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AGREEMENT

Between

ISLANDTELECOM INC.

and

**TELEPHONE CLERICAL WORKERS
COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA
LOCAL 401**

January 2, 1999

January 5, 2002

04000(07)

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NOTE: In the text of this Agreement, a line on the right side of the clause indicates that it is a new or revised clause.

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PREAMBLE

AGREEMENT made this 22nd day of June, 1999. |

BETWEEN:

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA, LOCAL 401, herein acting for and as represented for all purposes of this Agreement hereinafter referred to as the "Union", of the First Part.

- AND -

ISLAND TELECOM INC.. hereinafter referred to as the "COMPANY", of the Second Part. |

WHEREAS, the parties hereto are desirous of maintaining a harmonious relationship between the Company and its employees, based upon mutual respect and trust with due regard to their respective interests and joint obligations in the provision of the telephone service to the public, and

WHEREAS, the parties hereto are desirous of establishing a formal procedure and orderly collective bargaining for the determination of rates of pay, hours of work or other working conditions for employees who are engaged in any of the occupations covered by the wage schedules attached to and forming part of this Agreement; and for the final settlement of differences concerning the interpretation or violation of any of the provisions of this Agreement, without stoppage of work.

NOW, THEREFORE, THIS AGREEMENT, witnesseth and the parties hereto agree as follows: -

ARTICLE 1 PURPOSE, RECOGNITION & SCOPE

1.01 The Company recognizes the Union as the sole collective Bargaining Agent for all clerical, secretarial and housekeeping employees of Island Telecom Inc. excluding Executive Secretary to the President and Chief Executive Officer and Senior Secretary to the General Manager Corporate Services.

1.02 When the parties mutually agree that a new occupation established during the term of this Agreement has clearly a number of significant points in common with the other occupations within the unit, such new occupation shall fall within the scope of this Agreement.

When the parties are unable to mutually agree that a new occupation established during the term of this agreement has clearly a number of significant points in common with the other occupations within the unit, the matter will be submitted directly to arbitration in accordance with the provisions of Article 13.

The arbitrator will have full authority to determine if the new occupation falls within the scope of this agreement and to include that occupation in the bargaining unit.

The decision of the arbitrator shall be final and binding on the parties.

1.03 The Union agree that during the term of this Collective Agreement there shall be no strike, cessation of work or a refusal to work or to continue to work by employees, in combination, in concert or in accordance with a common understanding and a slowdown of work or other concerted activity on the part of employees in relation to their work that is designed to restrict or limit output.

The Company agrees that during the term of this Collective Agreement there shall be no lockout, the closing of a place of employment, a suspension of work by the Company or a refusal by the Company to continue to employ

a number of its employees done to compel its employees or to aid another Company to compel its employees to agree to terms or conditions of employment.

1.04 Every reasonable effort will be made by the Company and the Union to avoid layoffs.

ARTICLE 2 - DISCRIMINATION

2.01 The Company shall not discriminate against an employee because of membership in the Union or activity authorized herein on behalf of the Union.

The Company and the Union agree that they will not threaten, intimidate or unlawfully discriminate in the workplace against any employee for reasons of pregnancy, race, religion, creed, colour, sex, national origin, age, marital status, family status, disability (as under Canadian Human Rights Act), a conviction for which a pardon has been granted, political affiliation with a legitimate political party or exercising any rights under this Collective Agreement.

2.02 The parties agree that employees shall have employment free from sexual harassment. An employee alleging sexual harassment may have their grievance dealt with at Step II of the grievance procedure.

"Sexual Harassment" means any conduct, comment, gesture or contact of a sexual nature that is likely to cause offence or humiliation to any employee, or that might, on reasonable grounds, be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion.

ARTICLE 3 - DEDUCTION OF REGULAR DUES

3.01 On each and every pay day of each and every month, the Company agrees to deduct from the wages of each employee in the bargaining unit union dues for that pay period or an amount equivalent to the regular dues duly authorized by the Bylaws of the Union for union dues. Each

and every month, the Company will remit the amounts **so** deducted together with a statement of such employees to the Secretary Treasurer of the Union.

3.02 The Company shall, where possible, deduct from the earned wages of an employee, dues in arrears as directed by the Union. The employee may not hold the Company liable for any such action.

3.03 This checkoff of dues shall continue during the life time of this Agreement or any renewal thereof and shall be continued throughout any period during which the parties engaged in negotiations with a view **to** making a new Agreement, and it shall apply to all employees in the bargaining unit.

3.04 The Company agrees to include the amount of union dues paid by each employee on the employee's T-4 slip.

3.05 The Union agrees to indemnify and save the Company harmless against any claim or liability arising out of, or resulting from, the operation of this article.

ARTICLE 4 - TIME ALLOWANCE

4.01 Employees having scheduled holidays and/or vacation during time off for Union business will be permitted to reschedule them to a time mutually agreeable to the employee and Company.

4.02 Employees, upon receiving an emergency call from the Blood Donor Clinic, shall be allowed sufficient time off with pay to give blood.

4.03 An employee who misses a full day's work as the result of inclement weather shall be permitted to make up the time lost either by:

- a) Accepting **loss** of time without pay
- b) Designating the day as a vacation day, if applicable
- c) Designating the day as a floating holiday, if applicable

- d) Making up the time by working an equal number of hours, if office conditions warrant the extra time

An employee who misses less than a full day's work as a result of inclement weather shall have the following options:

- a) Accepting loss of time without pay
- b) Making up the time by working an equal number of hours, if office conditions warrant the extra time.

4.04 An employee may, with supervisor's approval, work to make up for lost time, or in advance of time to be taken off without pay. The extra time worked shall be on the basis of one hour for each hour to be made up. Should the employee prefer, she/he may take time off with loss of pay subject to service and workload requirements of the Company.

ARTICLE 5 - UNION REPRESENTATION

5.01 When requested by the Union, the Company will grant a leave of absence under the following conditions:

- a) The leave of absence shall be granted to a member of the bargaining unit represented by the Local Union for the purpose of conducting business as a representative of the said Union.
- b) There shall be no more than one (1) employee off at any one (1) time.
- c) The leave of absence will be without pay and for a period of three (3) months to one (1) year with the option of extending it for a further period. The total period of leave of absence shall not exceed six (6) years.
- d) The period of absence shall not be deducted from the employee's service for all purposes.
- e) The employee has the option of retaining any of the following benefits: Voluntary Accident Insurance,

Extended Health Care, Group Life Insurance, by paying the full cost of all premiums necessary to provide any benefits. The Union will provide the necessary pension contribution to the Company.

- f) When the employee returns to work, the Company will endeavour to place the employee in the same area of the Company and provide comparable employment to that which the employee had at the time she/he left. There is, however, no guarantee that the employee will receive her/his former job.

5.02 When requested by the Union, time off without pay of up to two (2) weeks' duration shall be granted to employees without loss of net credited service. The total accumulated time off for such absences shall not exceed 39 weeks in any calendar year.

