday will be granted employees on the preceding Thursday.

When Christmas falls on Saturday and Boxing Day on Monday, an additional half holiday will be granted employees on the preceding Friday.

When Christmas falls on Wednesday, the Friday following Boxing Day shall be granted as an additional holiday.

When New Year's Day falls on a Saturday, an additional holiday shall be granted on either the preceding Friday or the following Monday.

Those regular part-time employees whose regular scheduled day of work falls on the holidays referenced above shall be granted the time off and compensated at a rate equal to their normal daily earnings.

9.2 Payment for Time in 9.1

Eligible employees required to work during the days in 9.1 shall be paid as follows:

1. If employees are normally scheduled to work and are required to work on such a day, they shall be paid straight time for such work within normal scheduled hours and given equivalent time off with pay, up to a maximum of normal scheduled hours, within the following six (6) months.
2. If employees are not normally scheduled to work on such a day and are required to work, they shall be paid at the rate normally paid for overtime work.
3. Eligible shift employees on a seven (7) day coverage basis whose normal scheduled day off falls at such designated time, shall be allowed equivalent time off with pay, within the following six (6) months.

9.3 Treatment for Vacation

Special time off, as noted in 9.1, falling within eligible employees' vacation period shall not be counted as part of their vacation but shall be taken as additional time off.

9.4 Remembrance Day

This section was originally created to allow employees paid time off on Remembrance Day for those who served in the armed forces of Canada, Great Britain or their allies during World War II, the armed forces of the United Nations in Korea from 1950 to 1953, and the Allied Merchant Marine from 1939 to 1945. This no longer applies to any active employees.

The parties agreed during 2000 negotiations that, in honour of those current and past retirees and their families, the paragraph above will be maintained in the Collective Agreement in recognition of their contributions and sacrifices.

9.5 Sick Leave Credit

When special time off, as noted in 9.1 occurs while eligible employees are on sick leave credit, their pay will not be charged against sick leave credits and they will receive one hundred percent (100%) payment at their base rate for normal scheduled hours.

10.0 LEAVE OF ABSENCE

10.1 With Pay

Occasionally, an employee will be in a situation where there is no reasonable alternative to being absent from work for personal reasons. Sometimes the employee will, at the same time, be committed to considerable additional expense. Provision is made so that the Company may ameliorate the hardship to the employee which may result.

10.1.1 General

When in the Company's judgment the circumstances warrant such action, leave of absence with pay may be granted.

This leave is based upon reasons of personal emergency, such as severe illness in the immediate family which would necessitate remaining home until adequate arrangements could be made for outside help, or being in close attendance at a hospital. Also, in cases where an employee is faced with the effects of a severe storm, fire or flood.

10.1.2 Bereavement

A regular employee may be released from duty for a period up to five (5) days without reducing base earnings in the event of the death of a member of the immediate family including parent, step-parent, brother, step-brother, sister, step-sister, husband, wife, son, step-son, daughter, step-daughter.

A regular employee may be released from duty for a period of up to three (3) days without reducing base earnings in the event of the death of parent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparents, grandparents-in-law and grandchildren.

In the event a regular employee is on approved vacation, the employee's vacation day may be transferred to bereavement leave.

In the event of the death of a fellow employee, a regular employee may be allowed time off with pay to attend the funeral. Usually the time required is less than one-half day. Regular part-time employees shall be granted the time off with pay if scheduled to work.

NOTE

Section 10.1.2 is a guide applicable under ordinary circumstances, on the distinct understanding that it does not set rigid limits either maximum or minimum.

10.1.3 Annual Training for Reserve Forces

A regular employee who serves with the Reserve Force of the Canadian Armed Forces and can be spared from work may be granted leave of absence in order to attend annual training.

The employee will be paid the difference between the gross amount received from the Department of National Defence for the full training period and base earnings for the period of absence. The employee will be required to furnish his/her supervisor with a statement from the commanding officer of the reserve unit, showing the amount received from the Department of National Defence for the training period.

10.1.4 Legal Hearings

Base earnings will be maintained when an employee is called for jury duty or is subpoenaed to appear in court as a witness except in cases involving inter-union jurisdictional disputes.

10.2 Equivalent Time Off Without Pay

Employees who have worked overtime may be granted one (1) hour off for each hour worked, without pay, in increments of not less than one-half day, provided the employee requests the time off and the workload permits.

10.3 Family Leave

Family leave of up to ten (10) unpaid days per year shall be granted when requested by the employee. This benefit will not be pyramided with any legislated benefits under the *Employment Standards Act* or other legislation.

10.4 Family Medical Leave

An employee is entitled to a leave of absence without pay of up to eight weeks to provide care or support to a family member if a qualified health practitioner issues a certificate stating that the individual has a serious medical condition with a significant risk of death occurring within a period of 26 weeks or such shorter period as may be prescribed.

Definition of Family member is employee's spouse, parent, step-parent or foster parent. A child, step-child or foster child of the employee or the employee's spouse.

Earliest date leave can begin

The employee may begin a leave no earlier than the first day of the week in which the period referred to above begins.

Latest date employee can remain on leave

The employee may not remain on a leave after the earlier of the following dates:

1. The last day of the week in which the family member dies.
2. The last day of the week in which the period referred to above ends.

Full-week periods

An employee may take a leave under this section only in periods of entire weeks.

Advising employer

An employee who wishes to take leave under this provision shall advise his or her employer in writing that he or she will be doing so. If the employee must begin the leave before advising the employer, the employee shall advise the employer of the leave in writing as soon as possible after beginning it. If requested by the employer, the employee shall provide the employer with a copy of the certificate that was issued by the health care practitioner

Further leave

If an employee takes a leave under this item and the family member referred to above does not die within the period referred to, the employee may, take another leave and, for that purpose, would provide the employer with another certificate issued by a qualified health practitioner

An employee's entitlement to leave under this item is in addition to any entitlement to leave under Part A, Item 10.3.

11.0 PREGNANCY/ADOPTION/PARENTAL LEAVES

11.1 General Provisions

To be eligible, the employee must have worked for the Company for a period of at least thirteen (13) weeks preceding the estimated delivery date or have been employed by the Company for thirteen (13) weeks by the date on which the child comes into the custody, care and control of the parent for the first time.

These leave provisions are available to all categories of employees. In addition, regular employees including regular part-time employees eligible for pregnancy leave or adoption leave are entitled to supplementary unemployment benefits (Ref. 11.4).

Pregnant employees are entitled to pregnancy leave including those women whose pregnancies are terminated by still-birth or miscarriage within seventeen (17) weeks of the expected birth date (Ref. 11.2). Following the birth of the child, the employee is also eligible for parental leave (Ref. 11.5).

Adoption leave is available to the parent who is designated as the primary caregiver (Ref. 11.3). Parental leave is also available to such an employee (Ref. 11.5).

Parental leave is also available to employees not eligible for pregnancy or adoption leave but who have become the parent of a child (e.g., an employee whose spouse has given birth to a child or the adoptive parent who is not the primary caregiver (Ref. 11.5).

Service credit will be granted for the full duration of such leaves.

Two (2) weeks' notice is required for such a leave, except as noted in 11.2.2. The commencement date can be advanced or delayed upon the giving of a further two (2) weeks notice. Similarly, the termination date can be advanced or delayed upon giving four (4) weeks notice.

Eligibility for such leave does not necessarily mean the employee is entitled to EI benefits. However, EI benefits may be available in the case of such a leave and employees should be referred to the nearest EI office to check their entitlement.

The Company will continue for the duration of any such leave to pay the same share of the premiums for OHIP, EHB, Dental Plan, Life Insurance and Pension Plan that it would normally pay for the employee. This will not apply with respect to any benefit plan where the employee is normally required to make an employee contribution and he/she has given the Company written notice that he/she does not intend to pay such contributions.

An employee going on such a leave may prepay his/her pension contributions prior to taking the leave or make up contributions on return to work to establish pensionable service for the period of absence. Prior to the leave, he/she must sign the appropriate forms indicating whether or not he/she wishes to prepay the pension plan contributions.

Positions temporarily vacated as a result of a pregnancy/adoption or parental leave will be filled on a temporary basis only until the employee on leave returns.

Provided the employee returns to work no later than the expiration of his/her leave entitlement, he/she will be offered:

- (a) The position most recently held if it still exists at a rate of pay not less than his/her wages at the commencement of the leave or if greater the wages that the employee would be earning had the employee worked throughout the leave.

- (b) Should the position most recently held not exist as a result of a surplus in the unit in accordance with Article 11 he/she will be offered a comparable position at the location he/she was previously working at a rate of pay not less than his/her wages at the commencement of the leave or if greater the wages that the employee would be earning had the employee worked throughout the leave.
- (c) Should (a) or (b) not exist he/she will be treated in accordance with Article 11.

The granting of extensions to the normal ninety (90) day acting period for positions vacated by an employee on pregnancy/adoption/parental leave shall be automatic. The Union Chief Steward shall be advised of all cases where this subsection applies.

11.2 Pregnancy Leave - General

Prior to commencing pregnancy leave, the female employee must indicate in writing her desire to return to work following her pregnancy.

The *Ontario Human Rights Code* requires the employer to accommodate the needs of pregnant employees in the workplace, unless to do so would cause undue hardship to the business. If a pregnant employee is unable to work in her regular work location because of the possible radioactivity level, her normal base rate of pay will be maintained during the period of relocation.

11.2.1 Duration of Leave

An eligible female employee may apply for pregnancy leave, to commence after the 22nd week of pregnancy for a duration of up to seventeen (17) weeks.

The pregnancy leave of an employee who is not entitled to take parental leave ends on the later of the day that is seventeen (17) weeks after the pregnancy leave began or the day that is six (6) weeks after the birth, still-birth or miscarriage.

NOTE

Female employees who are the parent of a child are entitled to parental leave in addition to pregnancy leave. Parental leave is described in 11.5. Unless otherwise mutually agreed, parental leave must immediately follow the pregnancy leave unless the child has not come into the custody, care and control of the parent for the first time.

11.2.2 Physician's Certificate

When a female employee applies for pregnancy leave she must provide her supervisor with a certificate from her physician stating that she is pregnant and giving the estimated date of delivery at least two (2) weeks prior to the date she plans to commence the leave.

In the case of a female employee who stops working prior to the commencement of her scheduled leave because of a birth, still-birth or miscarriage that happens earlier than the employee was expected to give birth, that employee must, within two (2) weeks of stopping work, give her supervisor:

- (a) written notice of the date the pregnancy leave began or is to begin; and
- (b) a certificate from a legally qualified medical practitioner that states the date of the birth, still-birth or miscarriage and the date the employee was expected to give birth.

When a female employee resigns without notifying her supervisor that she is pregnant and she has not applied for pregnancy leave, but within two (2) weeks following her resignation, provides her supervisor with a certificate from her physician stating she was unable to perform her job duties because of a medical condition arising from her pregnancy and giving the estimated or actual delivery date, she shall be entitled to pregnancy leave if it is requested.

NOTE

The supervisor should obtain the advice and assistance of the Company appointed Physician if clarification is required.

11.2.3 Pregnancy and the Sick Leave Plan

Normal pregnancy leading to confinement is not an illness under the terms of the Sick Leave Plan. However, absences due to pregnancy-related illnesses or complications shall be considered as sick leave under the terms of the Sick Leave Plan.

11.3 Legal Adoptions - Primary Care-Giver

In cases of legal adoption where the child is raised in the home the following will apply after receipt of the child:

1. Where the child is less than elementary school age, the primary caregiver will be granted leave of up to seventeen (17) weeks.
2. Where the child is elementary school age or older and the primary caregiver requests leave, the duration will be based on the recommendation of the adoption agency with the final decision being made by the Company appointed Physician.
3. The primary caregiver is also entitled to parental leave (Ref 11.5).

11.4 Benefits Under the Supplementary Unemployment Benefit Plan for Regular Employees

Provided they qualify for EI payments regular female employees who are eligible for pregnancy leave or the regular employee who is the parent designated as the primary

caregiver in a legal adoption proceeding shall be paid a benefit in accordance with the Supplementary Unemployment Benefit Plan. In order to receive this benefit, the employee must provide the Company with proof that he/she has applied for and is eligible to receive unemployment insurance benefits pursuant to the *Employment Insurance Act*. The grant payment may only be paid upon receipt of proof that the employee is eligible for EI benefits. The simplest "proof of eligibility" is the counterfoil from the employee's first EI cheque.

According to the Supplementary Unemployment Benefit Plan payment will consist of:

1. Two (2) weeks at ninety-three percent (93%) of the employee's base pay.
2. Up to fifteen (15) additional weekly payments dependent on the length of his/her EI entitlement, equivalent to the difference between the unemployment insurance benefits the employee is eligible to receive and ninety-three percent (93%) of the employee's base pay.
3. In the case of a legal adoption, in addition to the Supplementary Unemployment Benefit Plan payments, the primary caregiver shall receive the equivalent of ninety-three percent (93%) of two (2) weeks base salary in the thirteenth and fourteenth weeks of the leave.
4. Other earnings received by the employee will be considered so that the total combination of SUB, EI benefit and other earnings will not exceed ninety-three percent (93%) of the employee's base pay.

These payments will only be made if the employee signs an agreement with the Company, providing:

- (a) that he/she will return to work and remain in the Company's employ for a period of six (6) months from the date of return to work;
- (b) that he/she will return to work on the date of the expiry of her pregnancy leave or his/her adoption leave, unless the employee is entitled to another leave provided for in this Agreement; and
- (c) that the employee recognizes that he/she is indebted to the Company for the payments received if he/she fails to return to work as per the provisions of Subsections (a) and (b).

11.5 Parental Leave

11.5.1 General

Employees who have been employed by the Company (including service with Ontario Hydro) for a period of at least thirteen (13) weeks by the date on which the child is born or comes into the custody, care and control of the parent for the first time are eligible for an unpaid parental leave. A parent includes a person with whom a child

is placed for adoption and a person who is in a relationship of some permanence with a parent of a child and who intends to treat the child as his/her own.

11.5.2 Duration of Leave

Employees eligible for parental leave may take this leave beginning not later than fifty-two (52) weeks of the child being born or coming into care. Unless otherwise mutually agreed females on pregnancy leave wishing to take a parental leave must commence parental leave immediately following the end of the pregnancy leave unless the child has not come into custody, care and control of the parent for the first time. The duration of this leave is up to **thirty-five (35)** weeks.

Employees who wish to take this leave must give the Company two (2) weeks' notice in writing prior to the date the leave would begin and four (4) weeks' notice of the date the leave will end if they wish to terminate the leave prior to **thirty-five (35)** weeks following the date the leave commenced.

11.6 Service Credit

Employees who were granted pregnancy/adoption/parental leave from the Company or its predecessor, Ontario Hydro, on or after November 18, 1990 will be eligible for service credit for the full duration.

12.0 DISABILITY BENEFITS AND INCOME PROTECTION

12.1 Sick Leave Plan

The benefits of the Company's Sick Leave Plan shall be considered as part of this Agreement. However, it is recognized that its provisions are not an automatic right of an employee and the administration of this plan and all decisions regarding the appropriateness or degree of its application shall be vested solely in the Company.

The Company's Sick Leave Plan will provide that probationary and regular employees will commence with a credit of eight (8) days at one hundred percent (100%) and fifteen (15) days at seventy-five percent (75%) pay, payable from the first day of sickness. This credit will continue to be available until the employee attains his/her first annual accumulation date as a regular employee. At the time of this accumulation date and each subsequent accumulation date he/she will acquire additional credits of eight (8) days at one hundred percent (100%) pay and fifteen (15) days at seventy-five percent (75%) pay. The accumulation of credits will be subject to the provisions of the Company's Sick Leave Plan.

Regular part-time employees shall receive a pro-rated number of sick days. When a regular part-time employee is absent due to illness on a scheduled day of work, they shall be paid for the hours of work scheduled for that day provided sick leave credits are available.

Normally employees will be expected to arrange routine medical or dental appointments during non-working hours. Where such appointments cannot be arranged during non-working hours and the employee can be released from his/her duties, then the time shall be charged against an employee's sick leave time.

Employees who are on sick leave for thirty (30) days or more may be eligible to participate in a vocational rehabilitation program in accordance with the Company's policy.

In situations where Vertex requests a doctors' note, Vertex will cover the cost of such note to a maximum value of \$20.00 per instance.

Vertex will cover the payment for a Major Medical Absence Report to a maximum value of \$50.00 per instance. Management may waive the requirement for a Major Medical Absence Report.

Once a member has exhausted one hundred percent (100%) sick leave they can use their vacation to top up (no adverse affect on LTD).

12.2 Long Term Disability

12.2.1 General Provisions of LTD Plan

The Long Term Disability (LTD) Plan provides financial security and rehabilitative employment features to regular employees during their absence from work due to extended sickness or injury. LTD benefits commence upon completion of the qualifying period which is defined below. Regular employees who are approved for the provisions of the LTD Plan will be subject to the following contractual provisions.

All employees who are in receipt of LTD benefits will be eligible to participate in the Rehabilitation and Re-employment Program dependent upon their medical suitability and procedural requirements.

DEFINITIONS:

LTD Qualifying Period - The qualifying period is defined as the period six (6) calendar months from the starting date of the employee's continuous absence due to disability; or a total of six (6) months in accumulative authorized medical absences in the year prior to the date sick leave expires due to the same progressively deteriorating disability; or the expiration of sick leave whichever is longer.

Disability Period - The period in which an employee cannot continuously perform the essential duties of any position available in accordance with the priority placement criteria of the Rehabilitation and Re-Employment Procedure.

Benefit Level - The Company agrees to assume the full cost of an LTD Plan for all regular employees. The Plan would provide for a monthly income during the disability period equal to the lesser of:

1. Sixty-five percent (65%) of base earnings at the end of the qualifying period for LTD benefits, or
2. Seventy-five percent (75%) of base earnings at the end of the qualifying period for LTD benefits less any compensation awards from the Workplace Safety and Insurance Board (WSIB) (excluding the Non-Economic Loss award) and/or the Canada Pension Plan, excluding benefits for dependents.

NOTE

Regular part-time employees shall be eligible for pro-rated income benefits.

Miscellaneous Provisions - A person who runs out of sick leave credits will be granted a leave of absence without pay until such time as the LTD qualifying period elapses. The employee will continue to receive service credit during this period and have coverage maintained in but will not be required to contribute to the Company's Pension Plan, Health and Dental benefits, and the Company's Group Life Insurance Plan.