Leave of absences without pay for more than two (2) weeks and up to three (3) months' duration shall be granted to employees. Both time off and leave of absence referred to in this paragraph shall be subject to the following conditions:

- a) The granting of such time off and leaves shall be subject to service requirements.
- b) A written request for such time off and/or leave must be submitted to the Company at least fifteen (15) days prior to the commencement of the time off or leave. When the Union fails to provide this fifteen (15) days' notice, the request for time off will only be granted when mutually agreed upon by the Company and the Union.
- c) The time off and leave of absence shall not be used for the solicitation of members for the purpose of certification.
- d) Time off to attend the National Convention of the Union shall not be subject to service requirements, but in this case, the request must be made in writing

at least thirty (30) days before the start of such leave.

- e) For the purpose of collective bargaining negotiations with the Company, employees on the Union's Bargaining Committee shall be entitled to time off work subject to terms of Clause 5.06.

The Company shall pay a maximum of two (2) **of** these employees their basic rate of pay for time spent in bargaining with the Company.

In no case shall the employees be paid more than the basic weeks wages.

5.03 When it becomes necessary to require the attendance of an employee or a Union Committee during working hours, for the purpose of transaction of necessary business with the Company, or for the purpose of giving evidence before the body set up to deal with any dispute, basic wage rates will be allowed the employees by the Company during attendance at such meeting or hearing including the normal travelling time to and from the meeting so as to maintain their basic week's wages. It is agreed that committees meeting with the Company shall be as small as reasonably possible, both for the purpose of facilitating the transaction of the business at issue, and to avoid undue absence of the employees from duty.

The Company will not be required to pay travelling expenses for employees engaged in general Union matters.

5.04 In January of every year, the Union shall send to the Company a list of all Union Officers including "Union Stewards." This list shall show the jurisdiction for which the Union Officers and Stewards are appointed. Not later than ten (10) days following the appointment of a replacement for any of these positions or the creation of a new position, the Union shall send a written notice to the Corporate Service Department providing the name of the appointee and the position to which she/he was appointed and in the case of

the appointment of a replacement the name of the person replaced. Upon receipt of such notices the Company shall notify the management of the departments concerned.

5.05 An employee having a grievance or complaint shall have a reasonable amount of time off to confer with her/his Union Steward or with Company management during her/his scheduled working hours without deduction of wages in respect thereof. Such time must be arranged with her/his immediate supervisor for relief and be subject to service requirements. Requests for such time off will not be unreasonably made or unreasonably withheld.

5.06 Request for any time off for Union business shall be made in writing on form GA1125 to the immediate supervisor and such time shall not be taken off prior to obtaining Company approval.

5.07 The Company will pay the basic wages of one (1) employee for one (1) day to attend the Union's bargaining caucus.

ARTICLE 6 - MANAGEMENT RIGHTS

6.01 The Union recognizes and agrees that the Company has the right and authority to operate and manage its assets and business, and direct the working forces of the Company, and to hire, suspend, demote, transfer, layoff, or discharge employees for proper and sufficient cause, and these rights and authority are abridged or limited only by the express provisions of this Agreement. The foregoing shall not be deemed to exclude other rights of management not specifically set forth herein.

ARTICLE 7 - DEFINITIONS

7.01 The term "**EMPLOYEE**" referred to in this Agreement means all employees employed in any of the classifications listed in this Agreement. It does not mean an employee who is employed in a confidential capacity in matters relating to labour relations or who exercise management functions on a

permanent basis or probationary employees for the purpose of discharge.

7.02 “REGULAR EMPLOYEE means an employee whose employment is expected to be continuous and is not engaged as a temporary employee.

7.03 “TEMPORARY EMPLOYEE” means an employee who is hired to do work on a temporary basis, on the understanding that the period of employment will not exceed six (6) months in a twelve (12) month period except as a result of approved leave of absence, sickness/injury absence and where otherwise mutually agreed to by the Union and the Company.

When the period of employment of a temporary employee exceeds six (6) months in a twelve (12) month period in circumstances not mentioned above, the temporary employee shall be reclassified as a “regular employee.”

The Company will notify the Union at time of hiring the name of the temporary employee, the specific purpose involved, and the commencement and expected termination dates of employment.

7.04 “PROBATIONARY EMPLOYEE” means a regular employee who is engaged for a trial period not to exceed six (6) months to determine suitability as a regular employee. Dismissal of an employee during this six (6) month period will not be contested by the Union.

A probationary employee who has continuous service as a temporary employee in the same job shall have such service credited as part of the probationary period.

7.05 “SHIFT” is a regular scheduled tour of duty (holidays exempted) part or all of which falls outside the hours of 7:00 a.m. to 6:00 p.m., Monday to Friday inclusive.

7.06 “UNION STEWARD means an employee appointed by the Union to represent the interests of the Union

members and whose appointment has been certified by written notice from the Local President of the Union to the Corporate Services Department of the Company. Upon receipt of such notice, the Company shall notify the management of the departments involved.

7.07 "SHIFT EMPLOYEE" means an employee whose standard schedule of hours are not all confined within the period from 7:00 A.M. to 6:00 P.M. on each of the days Monday to Friday inclusive.

7.08 "TOUR OF DUTY" means the time worked by an employee on any working day.

7.09 "SCHEDULED TOUR OF DUTY" means a tour of duty not exceeding the basic hours of work per day which an employee is scheduled to work and of which she/he has been advised in advance.

7.10 "NORMAL HEADQUARTERS" - Each employee when engaged shall be assigned to a work location within an exchange of the Company. Such exchange shall be known as the employee's normal headquarters until such time as she/he is transferred to another headquarters. Normal headquarters shall be Charlottetown and Summerside.

7.11 "REPORTING CENTRE" - means that place designated by the Company where employees are to report for work.

7.12 "PREMIUM" is the amount of money paid to an employee, in addition to basic pay, for working at other than the normal hours, including working extra hours.

7.13 "BASIC PAY" is the regular weekly rate of pay, shown on the Wage Schedule, which the employee is entitled to receive for working the full number of regular hours in the week. Basic pay does not include Overtime, Shift Differentials or any other premiums.

7.14 "PART-TIME EMPLOYEE" means a regular employee

who is usually scheduled to work less than the full schedule of hours each week.

7.15 "UNIVERSAL EMPLOYEE" means a regular employee who may fill various job vacancies in the bargaining unit exclusive of 20.06, 20.07 and the notice provisions of Article 20. The number of Universal Employees shall not exceed five (5) without the mutual consent of the Company and Union.

7.16 "REGULAR TERM EMPLOYEE" means a regular employee whose period of employment is expected to exceed six (6) months.

These employees may fill various job functions within the bargaining unit and will be paid in accordance with the provisions set out in Appendix "A" for the grade they are working in.

These employees will be excluded from the provisions of clauses 20.06 and 20.07 and the notice provisions of Article 20.

The number of regular term employees shall not exceed seven (7) without mutual consent of the Company and the Union.