Where an employee has been retrogressed to a lower-rated job for medical reasons and within two (2) years (not including the LTD qualifying period) begins receiving a monthly income under the LTD Plan for reasons directly related to the original medical condition, the base earnings used to compute the LTD monthly income payment shall be the current rate of the employee's original classification.

Exceptions and Limitations to the LTD Plan

LTD benefits will not be made available for claims resulting from:

1. A disability for which the person is not under continuing medical supervision and treatment considered satisfactory by the Insurance Carrier and the Company.
2. A disability caused by intentional self-inflicted injuries or illness while sane.
3. A disability from bodily injury resulting directly or indirectly from insurrection, war, service in the armed forces of any country, or participation in a riot.
4. Normal pregnancy leading to confinement.
5. Disability from occupational injuries for which the employee is receiving Total Temporary Disability Benefits or during the first twenty-four (24) months of a Future Economic Loss Award or during the first twenty-four (24) months from the date of Loss of Earning (LOE) Award from the Workplace Safety and Insurance Board.

No amount of LTD benefit will be payable with respect to the disability of an employee during any of the following periods:

1. If the disability is due to mental disorder, any period while the employee is not under the continuing care of a certified psychiatrist or other care authorized by the employee's psychiatrist.
2. If the disability is due to substance abuse, alcoholism and/or drug addiction any period in which the employee is not certified as being actively supervised by and receiving continuing treatment from a rehabilitation centre or a provincially designated institution.
3. The period during which the employee is on leave of absence, including Pregnancy Leave of Absence. The LTD qualify period begins on the date the employee is expected to return to work from that leave of absence.

12.2.2 Benefits While on LTD

1. **Service Credit:** Service credit shall not continue while the employee is in receipt of LTD benefits. Upon return to work, service credit shall be applied as per Item 12.2.4.
2. **Vacation Credit:** Any outstanding vacation entitlement for a person going on LTD will be paid in cash upon expiry of sick leave. The cash payment will be calculated on the base earnings at the expiration of sick leave for the pro-rated days of vacation entitlement, any outstanding lieu days, any outstanding floating statutory holidays, and banked time for forty (40) hour per week employees. No vacation entitlement, floating holidays, or banked time for forty (40) hour per week employees accrues while a member is in receipt of LTD benefits.
3. **Vacation Credit During Rehabilitation Employment:** Vacation credits will be earned based on the hours worked and the employee's vacation entitlement multiplied by the corresponding percentage listed below. These credits will be paid in cash in the last pay period of the year if not used by December 31st, or upon return to regular employment, or upon termination.

Vacation Entitlement (Based on Service Credit)	Percentage of Accumulated Earnings/Hours Worked
10 working days or less annually	4%
15 working days annually	6%
20 working days annually	8%
25 working days annually	10%
30 working days annually	12%

4. The Company health and dental coverage premiums continue to be maintained by the Company.
5. **The Company Pension Plan:** The employee's membership in the plan continues. Upon expiry of sick leave, the requirement for employee contributions is waived. An employee is not required to make contributions to the plan while he/she is receiving LTD benefits. The retirement pension continues to accumulate. Years of service continue to accumulate for entitlement to rights and benefits under the Pension Plan.
6. **The Company Group Life Insurance Plan:** Commencing the first day of the month following the end of the qualifying period for LTD benefits, an employee will continue receiving the same insurance option during receipt of LTD benefits as that in force prior to such receipt. An employee who is in receipt of LTD benefits is not required to make contributions to the Group Life Insurance plan.
7. **Sick Leave Entitlement:** Upon receipt of the memorandum from the Company appointed Physician recommending that the employee should make application for LTD benefits, entitlement to accumulate or restore sick leave credits shall cease on the day following the next accumulation date provided that it falls within the qualifying period.
8. **Union Dues:** Upon expiry of sick leave an employee's Union dues shall cease.
9. Employee status will continue with respect to maintaining redress rights to contractual provisions.

12.2.3 Recurring Disability After Return to Regular Work

If, on return to regular employment after receiving disability benefits, a subsequent period of disability recurs within six (6) months and is related to the cause of the previous disability, the following shall apply:

Entitlement to existing sick leave credits shall cease, the qualifying period shall be waived, and the employee shall immediately receive LTD benefits as if there had been no return to work.

12.2.4 Individual Returns to Regular Employment

1. **Service Credit:** Continuous service recommences upon return to work and service credit accumulated prior to the date of receipt of LTD benefits will be added to it. In addition, for employees returning to regular employment within the first two (2) years in receipt of LTD benefits, full service credit will be granted for that period as well. It should be noted that seniority for all employees in receipt of LTD benefits continues to accrue during the period they are in receipt of LTD benefits.
2. **Vacation Credit:** The employee will start earning vacation credit based on total service credit.
3. **The Company Health and Dental Coverage:** Premiums continue to be maintained by the Company.
4. **The Company Pension Plan:** Employee contributions recommence.
5. **The Company Group Life Insurance Plan:** Employee contributions recommence.
6. **Sick Leave Entitlement:** Eight (8) days at one hundred percent (100%) and fifteen (15) days at seventy-five percent (75%) pay shall be immediately credited. On the first accumulation date, restoration of sick leave credits will take place based on the total service credit. It is recognized that this provision is subject to the provisions of recurring disability as defined in Section 12.2.3.
7. **Union Dues:** Union dues recommence.

12.2.5 Termination of LTD Benefits

The LTD benefit ceases when any of the following events occur:

1. The date the individual ceases to be totally disabled or engages in any occupation for wage or profit except as permitted by the Rehabilitative Employment Clause.
2. The date the individual reaches age 65.
3. The date the individual fails unreasonably to furnish proof of the continuance of such total disability, or fails to submit to an examination requested by the Plan's medical advisors. At that point all LTD benefits will cease and the employee will be terminated.

When an employee does not comply with the above requirements the Union will be informed and act as the employee's advocate prior to such termination.

4. The date the individual dies.

5. The date the individual receives pension under the Company Pension Plan.

12.2.6 Indexation

1. **LTD Benefits:** Individuals who are in receipt of LTD benefits will have their LTD benefit level indexed by the same amount that pensions are indexed.
2. **Pension Calculation - Base Earnings:** For the purposes of calculating the pension benefit for LTD recipients the base earnings at the end of the qualifying period will be increased by the amount of the indexation increase granted in 1. above.
3. **Insurance Benefit - Base Earnings:** It is agreed that for purposes of calculating the group life insurance benefit for LTD recipients, the base earnings at the end of the qualifying period will be increased by the amount of the indexation increase granted in 1. above.

12.3 Rehabilitation and Re-employment

Rehabilitative employment is an important feature of the Plan which provides an employee with additional financial incentive and assistance to re-enter the work force. It is defined as any employment within the Company and remains in effect until the employee is offered regular employment.

If during the disability period, an employee becomes capable of working, the Company shall endeavour to provide an (disabled) employee with work he/she is capable of performing. It is recognized that an employee must be prepared to attempt rehabilitative employment. In the event the employee refuses reasonable rehabilitative or regular employment, he/she shall be terminated and forfeit all rights to LTD benefits.

During rehabilitative employment, remuneration will be pro-rated based on the hours worked and the hourly rate of the current base rate of the rehabilitative position. Employees will continue to receive approved LTD/Sick Leave benefits, however, the benefit level will be adjusted so that the total of the rehabilitative earnings and these benefits shall not exceed the current base rate of the position occupied prior to disablement.

After the employee has successfully completed his/her rehabilitative employment and has been placed in a regular job on a continuing capacity, he/she will be paid at the normal rate of the job in which he/she has been placed, subject to any applicable retrogression policy.

12.4 Workplace Safety and Insurance Board Payments

The Workplace Safety and Insurance Board (WSIB) is responsible for administering the Workplace Safety and Insurance Act, and payments will be made according to the

provisions set out within that Act. Any future legislative or regulatory changes may necessitate further discussion on the part of both parties.

Pending the decision of the WSIB regarding entitlement to awards, an employee's normal earnings will be maintained at his/her current level of sick leave (i.e., 100%, 75%, 0%).

12.5 Supplementary Grant

12.5.1 Definition of Supplementary Grant

The supplementary grant is an amount equal to the difference between the WSIB award and the employee's normal earnings after income tax deductions.

NOTE

WSIB award for this section excludes permanent impairment awards granted for accident dates prior to January 1, 1990, Non-Economic Loss Awards or Older Worker Supplements.

The employee's earnings for the purpose of calculating the supplementary grant will include only regular scheduled hours for a normal week.

The supplementary grant will be such an amount as to maintain the employee's normal net pay.

NOTE

Such a grant will not include payments for shift bonus, relief pay, overtime or premium hours or other payments which are not applicable when the employee is absent from and not available for work.

12.5.2 Who Receives the Supplementary Grant

The supplementary grant will be made only to probationary and regular employees.

Employees who are receiving Workplace Safety and Insurance Board benefits for claims or injuries suffered while in the employ of an employer other than the Company are required to notify the Company of being in receipt of those benefits in order to qualify for the supplementary grant. These employees will not be eligible for sick leave while receiving Workplace Safety and Insurance Board benefits that qualify for the supplementary grant.

12.5.3 Responsibility for Payment

The responsibility for payment will be in accordance with The Standard Authorities – Payroll Documents.

12.5.4 Withholding the Grant

The award of the supplementary grant should not be withheld unless there is strong evidence of gross negligence or obvious misconduct on the part of the injured employee. The supplementary grant will be withheld if the employee is not cooperating in the Early and Safe Return to Work Process or a Labour Market Re-entry Plan or refuses a medically suitable position.

Authority for withholding the grant is vested in directors in consultation with Human Resources and Compensation and Benefits.

12.5.5 Payment While in Receipt of WSIB Award

An employee in receipt of Total Temporary Disability (TTD) benefits will receive the supplementary grant for the entire period. Upon notification of the amount of the FEL award and/or LOE award the Company agrees to pay supplementary grant monthly on the FEL award and/or Loss of Earning (LOE) award for a maximum of twenty-four (24) months. Any workers' compensation payments in excess of the FEL award and/or LOE award, excluding the Non-Economic Loss (NEL) award, shall be considered part of the FEL award and/or LOE award for purposes of calculating the supplementary grant. Upon request, the employee shall be paid out any outstanding vacation entitlement while payments are being processed.

For employees on rehabilitative employment the total compensation of FEL and/or WSIB Award plus rehabilitative earnings plus the Company supplementary grant shall not exceed one hundred percent (100%) of the current rate of the pre-disability job.

If after twenty-four (24) months in receipt of supplementary grant and a FEL award and/or LOE award the employee is still unable to return to work, he/she shall be placed on sick leave. The employee will continue to draw from his/her sick leave bank on a daily basis at the rate of half a day if the amount equal to the supplementary grant is equal to, or less than four (4) hours, and a full day if the amount equal to the supplementary grant is greater than four (4) hours per day. While on approved sick leave, however, the benefit level will be adjusted so that the total of any WSIB award and the sick leave benefit shall not exceed the employee's current base rate. Upon expiry of sick leave, if the employee is still unable to return to work, he/she shall qualify for LTD less any award, pension entitlement and/or any supplement from the Workplace Safety and Insurance Board (excluding NEL award) and/or the Canada Pension Plan.

12.6 Waiver of Posting or Selection

If at any time an individual who is in receipt of LTD or Workplace Safety and Insurance Board benefits is capable of returning to any further service with the Company or if a medically suitable position becomes available for an employee who is medically restricted while at work or on sick leave, the Company will request, and the Union shall normally grant a waiver of posting or selection after considering all

medically restricted employees eligible under the Rehabilitation and Re-Employment Policy.

13.0 HEALTH INSURANCE PLANS

13.1 Regular Employees, Pensioners and Regular Employees Receiving Workplace Safety and Insurance Board Payments

Subject to the condition that employees enroll their spouse and dependent children, the Company agrees to pay one hundred percent (100%) of the premiums for:

(the following plans which forms part of this Collective Agreement)

Exception: Regular part-time employees shall be eligible for Health Insurance Plan coverage. Such employees will be required to pay costs of premiums (except OHIP) based on hours not worked divided by the regular hours of the classification. If he/she elects not to pay, coverage will not be provided.

1. OHIP - Covers medical and standard ward hospital services.
2. Supplementary Plan - Covers semi-private hospital services.
3. Extended Health Benefit Plan - Coverage details are contained in the current brochure entitled "Extended Health Benefits for Vertex".
4. Group Dental Insurance Plan - Coverage details are contained in the current brochure entitled "Supplemental Group Dental Benefits for Vertex".

An employee may voluntarily discontinue coverage in plans 2., 3. and 4. Upon re-entry, and depending upon the terms of each plan, a waiting period must be satisfied before services will be covered. This would not apply to changes relating to marital/dependents status.

Effective January 1st of each year of the Collective Agreement, dentist fees will be paid up to the amounts shown in the current ODA Fee Guide.

13.2 Probationary Employees

The Company will pay one hundred percent (100%) of all claims and fees for all probationary and regular employees who are covered by the Semi-Private Hospital Accommodation Plan, Extended Health Benefits Plan and Dental Plan. Coverage will commence on the employee's Established Commencement Date and will cease on the employee's termination date.

The Company will pay one hundred percent (100%) of OHIP premiums commencing the second month of employment.

14.0 PENSION AND INSURANCE

Employees have the option to purchase 4X or 5X life insurance at no cost to the Company and at rates and conditions established by the insurance company.

NOTE

As a result of Re-Opener Negotiations and the subsequent Teplitsky Award dated June 15, 1998 and 2000 Negotiations, several revisions were made to the Ontario Hydro Pension Plan which were incorporated in the Vertex Pension Plan.

The changes include:

Notional Account

In consideration for the Rule of 82, changes to indexing, and changes to survivor benefits each as described below, the Notional Account will be eliminated in respect of all members, former members and beneficiaries of the plan and the elimination shall be confirmed by the obtaining of all necessary orders (including an order varying the order of Mr. Justice Trainor dated November 4, 1991).

The Union will take, on an expeditious basis, all steps as may be required in order to obtain the necessary orders and will support Hydro in any steps Hydro may be required to take. Each party shall bear its own costs.

Rule of 82

Effective July 1, 2000, any member who on the date of retirement is represented by the Power Workers' Union may, on or after the first day of the month in which the sum of the member's age in years and years of continuous employment is equal to or greater than eighty two (82), receive a pension that is one hundred percent (100%) of the member's earned pension computed in accordance with the rules of the Pension Plan, in particular, rule 6.

Indexing

Effective on the date the Notional Account is eliminated, the plan shall be amended, in respect of members and former members who immediately prior to termination of employment were members of the Union, to increase pension benefits on January 1st of each year by one hundred percent (100%) of the increase in the Consumer Price Index, up to a maximum of eight percent (8%) per year. In the event that the increase in the CPI exceeds eight percent (8%), the increase shall be carried forward to future years. In the event that the CPI decreases, the percentage decrease shall be applied in determining subsequent increases in pension benefits. A decrease in the CPI shall not reduce pension benefits in payment.

Changes to indexing as described in this section are subject to the condition precedent that the Notional Account will be eliminated for all members and former members and confirmation thereof by order as set out above.

In the absence of such an amendment and elimination of the Notional Account, the pensions of members and former members who immediately prior to termination of employment were members of the Union will be increased by one hundred percent (100%) of the increase in the CPI effective January 1, 1999 and January 1, 2000 and the cost of such indexing shall be charged to the Notional Account in the same way as was done in respect of the increase on January 1, 1998.

Survivor Benefits

Effective July 1, 2000, pensions of survivors of members or former members who on the date their employment ceased were members of the Union shall be based on sixty-six and two-thirds percent (66 2/3%) of the member's pension rather than sixty-four percent (64%) of the member's pension.

Contribution Holidays

Contribution holiday – Given the current financial state of the plan, there will be no continuation of the contribution holiday by Vertex in the new Vertex Pension Plan.

Management agrees that prior to any employer contribution holiday the PWU will be notified and discussions will be held between the parties to allow the PWU to identify any possible changes or modifications to the Pension Plan.

14.1 Changes to the Pension Plan

14.1.1 The present Vertex Plan forms part of this Collective Agreement. The pension portion of the Plan is generally described in the current brochure "Your Hydro Pension Plan". Changes to the plan affecting employees within the jurisdiction of the Union shall be subject to the following:

1. Subject to 2, Vertex shall not make rules which would change employee benefits unless upon mutual consent.
2. In the event of the enactment of any general pension legislation applicable to the employees of Vertex, amongst others, Vertex may, after notification to the Union, effect amendment of the Vertex Plan provided that the combination of benefits resulting from the Vertex Plan as so amended and such legislation will not be less in the aggregate than the benefits now provided.

14.1.2 Pension items will be submitted at the time that regular amendments to the Collective Agreement are submitted and will be negotiated at the time of regular bargaining.

14.2 Pension Plan

14.2.1 The interest rate on contributions returned to terminated employees will be calculated as set out in the Vertex Pension Plan.

14.2.2 Integration with Other Benefits: Pension disability to be discontinued upon implementation of LTD Plan. Those presently on pension disability to continue under the existing provisions.

14.2.3 In recognition of proposed benefit improvements the Union agrees that the value of any EI rebate shall accrue to Vertex .

14.2.4 Early Retirement - Without Discount

1. Effective January 1, 1981 employees with the following age/service combinations may retire early with no loss of accrued benefits:

- Age 60 or over with 25 years' service.
- Age 59 or over with 26 years' service.
- Age 58 or over with 27 years' service.
- Age 57 or over with 28 years' service.

2. Employees may retire without discount when their age and years of continuous service equals eighty-two (82) or more.

3. Employees who do not qualify for an unreduced early retirement pension under 14.2.4(1.) or 14.2.4(2.) may retire without discount after completing thirty-five (35) years of continuous service.

Early Retirement Discounts

Table 1		Table 2		Table 3	
All employees with 25 or more years' continuous service (except females hired prior to 1976)		All employees with 15 or more but less than 25 years' continuous service (except females hired prior to 1976)		Female employees hired prior to 1976 with 15 or more years' continuous service	
Age	Percent Discount	Age	Percent Discount	Age	Percent Discount
55	15	55	25	50	25
56	12	56	22	51	22
57	9	57	19	52	19
58	6	58	16	53	16
59	3	59	13	54	13
60	0	60	10	55	10
61	0	61	8	56	8
62	0	62	6	57	6
63	0	63	4	58	4
64	0	64	2	59	2
65	Normal Retirement	65	Normal Retirement	60-65	Normal Retirement

NOTE

The above factors apply to employees who do not otherwise qualify for undiscounted early retirement pension.