7.17 "HOME BOARD" is an alternative to board and lodging (Article 23.02) for the employee who is working away from her/his normal headquarters.

Accordingly, there is no travel time or expenses, lodging, or meal expenses paid where an employee elects home board.

ARTICLE 8 - SENIORITY

8.01 "SERVICE" - includes all periods of time, whether bridged or not, spent in the employ of and recorded on the payroll of The Island Telephone Company Limited, Island Telecom Inc. or Maritime Telegraph and Telephone Company Limited. It also includes any periods of time a

regular employee is on an approved leave of absence which specifies that the leave of absence is to be credited as service.

"NET CREDITED SERVICE" - refers to that period of continuous service since the regular employee was last placed on the Company payroll, plus any credit for other service as referred to above which has become eligible for bridging in accordance with the Company procedure for service bridging as outlined in 8.02.

"SENIORITY" for a regular employee is determined in accordance with and is the same as that employee's net credited service as shown on Company records.

8.02 Service Bridging Procedure

When a regular employee is re-engaged following a break in service, the employee's service is bridged after she/he has been on the Company payroll continuously for a minimum period of one (1) year and the combined total of all services equates to five (5) years or more. At that time, the employee's net credited service is recalculated, and a revised service entry date is established.

8.03 The Company will provide to the Union twice a year (March and October) a seniority list for all regular employees which will include:

- a) net credited service
- b) eligibility for service bridging date
- c) wage grade
- d) wage grade interval

8.04 The Company will on request, and on suitable notice being given by the Union, advise the Union of the service of any employee when this information is necessary to determine the eligibility of the employee for a benefit under the terms of this Agreement or when a dispute arises between employees on the matter of seniority.

ARTICLE 9 - FORCE ADJUSTMENT

9.01 - NOTICE

- a) All employees who have completed three (3) consecutive months of continuous employment and are being discharged or laid off (except employees who are being discharged for just cause) shall receive, in each case, the following minimum notice:
- (i) Where an employee has been continuously employed for three (3) months or **more** but less than five (5) years - two (2) weeks' notice in writing, or two (2) weeks' pay in lieu of notice.
 - (ii) Where an employee has been continuously employed for five (5) years or more but less than ten (10) years - four (4) weeks' notice in writing, or four (4) weeks' pay in lieu of notice.
 - (iii) Where an employee has been continuously employed for ten (10) years or more - eight (8) weeks' notice in writing, or eight (8) weeks' pay in lieu of notice.
- Copies of all notices of layoff shall be sent to the Local Union President.
- b) If a strike or other work interruption in another Bargaining Unit causes a layoff of employees, the minimum notice or payments in lieu of as specified in this article will not apply.
- c) Employees who are resigning from the Company shall give the Company at least two (2) weeks' notice in writing.

9.02 - LAYOFF

In the event of a layoff, employees shall be laid off in the following order:

1. Temporary
2. Part-time
3. Regular Term
4. Regular Full-time

When selecting regular employees in the circumstances listed below, seniority shall apply as indicated:

- a) Layoff of regular employees shall be confined to the affected job classification in the affected headquarters subject to Clause 9.03.
- b) Layoff of regular employees - seniority in reverse order shall be the determining factor.
- c) Laid-off regular employees are entitled to Severance Pay under the following conditions:
 - 1) Upon the normal expiry of a laid-off regular employee's recall rights, under the terms of this Agreement, the Company will pay that employee his/her full severance pay.
 - 2) Notwithstanding paragraph 1) Above, at any time during the period between the day of lay-off and the expiry of the laid-off employee's recall rights, he/she has the right to take his/her severance pay and forego any further right to recall.
 - 3) In either circumstance covered under paragraphs 1) or 2) above, severance pay will be paid by the Company to the affected laid-off regular employee, within thirty (30) days of his/her entitlement/request.
 - 4) The scale of benefits under this clause shall provide an allowance equivalent to one (1) weeks

pay for each full year of net credited service up to five (5) years and thereafter, two (2) weeks pay for each additional year of net credited service.

- 5) In the event the Company chooses to re-engage an employee who has previously received severance pay, any subsequent severance pay is based on service accumulated from the date of re-engagement.

Temporary employees will receive severance pay as per the Canada Labour Code.

- d) In circumstances where the Company has received applications pursuant to a job posting and one of those applications is from an employee whose job has been declared redundant, the Company may, with the written agreement of the Union, give preference to an employee whose job has been declared redundant.

9.03 - BUMPING

- (a) A regular employee who would otherwise have been laid off because of such employee's job having been declared redundant will be able to replace (bump) another regular employee:
- (i) Who is less senior and
 - (ii) Who holds a job of equal or lower grade or
 - (iii) A job of higher grade that the bumping employee has satisfactorily performed on a regular basis for four (4) months or more, or
 - (iv) Whose job she/he can do allowing a four (4) week period of orientation/assessment of her/his ability to do the job.
- (b) The regular employee replaced by the bumping regular employee will bump the most junior regular employee in the Bargaining Unit following the same

procedures outlined above or be laid off.

- (c) Subject to the regular employee's right to grieve, the Company shall if dissatisfied with the performance of the employee at the conclusion of the orientation/assessment period place the employee in another job. If the Company is dissatisfied with the performance of the employee in the second job at the shall be laid off. The Union will be consulted on all such occasions.
- (d) Rather than initiating the bumping or layoff procedure the Company, if aware of a job vacancy and rather than post the vacancy, may prefer to transfer the regular employee whose job has been declared redundant. Subject to obtaining written agreement of the Union and the regular employee, the Company may transfer the regular employee to the vacant job without posting it.
- (e) In all cases, the regular employee and the Union retain their respective rights to grieve situations where it is felt that the Company has not followed the bumping procedure steps outlined above.
- (f) Where possible, bumping shall be confined to the regular employees normal headquarters, subject to Clause 9.03 (a) and (b). Where such is not possible, bumping provisions will apply to the entire Bargaining Unit.
- (g) Where the only option available to an employee is to bump to another headquarters, such bump shall be considered to be a transfer at Company request for the purposes of General Circular 206.7, Section 1, November, 1988.
- (h) Regular employees who are placed in a part-time or regular-term position as a result of bumping or recall will be given the first opportunity, on the basis of seniority, for regular full-time employment in any

vacant job which the employee previously held on a regular basis.

9.04 - RECALL

- (a) Laid-off regular employees will retain their right to recall for twenty-four (24) months, subject to 9.04 (c) and 9.02 (c) 2.
- (b) If additional staff is required, employees will be recalled in reverse order of lay-off provided that the period of lay-off has not exceeded two (2) years and provided she/he has the present ability to do the job. If she/he does not have the present ability to do the job the company will transfer as per article 20.01, another employee into the job who has the present ability to do it and place the recalled employee in the vacancy that has been created as a result of the transfer. Such transfer would be subject to the written approval of the Union and the employee to be transferred. If an employee is transferred to a lower grade position her/his wage rate will remain at the higher rate. The transferred employee will be returned to her/his previous position at the earliest opportunity.
- (c) A laid-off regular employee who has been given notice of recall for regular employment may refuse to exercise such right on one (1) occasion only without jeopardizing her/his right to recall. Otherwise, a regular employee who fails to report to regular duty as stipulated by the Company shall no longer be subject to recall.
- (d) It is understood that a laid-off regular employee, if recalled by the Company within two (2) years of the date of layoff, will retain the seniority she/he had accumulated to the time of layoff for all purposes including vacation.