14.2.5 Early Retirement - With Discount

1. The early retirement discount factors shown in Table 1 are for employees with twenty-five (25) or more years' continuous service (except females hired before 1976) who do not qualify for undiscounted early retirement pension.
2. All employees who terminate and vest their pension will be entitled to the same early retirement discount as set out under 1. above provided they had completed twenty-five (25) years' continuous service by the date of their termination.
3. The early retirement discount factors shown in Table 2 apply to all employees who have fifteen (15) or more but less than twenty-five (25) years' continuous service, except females hired before 1976.

4. The early retirement discount factors shown in Table 3 apply to all female employees hired before 1976 who have fifteen (15) or more years' continuous service and do not qualify for an undiscounted pension.

14.2.6 Transfer of Pension Credits Between Reciprocal Employers and Vertex

Providing the reciprocal employers agree, the pension credits may be transferred to and from the reciprocal employer and Vertex if the affected employees have fully vested their pension credits with the former employer and were hired by Vertex /reciprocal employer within three (3) months of the termination date. This provision allows retroactive application.

14.3 Group Life Insurance

14.3.1 At the time permanent wage adjustments to base annual earnings (as defined in the insurance plan) are implemented, adjustments will also be made in insurance coverage as follows:

1. If the change is effective on or between the first calendar and the first fiscal day of the month, eligibility is established for the given month.
2. If the change is effective on any other day of the month, eligibility is established for the next month.
3. Group Life Insurance (The Group Life Insurance Plan forms part of this Collective Agreement).

14.3.2 Life insurance coverage of \$20,000.00 will be provided for employees who are required to work or travel in helicopters or aircraft. This coverage shall be in addition to the Group Life Insurance Plan.

14.3.3 Spousal and Dependent Life Insurance

Effective July 1, 1994, eligibility under the Spousal Life Insurance Program in place as of April 1, 1994 will be extended to PWU represented employees. Effective July 1, 2001, eligible dependents will be eligible for life insurance coverage on the same basis as the Spousal Life Insurance Program at no cost to the Company.

15.0 RETIREMENT

15.1 Bonus and Outstanding Vacation Payments on Retirement

1. An employee who has completed ten (10) years of continuous employment, shall be given, on retirement, a cash bonus equal to one (1) month's pay. (In the case of a regular part-time employee, the one (1) month's pay will be pro-rated as per Part A, Item 1.2.2).

2. The employee on retirement shall also be given a cash payment for any outstanding vacation credits. The cash payment will be on the same basis as outlined in Part A, Section 6.6 - Vacation Payment on Termination.
3. If required by the Company to postpone his/her vacation for the year immediately prior to retirement, he/she shall receive a cash payment for that period. No payment shall be made for unused vacation for any other years.

15.2 Retirement While Ill

An employee who falls ill and is not able to return to work prior to the approved normal or early retirement date, shall, subject to approval by the Company appointed Physician, continue to be carried on the payroll as follows:

15.2.1 Sick Leave Grant Extends to or Beyond Retirement Date

If the sick leave grant carries the employee to or beyond the approved retirement date, the employee shall be retired upon being declared fit to return to work, or upon expiration of the sick leave grant, whichever comes first. The employee shall be given a cash payment in lieu of any outstanding vacation entitlement up to normal retirement date (see Subsection 15.1(2.) preceding), plus a bonus of one (1) month's pay (if applicable, see Subsection 15.1(1.)).

15.2.2 Vacation Credit and Bonus Extends to or Beyond Retirement Date

If the sick leave grant expires prior to the approved retirement date, but part or all of the outstanding vacation credit (Part A, Section 6.6 - Vacation Payment on Termination) and bonus of one (1) month's pay (if applicable, see Subsection 15.1(1.) preceding) carries to or beyond the approved retirement date, the employee shall be given a cash payment in lieu of any unused portion of:

1. The vacation credit accumulated up to the expiry of the sick leave; and/or
2. The month's bonus.

15.2.3 Sick Leave Grant, Vacation Credit and Bonus Expires Before Retirement Date

If the sick leave grant together with any outstanding vacation credit and month's bonus (where applicable, see the preceding Subsection 15.1(1.)) does not carry to the approved date, the case shall be referred to the Company appointed Physician for a determination of the employee's eligibility for LTD.

15.2.4 Unused Vacation Credit for Preceding Year

An employee on sick leave grant which extends over the beginning of a calendar year may be allowed credit for any unused vacation for the preceding year, subject to the approval of the director, or official of equivalent or higher status with the concurrence of the Company appointed Physician.

16.0 REDUCED HOURS OF WORK FOR EMPLOYEES WHOSE NORMAL HOURS OF WORK ARE FORTY (40) PER WEEK

Effective April 1, 1994, the base work week for 39.5 hour per week employees was reduced to 39.0 hours per week.

1. The normal scheduled and paid hours of work will remain at forty (40) per week.
2. Overtime rates will be paid for all hours in excess of normal scheduled hours.
3. This banked time may be taken on such days as the employee and his/her supervisor mutually agree upon following reasonable advance notice on the part of the employee.
4. Banked time may be taken off in a minimum of half-day (i.e., four (4) hour) increments.
5. Banked time accumulated in a calendar year must be taken by April 30th of the following year.
6. Where the employee is unable to reach mutual agreement with his/her supervisor to take his/her banked time entitlement (except when exhausting sick leave prior to LTD as noted in Part A, Item 12.2.1), unused banked time entitlement will be assigned on the last working day(s) prior to April 30th.
7. Where an employee falls sick on his/her scheduled banked time off, that day will not be charged against his/her sick leave credits, but shall be treated as banked time off for pay purposes.
8. Banked time will not accumulate for any period of unpaid leave exceeding forty (40) consecutive scheduled hours. Scheduled days off will not be considered as breaking the consecutive nature of scheduled hours. Banked time will accumulate during a paid leave of absence and Pregnancy/Adoptive/Parental Leave.
9. When an employee terminates or when an employee is reclassified to a job where the normal hours of work are less than forty (40) hours per week, unused banked time will be paid off at straight time rates.

16.1 Alternate Hours of Work Arrangements

In the interests of promoting organization effectiveness whilst meeting the needs of employees, the local Chief Steward and the appropriate management designate may agree to Hours of Work Arrangements for a work group or crew other than the normal scheduled hours/days for purposes of using up banked hours only. Either party with reasonable notice may cancel or request a change to the hours of work arrangement. Where banking of time is the agreed upon arrangement, the provisions of 16.2 will apply.

The following organization effectiveness criteria will be considered to determine which hours of work arrangement including banking time is appropriate.

- (i) Where possible, hours should be arranged to allow more flexibility for employees.
- (ii) Productivity levels overall will be maintained.
- (iii) Cost effectiveness, e.g., impact on overtime, staff levels.
- (iv) Requirement for job coverage.
- (v) Effective work flow and interface among work units.
- (vi) Level of service to external and internal customers.

16.2 Where an alternate hours of work arrangement has not been agreed to in 16.1, the employees will continue to work forty (40) hours per week, banking one (1) hour per week at straight time subject to the following:

1. The normal scheduled and paid hours of work will remain at forty (40) per week.
2. Overtime rates will be paid for all hours in excess of normal scheduled hours.
3. Bearing in mind organization effectiveness and with reasonable advance notice on the part of the employee, this banked time may be taken on such days as the employee and his/her supervisor mutually agree. Banked time must be taken by April 30th of the following year.
4. Banked time for shift workers shall be rescheduled as part of the time balanced schedule. Should the parties affected by a particular schedule mutually agree otherwise, the banked days may be scheduled outside the shift schedule.
5. Banked time may be taken off in a minimum of half day (i.e., four (4) hour) increments. By mutual agreement fewer hours may be taken off to accommodate abnormal situations.

6. Banked time will be calculated on a calendar basis. At that time bank time credits will be calculated and adjusted accordingly. Note: This represents a change in the period used for calculating banked time (i.e., from April 1st – March 31st). Employees will not earn more or lose time as a result of this transition.
7. Where the employee is unable to reach mutual agreement with his/her supervisor to take his/her banked time entitlement (except when exhausting sick leave prior to LTD as noted in Part A, Item 12.2.1), unused banked time entitlement will be assigned on the last working day(s) prior to April 30th.
8. Where an employee falls sick on his/her scheduled banked time off, that day will not be charged against his/her sick leave credits, but shall be treated as banked time off for pay purposes.
9. Banked time will not accumulate for any period of unpaid leave exceeding forty (40) consecutive scheduled hours. Scheduled days off will not be considered as breaking the consecutive nature of scheduled hours. Banked time will accumulate during a paid leave of absence, and pregnancy leave and parental leave.
10. When an employee terminates or when an employee is reclassified to a job where the normal hours of work are less than forty (40) hours per week, unused banked time will be paid off at straight time rates.
11. Within the calendar year, banked time may be taken off prior to it being earned. If an employee leaves a banked time arrangement having taken more time than time earned, the employee will pay back the unearned amount by one of the following methods:
 - i) vacation or floating holidays, and where applicable statutory holiday credit;
 - ii) payroll deduction - the employee may be required to provide written authorization for payroll deduction.

17.0 PAYMENT FOR ALLOWANCES

17.1 Temporary Instruction

17.1.1 Daily Allowance

An allowance of \$30.00 per day or part of a day will be paid to an employee withdrawn from his/her normal duties for up to a maximum of thirty (30) consecutive working days, to prepare for and/or to deliver classroom instruction or group demonstration.

Instructors assigned beyond thirty (30) consecutive working days will be compensated at the regular Training Technician rate (Grade 65, Step 3), or six percent (6%) more than the individual's normal base rate whichever is greater.

Temporary Instructor requirements anticipated to exceed five (5) months in duration but not greater than eighteen (18) months shall be posted as Temporary Instructor vacancies (as per Article 10). Compensation will be at the regular Training Technician rate (Grade 65, Step 3), or six percent (6%) more than the individual's normal base rate whichever is greater.

These training delivery opportunities will be distributed as equitably as possible based on the skills necessary to carry out the training.

Employees so appointed who are required to give instruction outside of normal working hours shall be paid for this time at the appropriate premium rate in addition to the allowance/rate.

This allowance would not apply to:

- preparing and/or presenting a segment of his/her routine safety meeting;
- on the job training given by an employee;
- those employees whose normal duties include instruction;
- any supervisor who is not removed from his/her normal duties and who receives greater than five percent (5%) more than those he/she supervises;
- normal journeyman to apprentice relationships; and
- the evaluation of performance on a specific training project as in the Electrical Maintenance Training Program.

18.0 HEADQUARTERS

18.1 General

Two classes of headquarters are established by the Company: work headquarters and residence headquarters.

18.2 Definitions

Work Headquarters - Regular: That location to which the employee normally reports in order to receive his/her daily work assignment or to perform his/her regular duties.

Work Headquarters - Temporary: The centre from which an employee is directed to work when carrying out all or part of his/her duties away from his/her regular work headquarters.

Residence Headquarters: The residence headquarters is that location within which or adjacent to which he/she is expected to reside or is assumed by the Company to reside for purposes of payment of allowances.

NOTE

The residence headquarters may or may not be the same location as the work headquarters.

Householder: Householder is defined as a person who maintains a complete dwelling.

18.3 Establishment of Headquarters

18.3.1 Work Headquarters

The Company may, at its discretion, establish work headquarters in any location for effective administration.

Notice Period - Overnight Absence at Temporary Work Headquarters: In the event an employee is assigned to temporary work headquarters and overnight absence is required, five (5) working days' notice will be given. Notice will not be required where emergent conditions exist.

Penalty: Failure to provide notice as above will require payment of premium³ rates for work performed from the temporary work headquarters until the notice period has expired. This provision does not apply to travelling crews.

18.3.2 Residence Headquarters

The establishment of residence headquarters will be dependent upon the presence of adequate living facilities at that location.

Residence headquarters for employees with no spouse or dependents may be any location where there are boarding facilities either Company or privately owned.

Residence headquarters for employees with a spouse and/or dependents may be any location where there is housing accommodation whether it be Company or privately owned.

NOTE

Such accommodation must be one at which it is reasonable for the employee to reside.

Establishment of New Residence Headquarters: When a residence headquarters is established in a location which was not previously so designated, the Human Resources Manager shall advise the Union.

³ Time and one-half for four hours, double time for next four hours.

NOTE

The Union need not be advised on individual moves from one established residence headquarters to another.

18.4 Change of Headquarters Upon Transfer

18.4.1 Advice of Headquarters

An employee shall be advised, when employed or transferred, of the location of his/her residence and work headquarters.

18.4.2 Notice of Transfer

When employees with more than one (1) month's service are transferred and a change of residence headquarters is involved, a minimum of one (1) month's written notice shall be given. This shall not apply in the case of an employee being transferred as a result of an advertised vacancy or as a result of the Worksite Redeployment clause of Article 11.0.

18.4.3 Duration of Stay in New Residence Headquarters

Householder: A change in residence headquarters will not be made for a householder unless it would appear that he/she will be located at the new residence headquarters for a period of at least six (6) months.

19.0 TRAVELLING TIME OUTSIDE NORMAL WORKING HOURS

When a supervisor directs employees to travel between one work centre and another work centre, they shall be entitled in any calendar day to payment for travelling at the appropriate premium rate in accordance with conditions governing overtime up to a maximum of the number of hours which constitute a normal work day subject to the following:

1. Overtime will be paid when employees are required to drive a Company vehicle outside normal working hours unless being used exclusively for their own personal transportation.
2. When travelling by public transportation, travelling time shall be considered to include waiting periods beyond the employee's control up to a maximum of five (5) hours; both preceding, during and subsequent to the travelling period, but excluding meal periods (one (1) hour each) occurring during the waiting period.
3. When a berth or overnight accommodation is allowed and available, compensation shall not be made between 2300 hours and 0800 hours, nor shall the time spent for noon and evening meals (one (1) hour each) be subject to compensation.

4. Normally selection interviews are conducted during employee's normal working hours. However, where it is unavoidable, and an interview is scheduled outside an employee's normal working hours, additional payment will be made at straight time for each hour spent in interviewing or travelling up to a maximum of a normal day's basic pay for each day involved.
5. No compensation for travelling time outside the normal working hours shall be made in the following circumstances:
 - (a) For the first three (3) hours travelling time each way when directed by his/her supervisor to attend a training course away from his/her normal work headquarters for five (5) days or more. Payment for periods beyond the first three (3) hours will be at straight time rates up to maximum of a normal day's basic pay.
 - (b) For attendance at conventions (except where it is part of the employee's normal function).
 - (c) When a change of residence headquarters and related transfer is involved, the employee will normally travel during normal working hours without any loss of base pay. If the employee is required to travel on a regular day off, payment for travelling time will be made at straight time up to a maximum of the number of hours which constitute a normal work day.
 - (d) On periodic return to residence headquarters resulting from a permanent transfer, as outlined in Section 23.12.
 - (e) For a new employee reporting to some administrative centre or station for instruction or training before reporting for work at his/her new location.

NOTE

Equivalent time off without pay may be granted on the basis of an hour off for each hour spent travelling provided the workload permits.

20.0 COMPENSATION AT TEMPORARY HEADQUARTERS

Management will solicit volunteers for assignments to temporary work headquarters. Volunteers will be the first to be assigned to temporary work headquarters. If there are insufficient volunteers within one (1) working day, Management will assign temporary work headquarters on a rotational basis in order of seniority (e.g., senior choice/junior force basis).

20.1 Travel Outside of Residence Headquarters

When employees are directed to work at a temporary work headquarters which is outside of their residence headquarters, and when such headquarters is within a reasonable distance of their residence headquarters, the employee may wish to commute daily rather than remain at the temporary work headquarters. When commuting is mutually agreeable, the employee may claim a daily travel expense on the following basis:

1. Where the temporary work headquarters is less than forty (40) road kilometres from the regular work headquarters: - \$13.00.
2. Where the temporary work headquarters is forty (40) road kilometres but less than fifty-six (56) road kilometres from the regular work headquarters: - \$15.00.
3. Where the temporary work headquarters is fifty-six (56) road kilometres but less than eighty (80) road kilometres from the regular work headquarters: - \$20.00.
4. Where the temporary work headquarters is eighty (80) road kilometres but less than one hundred five (105) road kilometres from the regular work headquarters: - \$26.00.
5. Where the temporary work headquarters is one hundred five (105) road kilometres or more from the regular work headquarters: - \$31.00.

The daily travel expense shall apply only when it is in the Company's and the employee's interest to continue residing at home during such temporary changes in headquarters. Under these circumstances, employees are required to be at their temporary work headquarters at normal starting time and remain until normal quitting time.

In addition to this daily travel expense, the employee shall be:

1. Paid for time spent travelling on the first trip when the work headquarters is changed and the last trip when he/she returns to his/her regular work headquarters.
2. Entitled once every two (2) weeks to payment for actual time spent travelling at straight time up to a maximum of three (3) hours each way between temporary headquarters and regular work headquarters.

While an employee is in receipt of benefits under Section 20.1, he/she will not be entitled to any of the provisions as set forth in 20.3.

20.2 Travel – Compensation When Assigned to Temporary Work Headquarters – Outside Residence Headquarters

It is often necessary for Company employees including those on transfer to work at temporary work headquarters which are at points distant from their residence headquarters.

Having due regard to the nature, importance, and length of the job and when practicable, the Company shall, within reasonable limits, reimburse the employee for expenses incurred in returning to his/her residence headquarters once each week. If an employee chooses to remain at the temporary work headquarters, the Company will pay the lesser of the cost of meals and accommodation or the cost of the return trip to his/her regular work headquarters.

20.3 Return to Residence Headquarters When Transferred to a Temporary Work Headquarters

Entitlement will be for the duration of the transfer (subject to postponement as per 20.6.2 below).

All travel time associated with return to regular headquarters will be outside the employee's scheduled hours of work. The employee will be entitled to payment for actual time spent travelling at straight time to a maximum of eight (8) hours each way.

20.4 Assignments to Training Courses

Employees assigned to temporary work headquarters for training courses of five (5) days or more will be compensated for expenses incurred in returning to his/her residence headquarters once each week.

No compensation shall be made for the first three (3) hours of travelling time each way. Payment for periods beyond the first three (3) hours will be at straight time rates up to a maximum of a normal day's basic pay.

20.5 Expenses – Outside Residence Headquarters

The Company shall assume, within reasonable limits, the cost associated with meals, travel and lodging while an employee is assigned to a temporary headquarters. Where possible, single room accommodation will be provided.

Board and lodging shall be supplied without charge if the employee is living in Company-operated quarters.