- (e) Should a regular employee who has been laid off be recalled within thirty (30) days of layoff, there shall be no break in the employee's service for all purposes.
- (9) All regular full-time employees on layoff will be recalled before any regular term employees.
- (g) The Company will provide the Union President with written notice when employees are recalled.

ARTICLE 10 - HEALTH AND SAFETY

10.01 The Company agrees to adopt and implement reasonable methods to protect the employees' health and ensure their safety at work.

10.02 The Company and the Union agree to adhere to the Occupational Safety and Health rules and regulations as contained in the Canada Labour Code, Part II. Any alleged violation of these rules and regulations will be pursued as a complaint under the Canada Labour Code and shall not be subject to Articles 12 and 13.

10.03 There shall be a joint Labour Management/Health and Safety Committee for the purpose of reviewing and resolving labour management health and safety type problems which may arise from time to time. Membership on the committee, frequency of meetings, terms of reference, etc., will be as specified in the constitution of the committee. The constitution of the committee may only be changed by mutual agreement between the Company and the Union.

10.04 The Company agrees:

- a) To maintain safe working conditions, proper and adequate tools, equipment and protective devices.
- b) To maintain safe, clean, adequately heated, ventilated and lighted places of work in all Company buildings.
- c) To keep employees at all times familiar with safe working practices.

d) The Company agrees to discuss with the Union any specific matter with respect to health and safety.

10.05 No employee shall do or be required to do any work that is considered unsafe. When an employee encounters an unsafe or unhealthy situation, other than the normal hazards of the work or working areas, the employee shall report the situation to her/his supervisor who will ensure the provisions of the Canada Labour Code, Part II, are followed in rectifying the situation. All employees shall strictly observe all safety rules and regulations.

10.06 An employee shall not be required to work outside in exceptionally cold or stormy weather unless under cover, except where in the judgement of the Company, cases of emergency or necessity exist.

10.07 The Company agrees to test video display terminals at least every twelve (12) months in accordance with accepted standards and to make reasonable efforts to provide adequate environmental standards in regards to the provision of lighting, seating and work station design, subject to the operational and financial restraint of the Company.

10.08 Any employee operating a V.D.T. who becomes pregnant and who does not wish to continue working on the V.D.T. will, upon request, be removed from working with V.D.T.'s. The employee shall be permitted to perform other available work within the bargaining unit until the commencement of the pregnancy leave. If alternate work for which the employee has the present ability to do the job is not available, or if any such work ceases to be required, the employee shall have the option of taking a leave of absence without pay or benefits until eligible for maternity leave.

The Company agrees that every effort will be made to expedite the granting of leave of absence, and in any case, the implementation of such a leave of absence will not be delayed for more than five (5) days following the date of

application for the leave of absence, unless a longer period is agreed to by the employee.

10.09 An employee working with a video display terminal shall not be scheduled to work more than two (2) hours continuously on a VDT terminal without her/his normal relief period or a change to a non-video display terminal work assignment.

10.10 A regular employee who is required to work at a video display terminal for fifty percent (50%) or more of the normal work week shall be entitled to have her/his eyes examined by the Medical Department and if deemed necessary may be referred at the Company's expense to an ophthalmologist.

ARTICLE 11 - DISCIPLINE

11.01 In the case of discharge, suspension or disciplinary action or demotion, the Company will present to the employee affected, written reasons for such action at the time of its occurrence. A written notification of the action taken will also be sent to the Union Chief Steward. Any such action taken must be for proper and sufficient cause and is subject to the terms of this Agreement.

11.02 The written notification of disciplinary action recorded in an employee's file shall be cancelled and returned to the employee, upon request, after eighteen (18) months. If during this eighteen (18) month period the employee receives any additional disciplinary notices, the eighteen (18) month interval will begin again.

11.03 The Steward or Chief Steward shall, unless the employee objects, be invited to be present at any meeting between a representative of the Company and that employee called for the explicit purpose of announcing any measure referred to in 11.01.

11.04 After making suitable arrangements with her/his immediate supervisor, an employee shall have the right to inspect her/his disciplinary record annually or at any step of

the grievance procedure if the grievance deals with disciplinary action.

ARTICLE 12 - GRIEVANCE PROCEDURE

12.01 When any dispute arises between any employee or number of employees and the Company concerning the interpretation, application, administration or alleged violation of this Agreement it shall first be discussed with the management employee to whom the employee(s) report. The employee(s) may have a Shop Steward present if so desired.

12.02 The management employee to whom the matter has been referred shall answer the dispute within two (2) working days of the last discussion with the employee(s) unless the union agrees to extend this time limit.

When the dispute cannot by this informal procedure be settled by the management employee to whom it was referred, it shall be deemed to be a "GRIEVANCE," and the management employee shall be notified that a grievance will be filed. A grievance must be filed within thirty (30) working days of the occurrence giving rise to the dispute or within thirty (30) working days from the time either the employee or the union should reasonably have known of the occurrence giving rise to the dispute.

12.03

(a) In this Grievance Procedure, the time limits in "days" refer to "WORKING DAYS," exclusive of Saturdays, Sundays and holidays. These time limits may be waived or extended by mutual agreement.

(b) In each of the following steps of this Grievance Procedure the Company will state its disposition of the grievance in writing within five (5) days of the last meeting convened to deal with the grievance.

- (c) At any time the Union accepts the Company's ruling on a grievance the Union shall, within five (5) days **notify** the Company of the Union's acceptance. This notice shall be sent to the management person with whom the grievance was last discussed.
- (d) Should the Union fail to refer a grievance to the next step in the grievance procedure within thirty (30) days of the specified time limit, it shall be conclusively deemed the grievance has been abandoned.

12.04 The Grievor may be present at Steps 1 and/or 2 of the grievance procedure if deemed necessary by either the Company or the Union.

Grievance Procedure Step No. 1

12.05 If the employee(s) or the Union is not satisfied with the decision of the management employee to whom the dispute was referred, the grievance within five (5) days may be submitted in writing to the appropriate Level II Management employee.

After receiving the grievance, the Level II Management employee, or delegated representative, shall arrange a meeting or meetings with the Union Representative named in the grievance at the earliest agreeable time, and not later than five (5) days from the time the grievance is received.

Grievance Procedure Step No. 2

12.06 If a grievance is not settled in Step 1, the Union within five (5) days may take the matter up with the appropriate Level III Manager or delegated representative who shall as promptly as possible, but within ten (10) days after the matter is submitted, meet with the Union's Chief Steward or delegated representative, to settle the grievance.