When employees are required to work away from their normal headquarters for three (3) consecutive days or more in a week, they shall be entitled to claim \$20.00 in compensation for laundry and long distance telephone calls home.

20.6 Qualifications to Above Policy

The return trips mentioned in Section 20.3, will be granted subject to the following conditions:

20.6.1 Scheduling of Trips

Return trips to residence headquarters shall be made at times when service or apparatus will not be jeopardized thereby except in case of emergency such as illness in the family or other matters highly important to an employee.

The Company will schedule the trip to meet the needs of the majority concerned or by mutual agreement where the work of some employees is dependent on the assistance or presence of other employees.

20.6.2 Postponement of Return to Residence Headquarters

If, at the end of a week, when a return to residence headquarters would normally take place, it appears that the job will be completed on or before Wednesday of the following week, the return trip may be postponed until the job has been completed. If work is not planned on the weekend, the employee will have the option of remaining at the temporary headquarters or claiming the equivalent cost of staying at the temporary work headquarters and make his/her own arrangements.

20.6.3 Use of Company Vehicles

The round trip to residence headquarters must be made within the scheduled non-working period. It must be made in a Company vehicle whenever the services of a suitable vehicle are available.

When a suitable Company vehicle is available, employees who do not avail themselves of these facilities will not be reimbursed for transportation expenses. Those who remain at the temporary work headquarters will be treated as if they were at residence headquarters.

When transportation by Company vehicle is not provided, the equivalent of public transportation costs or the standard kilometre allowance, whichever is lesser, will be authorized by his/her supervisor for an employee who chooses to use his/her own car instead of public transportation for himself/herself alone or for carrying other employees as passengers.

20.6.4 Isolated Locations

In special cases when a temporary work headquarters is remote from public transportation, employees will be allowed to accumulate or "bank" overtime at straight time rates to a maximum of forty (40) hours in order to have extra time away from the job. Such permission shall only be granted when the majority of the affected employees agree.

NOTE

Each special case is subject to agreement between the PWU Executive Committee and Human Resources.

20.7 Alternative to Return to Residence Headquarters

The Company will consider paying travelling costs up to a maximum of the costs to residence headquarters when an employee wishes to go to some other location for personal reasons such as to join his/her family who are vacationing.

20.8 Travel Inside Residence Headquarters

When employees are directed to report for work at normal starting time at a temporary work headquarters which is within their residence headquarters, they will be paid a daily travel expense equivalent to the return road kilometres between the temporary work headquarters and the regular work headquarters, computed at the current standard kilometre rate. This travel expense will be paid each day the employee works at the temporary work headquarters. In addition to this daily travel expense, the employee shall be paid for time spent travelling on the first trip when the work headquarters is changed and the last trip when he/she returns to his/her regular work headquarters.

20.9 When employees are directed to work at a temporary work headquarters as in Section 20.1 or 20.8 and the Company provides a vehicle for daily transportation, the above daily travel expenses shall be reduced by fifty percent (50%).

21.0 METROPOLITAN TORONTO BOUNDARIES

For purposes of payment of travelling allowances the boundaries of Metropolitan Toronto, for Company purposes, shall conform to the Toronto metropolitan area boundaries as recognized by the municipalities constituting Metropolitan Toronto.

NOTE

This does not affect other special settlements relative to moving allowance, meals, etc., presently in effect within the metropolitan area of Toronto.

22.0 KILOMETRE RATES

Kilometre rates paid to employees using their automobiles on Company business shall be as follows:

1. The rate paid per kilometre is related to changes in the Private Transportation Index component of the Consumer Price Index of Canada.
2. The rate of forty cents per kilometre will take effect on June 1, 2000.
3. Future increases of one cent per kilometre will occur with each additional ten percent (10%) point increase from the base figure of 31.5 (1992 CPI =

100) in accordance with the formula described in a letter of agreement between The Company and the Union dated May 25, 1983.

4. Conversion factor is 1 mile = 1.6 kilometres.
5. A decline in the index below the level of a previously surpassed trigger point for two or more consecutive months will result in a reduction in the paid rate to the appropriate amount.
6. The effective date for any new kilometre rate triggered by this indexing formula will be the first of the month following the month in which the index is published.
7. The additional payment for hauling household trailers will be nine cents per kilometre. The payment for hauling smaller trailers (camper, ski-doo, boat, etc.) will be three cents per kilometre.
8. The above rates will apply on a province-wide basis.

As a condition of employment, the Company does not require anyone to own a car. When transportation is required, the employee may, with the Company's approval elect to use his/her own car at the approved kilometre rate but if he/she does not elect to use his/her own car or if he/she does not own a car, the Company will, if necessary, provide alternative transportation appropriate to the occasion. However, ownership of an appropriate driver's license may be a condition of employment in some situations.

23.0 TRANSPORTATION AND MOVING EXPENSES

23.1 General

Method of Transportation: The method of transportation and all expenses chargeable to the Company in moves of employees are subject to the control and approval of the Company.

Packing and Shipping Furniture: In view of the Company's willingness to pay for packing furniture, as well as transportation, employees usually will not be allowed time or travelling expenses to return from point of work in order to look after packing and shipping of furniture, subject to Subsection 23.5, Time Off For Move.

23.2 Notice of Transfer

Refer to Section 18.4.2.

23.3 Transfer of Temporary Employees

The Company will only pay necessary travelling expenses of temporary employees when they are moved from one location to another at the Company's request.

NOTE

The transportation of families and/or furniture of such employees will not be paid.

23.4 Appointment of New Probationary Employees

A new employee hired for a regular position in a location other than the point of hire will not ordinarily be recompensed for moving expenses.

NOTE

In exceptional cases, as part of the employment agreement, a director may pay all or part of the moving expenses of the employee and household to the location where the employee will be employed.

23.5 Transfer of Regular Employees

The following instructions will apply to all regular employees subject to the following limitations: In the case of regular part-time positions, expenses for employees will be pro-rated based on the hours of the position into which they are moving except for moves governed by Article 11.20 in which case Part A, Item 23.0 applies in whole.

Householders: When the residence headquarters of a regular employee, who is a householder, is changed and the employee's work headquarters is moved fifteen (15) kilometres further from his/her home and such employee has moved his/her household at least fifteen (15) kilometres closer to his/her new work headquarters, the Company will pay the cost of:

NOTE

A householder is defined as a person who maintains a complete dwelling.

1. Transporting the employee and family.
2. The packing, freight or truck charges on household effects, among which will be included boats and second automobiles which are part of the personal effects of the employee.

NOTE

Items of this kind which are used for business farming or commercial purposes, as well as large boats such as

houseboats which would require special transportation would not be included in moving expenses paid by the Company.

3. The cost of board and lodging for the employee's family while furniture is in transit.

Board and Lodging: The Company will also pay the expenses or board and lodging allowance for the employee as applicable under Part A, Section 23.15.

NOTE

For regular employees living in household trailers, moves for lesser periods of time than six (6) months may be authorized by the department head or construction manager concerned. In this connection the distances and economics must be carefully considered.

Incidental Out-of-Pocket Moving Expenses: Employees may claim a \$4,500 allowance for miscellaneous out-of-pocket expenses required by the move. The requirement for supporting receipts and taxability of the allowance will be governed by Accounting Service Procedures.

Lease Termination: The Company will pay up to the maximum of two (2) months rent towards the actual cost in terminating a lease.

Time off for Move: If regular employees who are householders are required to move their household to new residence headquarters on a regular scheduled day of work, they shall be granted one (1) day off with pay to assist in the move.

NOTE

Extension of this time off with pay will be at the discretion of the director concerned.

Non-householders: When the residence headquarters of a regular employee who is a non-householder is changed, the cost of transporting the employee will be paid. A director, at his/her discretion, may authorize actual moving expenses to a maximum of \$500.00 or a lump sum payment of \$500.00 towards the cost of moving personal effects, including furniture. No reimbursement will be made for incidental out-of-pocket expenses.

Kilometre: All employees described under the Householders and Non-householders sections may be allowed the regular kilometre rate for driving the employee's car to the new location provided that such cost is not more than it would otherwise cost for transportation of the employee's family and for freight on shipment of the automobile.

NOTE

When the Company considers a preliminary trip to the new location is necessary for interview or for the employee to seek a house, the time, board and lodging and travelling expenses of the employee may be paid.

Legal and Real Estate Brokerage Fees: In addition to the provisions of the Householders and Kilometre sections, with the exception of employees and circumstances listed in Exceptions subsection below, regular employees who are householders, required by the Company to move their principal residence, shall be entitled to the following:

1. The Company will reimburse the employee up to \$3,500.00 for legal fees and disbursements actually incurred in selling the old residence and/or buying the new principal residence, (legal fees will be in accordance with a standard recognized scale and could include such items as land transfer tax, survey and legal fees associated with arranging or discharging a first mortgage and mortgage appraisal fees).
2. The Company will reimburse the employee for standard brokerage fees up to \$11,500.00 related to the sale of the old principal residence.
3. To qualify for payment of expenses involved in purchasing a new residence, the employee must give written notice at the time of his/her transfer that he/she intends to buy a residence.
4. If an employee sells a mobile home [i.e., a trailer designed and used exclusively as a residence which exceeds 2.6 metres (8.5 feet) in width or 10.67 metres (35 feet) in length], he/she is considered to have sold his/her residence.
5. When an employee's actual cost exceeds the maximum allowed in either 1 or 2 above the employee may utilize any surplus in the other item up to the maximum of \$15,000.

Exceptions: Any transaction which is not commenced within one (1) year of the date of the employee's transfer. Extension of this time period shall be at the discretion of a director.

Moves resulting from a demotion for cause.

23.6 Housing Assistance Plan

Eligibility for the Housing Assistance Plan is conditional on the employee abiding by all the requirements of the Housing Assistance Plan as listed below:

23.6.1 Application

23.6.1.1 The housing assistance plan applies to regular employees eligible under Item 23.5 who are subject to a forced transfer or who have received a written declaration that they are surplus.

23.6.1.2 The provisions of this policy are only applicable to the principal residence of the employee, but do not cover other commercial (income producing) properties, cottages which are not the principal residence, farms, commercial real estate holdings, tenanted properties (e.g., duplex or triplex), mobile homes on leased land, or residences with urea formaldehyde foam insulation (UFFI) or properties as defined in Item 23.6.1.3.

23.6.1.3 It will be the prerogative of the Company to reject an employee's application for Housing Assistance if the property is not an acceptable risk, with free and clear title.

23.6.2 Purchase Guarantee

23.6.2.1 The Company will provide a purchase guarantee based on an appraisal of the property's current worth by a group of up to three (3) appraisers, to be selected by mutual agreement between the Company and the employee. The appraisals will be done at a time that is convenient to the employee and his/her family. Individual appraisals provided to the Company by the realtors/appraisers will not be disclosed to ensure objectivity for current and future appraisals.

23.6.2.2 The Company will not request appraisals until the employee is ready to list his/her house in the marketplace, providing this is within one (1) year of the employee's transfer to the new work location, and the employee is prepared to abide by Subsection 23.6.2.4 and Subsection 23.6.3.1.

23.6.2.3 The employee must accept or reject the Company's Purchase Guarantee within five (5) working days of its receipt. If the employee rejects the Purchase Guarantee, the Company has no further responsibility with regard to Housing Assistance or the Purchase Guarantee, however, the employee will still be entitled to the other relocation assistance benefits including 23.6.5.3.

23.6.2.4 If the employee wishes to participate in the Housing Assistance Plan, the employee must not list the property for sale until the Purchase Guarantee has been accepted.

23.6.3 Listing of Property

23.6.3.1 If an employee chooses to participate in the Housing Assistance Plan, by accepting the Purchase Guarantee, the employee will immediately list the property for ninety (90) days on MLS (where such service is available) at a price not exceeding one hundred seven percent (107%) of the guaranteed price.

23.6.3.2 Under the Housing Assistance Plan, the Company purchases an employee's principal residence in the former location at market value, if the employee is unable to sell it within ninety (90) days. The house may be purchased by or turned over to the Company after thirty (30) days if the house is vacant and the employee agrees with this action. The employee must put in writing that no real estate fees will be paid if the property is purchased by the Company.

23.6.3.3 The employee will retain the right to sell to a third party until such time as the property is purchased by or turned over to the Company for resale.

23.6.3.4 In order to assist the employee to dispose of the property expeditiously and at a fair market value, the employee must notify the Employee Relocation Administrator of all offers to purchase during the listing period. The Company may ask the employee to accept an offer which is lower than the Purchase Guarantee, whereupon the employee will be compensated for the difference between the Company's Purchase Guarantee and the amount of the offer. The employee's acceptance of any offer less than the Company's Purchase Guarantee is not mandatory and the employee will retain control of the sale of the residence throughout the listing period. All offers to purchase will be held in confidence by the Employee Relocation Administrator.

23.6.4 Sale of Property by the Company

23.6.4.1 The employee must be prepared to sign power of attorney authorizing the Company to sell property on the employee's behalf on the first day following the ninety (90) day listing period. If the employee will be unable to vacate the premises at that time, the Employee Relocation Administrator must be notified.

23.6.4.2 The Company will pay to the employee the difference between the value of the property to the Company (Purchase Guarantee) and all existing encumbrances, including the advance of equity when the house is turned over to the Company or at the end of the ninety (90) day listing period, whichever comes first.

23.6.4.3 When an employee applies for assistance under this procedure, he/she must declare under oath, if required by the Company, all encumbrances of any nature or kind whatsoever, including executions, chattel mortgages, and notices of conditional sales contracts which the employee is obliged to pay.

23.6.4.4 In consideration of the payment to the employee of the amount established in Subsection 23.6.4.2, the employee will complete a deed of sale of the property, conveying the same by good and marketable title, but subject to all existing encumbrances, to the Company or its nominee.

23.6.5 Advance of Equity

- 23.6.5.1** In order to provide the employee with funds for a deposit or down payment on a residence at the new location, an advance of up to one hundred percent (100%) of the employee's equity (Purchase Guarantee minus encumbrances) in the employee's principal residence at the former location may be loaned to the employee by the Company.
- 23.6.5.2** If the employee accepts the Company purchase guarantee and sells his/her principal residence during the ninety (90) day listing period, he/she is responsible for repaying the Advance of Equity to the Company within five (5) working days of the closing date of the sale of the former residence. Failure to do so will activate the appropriate interest charges to the employee based on the Treasury Division's Published Interest Rate Schedule (employee housing loan five-year term) in effect on the closing date of sale. It is the employee's responsibility to repay the Advance of Equity to the Company within five (5) days of the sale of the former residence, or within ninety (90) days from the date of issue of the Advance, whichever comes first.
- 23.6.5.3** An employee who rejects the Company's Purchase Guarantee, may take advantage of the Advance of Equity option. If the former principal residence is not sold within ninety (90) days of the date of issue, the employee must pay interest to the Company at his/her own expense commencing on the ninety-first (91st) day. The interest rate will be based on the Treasury Division's Published Interest Rate Schedule (employee housing loan five (5) year term) upon the expiration of the ninety (90) day period. It is the employee's responsibility to repay the Advance of Equity to the Company when the former residence is sold, or within one hundred eighty (180) days (six (6) months) from date of issue of the Advance, whichever comes first.

23.6.6 House Evaluation and Guarantee Plan

Upon subsequent transfer within the Company, an employee will be guaranteed his/her purchase price up to a maximum of four times his/her base salary at the time of the transfer (plus or minus \$3,000 for improvements or damages to the property). This guarantee will be for a period of ten (10) years from the date of purchase. Improvements must be verified by receipts and do not include normal painting, decorating and maintenance costs. An employee may not sell his/her house for less than the guaranteed amount without the consent of the Company.

If an employee contracts to have a house built in the new location, the Employee Relocation Administrator, must arrange for an appraisal of the new principal residence upon completion to establish the "guarantee amount".

If an employee who is eligible for the House Evaluation and Guarantee Plan rejects, or does not qualify for, the Company's Housing Assistance Plan, the following stipulation will apply. The employee must not sell to a third party for a price less

than the employee's original purchase price, unless the sale price is approved by the Employee Relocation Administrator.

The price level guaranteed by the House Evaluation and Guarantee Plan will be modified downwards in the event of a significant reduction in the level of real estate prices throughout Ontario.

23.7 Transfer of Regular Employees - Staff Reduction and Recall Procedure - PWU Agreement - Article 11

No moving expenses will be paid for an employee being recalled to a vacancy.

Recall shall include employees who are reclassified from a lower classification to their original classification as well as employees who have terminated employment and are recalled.

When regular employees who, with the approval of the region or division are occupying a house or a trailer on Company property or a site under control of the Company, become surplus and are unable to transfer under Article 11 but are laid off, they shall, if required by the Company to move, be reimbursed under Section 23.5 or 23.7, whichever is applicable, in an amount equal to the cost of a move back to the regional office or to the actual location to which the employee desires to move, whichever is the lesser.

23.8 Transfer to Non-Supervisory Vacancies: Other Positions

Where management requests an individual employee to submit his/her application to a "Non-Supervisory Vacancy: Other Positions" to a particular location, moving expenses as outlined in Subsections 23.5 and 23.7 will be paid.

The payment of moving expenses to employees who are being transferred at their request and entirely for their own accommodation will be at management's discretion.

23.9 On Retirement

A regular employee on retirement shall be reimbursed under Subsection 23.5 or 23.7, whichever is applicable, in an amount equivalent to the cost of the move to any location in Ontario in which the employee desires to settle if:

1. A house or trailer is occupied on Company property or a site under the Company's control; and
2. The Company requires the move.

23.10 Allocation of Moving Expenses

When an employee is moved from one location to another, the expenses involved shall be charged to the location to which the employee is moved except in the case of a move of a retiring employee occupying a Company-owned house. In this instance the expenses shall be charged to the residence headquarters at the time of retirement.

23.11 Return to Residence Headquarters on Permanent Transfer

An employee permanently transferred to a new residence headquarters will be reimbursed for expenses incurred in returning to his/her old residence headquarters once each week until he/she moves his/her family to the new location. The maximum period of entitlement will be four (4) months from the date of transfer to the new residence headquarters unless extension is authorized by the appropriate director.

Entitlement shall cease when the employee moves his/her family to the new location.

All travel time associated with the return to residence headquarters will be outside the employee's scheduled hours of work.

The employee will not be entitled to claim payment for travel time.

23.12 Conditions of Return Trip

The return trips mentioned in Section 23.12, will be granted subject to the following conditions:

23.12.1 Scheduling of Trips

Return trips to residence headquarters shall be made at times when service or apparatus will not be jeopardized thereby except in case of emergency such as illness in the family or other matters highly important to an employee.

The Company will schedule the trip to meet the needs of the majority concerned or by mutual agreement where the work of some employees is dependent on the assistance or presence of other employees.

23.12.2 Use of Company Vehicles

The round trip to residence headquarters must be made within the scheduled non-working period. It must be made in a Company vehicle whenever the services of a suitable vehicle are available.

When a suitable Company vehicle is available, employees who do not avail themselves of these facilities will not be reimbursed for transportation expenses. Those who remain at the temporary work headquarters will be treated as if they were at residence headquarters.

When transportation by Company vehicle is not provided, the equivalent of public transportation costs or the standard kilometre allowance, whichever is lesser, will be

authorized by his/her supervisor for an employee who chooses to use his/her own car instead of public transportation for himself/herself alone or for carrying other employees as passengers.

23.13 Alternative to Return to Residence Headquarters

The Company will consider paying travelling costs up to a maximum of the costs to residence headquarters when an employee wishes to go to some other location for personal reasons such as to join his/her family who are vacationing.

23.14 Board and Lodging

23.14.1 General

The payment or nonpayment of board and lodging (or living-out allowance in lieu thereof) shall be predicated on separation or non-separation from the employee's Residence Headquarters as defined in Part A, Item 18.0.

NOTE

No free board and lodging shall be given to employees while they are located in their residence headquarters except where camp facilities are provided.

When Applicable: Board and lodging allowance is only applicable when the employee is absent from residence headquarters for more than one (1) month.

For periods of time up to one (1) month, the employee is entitled to submit an expense report for actual expense incurred.

23.14.2 Rate of Allowance

The board and lodging allowance shall be \$45.00 per day.

Statutory Holidays and Vacation: Board and lodging will be allowed for statutory holidays.

During annual vacation period, lodging expenses only will be allowed, whenever it is necessary for the employee to retain this lodging for use after vacation, and approval has been obtained from the department head.

NOTE

If, under certain circumstances and local conditions, the standard rate is considered inadequate, and it would result in undue hardship to the employee, a higher weekly limit, commensurate with existing conditions, may be set with the approval of the vice-president or the general manager concerned. In this case, the request must be supported by vouchers.

23.14.3 Absence from Residence Headquarters

Board and lodging shall be supplied without charge if the employee is living in Company-operated quarters.

Employees are eligible to claim \$20.00 in compensation for laundry and long distance telephone calls home when away from their normal headquarters for three (3) consecutive days or more in a week, in addition to actual expenses claimed or any board and lodging allowance received due to a change in residence headquarters in accordance with 23.16.

23.15 Change of Headquarters

23.15.1 Regular Employees - Householders

A regular employee shall be paid expenses up to a maximum period of four (4) months as follows:

Actual expenses for up to one (1) month from the date of actual transfer to the new location, and thereafter the standard board and lodging allowance until the time the household is moved to the new location.

NOTE

Such an employee must be a householder and entitled to the payment of expenses as outlined in Part A, Item 23.0.

Extension of Allowance: Payment of any allowance beyond the period of four (4) months must be authorized by the appropriate director.

Eligible Employees: Payment of this allowance will be made only to an employee who indicates an intention to move to the new location.

If the employee fails to move within the time limit, any cash allowance paid in lieu of board allowance shall be recovered by the Company unless the reasons for not moving were beyond the control of the employee and/or the employee actually did board in the new location during this period.

23.15.2 Non-householders

An employee who is a non-householder shall be permitted actual expenses to a maximum of up to one (1) month, after which no allowance will be made.

24.0 MEAL PROVISIONS

24.1 Part C Employees (Weekly Salaried)

24.1.1 Provision of Meals

In recognition of the importance of regular meals to an individual's health and effectiveness on the job, the Company will supply meals as outlined below and when required, will assign an employee to secure the meals.

- (a) Employees provide their own meals on regular days of work.
- (b) When an employee works overtime on a regular day off, he/she will be expected to provide one meal if twenty-three (23) hours notice has been given.
- (c) When an employee works extension overtime before or after normal scheduled hours, all required meals will be provided by the Company. The first meal (or meal allowance) will be provided when two (2) hours of overtime are worked. Subsequent meals or meal allowances will be provided every four (4) hours of overtime worked thereafter.
- (d) When meals cannot be reasonably obtained⁴, an allowance of \$15.00 per meal will be paid.

24.1.2 Meal Periods

- (a) Employees on day work shall take a meal period designated by the Company and shall not be paid for this time (unless otherwise provided for in the Collective Agreement).
- (b) Employees on shift work shall eat their meals during the shift hours as conditions permit.
- (c) When an employee works extension overtime, no time shall be deducted for eating such meals where the employee eats the meal on the job and in a minimum of time.

25.0 PROMOTIONS

Promotion means a change to a new job which carries a higher maximum salary schedule rate (base rate) or a higher salary grade resulting from an increase in job demands and responsibilities within a job. (See also definition in Article 10.1.5(C).)

⁴ 'Reasonably obtained' is to be defined locally by Union and Management.

25.1 Part C (Weekly Salaried)

25.1.1 Promotion Rule

Object: The object of the rule is to ensure, on promotion, an increase in salary to compensate for an increase in job demands and responsibilities.

1. On promotion, the employee's rate is to be set at the lowest progression step (in the salary grade for the job) which will give a minimum increase of three percent (3%) above the employee's existing basic rate.
2. In the case of single grade promotions (or the equivalent under Pay Equity) the following will apply:
 - If at step 1 of the current grade, go to step 1 of the next grade.
 - If at step 2 of the current grade, go to step 1 of the next grade.
 - If at step 3 of the current grade, go to step 2 of the next grade.
3. In cases where 25.2.1(2) does not result in at least a three percent (3%) increase, a rate that reflects not less than a three percent (3%) increase from their current rate will be paid. This interim rate will continue in effect until the next anniversary date at which time the employee will resume his/her place on the current salary schedule. This rate will be the next step in the salary grade which guarantees an increase of at least one and one half percent (1.5%) from the interim rate.

NOTE

An employee who is affected by such an "off-schedule" rate will be affected only once during his/her progression to the top step of his/her job. In no case will the rate be more than the maximum rate for the job grade.

25.1.2 Payment of the Salary Grade for the Job

On promotion, the employee will be placed directly in the salary grade for the job, except in training situations under the Clerical-Technical Plan (where an employee may be advanced gradually through the appropriate training job levels to the terminal job grade). He/she will be granted the progression step required by the promotion rule, except where a higher progression step is being granted for previous experience (Subsection 25.2.5).

25.1.3 Promotion from Hourly-Paid to Weekly-Salaried Jobs

The promotion rule applies in the case of an hourly-paid employee being promoted to a weekly-salaried job.

The rule does not apply in the case of a weekly-salaried employee being promoted to an hourly job.

25.1.4 Payroll Rates in Excess of Approved Job Grades

When an employee is being paid a special rate (such as results from restructuring of jobs, retrogression, implementation of new salary plan, or salary guarantee) which exceeds the appropriate rate for the job he/she holds, he/she should on promotion:

1. Continue to be paid the special rate, or
2. Be paid the progression step resulting from application of the promotion rule to the appropriate progression step in the approved grade of his/her former job, whichever is higher.

25.1.5 Previous Experience

Where an employee being promoted has had previous applicable experience in a higher level job but was demoted for reasons other than cause or inability, a higher progression step than is indicated by the promotion rule may be chosen by the Company.

25.1.6 Relief Situations

In relief situations where less than the normal duties are being performed and a lower salary grade has been established for the relief period, the promotion rule will be used to establish the appropriate progression step or off-schedule rate in the lower salary grade.

25.1.7 Progression Following Promotion

Progression dates shall be calculated from the date of appointment or promotion date to the position. Subsequent salary adjustments shall occur at twelve (12) month intervals from the appointment or promotion date.

26.0 JOINT COMMITTEES

26.1 Joint Pension Committee

1. Scope: To monitor the administration and the financial status of the Pension Plan covering all plan members and to recommend changes as set out below:
2. Personnel: The "*Joint Pension Committee*" shall meet at least twice a year or as requested by either party and shall consist of the following members:
 - three (3) PWU members
 - three (3) Company management members

Each party will have the right to have a reasonable number of resource personnel attend the meeting.

The Chair will rotate between Vertex and PWU, one meeting each. Every effort will be made to reach unanimous decisions. In the event that a unanimous decision cannot be reached, decisions will be by a vote of a majority of members representing both PWU and the Company.

3. Function: In an advisory capacity with access to the necessary information: (This is limited in that it does not apply in respect of information as to the service, salary, pension benefits or other personal information related to any specific person without that person's prior consent.)

Pensions

- (a) Monitor Vertex's administration of the Pension Plan as established under associated regulations and rules, and applicable legislation.
- (b) Make recommendations respecting the administration of the Pension Plan.
- (c) Promote awareness and understanding of the Pension Plan on the part of Plan members.
- (d) Review the Company's approved annual financial statements and investment performance.
- (e) Review the Company's approved Actuarial Valuations of the Pension Plan and discuss the need for assumption changes.
- (f) Identify potential benefit changes and discuss cost and other implications. Committee recommendations for benefit level changes will be subject to ratification of the respective parent bodies.

Life Insurance

- (a) Review the financial position, premiums and taxable benefits of the life insurance provisions of the Plan.
- (b) Identify potential benefit changes and discuss cost and other implications. Committee recommendations for benefit level changes will be subject to ratification of the respective parent bodies.

26.2 Joint Health and Safety Consultation

The parties will consult regularly on corporate level employee health and safety matters.

26.2.2 Joint Health and Safety Working Committee

1. Goal

- (a) Provide recommendations to assist the Health and Safety Division in the development, implementation and evaluation of corporate employee health and safety policy and programs.

2. Personnel

- (a) A Manager and other management staff as deemed necessary from time to time.
- (b) Union Provincial Health and Safety Committee and Union staff advisor to a maximum of eight (8).

3. Function

- (a) Participate in the identification of problems and issues of Company significance in employee health and safety policy and practice.
- (b) Participate in the development, promotion and implementation of Company health and safety programs.
- (c) Study, develop and make recommendations for changes to the corporate safety rules and work protection code. This function can be delegated to an ad hoc group with mutual agreement.
- (d)** The committee will normally attempt to resolve issues of mutual interest before seeking intervention by senior management or the Joint Committee on Health and Safety
- (e) The committee will meet twice a year or as mutually agreed

26.3 - Joint Union Management Committee

Establish a joint union management committee consisting of three (3) PWU members and three (3) company management members.

Each party will have the right to have a reasonable number of resource personnel attend the meeting.

The committee will meet on a bi-monthly basis or otherwise as mutually agreed to discuss concerns and to resolve problems on a general basis as well as those identified in the following areas:

(i) Health and Safety Policy

1. Goal

To participate in the formation of health and safety strategy and policy by providing information and opinion from the Union to the Company's executive on employee health and safety.

2. Function

- (a) Identify problems and issues of Company significance which have not been resolved in the Joint Health and Safety Working Committee.
- (b) Review proposed initiatives and advise the corporate executive.
- (c) Evaluate existing policy and advise the corporate executive on recommended changes. This function applies particularly to safety rules and work protection code.
- (d) Develop Joint Policies on Health and Safety
 - i) Authority to Stop Work.

(ii) Diversity

1. Objectives

- (a) To provide a joint forum for work on Corporate Employment Equity, Human Rights and Diversity policies, and/or associated Corporate issues.
- (b) To participate in making and bringing forward recommendations and providing advice to the Vice-President, Operations on Corporate policies and plans impacting on equity in the workplace and Corporate issues arising from the Employment Systems Review.
- (c) To participate in making and bringing forward recommendations to the PWU Executive on equity issues in the workplace which fall within their jurisdiction.

2. Function:

- 2.1 Meet and exchange information regularly to ensure that the committee is informed of progress on initiatives undertaken by the Corporation and the Union. Each party will identify and bring forward emerging Corporate issues for discussion.
- 2.2 The committee will work together to formulate recommendations by
 - (a) Working to meet the work program deliverables as identified below within required timelines.
 - (b) Discussing options and their impacts in meeting the work program deliverables (including obtaining input through consultative forums – see below).
 - (c) Attempting to agree on recommendations acceptable to all parties and for delivery to the Vice-President, Operations and/or the PWU Executive where appropriate.
- 2.3 Where agreement cannot be achieved, each party will communicate expeditiously their position to the Vice-President, Operations before Corporate decisions are made.

3. Work Program – to be established annually.

4. Responsibilities:

- 4.1 Consultative Forum – To provide input to the committee on work program deliverables as follows:
 - (a) Management members will ensure input is received from line management and non-represented staff members.
 - (b) The Union members will ensure input is received from their constituencies.
 - (c) The committee will also seek input from advocacy groups and designated group members on issues as required.
- 4.2 Support Resources – Committee to determine needs (administrative, research, preparation, etc.) and arrange as required. Treatment will be as per the Collective Agreement.
- 4.3 Management is responsible for time and expenses, except for union staff time, associated with the work program of this team.
- 4.4 At the end of the each year, the parties will review the Terms of Reference and make recommendations for the coming year.

(iii) Joint Staffing/Workforce Utilization

In order to achieve the expectations of our customers, employees and stakeholders alike, the parties agree:

- To actively manage on an ongoing basis the matching and balancing of PWU-represented employee's skills and capabilities with the business requirements.
 - There is a need to be a skills-based organization by providing skill development and training opportunities for PWU-represented employees.
-
- Management will provide the committee with a staffing forecast annually (financial year) as well as any updates.

Make recommendations to the parties taking into consideration:

- Forecasted workload requirements
- Workforce management/utilization
- Survey of skills/experience/career interests
- Career planning/training development
- Extramural activity

It is recognized that this proactive approach will provide PWU-represented employees with career opportunities and will allow the parties to strive to have a stabilized workforce.

26.4 EHB/WSIB/LTD Committee/Disability Committee

The Committee would be comprised of:

Power Workers' Union

Human Resources

Line Managers and/or rehabilitation consultants to assist with Return to Work Plans under Disability section only. Issues regarding EHB, WSIB and LTD are restricted to representation by PWU and Human Resources only.

(A) Establish a Joint Management Disability Program.

(B) To review existing and future LTD applications to ensure they are receiving the required medical attention and the possibility of returning them to the workforce.

(C) To jointly develop return to work plans that will assist employees who have been absent from work due to illness or disability utilizing the Rehabilitation and Re-employment Policy.

Terms of Reference:

- 1.0 Develop a questionnaire for employees not in receipt of CPP disability.
- 2.0 Review returned questionnaires to determine if any employees can be placed on immediate vocational rehabilitation.
- 3.0 Determine if an independent medical evaluation is required before attempting vocational rehabilitation.
- 4.0 Review existing procedure for LTD applications.
- 5.0 Develop a roster of physicians to use in the process.

Forward recommendations for process improvements to Human Resources

(D) Review/Update - To meet, on a regular basis (e.g., semi-annually), to discuss and/or resolve issues associated with the following processes:

- (a) Long Term Disability
- (b) WSIB
- (c) Sick Leave
- (d) Drug Formulary

26.5 Joint Employee and Family Assistance Committee

1. Goal: Provide recommendations to assist the Company and the Union in the development, implementation and evaluation of employee and family assistance policy and programs.

2. Personnel:

- (a) Chair: The Chair shall rotate on a yearly basis.

(b) Members:

- Representative from the Company
- Two (2) PWU representatives and one (1) staff advisor.

(c) Secretary: The secretary shall be supplied by the Company.

3. Function:

- 3.1 Participate in the identification of problems and issues of significance in employee and family assistance policy and practices.
- 3.2 Participate in the development, promotion and implementation of employee and family assistance programs throughout the province.
- 3.3 On an ongoing basis study, develop and make recommendations for change to the Company employee and family assistance program. This function can be delegated to the sub-committee by mutual agreement.
- 3.4 The committee will normally attempt to resolve issues of mutual interest before seeking intervention by the Joint Union/Management Committee.

27.0 DISTRIBUTION OF AGREEMENT AND WAGE SCHEDULES

This Agreement shall be printed as soon as practicable after the date of signing and made available by the Company to the Union in sufficient quantities for distribution to its membership.

28.0 TIME CHARGES - UNION ACTIVITIES

28.1 Time Charges and Expenses - Union Representatives

Time off and expenses for Union officers will be granted in accordance with Mid-Term Agreement MT-3.

28.2 Time Charges for Employees On Union Business

When the time of employees on Union business is payable by the Union, such time shall be charged at normal rates of pay. The normal payroll burden without the administration charge of ten percent (10%) will be applicable only for Union releases in excess of five (5) consecutive days.

28.3 Roles and Responsibilities of Chief Stewards

As Vertex evolves into the new regulated and competitive marketplaces, it is important that the Company leverages its position by defining as clearly as possible Principles to anchor the relationship between the elected PWU representatives and Management.

(i.) Mutual Recognition of Respective Roles and Responsibilities

- A recognition that the Chief Stewards provide an important role in the success of the Company.
- A recognition that Chief Stewards are Vertex employees as well as PWU representatives.
- As time away from the job increases, loss of skills may be an issue. As such, the Company will provide reasonable re-training to replenish these skills.
- It is recognized that there will be differences between the Parties. In these cases, respective opinions can be expressed, however, they should be communicated in a professional manner.

(ii.) Chief Stewards are accountable for their time.

- It is understood that Chief Stewards will be required to be away from their Company job.
- Time away from the job will be dependent upon the Chief Stewards' specific issues, number of committees, size of membership, geographical factors, etc.
- Chief Stewards have an identified supervisor. As in any employee-supervisory relationships, the Chief Steward will advise their supervisor as to what activities they will be involved in, in generic terms (some issues are confidential). They will have vacation days approved and sick days reported.
- Chief Stewards should schedule their PWU activities with consideration for their Company job. Any unallocated time will be spent performing their Company job.

(iii.) Chief Stewards play an important role in Communication.

- Where feasible, joint communications are encouraged for initiatives that affect PWU employees.
- Joint training is encouraged in roll-out initiatives that impact PWU employees (e.g., incentive, collective bargaining roll-out).
- Consistent messages are important.
- There will be a need to review these principles.

29.0 EYE PROTECTION

Approved eye protection shall be supplied to individual prescription to all employees who normally wear glasses and are required to wear eye protection for an appreciable amount of time in the performance of their duties.