Any grievances alleging unjust dismissal of an employee may be introduced directly to Step II of the grievance procedure.

Grievance Procedure Step No. 3

12.07 If a grievance is not settled within five (5) days of the last meeting in Step 2, the Union (Company) within ten (10) days may submit in writing to the Director Corporate Development (cc to President & CEO) of the Company (Union National Representative), a request for a meeting for the purpose of attempting to settle the grievance. The Director Corporate Development or his/her delegated representative (Union National Representative or his/her delegated representative) shall within ten (10) days of the receipt of such communication notify the Union (Company) of the time, date and place of conference.

Complaints, more particularly those of wide application or concerning interpretation of this Agreement and general policy of the Company, may be taken up at Step 3 of the grievance procedure.

The Chief Steward or his/her delegated representative will be present at this step of the grievance procedure if deemed necessary by either the Company or the Union.

12.08 When, in the opinion of the Company, the Union or any of its members violate the terms of this Agreement, the Company may refer the matter to the Union National Representative of the Union and request a meeting to discuss the matter. Upon receipt of such a request from the Company, the Union National Representative or delegated representative shall within two (2) days arrange to meet with the Company representative and discuss the complaint. When the complaint cannot be settled by this method, it shall be deemed to be a "grievance" and will be subject to the terms of this Grievance Procedure Step No. 3.

ARTICLE 13 - ARBITRATION

13.01 Whenever a difference relating to the interpretation, application, administration, or alleged violation of this

Agreement arises between the Company and Union, either party may, after complying with the provisions as set forth in the Grievance Procedure, submit the matter to arbitration.

13.02 Arbitration proceedings shall be instituted by written notification to the other party of its desire to submit the difference or allegation to a single arbitrator who, unless the parties mutually agree otherwise, must hold a hearing within thirty (30) days of his or her appointment. If after ten (10) working days from the original notice, the parties fail to agree on an arbitrator, then either party may request the Minister of Labour to appoint an arbitrator. The decision of the arbitrator shall be final and binding on the parties.

13.03 No cessation or slow down of work shall be exercised or promoted by any individual employee or group of employees during the course of the Grievance Procedure outlined above nor shall any illegal strike take place.

13.04 The arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions thereof, and in reaching his decision, it shall be bound by the terms and provisions of this Agreement.

13.05 In determining any grievance arising out of discharge or other discipline, the arbitrator may dispose of the claim by affirming the Company's action and dismissing the grievance, or by setting aside the disciplinary action involved and restoring the grievor to her/his former position with or without compensation or in such other manner as may, in the opinion of the arbitrator, be equitable.

13.06 The parties shall contribute equally to the expenses and remuneration of the arbitrator and all proceedings related thereto.

ARTICLE 14 - TECHNOLOGICAL CHANGE

14.01 The Company and the Union agree that technological change and increased efficiency or productivity must be

encouraged and supported. They agree further that they have jointly and severally a real and direct responsibility at all levels to reduce to a minimum the adverse effects that may result from the changes that are involved.

14.02 "TechnologicalChange" in this article means:

- (a) The introduction by the Company into its business of equipment and material of a different nature and kind than that previously utilized by the Company in the operation of its business which will result in the displacement of employees within the bargaining unit and
- (b) A change in the manner in which the Company carries on the business that is directly related to the introduction of that equipment and material which will result in the displacement of employees within the bargaining unit.

14.03 Whenever the Company proposes to effect a technological change that is likely to adversely effect the location, earnings, or security of employment of any regular employee(s), it shall, where possible, give notice of the technological change to the regular employee(s) involved and the Union at least twelve (12) months prior to the date of any such action, but in any event, not less than six (6) months.

14.04 At the same time that the Company provides the notice referred to under 14.03, it will also provide to the Union, in writing, the following information:

- a) a detailed description of the nature of the proposed technological change
- b) name(s) of the employee(s) who will initially be likely to be affected by the proposed technological change
- c) the implementation date
- d) the location and

- e) the effect that the technological change is likely to have on the terms and conditions or security of employment of the employee(s) affected.

14.05 Where the Company has notified the Union of its intention to introduce a technological change which will adversely effect the location, earnings or security of employment of any regular employee(s), the parties shall meet within the next thirty (30) days in an effort to reduce to a minimum the adverse effects that may result from such change.

14.06

- (a) Regular employee(s) who are affected by such technological change and require re-training will receive such training during normal working hours and at the expense of the Company. If relocation is required, moving expenses will be paid by the Company as provided by General Circular 206.7, Section 1, dated November, 1988.
- (b) Senior employees from the affected group willing to take and successfully complete the necessary training will maintain the new equipment.
- (c) Redundant employees having the minimum job qualifications and the ability to learn will be given a training period up to sixty (60) working days to fill any available non-management job within the Company, subject to any contract binding upon the Company.

14.07

- (a) Where technological change results in a reduction in the workforce of the bargaining unit, any regular employee(s) who is not entitled to immediate pension benefits may request early termination of service.

The Company may accept the request providing, in its view, the number of employees remaining is sufficient to do the work. Where the request for early termination

of employment is accepted, the employee shall receive a termination allowance calculated in accordance with the provisions of 14.09 - Technological Change- Termination Allowance.

(b) Where technological change results in a reduction in the workforce of the bargaining unit and a lay-off becomes necessary, the lay-off will be in accordance with article 9 of the collective agreement.

14.08 When an employee is permanently transferred from a higher wage classification to a lesser wage classification due to technological change, she/he will maintain her/his higher wage rate for a period of twelve (12) months. When the affected employee has ten (10) or more years of service, she/he shall maintain the higher wage rate (at time of transfer) until the rate for her/his new classification equals or exceeds her/his former classification wage rate at which time she/he shall be entitled to normal increases. For an employee so transferred, the requirement of continuous experience in her/his present position in order to be eligible to apply for posted jobs in this collective agreement shall be waived.

14.09 Regular employees who are laid-off due to technological change are entitled to "Technological Change- Termination Allowance" under the following conditions:

- a) Upon the normal expiry of a laid-off regular employee's recall rights, under the terms of this Agreement, the Company will pay that employee his/her full termination allowance.
- b) Notwithstanding paragraph a) above, at any time during the period between the date of lay-off and the expiry of the laid-off employee's recall rights, he/she has the right to take his/her termination allowance and forego any further right to recall.
- c) In either circumstance covered under paragraphs a)

or b) above, termination allowance will be paid by the Company to the affected laid-off regular employee, within thirty (30) days of his/her entitlement/request.

- d) The scale of benefits under this clause shall provide an allowance equivalent to two (2) weeks pay for each full year of net credited service.
- e) In the event the Company chooses to re-engage an employee who has previously received termination allowance, any subsequent termination allowance is based on service accumulated from the date of re-engagement.

14.10 Employee(s) receiving benefits under the terms of **14.09** do not qualify for the Severance Pay Benefits referred to in Article 9 of this Agreement.

14.11 The parties agree that Sections 52, 54 and 55 of the Canada Labour Code shall not apply to members of this Bargaining Unit.