30.0 SPECIAL CLOTHING FOR EMPLOYEES

30.1 General Policy Regarding Work Clothing

Except where provided by the Company in accordance with this Collective Agreement, employees must provide at their own expense suitable clothing for the performance of their regular duties. In general, clothing must be suitable for the safe and efficient performance of the work but need not be uniform in appearance.

So far as is consistent with standard stores' policy, the Company will purchase certain types of work clothing in bulk for resale on the most favourable terms possible to employees requiring them in connection with Company work.

30.2 Special Clothing That May Be Provided at Company Expense

Subject to certain conditions outlined herein, special clothing may be obtained at the expense of the Company for issuance to employees under the following conditions:

30.2.1 Where Uniform Appearance is Required

Where uniform appearance is required by the Company as in the case of certain receptionists, guides, messengers, drivers, and security guards uniforms will be provided.

30.2.2 For Work Outside of the Employee's Regular Routine Duties

A limited number of rainproof coats and hats may be obtained and kept available at construction headquarters, attended stations, etc., for persons who normally work indoors but who are occasionally required to work out of doors under adverse weather conditions, as for example when working during emergencies, operating switches, cleaning racks, etc.

Clothing supplied at stations should be limited to one (1) or two (2) coats and hats, depending upon the number of employees.

30.2.3 For Normal Work Which Must be Performed Occasionally, Under Extreme Conditions

Hip or knee length rubber boots and weatherproof coats and hats may be obtained and issued temporarily to construction workers, maintenance workers, and labourers when required to work in extremely wet locations or under adverse weather conditions.

One (1) or two (2) rainproof coats and hats, depending upon the number of employees involved, may be provided for each line, forestry and maintenance truck or gang for use in emergencies when workers could not be reasonably expected to have protective clothing available at all times.

30.2.4 For Work Involving Exposure to Materials that are Injurious to Health and Particularly Destructive of Clothing

Rubber boots, aprons and gloves of an approved material may be provided for employees when handling acids for batteries, cleaning transformer coils or for other work which is similarly destructive of clothing.

Aprons, gloves and sleeves made of plastic, plastic-coated or other approved material may be provided for employees who are required to handle creosote, creosoted poles or timber as a protection against burns or damage to clothing.

Protective clothing such as coveralls, gloves and rubber boots may be provided for temporary issuance to employees for use when applying herbicides.

Because of the fire hazard in welding and the destructive nature of the work, welders' aprons, armlets and gauntlets may be provided.

30.2.5 To Promote Safety

Safety headgear, eye protection, rubber gloves (electrical), and similar items which are designed exclusively for the safety of employees and the wearing of which is made obligatory on certain types of work, will be provided by the Company.

Special footwear will be provided for the safety of workers when required to work near forebays, sluices, etc., under icy, slippery or otherwise hazardous conditions.

Safety Footwear and Clothing:

I Effective January 1, 2001, employees who are required by the Company to wear safety footwear (CSA Approved ESR)/ clothing will be reimbursed as follows:

- (A) For those employees required to regularly wear climbing spurs or who are regularly required to climb steel structures as part of their normal duties - \$300.00 per year.
- (B) For those employees who choose or are required to wear CSA approved ESR protective footwear - \$250.00 per year.
- (C) For those employees who choose not to wear approved ESR protective footwear - \$150.00 per year.
- (D) Any regular employee whose safety at work could be reasonably enhanced by the wearing of fire retardant and/or high visibility clothing and who is required to work on a routine (e.g., more than twenty percent (20%) of regular work hours) basis within ten (10) feet of electrical equipment energized at 750 volts or greater,

Or,

who is required to work on a routine basis in proximity to vehicular traffic,

- \$250 initial payment for new hires or employees who have not received this payment in the previous year and \$200.00 per year thereafter.
- (E) Employees who qualify shall receive fifty percent (50%) of the above payment on March 1st and the remaining fifty percent (50%) of the payment on October 1st.

II Employees who are not required to wear protective footwear:

Employees who purchase safety footwear will be reimbursed thirty-three and one-third percent (33 1/3%) of the actual cost up to a maximum reimbursement of \$20.00 per pair subject to the approval of the appropriate manager or supervisor.

NOTE

Temporary employees will be reimbursed for a maximum of one (1) pair in each six (6) month period.

A limit of two (2) pairs of safety shoes or boots per person will be subsidized in a calendar year.

These actual cost maximums include applicable taxes.

30.2.6 Special Conditions

Requests for items of clothing not mentioned but which might be reasonably supplied under the conditions set forth herein will be considered, each case on its own merits.

30.3 Issuance, Care of, and Responsibility for Clothing Provided by the Company

In order that the use obtained from clothing purchased by the Company may justify the expenditure, the following shall be carefully observed:

1. Except in isolated cases, special clothing must not be issued to any one employee for exclusive use but must be kept available for any employee who may require it for Company purposes mentioned herein.
2. When no longer required on the job, clothing must be promptly returned to local headquarters, station or truck where it will be readily available when required.
3. All clothing furnished by the Company will remain the property of the Company and must be clearly and prominently marked for easy identification.

4. Where loss or destruction of Company clothing issued to an employee occurs as a result of carelessness on the part of the employee, the employee will be required to make good such loss.

31.0 PURCHASING PRIVILEGES - SURPLUS EQUIPMENT STORES

Employees shall have purchasing privileges at Surplus Equipment and Material Stores to the same limit as extended to the general public.

32.0 RETURN OF COMPANY PROPERTY

It is agreed that employees whose employment terminates with the Company shall be responsible for the return of any Company property issued to them during the term of their employment. Failure to return such property shall result in the Company deducting its current value from any monies owing to the employees.

33.0 TIME CHANGE - SHIFT WORKERS

When the clocks are changed due to daylight saving time, the following principles will apply:

1. Employees who are scheduled to work during the affected hours will work a shift which is either shortened or extended by one (1) hour.
2. Payment for the shortened or extended shift will not be calculated on the basis of actual hours worked, rather will be based on the number of hours normally worked (eight (8) or twelve (12)).

34.0 REST PERIODS

Each employee shall be entitled to a ten (10) minute rest period in the first half and second half of each scheduled work day at a time designated by the Company.

35.0 WEEKLY PAY DAYS

- 35.1 Salaries and wages of all employees throughout the Company covered by this Agreement shall be once every week on the third Thursday following completion of the pay period. This payment will be by direct deposit to one account designated by the employee in a Canadian financial institution with a Canadian Payment Association (CPA) serviceability code of 1 or 2. (CPA serviceability code definitions in effect June 5, 1991 or subsequent code numbers providing equivalent accessibility.) The Company is responsible for the cost of depositing these funds to the employee's account.

The implementation of direct deposit pay will be phased in for PWU members. It is the responsibility of the employee to inform the Company of

any changes to the designated account fourteen (14) days in advance of the payment date. Any errors in employee payment that result from employee provision of incorrect account information or the late provision of changed account information are solely the responsibility of the employee.

35.2 Existing employees who were paid the equivalent of one (1) week's base pay during the transition from weekly pay to weekly direct deposit pay will have the amount of this one (1) week payment deducted from their final payment of salaries and wages from the Company (i.e., termination, retirement, etc.).

36.0 RELIEF WORK, ACTING IN VACANCIES AND TEMPORARY AND ROTATIONAL ASSIGNMENTS

36.1 Part C Employees (Weekly Salaried)

36.1.1 Principles Re Resourcing For Relief, Acting, Temporary and Rotational Assignments

Recognizing that relief, acting and temporary assignments contribute to the development of personnel and contribute to the work being done effectively, the following will be considered when resourcing these assignments:

- the more senior employees will be given preference;
- assignments may be split between employees;
- specific qualifications/knowledge required for the position will be taken into consideration;
- for supervisory positions primary consideration will be given to personal qualities such as leadership and the understanding and display of the practice of good human relations;
- employee development;
- Employment Equity objectives discussed in advance with the Union shall be considered;
- amount of notice and duration of assignment will be considered.

These assignments will be distributed as equitably as possible, over time, once the above conditions have been considered.

The format for utilization of the above in a Business Unit (or smaller unit) will be a joint responsibility.

Item 36.1.1 shall not be subject to the grievance/arbitration procedure.

Disputes will be resolved locally and may be referred to Chief Steward and the Local Manager.

Circumstances which negate consideration of the above conditions will normally be discussed in advance with the Union.

36.1.2 Relief Work

Intent

It is the intent of this item that when an employee is relieving in a higher rated position that he/she be properly compensated for the duties that he/she is performing. The assignment of relief is a Management right and increased duties must be assigned not assumed.

1. The Company shall notify the employee in writing, in advance where possible, of the requirement to perform relief, of the general nature of the major duties to be performed, and the rate to be paid during the relief period.
2. Employees in the weekly-salaried schedule, when relieving for the normal duties of an employee in a higher job grade, not defined in 37.3.2(3.) below, for a period of one (1) full working day or more shall be paid, for the full relief period, at the rate established by the Company for the relieved position or three percent (3%) above the employee's normal rate whichever is greater.

In relief situations where less than the normal duties are being performed and a lower salary grade has been established for the relief period, the promotion rule will be used to establish the appropriate progression step or off-schedule rate in the lower salary grade.

Failure to notify the employee in writing of the major duties to be performed and the rate to be paid will require the payment of the first step of the salary grade of the relieved position or three percent (3%) above the employee's normal rate whichever is greater, for the entire relief period.

3. Employees in the weekly-salaried schedule, when relieving for the normal duties of an employee in a non-union supervisory position for a period of one (1) full working day or more shall be paid for the full period at the rate established by the Company for the relieved position or five percent (5%) above the employee's normal rate whichever is greater.

Failure to notify the employee in writing of the major duties to be performed and the rate to be paid will require the payment of ten percent (10%) above the employee's normal rate, for the entire relief period.

4. Notification of the Chief Steward is required when the employee is required to relieve for a period of two (2) working days or more.

5. Statutory holidays will not affect the continuity if they occur between the first and second days.

Payment for a statutory holiday shall be at the relief rate if it occurs during the relief period and at the normal rate if it occurs at the beginning or the end of the relief period.

36.1.3 Acting in a Vacant Position

An employee may act in an existing job in which a vacancy is created, pending the arrival of a successful applicant to the vacancy. When an employee is to be placed in an acting position, the Company shall notify the employee and the Chief Steward in writing setting out:

1. The reason for the acting position.
2. The general nature of the major duties to be performed.
3. The rate to be paid for the acting position.
4. The expected duration.

The duration of the acting period shall not exceed ninety (90) days from the date the employee is placed in the acting capacity, unless an extension is agreed to by the Company and the Chief Steward of the Union. Pending the arrival of the successful applicant and his/her assuming the normal duties, the acting incumbent who is performing the normal duties and responsibilities of an acting position shall receive the appropriate rate in accordance with the Weekly-Salaried Relief Clause of this Agreement.

NOTE

Failure to notify and/or request further extension accordingly will require payment of the penalty described in the appropriate Weekly-Salaried Relief Clause of this Agreement.

37.0 HOURS OF WORK

37.1 Part C (Weekly Salaried)

37.1.1 Hours of Work - General

1. Weekly-salaried employees whose basic hours of work are thirty-five (35) hours per week may be periodically required to change their work location and to work forty (40) hours per week or the same hours as field staff. All hours in excess of seven (7) hours per day, Monday to Friday, are to be paid at the appropriate premium rate.
2. Certain technician classifications which have been established on a forty (40) hour week basis shall continue to work normal hours of forty (40) hours per week but when on field work may be required to work the same hours as the field staff.

3. Employees⁵ in the following classifications and other similar categories as yet undefined who by the nature of their jobs, are required to make public, business or trade contacts outside normal hours shall work a normal work week of thirty-five (35) hours, Monday to Friday:

Applications Technician
Customer Service Assistant
Service Specialist

Owing to the controlling influences from outside agencies, the normally established daily hours of starting and quitting may require changes. In such instances these changes will be the prerogative of the Company.

37.1.2 Hours of Work

Hours of work (including variable hours of work) in locations shall be negotiated by the Company and the Chief Steward of the Union.

Where in the Company's opinion, a work unit cannot be operated satisfactorily under variable working hours, they will not be implemented in that unit.

37.1.3 Hours of Work - Customer Communications Centre (London/Markham)

37.1.3.1 Applicability

Item 39.3.1 applies to weekly salaried employees working out of a Customer Communications Centre whose basic hours of work are thirty-five (35) per week.

37.1.3.2 Hours of Work

The hours of work for these employees shall be any seven (7) hours a day, thirty five (35) hours per week, five (5) consecutive days, Monday to Saturday.

There shall be no split shifts.

Such schedules of work shall begin no earlier than 7:00 am on weekdays (8:00 am on Saturday) and shall end no later than 9:00 pm on weekdays (3:30 pm on Saturday). A sixteen (16) week schedule will be posted **thirty (30)** days prior to starting date.

Amendments to the start and stop times require fourteen (14) days' advance notice to affected employees. No more than two (2) amendments to the start times will be issued in the sixteen (16) week period unless mutually agreeable between the employee and the employer. For temporary employees such change requires seven (7) days' advance notice and are not subject to the two (2) amendment limit. A copy of this change notice will be provided to the Chief Steward prior to the change being implemented.

⁵ The provisions of Article 4.2(c) and the following Hours of Work - Specific will have no application to these employees.

Assignment to day shift schedules will be equitably rotated among the CCC day shift employees.

The start and stop times for work schedules will be established by the employer. Amendments to the start and stop times require thirty (30) days notice to affected employee(s). This notice period does not apply in circumstances where the amendment is mutually agreed between the employer and the affected employee(s).

The Company will not act in an arbitrary fashion in changing the start and stop times.

37.1.3.3

The shift differential sixty cents per hour will be applicable to scheduled work performed after **20:00** hours. Shift differential shall be paid on regular scheduled hours of work and shall not be paid on overtime hours.

37.1.3.4

One and one-half times the employee's basic rate shall be paid for scheduled work performed on Saturday. Where a premium is paid, the premium rate shall be computed on the standard basic rate, excluding shift differential.

37.1.3.5

The Company and the Union may consider ten (10) hour day or twelve (12) hour day schedules. Such schedules require joint agreement. The Union's agreement will be indicated by a written agreement of the Chief Steward.

37.1.3.6 On-Call

On-call is the term to cover employees who volunteer to be immediately available to respond to customer inquiries within a specified period of time on a twenty-four (24) hour basis. These times normally include a thirty (30) minute response time and forty-five (45) minute response time and a sixty (60) minute response time.

On-call is voluntary and it will be equitably distributed amongst the volunteers based on the least amount of overtime within the response times noted above.

When an employee is called in to work they will be entitled to a meal or meal allowance when two (2) hours of overtime are worked. Subsequent meals or meal allowances will be provided every four (4) hours of overtime worked thereafter.

On-call applies to weekly salaried Agents, and Leads. Additional classifications may volunteer but will only be used if there are not enough volunteers from these classifications.

The rate of pay for on-call duty will be one-half of the employee's basic hourly rate per day, except for Saturdays, Sundays and Statutory holidays when the rate will be one (1) hour at the employee's basic hourly rate per day. An employee required to report for work for on-call duty shall be paid for his/her working time in accordance with the

standard regulations governing overtime, including the regulation governing work performed on a short call basis.

* When an employee is on-call a paging device will be supplied.

37.1.3.7 SHIFT SWAP/CHANGE REQUESTS

1. Requests for shift swaps will be granted where practical.
2. Request for shift changes are unlimited, provided the request is made by the Wednesday preceding the week of the requested change.
3. Shift change requests will be fairly evaluated but the company reserves the right to deny shift changes in the event the change cannot be accommodated due to forecasted workload requirements. Requests will not be unreasonably denied.

38.0 Shift Work

38.1.1 12 Hour Shifts

A.) General Items

- 1.1 All concerns and problems pertaining to the intent or application of this provision will be administered by a joint committee comprising two (2) Management and two (2) Power Workers' Union representatives, and this will be prior to the normal grievance procedure.
- 1.2 This provision is applicable to Shift Work at the Customer Communications Centre.
- 1.3 Except for changes as identified in this provision, all other provisions of the Collective Agreement and working conditions will remain unchanged.
- 1.4 The shift coverage intention in this Agreement is two times twelve hours with a minimum of two (2) employees per shift. Employees to fill the shift work complement will be volunteers from the day shift Customer Communications Centre regular staff. If sufficient volunteers are not available, management reserve the right to recruit externally.
- 1.5 Selection will be based on senior volunteer in each employee classification.
- 1.6 For those volunteers for shift coverage, the sixty (60) day schedule change notification is waived.

- 1.7 Meal provisions are covered as per the Collective Agreement. (Part A, Item 24.2)
- 1.8 Re-entry to normal day schedule will be administered by the joint committee (see 1.1) and will deal with Emergency requests and long-term requests.

B.) Twelve-Hour Shift Scheduling Provisions

1.1 Shift Workers/Regular Schedule

1.1.1 A twelve (12) month schedule will be posted thirty (30) days prior to its starting date. The schedule will average thirty-five (35) hours per week and will indicate the days, hours of work (shift) and position for each employee. The schedule will end on the last day of the fiscal month of December. The design of the regular schedule shall provide for a minimum of twelve (12) hours off between shifts when working on a twelve (12) hour shift schedule.

1.1.2 Although the content, preparation, posting and administration of shift schedules is the sole responsibility of the Company, the preference of the majority of shift workers at the call centre for a particular basic type of schedule will be adopted. Such preferences will be made known to the Company prior to commencement of preparation of new schedule. The final schedule will be mutually agreed to with the Chief Steward unless in the Company's opinion, the efficiency of the call centre or the health of a shift worker could be detrimentally affected by the chosen schedule, then the Company will provide the Union (Chief Steward) with reasons or medical opinions why the desired schedule cannot be implemented.

The preference of individual shift workers regarding vacation periods will be considered, providing such preferences are made known prior to commencement of preparation of new schedules.

The following are recognized criteria of an acceptable shift schedule:

- (a) The schedule should equitably rotate among all shift workers.
- (b) The schedule should follow a repeating pattern so that it is easily understood.