ARTICLE 15 - WAGE ADMINISTRATION

15.01 Subject to the conditions hereinafter laid down, all employees shall be paid in accordance with the Wage Schedules, shown in Appendix "A," attached to and forming part of this Agreement.

15.02 Under certain conditions, and subject always to the prior written consent of the Union, the Company may pay higher rates than those called for by the schedules filed under this Agreement for certain jobs within the Company.

15.03 The service intervals shown in the wage schedules are designed to relate the employee's income to their experience on the job. Employees, when engaged, shall be granted a wage rate higher than the starting rate for their job, if in the opinion of the Company, they have previous experience or higher education, as outlined in General Circular 206.2, to warrant this wage rate. The general

principles of this Circular are as follows:

- **Grade XI** - Step 1
- **Grade XII** and/or each year of successfully completed recognized and related university, technological or vocational school - 1 step for each year to a maximum of five (5) steps on the schedule.
- Related work experience given on the basis of 75% if it is directly related and in the telecommunications industry, 50% if in similar type of employment, and 25% if not related but considered beneficial. In no case, however, will a new hire be granted a wage credit above Step 5 on the schedule.
- Employees are re-engaged depending on previous service, value of previous Company experience, length of break, etc. on the following principles:
 - 100% previous experience credit if returned within one (1) year of termination.
 - 75% previous experience credit if returned later than one (1) year of termination.
- Employees ~~who~~ are recalled under **9.04**:
 - 100% previous experience credit.
- Summer Student Wage Rate - Effective 1997 the starting wage rate for summer students shall be the starting rate for the appropriate classification/grade. The maximum period of employment for summer students will not exceed two (2) summers.

15.04 Shift employees who work an evening or night shift are entitled to the differentials established under Clause 22.05.

15.05 Pay periods shall be twenty-six (26) per year; the pay period to close at twelve (12) midnight every second Saturday. Notification of deposit will be distributed as soon after the closing dates as payrolls can be computed and the

direct deposit of pay will be issued no later than the Wednesday following the close of the pay period or when the Wednesday is a Paid Holiday, the regular working day preceding the Wednesday. All employees will be paid by Direct Deposit.

Wage Progression

15.06 The wage progression shown as "steps" on the wage schedule are automatically applied at intervals of six (6) months. However, if for any reason other than her/his regular vacation, maternity, child care leave, sickness or injury, an employee has been absent for three (3) or more months in any one (1) year, she/he will have her/his next wage progression postponed for at least six (6) months or such longer period as is appropriate.

15.07 The commencement of the first pay periods in the months of April and October shall be the only dates when wage progression becomes effective.

15.08 Employees who are engaged during the period January 1 to June 30 in any year shall receive their first wage progression in October. Employees engaged during the period July 1 to December 31 in any year shall receive their first wage progression in April.

15.09 If between January 1, 1999, and December 31, 1999, the Consumer Price Index for Canada increases more than 6.4 percent above the Consumer Price Index for Canada for the year 1998, then the company shall increase the basic rates of pay for all employees in the Bargaining Unit at the rate of one (1) percent for each full one (1) percent that the Consumer Price Index for Canada increases above the 6.4 percent referred to above.

The above formula will continue to apply until the termination of this Agreement.

15.10 Such increase or increases, if any shall be paid for all time worked on and after the commencement of the first pay

period coincident with or following the publication date of the Consumer Price Index for Canada which gives rise to the increase.

15.11 All such increases shall be “folded in” to the basic wage rates from the effective date, for all purposes, including without limitation, overtime, holiday and vacation pay, illness and accident benefits and pension plan.

15.12 An employee who is temporarily assigned to a lower paid classification, to meet Company service demands, shall not receive less than the rate established for her/his regular classification during the period of assignment.

ARTICLE 16 - HOURS OF WORK

16.01 The standard working week shall be five (5) days of seven and one-half (7 1/2) hours each. Except for a daily one (1) hour lunch break, the ordinary daily working hours for all employees (except those who of necessity must work irregular hours) shall be one of the following:

8:00 a.m. - 4:30 p.m.

8:30 a.m. - 5:00 p.m.

Hours of work for a shift employee must be consecutive, except for a (1) one-hour lunch break. The (1) one-hour lunch break may be adjusted to a (1/2) one half-hour lunch break if arranged by mutual agreement between the employee(s) and the Company.

16.02 Service requirements, local arrangements or special arrangements may alter the standard daily work schedule. The Company agrees it will not change the daily work schedule of any employee until the matter has been discussed with the Union.

16.03 Some work situations may require employees to work on a schedule which includes Saturday and/or Sunday. These “shift employees” shall receive equivalent time off on other days so as to maintain their total weekly standard

hours. The time off will be arranged by mutual agreement between these employees and the Company.

16.04 Each employee must get at least nine (9) consecutive hours off each twenty-four (24) hour period.

16.05 The days of rest shall, whenever possible, be granted consecutively.

16.06 The Company agrees to provide at least seven (7) calendar days' notice before the scheduled hours of a shift employee are changed. Where the Company fails to provide the seven (7) days' notice, the employee shall be paid on an overtime basis for the hours worked on the first shift following the change.

16.07 When it becomes necessary for the Company to establish a new shift which requires employees to work on a shift schedule which differs from the standard hours of work as described in clause 16.01 above, the Company shall provide at least (4) four weeks' notice, in writing, to each employee affected by the change.

16.08 Employees shall be given two fifteen (15) minute break periods each day during working hours. The break periods will be assigned one in the morning and one in the afternoon. Break periods shall be assigned as near mid tour as practicable.

16.09 Every employee will be entitled during the break period to leave their office.

ARTICLE 17 - OVERTIME

17.01 The wage rate for "OVERTIME". that is hours worked outside the daily working schedule, shall be (50) fifty percent over that of the basic wage rate except overtime worked between midnight and 8:00 a.m. on weekdays and between midnight Saturday and midnight Sunday when the rate shall be twice the basic wage rate. Overtime rates will be paid only when the work has supervisory approval.

17.02 No employee will be required to work any overtime without receiving reasonable notice thereof and in no case shall an employee be required to work in excess of six (6) hours of overtime per week or four (4) hours of overtime per day (except where the only overtime requirement made of an employee in a week is for one (1) shift of overtime, in which case the employee shall be required to work that one (1) shift not to exceed 7 1/2 hours overtime). All overtime in excess of the above shall be on a voluntary basis.

The opportunity to work overtime shall first be given to those employees who have the same job title as the overtime work required.

17.03 When an employee is required to work overtime on any day except Sunday for a period of twenty (20) minutes or more, the employee shall be paid for all overtime worked at the rate of time and one-half. All overtime worked on Sunday shall be paid at double the basic hourly rate.

17.04 When an employee who has left for the day is called back to work overtime or where an employee is on a day off and is called back to work, that employee shall be paid overtime at a rate of time and one-half (Sunday - double time), but in each instance, that employee shall be paid an amount at least equal to four (4) hours of her/his basic hourly rate.

17.05 When an employee is required to work in excess of one and one-half (1 1/2) hours overtime that is continuous with the commencement or termination of the normal work day, she/he shall be entitled to choose time off for a meal or in lieu of time off, a meal allowance as in Clause 23.03 (d). When an employee chooses a meal period of twenty (20) minutes, it shall be considered as "time worked" and paid for at the appropriate overtime rate.

17.06 Employees required to work in excess of eleven and one-half (11.5) hours (meal hours excluded) in the twenty-

four (24) hour period from the commencement of their scheduled tour of duty shall be paid at double the basic wage rate for all time worked over eleven and one-half (11.5) hours. The double basic wage rate shall also apply to time worked over eleven and one-half (11.5) hours which forms a continuous part of the employee's next scheduled tour of duty. Where there is a break of four (4) hours or less before the commencement of the next scheduled tour of duty, the double basic wage rate will still apply.

17.07 In lieu of payment for overtime, employees may take one (1) hour off with pay for each hour worked. This time off is to be taken at a time mutually acceptable to the Company and the employee. The Company shall not unreasonably withhold acceptance of the employee's request for specified time off, work load permitting.

17.08 When an employee works four (4) consecutive hours or more of overtime, the employee shall have the option of receiving compensation as follows under either (a) or (b):

- (a) Pay at the applicable overtime rate for all time worked.
- (b) One (1) hour off with basic pay and the premium pay (pay in excess of basic pay) as applicable for each hour worked.

In order to qualify for the option described in (b) above, the employee must advise her/his supervisor of her/his intention, and the employee and supervisor must agree on the time at which the time off is to be taken. This time off must be taken before the expiry of the pay period following the one in which the overtime is worked.

ARTICLE 18 - HOLIDAYS

18.01 Temporary employees with three (3) or more weeks of continuous service and regular employees shall not be required to work on Paid Holidays unless special circumstances necessitate such work; and in such case, an employee, in addition to receiving regular pay for such Paid

Holiday, shall be paid at the rate of time-and-one-half for the time worked by such employee; but in no case shall an employee who is required to work on a Holiday be paid less than an amount equal to four (4) hours of basic pay.

18.02 Temporary employees with three (3) or more weeks of continuous service and regular employees who are required to work on Christmas Day shall be paid **at**, in addition to receiving regular pay for Christmas Day, the rate of double time for the time worked by such employee; but in no case shall such employee who is required to work on Christmas Day be paid less than an amount equal to four (4) hours of basic pay.

18.03 Temporary employees with three (3) or more weeks of continuous service and regular employees who work on a Paid Holiday will, in addition to receiving pay above the basic rate of pay, have the option of receiving "Holiday Pay" or **be** permitted a full day off with basic pay on another day. This day off with pay is to **be** taken **on** a day mutually agreeable to the Company and the employee.

18.04 Holidays shall be defined as follows:

New Years Day	Thanksgiving Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Labour Day	Floating Holiday

and such other holidays as may be proclaimed by the Federal or Provincial Government.

18.05 Floating Holiday - Employees who have worked a period of at least three (3) continuous months shall be entitled to one (1) Floating Holiday in each calendar year. The Floating Holiday should be scheduled, but not necessarily taken, as soon as possible after January 1 and

before April 1 of the current calendar year. The Company and the employee shall mutually agree on a day for the employee's Floating Holiday.

The Company shall not unreasonably withhold acceptance of the employee's request for a specified day, work load permitting. Adequate notice of a request for a change either by the Company or the employee shall be given, and either party shall give reasonable consideration to such a request for a change. Employees hired after October 1 shall not be entitled to a Floating Holiday in that calendar year.

18.06 When the day of rest of a shift employee falls on a Paid Holiday, the employee shall receive another day off with no loss of pay in lieu of the holiday.

18.07 When a Paid Holiday falls on a Saturday or a Sunday, all temporary employees with three (3) or more weeks of continuous service and regular employees shall be entitled to one (1) day off with pay in lieu of the Paid Holiday. Such day shall be the first working day or days following the Paid Holiday.

18.08 Some communities celebrate a Natal Day or in lieu thereof a Civic Holiday. Such an occasion is not considered to be a "Paid Holiday," but employees shall be given a day off (maximum one (1) per year) with no loss of pay to participate in this celebration. Employees who must work on a Civic Holiday or Natal Day and employees on vacation or day of rest shall be given a day off, with no loss of pay, at a later date to be agreed upon by the employee and the Company.

The choice of the alternate day shall be subject to the needs of the Company's business.

18.09 Employees who work in communities where no Civic Holiday is observed or where a Civic Holiday is observed on a Saturday or Sunday shall be given a day off with no loss of pay in lieu of such holiday.

18.10 No overtime is paid to employees who work regular hours on a Civic Holiday. Employees shall be entitled to one (1) hour off with pay for each hour worked during the regular hours normally worked by such employees (see Clause 18.08 above).

ARTICLE 19 - VACATIONS

19.01 All regular employees shall be entitled to an annual vacation with pay subject to the following.

19.02 Subject to approval of Minister of Labour, the vacation year shall be the twelve (12) months between May 1 of one year and April 30 of the following year. In special cases, regular employees may receive vacation in advance of the vacation year when approved by the Department Head.

19.03 All regular employees engaged prior to May 1 of any year shall be granted one day's vacation with pay for each full month worked prior to May 1 to a maximum of ten (10) working days.

19.04 Vacations will be granted to employees in accordance with their net credited service on May 1st as shown below:

Years of Net Credited Service	Workings Days of Vacation	Winter Bonus
1 but less than 3	10	Applies
3 but less than 9	15	Applies
9 but less than 20	20	Applies
20 but less than 25	25	Applies
25 and over	30	Does Not Apply

Vacations shall be scheduled in accordance with seniority and the desires of each employee as far as possible.

19.05 A Winter Bonus shall be added to qualifying vacations, as shown in Clause 19.04, when all or part of these vacations are taken between November 1 and the following April 30. This six (6) month period shall be known as the "Winter Period."

19.06 For every two (2) complete working days of a qualifying vacation taken during the Winter Period, the employee shall receive a bonus of one (1) working day to be taken during the Winter Period. In no case, however, shall the Winter Vacation Bonus exceed five (5) extra working days.

19.07 Vacation days cannot be taken on Paid or Civic Holidays. Where five (5) vacation days would normally be scheduled during a week and a Paid or Civic Holiday falls during that week, only four (4) vacation days can be scheduled.

19.08 The vacation may be subdivided on request but must all be taken within the vacation year unless postponement is approved by the Department Head.

19.09 As soon after January 1 as possible and not later than April 1, vacations shall be scheduled by work groups, giving preference of choice of dates to employees on the basis of their net credited service.

19.10 Any employee going on vacation shall on request receive an advance pay up to the amount she/he would normally receive on any pay days which fall within her/his vacation period.

19.11 When a scheduled Winter Vacation is rescheduled at the Company's request to a summer period (May 1 to October 31), the employee shall still receive the winter bonus that originally applied.