- (c) Supernumerary shifts shall be indicated on the regular schedule as Monday to Friday day shifts (0700-1700 hours) only.
 - (d) When scheduling twelve (12) hour shifts, the maximum number of night shifts to be worked in sequence would be three (3) and the maximum number of days to be worked in a sequence would be four (4).
 - (e) The twelve (12) hour shift schedule shall provide for at least forty-eight (48) hours off between each sequence of shifts and at least two (2) regular days off will be scheduled in each week (pay period).
- 1.2 Any new volunteer must accept the posted twelve (12) hour shift schedule as a condition of appointment.
- 1.3 Any deemed employee used in relief to a basic position must accept the posted twelve (12) hour shift schedule.
- 1.4 Changes to the above schedule require seven (7) days posted notice. Changing from Day to Night work or vice versa requires seven (7) days posted notice. Failure to provide such notice requires premium payments until such time as the notice period has elapsed.
- 1.5 Reschedule and utilization of supernumerary time (all or a portion thereof) under circumstances and conditions in accordance with the Collective Agreement to cover part of a twelve (12) hour shift will not result in premium time payment.
- 1.6 Supernumerary schedules may be subject to revisions for purposes of necessary training or in the case of advance notice of sick time required, as follows:

There must be twenty-four (24) hour notice given to change a scheduled supernumerary day to a later date (the new date must be within four (4) weeks of the old original date).

No more than four (4) twelve (12) hour shifts may normally be scheduled in sequence and must be followed by a minimum of forty-eight (48) hours off.
- 1.7 When a regular shift commences before midnight and continues after midnight, e.g., 20:00 to 08:00, all hours during the continuous shift shall, for pay and time balance purposes, be recorded and treated as if they occurred during the calendar day in which the shift ends.
- 1.8 All Vacation Days, Floating and Statutory Holidays, Hours of Work, and Supernumerary Days included on the Posted Master Schedule

must be identified as being twelve (12), seven (7) or three and one-half (3.5)* hours shifts.

* Vacation and Supernumerary Days

1.9 Election Coverage

1.9.1 All employees scheduled to work the twelve (12) hour day shift on the day of the election will be encouraged to vote at the Advance Polls.

1.9.2 For those employees scheduled to work the twelve (12) hour day shift on the day of the election who found it impossible to vote at the Advance Polls, provisions will be made by their supervisor to release them for the time required to go vote and then return to work. Transportation and expenses to and from the polling station are the employee's responsibility. Employees requiring time off to vote will endeavour to notify their supervisor seven (7) days before the election day so adequate coverage can be arranged.

C.) Administration of Entitlements

1.1 Entitlement for Vacation, Statutory Holidays, Floating Holidays, Special Time Off, and Sick Leave, as noted in the Collective Agreement - General Items 6.0, 7.0, 8.0, 9.0 and 13.0, respectively shall be credited in hours, with each day of entitlement constituting seven (7) hours.

1.2 Only when an employee is scheduled to work a twelve (12) hour shift, will a day with reference to Items 1.3.1, 1.3.2 and 1.3.3 constitute twelve (12) hours deducted from credits; a day with reference to Items 1.3.4, 1.3.5, 1.3.6, 1.3.7, 1.3.8 and 1.3.10 will constitute twelve (12) hours.

1.3 Items 1.3.9, 1.3.10 and 1.3.11 below will be credited for pay purposes on any actual hour-for-hour basis:

1.3.1 Vacation

1.3.2 Floating and Statutory Holidays

1.3.3 Sick Leave

1.3.4 Paid Leave of Absence

1.3.5 Legal Hearings

1.3.6 Funerals

1.3.7 Moving Days

1.3.8 Pregnancy/Adoption/Parental Leaves

1.3.9 Travelling Time Outside Scheduled Hours

1.3.10 Payment for Temporary Supervision

1.3.11 Time Charges and Expenses - Union Representation

A vacation day, floating or statutory holiday, scheduled on a posted Master Schedule will constitute seven (7) hours deducted from credits.

A scheduled supernumerary day on a posted Master Schedule will constitute seven (7) hours. One (1) three point five (3.5), seven (7) or twelve (12) hour supernumerary shift per six (6) month schedule may be utilized for balancing purposes. Where mutually agreeable more than one (1) three point five (3.5) and/or twelve (12) hour supernumerary shift may be used.

Training days will be identified on a posted Master Schedule. When it is necessary to remove an individual from his/her normal shift rotation to establish training days these identified days will not be revisions to the master work schedule, except as noted below. Scheduling of these training days will be mutually agreed upon. When scheduled training is cancelled, these identified days may be moved by revisions to the master work schedule for strengthening shifts providing a minimum of seven (7) days' notice is given.

If the training is deferred, every effort will be made to accommodate the individual originally scheduled.

D.) Differential for Shift Work

1.1 Shift differential will be paid for the night shift only. The shift differential will be the sum of seventy cents per hour unless otherwise altered by changes to the Collective Agreement.

E.) Premium Payments

1.1 Scheduled Work

One and one half times the employee's basic rate shall be paid for scheduled work performed on Saturdays and Sundays.

Two times the employee's basic rate shall be paid for:

1.1.1 Scheduled work performed on a statutory holiday which occurs on Monday to Friday. An additional day off will be scheduled in lieu of the statutory holiday within six (6) months of the end of the posted schedule.

1.1.2 Scheduled work performed on a statutory holiday which occurs on a Saturday. The premium for scheduled Saturday in 5.1 above shall not apply.

Overtime rates shall be computed by dividing the employee's basic weekly salary by his/her normal hours of work (i.e., thirty-five (35)).

Premium payments will be paid as per the following for unscheduled hours of work:

One and one-half times the applicable base rate for the first four (4) overtime hours worked on any day, Monday to Friday inclusive.

Two times the applicable base rate for all overtime hours worked in excess of the first four (4) overtime hours worked on any day, Monday to Friday inclusive.

Two times the applicable base rate for all overtime hours worked on Saturdays, Sundays and on Statutory Holidays which occur Monday to Friday.

Two and one-half times the applicable base rate shall be paid for all overtime hours worked on a Statutory Holiday which occurs on Saturday.

When you are called in to work overtime you receive one (1) hour travelling time at straight time.

Unscheduled overtime is paid as per the actual hours worked, not per shift basis. Overtime will be equitably distributed among the volunteers based off of the established Call in List and Procedure identified.

1.2 Cancelled Vacation Days

When an employee's vacation is cancelled by the Company the employee shall receive the appropriate premium rate for all normal hours worked on cancelled vacation days for which seven (7) calendar days' notice has not been given up to a maximum of seven (7) calendar days. If more than seven (7) calendar days' notice has been given, the employee shall receive straight time for all normal hours worked.

Where possible, and where it is mutually agreeable, cancelled vacation days shall be rescheduled during the current or succeeding schedule. If this is not possible, the cancelled vacation shall be included in the employee's time balance at the end of the schedule in which it occurred.

When an employee's vacation is postponed owing to his/her illness, this postponed vacation will be rescheduled at a mutually agreeable time during the current or succeeding schedule. If this is not possible, the cancelled vacation will be paid for at straight time rates.

38.1.2 Shift Differential and Shift Work

It is recognized that from time to time it may be necessary, due to the nature of the Company's operations, to place certain weekly-salaried day working employees on shift work. Where this occurs, the following provisions will apply:

1. Shift work shall not be implemented for a period of three working days or less. If the working period is three (3) days or less, the appropriate premium rate will be paid for the minimum three (3) day period.
2. The Company will provide seventy-two (72) hours' (three (3) calendar days) posted notice of the commencement and termination of a shift. Failure to provide such notice will require a penalty payment of premium rates for all changed hours of work within the notice period.
3. Such a placing on shift work shall not deprive an employee of his/her total number of normal scheduled weekly hours.
4. Revision to the work schedule shall provide for a minimum of fifteen (15) hours off between shifts. Failure to provide such time off will require the penalty payment for the first affected shift.
5. Shift differential shall apply to employees required to work on a three (3) shift schedule or a two (2) shift schedule and shall not apply for overtime hours.
6. Shift work will be scheduled on a Monday to Friday basis.
7. Work in excess of the total number of normal daily hours will be paid at the appropriate overtime rates.
8. The following shift differentials shall apply:
 - (a) Sixty cents per hour to employees scheduled to work between the hours of 1600 and 2400.
 - (b) Eighty cents per hour to employees scheduled to work between the hours of 0000 and 0800.
9. Regular part-time and temporary part-time employees will not be eligible for shift differential when the shift starts and ends between the hours of 07:00 and 18:00.

38.1.3 Shift Work - Technical Staff (Instructor)

38.1.3.1 Applicability

This section covers the following classification: Instructor.

38.1.3.2 Intent

The intent of this section is to provide a framework within which employees in the above named classifications may be assigned to shift work on a Monday to Friday basis for limited periods of time. The "limited period" is to be less than three (3) months in each year for each employee unless the employee involved specifically consents to an extension.

38.1.3.3 Implementation

When shift work is required, management will solicit preferences for shift work from the employees in the required classifications. If employees with the required skill, knowledge, experience, etc., indicate a preference for shift work, management will select from among these employees. If insufficient qualified volunteers are available, management will assign the shift work to qualified employees, endeavouring to minimize personal inconvenience.

38.1.3.4 Duration of Shift Hours

The employees who may be required to work shifts under this section include both thirty-five (35) and forty (40) hour per week positions. They will work a time balanced schedule.

Forty (40) hour per week employees when assigned to shift work will work the same hours as regular shift workers on shift.

Thirty-five (35) hour per week employees when assigned to shift work will normally work seven (7) hour shifts. This may, at management's discretion, be increased to eight (8) hour shifts.

38.1.3.5 Special Provisions When on Shift

1. Shift work shall not be implemented for a period of three (3) working days or less. If the working period is three (3) days or less, the appropriate premium rate will be paid for the minimum three (3) day period.
2. The Company will provide seventy-two (72) hours' (three (3) calendar days) posted notice of the commencement and termination of a shift. Failure to provide such notice will require a penalty payment of premium rates for all changed hours of work within the notice period.
3. Such a placing on shift work shall not deprive an employee of his/her total number of normally scheduled weekly hours.
4. Revision to the work schedule shall provide for a minimum of fifteen (15) hours off between shifts. Failure to provide such time off will require the penalty payment for the first affected shift.
5. Shift differential shall apply to employees required to work on a three (3) shift schedule or a two (2) shift schedule and shall not apply for overtime hours. Regular part-time and temporary part-time employees will not be

eligible for shift differential when the shift starts and ends between 0700 and 1800.

6. Work in excess of the total number of normal daily hours will be paid at the appropriate overtime rates.

38.1.3.6 Deleted Provisions When on Shift

When an individual is assigned a shift and the provisions of 39.3.6.5 are in effect, the following provisions of Part A will not apply:

1. Section 38.2.1: Hours of Work - General
2. Section 38.2.2: Hours of Work - Specific
3. Section 38.2.4: Hours of Work - Outside Head Office

39.0 OVERTIME PROVISIONS

Due to the nature of the Company operations, some employees will be required to work overtime. Overtime will be minimized and managed within the limits of corporate effectiveness and customer impact. In recognition of employee well-being and inconvenience, an effort shall be made to equitably distribute overtime amongst all qualified employees.

39.1 Overtime Definitions

Overtime: Overtime, as used herein, means that part of the actual working time which is outside the normal scheduled hours, and is therefore, subject to compensation at premium rates.

Part C - Weekly Salaried Only

Prearranged Overtime: Work performed outside the normal scheduled hours for which notification must be given a minimum of twenty-four (24) hours in advance (twenty-one (21) hours for computer sub-branch shift working employees). Time shall be counted from the time the employee reports for work until the employee finishes work. Where this advance notice is not given, overtime shall be considered as emergency overtime.

Emergency Overtime: Work performed outside the normal scheduled hours which is neither prearranged nor extension overtime. Time shall be counted from the time the employee reports for work until the employee finishes work.

Extension Overtime: Work performed outside the normal scheduled hours as an extension of the normal scheduled hours/shift (either immediately preceding or following the normal scheduled hours/shift). Time shall be counted from the time the employee reports for work until normal starting time or from normal quitting time until the employee finishes work.

39.2 Minimum Payments

39.2.1 Part C Employees (Weekly Salaried)

All Part C weekly-salaried employees who are called out to work overtime with or without notice shall receive the following:

When minimum payments apply no travel allowance will be paid.

1. All prearranged overtime performed or reported for due to lack of notice of cancellation, Monday to Friday inclusive, shall receive a minimum of two (2) hours at straight time or the actual time worked at the appropriate premium rates, whichever is the greater.
2. All prearranged overtime cancelled within forty-eight (48) hours of the designated time of work commencement shall require payment of two (2) hours at straight time.
3. All prearranged overtime performed or reported for due to lack of notice of cancellation on Saturdays, Sundays and statutory holidays shall receive a minimum payment of four (4) hours at straight time or the actual time worked at the appropriate premium rates, whichever is the greater.
4. This shall not apply where the overtime period commences on a Saturday, Sunday or statutory holiday, as part of a longer overtime period continuing into the next calendar day.
5. All emergency overtime work shall receive a minimum payment of four (4) hours at straight time or the actual time worked at the appropriate premium rate, whichever is the greater, providing short emergency calls are not repeated within one (1) hour of the completion of a previous call for which the four (4) hour minimum was paid.

If the call-out occurs less than two (2) hours before the commencement of normal starting time, the minimum will not apply and the appropriate premium rate will be paid continuously from the call-out time until normal starting time.

6. Minimum payments will not apply to concrete inspectors required to work up to two and one-half (2.5) hours overtime on Friday unless an extra trip to work is required.

39.3 Premium Payments

39.3.1.1 Overtime Cancellation Payments

All overtime cancelled within forty-eight (48) hours of its scheduled commencement shall result in a cancellation payment of two (2) hours at straight time rate except in the following circumstances:

1. Overtime arranged during normal scheduled hours as an extension to those normal scheduled hours requires no cancellation payments.

2. Overtime arranged as an extension before the normal hours of work requires no cancellation payment if cancelled with more than sixteen (16) hours' notice prior to its commencement.

39.3.2 Part C Employees (Weekly Salaried)

Overtime, as used herein, means that part of the actual working time which is outside the normal scheduled hours, and is therefore, subject to compensation at premium rates.

Premium payment for overtime shall be as follows:

1. One and one-half times the employee's basic rate shall be paid for all work performed during the first four (4) clock hours after normal quitting time, Monday to Friday inclusive. It will also apply to the first four (4) hours of overtime worked on an unscheduled day of work.
2. Two times the employee's basic rate shall be paid for:
 - All work performed outside of the first four (4) hours after normal quitting time, Monday to Friday inclusive, and after the first four (4) hours on an unscheduled day of work.
 - All work performed on Saturday, Sunday and statutory holidays which occur Monday to Friday.
3. Overtime rates shall be computed by dividing the employee's basic weekly salary by his/her normal weekly hours of work.

39.4 Special Provisions Concerning Overtime

39.4.1 Part C (Weekly Salaried)

1. In order to alleviate excessive inconvenience, an effort shall be made to equitably distribute overtime amongst all qualified employees. Where employees feel they have been assigned abnormal amounts of overtime, consideration of such cases shall be considered fit matter for discussion at local level.
2. The Company agrees to control excessive authorized overtime by restricting actual overtime to not more than twelve (12) hours per week, excluding travelling time. Under extraordinary circumstances, the Union will consider waiving the restrictive features of this clause.
3. A travelling allowance up to a maximum of one (1) hour shall be paid at the appropriate overtime rate when an employee is called in to work overtime and an extra trip is involved. See also Section 39.2.1
4. Because an employee was required to work overtime or because he/she lost time in changing shifts, he/she shall not be prevented from working his/her

total number of normal daily hours in any normal scheduled day of work. If the employee cannot be supplied with the work required to make up the normal daily hours of work in that day, his/her pay shall be adjusted to provide a minimum of his /her normal weekly hours of work.

5. If an employee who has worked overtime and is physically capable and the group of which he/she is ordinarily a member is at work, he/she shall not be deprived of the opportunity of working his/her normal scheduled hours in addition to the overtime he/she may have worked.
6. An employee who has accumulated overtime hours shall receive this in earnings, calculated at the appropriate premium rate and cannot be required to take time off in lieu of payment.
7. An employee who is required to work continuously for more than sixteen (16) hours or an employee who accumulates sixteen (16) hours of working time in any twenty-four (24) hour period without a minimum five (5) hour continuous break between 23:00 and 07:00 hours shall be entitled to an eight (8) hour rest period. Time spent for meals may be deducted from the total elapsed time but is not to be considered as breaking the continuity of the hours worked.

If the rest period extends into the employee's normal scheduled hours of work, he/she shall be paid at straight time rates for the portion of the rest period which extends into the normal scheduled hours. This is in addition to the overtime worked.

Should he/she be required to continue working beyond sixteen (16) hours he/she shall be paid two times his/her normal basic rate until an eight (8) hour rest period is granted. Should an employee be released before sixteen (16) hours have elapsed, he/she will not be entitled to an eight (8) hour rest period, and his/her right to continue work at straight time will be governed by Section 40.4.3(5).

None of the provisions of Subsections 40.4.3(1.), (2.), (4.), (5.) and (6.) is applicable to employees referred to in Section 38.2.0(4.).

39.5 Overtime - Regular Part-Time and Temporary Part-time Employees

Overtime is defined as:

- (a) Hours worked which are in excess of the normal daily hours of the classification. The premium payment for such work is one and one-half times the employee's basic rate for all work performed during the first four (4) clock hours after the normal quitting time of the classification, and two times the employee's basic rate for all work performed outside of the first four (4) clock hours after the classification's normal quitting time.

and/or

- (b) Hours worked in excess of twenty-four (24) in a week. The premium payment for such work is one and one-half times the employee's basic rate for the first four (4) hours worked in a day. Two times the employee's basic rate for all work performed in excess of four (4) hours in a day.

and/or

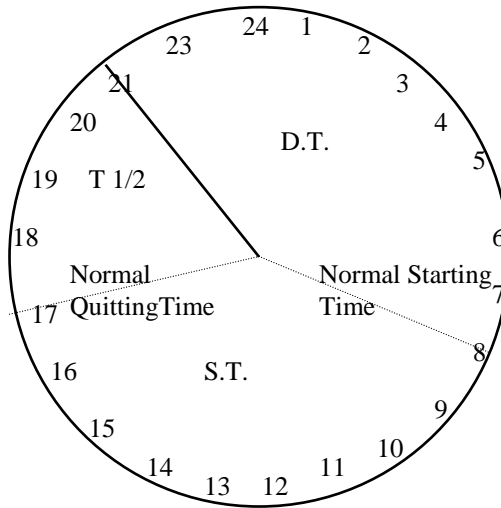
- (c) Unscheduled hours worked on Saturday and Sunday. The premium payment for unscheduled hours worked on Saturday and Sunday is two times the employee's basic rate.

39.6 Equivalent Time Off Without Pay

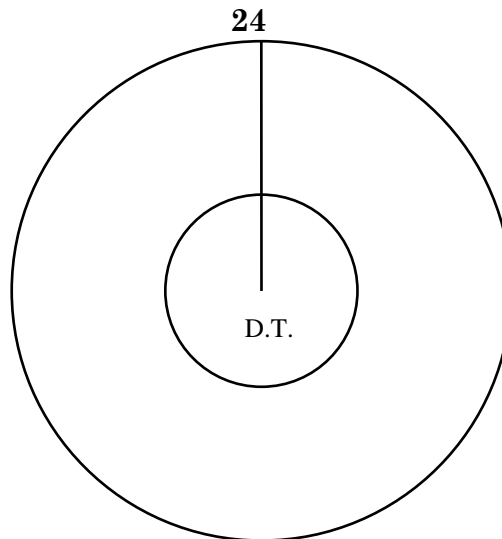
See Part A, Section 10.2

OVERTIME TABLE - HOURLY RATED EMPLOYEES

Monday to Friday



Saturday, Sunday, and Statutory Holiday



40.0 INCENTIVE PLAN

The parties agree to a revised Vertex PWU Incentive Plan. The principles of the revised Incentive Plan shall be the rewarding of achievements based upon Operational and Corporate targets and the recognition of a direct connection between performance and rewards. The Incentive Plan shall be calculated according to a pre-established ratio of Corporate and Operational measures and targets. It is understood that the targets shall be simple, measurable, challenging yet attainable, relevant and timely as well as being consistent with targets within management performance contracts and fairly applied.

The Corporate and Operational targets will be established initially through the business planning process. Management will set the core targets in each of the four categories in both Corporate and Operational. These targets will then be discussed with the Union prior to general communication to the employees. Following these discussions and finalization of the targets, they shall be communicated to the employees, ideally within the first 30 days of the fiscal year but not later than June 30th.

The size of the non-pensionable payouts is based on two factors:

- a) the size of the reward “pot”, and
- b) Corporate & Operational results for the Plan year.

The maximum size of the reward “pot” is 5.5% of the base payroll for all regular PWU-represented employees on the payroll as of December 31st of the Plan year.

30% of the reward “pot” is paid out if Corporate targets are met during the Plan year. There are two Corporate categories:

- Financial Performance compared to the cost budget
- Call Handling Service Level

To receive payout of the Corporate component of the “pot”, the targets for financial must be met and if so contribute 55% of the 30% Corporate reward pot. The remaining category Call Handling Service Level if achieved individually, contributes 45% of the 30% Corporate reward pot.

70% of the reward “pot” is paid out if Operational targets are met. The Operational measures are , productivity and customer service. Each Operational component payout equals 50% of the 70% reward pot and will be made even if there is no payout under the Corporate component. The payout of the Operational pot can be made in whole, or in part depending on the number of operational targets achieved.

All eligible employees receive an equal share of the payout for that business.

The plan year, and the performance measure achievement for the 2004 period will be aligned to the Vertex Financial year. The period of measurement will run from January 1, 2004 to March 31, 2005. The payout will be prorated over 15 month period. Thereafter, the plan year shall run from April 01 to March 31 of the following year.

All regular full-time and regular part-time PWU represented employees of Vertex on Vertex payroll as of March 31st of the Plan year are eligible to participate in the plan. Pro-ration will apply to part-time employees, and employees who join the plan part way into the year. Rewards will be pro-rated for those individuals who, during the plan year, have leaves of absence greater than 30 consecutive days without pay. Rewards will be pro-rated based on the pro ration formula defined in the Collective Agreement (A-1, 1.2.2).

The Company will endeavour to pay out no later than June 30th of each calendar year.

PART C

WEEKLY-SALARIED

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PART C

WEEKLY-SALARIED

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- 2.0 POSTING OF VACANCIES**
- 3.0 CLERICAL-TECHNICAL JOB EVALUATION**
- 4.0 POSITIONS EXCLUDED AS PER ARTICLE 1 - WEEKLY-SALARIED
(CLERICAL AND TECHNICAL)**

PART C

WEEKLY-SALARIED

Specific Matters of Agreement

1.0 SALARIES

Salaries shall be in accordance with the salary schedules which are part of this Agreement.

2.0 POSTING OF VACANCIES

All vacancies as set out in Article 10 and as covered by this section of the Agreement will be posted when they become vacant with the following exceptions:

1. A change to the job duties, rating and/or salary grade resulting from a Clerical-Technical Job Evaluation Plan challenge, or a Review of a Rating by the Job Classification Committee, or a change to a job title and/or occupation code only, shall not be considered to create a vacancy.
2. A change to the duties of an occupied job, wherein the salary grade remains unchanged, shall not be considered to create a vacancy.
3. A change to the duties of a job covered by the Clerical-Technical Job Evaluation Plan which results in an increase to the salary grade shall not be considered to create a vacancy if there is, in the Company's opinion, an employee in the immediate work group who is the only one qualified to perform the resulting job. However, in such cases, if there is a more senior employee in the same job in the same work group who was not appointed to the resulting job, he/she shall have the right to seek redress under Article 2, Grievance Procedure.
4. Changes to jobs which result in a surplus in staff complement of the work group shall not be considered to create a vacancy in the resulting job(s).
5. The restructuring of a job in a manner which justifies application of the Downward Restructuring Rule (Section 4.9.2 of this section of Agreement) to the incumbent, shall not be considered to create a vacancy.

2.1 Posting Procedures

A notice of vacancy referring to jobs covered by the Clerical-Technical Job Evaluation Plan shall be based on the job description and job specification and shall be posted province-wide. Nothing contained in the notice of vacancy shall contravene the information contained in the job documents. No important information (subject to space limitations) shall be omitted. A notice of vacancy setting out a higher education

or experience requirement than indicated in the job specification will require a corrected notice of vacancy and an extended date of closure.

Vacancies for applications technician and service specialist within the jurisdiction of the Union shall be posted on a province-wide basis subject to all conditions relating to positions once removed from the Union's jurisdiction.

3.0 CLERICAL-TECHNICAL JOB EVALUATION

NOTE

The job challenge process contained in Clerical-Technical Job Evaluation Manual, "Plan B" and referred to in this section shall be replaced for the term of this Collective Agreement with the expedited process contained in Article 2.8, Dispute Resolution – Article 8, Job Challenges, and OGLs. The Job Classification Committee shall assume all the responsibilities normally associated with the Joint Salary Committee for the term of this Collective Agreement.

3.1 The Clerical-Technical Job Evaluation Plan

The provisions which form the basis of the Clerical-Technical Job Evaluation Plan, formerly referred to as Plan 'B', are contained in the Collective Agreement and the Union Clerical-Technical Job Evaluation Manual. Matters pertaining to the application of dollars are contained in the Collective Agreement. Job evaluation matters are contained in the Manual. The Company shall identify the Company groups responsible for dealing with the Union in the foregoing matters.

3.2 Jobs Covered by the Clerical-Technical Job Evaluation Plan

The plan shall cover all jobs falling under this section of the Collective Agreement excepting those covered by salary schedule 21.

3.3 Identification of Jobs in Salary Schedule

All jobs processed under the Clerical-Technical Job Evaluation Plan shall be designated a salary grade in the current salary schedule issued in conjunction with the Collective Agreement.

3.4 The Union Clerical-Technical Job Evaluation Manual

The Manual is a supplement of the Collective Agreement and its provisions shall apply as if set forth in full herein.

The Manual shall be supplied to all employees whose jobs are covered by the plan.

3.5 Rights of the Parties

The Company has and shall retain the exclusive right and power to decide what work is to be done and who is to do it and accordingly the Company shall apply the Clerical-Technical Job Evaluation Plan to determine appropriate salary grades for jobs. The Company shall exercise these rights in accordance with the provisions as set forth in the Collective Agreement and the Union Clerical-Technical Job Evaluation Manual.

The Union's right shall be to act on behalf of its members to ensure that the Clerical-Technical Job Evaluation Plan is being properly applied. In order to carry out this function, the Union Job Evaluation Officer shall work in liaison with the appropriate Company groups responsible for the administration of such matters and he/she shall be permitted, within reason, to interview employees during regular working hours.

The Union shall exercise these rights in accordance with the provisions as set forth in the Collective Agreement and the Union Clerical-Technical Job Evaluation Manual.

The Union shall retain its rights to participate jointly with the Company in developing and/or modifying the Clerical-Technical Job Evaluation Plan.

In the event of conflict between the foregoing general statements, regarding the rights of the parties, and the specific provisions contained in the Collective Agreement and the Union Clerical-Technical Job Evaluation Manual, the latter shall govern.

3.6 Salary Schedule

The salary schedule for jobs covered by the Clerical-Technical Job Evaluation Plan and issued in conjunction with the current Collective Agreement shall have the following characteristics:

1. The salary schedule shall be a salary range schedule with a total of eighteen (18) salary grades.
2. The percentage increment from salary grade to salary grade (based on step 3 of each salary grade) calculated from salary grade 51, step 3, shall be annotated on the schedule 20 which is currently in effect.
3. Each salary grade is composed of three (3) steps. The second step is ninety-seven percent (97%) of the maximum and the first step is ninety-four percent (94%) of the maximum. The time interval required for anniversary progression shall be in accordance with Part A, Section 3.0.
4. When an incumbent is promoted from one salary grade to another, he/she shall be promoted in accordance with Part A, Section 25.1.1.

5. The relationship between the salary grade and the point range shall be thirteen (13) points for the first salary grade and twenty-one (21) points for each salary grade thereafter.

3.7 Wages and Retroactivity upon Upward Reclassification

Upward Reclassification as a Result of Company-Initiated Action:

1. Transfer from the existing salary grade to the new higher salary grade shall be by the promotion rule.
2. Retroactive entitlement shall be computed by going back to the date when the increased job demands and responsibilities were instituted or undertaken.

Upward Reclassification as a Result of Employee-Initiated Action Through the Issuance of a Record of Discussion Form:

1. Transfer from the existing salary grade to the new higher salary grade shall be by the promotion rule, except in the following situations where it shall be by the step-to-step method:
 - (a) Where there is no change in job content or job demand, but the job specification factor ratings change resulting in an upward reclassification of the job.
 - (b) Where a change in job demand is recognized resulting in an upward reclassification of the affected incumbents and where such incumbents have been performing the duties and/or undertaking the responsibilities which caused the upgrading for a period of one (1) year or more prior to the date of the first discussion as recorded on the Record of Discussion form and where these same incumbents have been in the maximum step of the salary grade for the job for one (1) year or more prior to the date of the first discussion.
2. The date of the transfer of an employee to a higher salary grade whether by the promotion rule or the step-to-step method shall be the date of the commencement of the retroactivity and the transfer shall be from the salary grade and step in effect on that date.
3. Retroactive entitlement in Subsection 1. above shall be as set out in the Union Clerical-Technical Job Evaluation Manual.
4. An incumbent who has left the Company's service shall be entitled to retroactive payment, as a result of challenge for the affected period during which he/she was in the Company's employ.

3.8 Training Situations

Normally, an employee receives his/her training and experience by being promoted through a series of established jobs for which job descriptions and job specifications exist. His/her movement up the ladder from job to job will occur when the Company determines that he/she is capable of performing the duties and responsibilities of a higher-rated job, and an opening exists.

At times, however, in certain types of work, an employee will be advanced through a planned series of training steps in which he/she will be directly trained for a specific job which he/she will eventually occupy, i.e., a terminal job. This is termed a training situation.

The Company will identify the need for such a training situation and will structure the terminal job. A job description and job specification will be prepared for the terminal job only. The Job Classification Committee will establish the final rating for the terminal job, and will determine the appropriate training steps leading to the terminal job rate.

The training steps will be established in the following manner:

3.8.1 Formula for Developing Training Situations

The hiring rates will be established based on survey data supplied by the Company and/or the Union and will be consistent with the mean hiring rate being paid by other companies to inexperienced graduates possessing the specified education required to perform the terminal job.

The time span of the training situation will consist of a number of years equal to the minimum number of years indicated in the experience factor applying to the terminal job.

For each year of the time span as determined above an annual training step will be established. The Job Classification Committee may approve the division of annual steps into quarterly or semi-annual sub-steps where such action has been recommended by line management.

Salary step dollars shall be calculated to proceed in geometric progression from the hiring rate to step 1 of the salary grade for the terminal job in the number of years of the training situation. The dollar values thus obtained for each step shall be translated to the nearest salary grade and step (above or below) which appears on schedule 20. The factor used to multiply each annual step dollars to find the next annual step will be 'F', i.e.,

$$F = \sqrt[n]{\frac{R_t}{R_s}}$$

Where,

n = Number of years in the training situation

R_s = Hiring rate

R_t = Terminal rate

Where applicable the dollars for the half-yearly step will be starting dollars multiplied by 'Fh', i.e.,

$$Fh = \sqrt[2n]{\frac{R_t}{R_s}}$$

3.8.2 Advancement Through Training Situations

1. A trainee will (subject to Subsections 2. and 3. following) advance to each subsequent training step at the designated intervals based on the date of appointment to the training situation. Upon completion of his/her training, he/she will be placed in the first progression step of the salary grade applying to the terminal job. He/she will then be subject to the conditions of the Clerical-Technical Job Evaluation Plan.
2. If at any time the trainee is judged to be incapable of performing the terminal job in a satisfactory way, he/she may be removed from the training situation.
3. If a trainee, in the Company's opinion, fails to make satisfactory progress his/her next training step may be delayed, in accordance with the provisions of Part A, Subsection 3.0. Such a delay may take place on one occasion only throughout the training program.
4. If a trainee, in the opinion of the Company displays exceptional ability, he/she may be advanced to the training step which is more in keeping with his/her achieved progress.
5. If a person having suitable experience is appointed to a training situation, the Company may place him/her in any training step judged to be appropriate to his/her applicable experience.
6. If a trainee, who has not yet attained the terminal job level, believes that he/she is fully performing the duties, and has the responsibilities of the terminal job document, he/she may institute a challenge.

3.8.3 Continuing Administration of Training Situations

The established hiring rates will remain in effect until altered through negotiation between the parent bodies or until altered through action resulting from a review by the Job Classification Committee upon the request by the parent bodies.

Recalculation of training step values (according to 4.8.1) will occur with a change in the hiring rate.

The existing trainees will remain on the training situations on which they were hired until they have reached the step 3 of the salary grade of the terminal job.

3.8.4 Tiered Training Situations

In certain instances, it may be necessary to develop a hierarchy of terminal jobs with training situations leading to each level, e.g., to the junior, to intermediate, and to senior levels. In such cases, the principles and practices as set out in this Agreement will serve as a guide in the development of training steps and their values.

3.9 Clerical-Technical Job Evaluation Plan

3.9.1 Merit Rating

It is agreed that if, as and when merit rating is to be instituted, the plan (system of measurement), but not the application, shall be subject to negotiations.

3.9.2 Downward Restructuring Rule

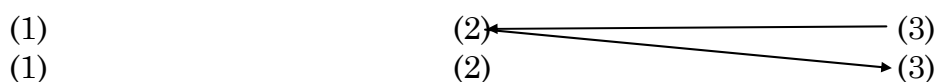
This provision shall apply to incumbents whose jobs are covered by the Clerical-Technical Job Evaluation Plan.

Should the job which an incumbent is performing be changed, but the basic function and significant duties of the job remain unchanged, and should the job then fall into a lower salary grade, the following shall apply:

1. The incumbent's salary dollars (rate) shall be held constant, except for increases referred to in Subsection 4.9.2(4.), commencing on the date of issue of the Advice of Rating form issued by the Company.
2. Annually thereafter, the incumbent shall have his/her rate reduced by one (1) progression step in the manner portrayed by the chart below.
3. The above process shall continue until the maximum dollars in the salary range for the restructured job are reached.
4. In the foregoing process of reduction, current salary schedule dollars shall be used. These include general negotiated increases and cost of living increases.

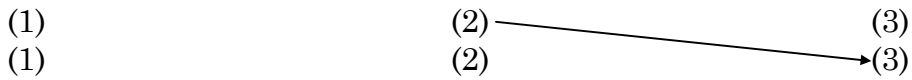
5. Reduction of One Salary Grade

(a) Incumbent is in 3rd progression step¹

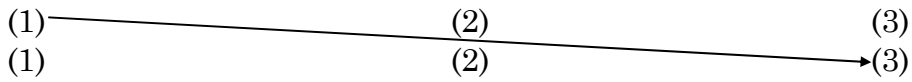


(b) Incumbent is in 2nd progression step²

¹ On the date of issue of the Advice of Rating form.

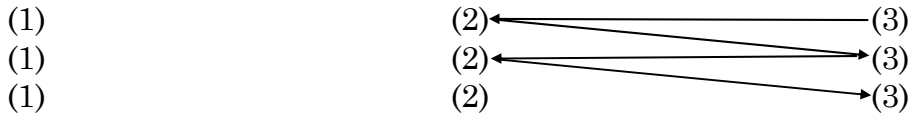


(c) Incumbent is in 1st progression step³

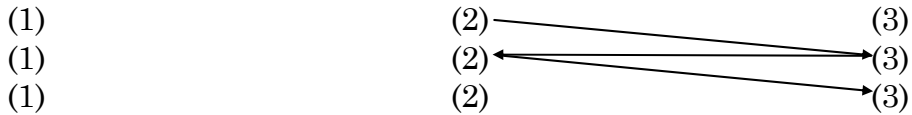


6. Reduction of More than One Salary Grade

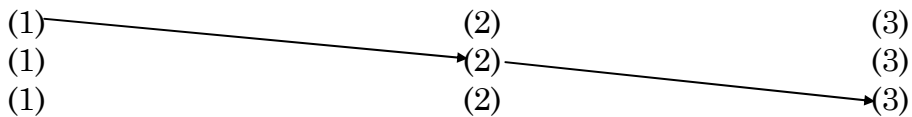
(a) Incumbent is in 3rd progression step⁴



(b) Incumbent is in 2nd progression step⁵



(c) Incumbent is in 1st progression step⁶



4.0 POSITIONS EXCLUDED AS PER ARTICLE 1 - WEEKLY-SALARIED (CLERICAL AND TECHNICAL)

Incumbents in positions excluded under Article 1 perform certain inherent work functions which are part of their normal duties. It is also recognized, however, that such work functions will not be performed for the purpose of reducing staff requirements or deliberately to avoid overtime for employees represented by the Union. If the Union believes that this provision is being abused, it may lodge a grievance under Article 2 of the Collective Agreement.

² On the date of issue of Advice of Rating Form.

³ ibid

⁴ ibid

⁵ ibid

⁶ ibid