19.12 Employees recalled during vacation shall not be deprived of any vacation days due to such recall and the unexpired portion of any vacation shall be rescheduled to the satisfaction of the employee.

19.13 When part or all of the vacation is rescheduled under the terms of Clause 19.12, it shall be increased by one-half (1/2) day for each working day of vacation rescheduled to be taken in the winter period provided, however, that in no case

shall this exceed five (5) bonus days or entire vacation shall not exceed thirty (30) working days.

19.14 Employees who are eligible for and have completed a period on Sickness Benefits or Worker's Compensation may be granted their vacations as an extension to their absence.

19.15 Employees who are granted a leave of absence without pay may be granted their vacations directly prior to or following the leave of absence.

19.16 Employees who become sick or seriously injured during vacations may have their vacations rescheduled under the following conditions:

- (a) Employees are not entitled to any extension of their vacation for casual sickness of less than one (1) week's duration or for any minor injury.
- (b) Employees who have been sick or incapacitated because of injury for one (1) week or more ~~if~~ their vacation may be granted a re-scheduling of the vacation days lost due to such illness or injury together with the unexpired portion of the vacation, if any, remaining after such illness or injury provided satisfactory proof of illness or injury has been established.

19.17 An employee who is requested to serve jury duty while on vacation shall be able to reschedule vacations at a time mutually agreeable to the Company and the employee.

19.18 Every pay period temporary employees shall receive vacation pay of four (4%) percent of their earnings.

19.19 A temporary employee who, with the agreement of the Union, has been continuously employed for a period of twelve (12) consecutive months or more shall be entitled to two (2) weeks' vacation without pay for the prior completed year of employment.

19.20

- (a) Employees who resign, are laid off, terminated, or die shall receive vacation pay based on all vacation earned but not taken up to and including the last day worked. These employees do not receive service when **such** vacation is taken as pay.
- (b) Before an employee is placed on pension, an employee may receive some or all of any outstanding vacation earned but not taken up to and including the last day worked. Such vacation taken prior to retirement is to be classed as service for all purposes including pension.

Employees may, as an option, take all or part of their vacation in the form of a lump sum payment. If an employee chooses the lump sum option, the equivalent vacation time does not form part of the pensionable service.

ARTICLE 20 -TRANSFERS & TEMPORARY APPOINTMENTS

TRANSFERS

20.01 When considered necessary by the Company, for proper and sufficient cause, any regular employee may be transferred from one location to another, or from one position to another, or from one wage schedule to another, as required by the changed position or location. The Local Union President and employee shall be notified of such transfers in writing within a reasonable period (i.e. two weeks).

When two or more regular employees with relatively equal eligibility are being considered for transfer, the personal circumstances and length of service of the employees will be considered. The junior regular employee will be selected first provided **she/he** has the necessary ability and qualifications, and provided no senior regular employees possessing the ability and qualifications want the transfer.

20.02 A regular employee who is permanently transferred from a higher wage classification to a lesser wage classification due to medical reasons will maintain her/his higher wage rate for a period of twelve (12) months. For a regular employee so transferred, the requirement of twelve (12) months continuous experience in her/his present position in order to be eligible to apply for posted jobs (as covered in Article 21) shall be waived.

20.03 In the case of a regular employee who is permanently transferred from one headquarters to another unless at her/his own request, the Company shall defray necessary transfer expenses as described in General Circular 206.7, Section 1, dated November, 1988. The Company will normally provide thirty (30) days' written notice to the employee and Local Union President of such transfers.

20.04 Regular employees who transfer as a result of a job posting, and who have not received any transfer benefits provided under Clause 20.03 during the previous 24-month period, are considered to be "Transferred at Company Request" for purposes of benefits under General Circular 206.7, Section 1, dated November, 1988.

20.05 The Company shall provide the employee(s) with at least seven (7) days notice when a temporary transfer from her/his normal headquarters to another reporting centre is required. When the Company fails to provide the seven (7) days notice required under this Clause, the employee shall be paid on an overtime basis for the hours worked on the first tour of duty following the transfer.

TEMPORARY APPOINTMENTS

20.06 When an employee temporarily fulfills the duties of a position in a higher grade for a continuous period of two (2) hours or more, she/he shall be paid the appropriate wage rate for the number of hours worked in the higher grade.

20.07 Temporary appointments under the provisions of this

Clause shall not exceed thirty-nine (39) accumulative weeks in any ~~fifty-two~~ (52) week period except where the appointment is necessary to replace an employee who is absent due to illness, injury, maternity/child care leave, or where agreement has been reached with the Union to waive such time limit.

ARTICLE 21 - JOB POSTING

POSTING

21.01 The Company agrees to post for a period of ten (10) calendar days in all offices, where regular employees work, a notice of every permanent or regular term bargaining unit job vacancy and/or new additional jobs. The notice will specify the minimum qualifications required for the job as well as the expiry date for the posting. The Union will be notified of the reason why any job postings have been cancelled within seven (7) days of the cancellation.

21.02 The Employment Office shall send a copy of all job posting notices to the Union Local President at the time these notices are sent to the Company's offices.

SELECTION

21.03 When selecting employees for posted vacancies and/or new additional jobs covered by this collective agreement, where ability and qualifications are relatively equal, seniority shall be the determining factor.

21.04 To be eligible for a transfer to another job, new employees to the bargaining unit must have worked at least twenty-four (24) months in their present job, part-time employees must have worked sufficient time to equate to the twenty-four (24) months above, and other employees with more than two (2) years of service must have worked at least twelve (12) months in their present job. When in the opinion of the Company, there are circumstances to warrant it, and when there are no suitable applicants, an employee with less than the required number of months in her/his job may be considered for the job posting.

Employees shall notify their immediate supervisor when they apply for another job.

21.05 Applications received after the expiry date specified on the job vacancy notice will not be considered.

21.06 Within thirty (30) days of the expiry of the posting, the Company will make a selection from the qualified applicants.

21.07 When there are no qualified applicants, the Company shall notify the Local Union President.

21.08 Normally, selection of a successful candidate will be made within thirty (30) days of the expiry date of the posting.

However, the Company may within a period of ninety (90) days following the expiry date of the posting choose to:

- a) When there are no qualified applicants, select someone from outside the bargaining unit.
- b) Not fill the position, and if so, notify the Union that the job posting has been cancelled in accordance with 21.01.

21.09 Job Postings which have not been filled within ninety (90) days of the expiry date of the posting will not be filled for a period in excess of six (6) months unless the position(s) is re-posted in accordance with this Article or unless provisions of 9.03 (d) apply.

21.10 Following the selection of the applicant, the Company shall notify the Local Union President and all applicants in writing of the name of the selected applicant or that there was no suitable applicant.

The Local Union President will also be provided with the names of all applicants.

21.11 When the Union disagrees with the selection, it shall notify the Company within ten (10) days of the receipt of the name of the successful applicant stating the reason for its disagreement; and if the Union and the Company are unable

to resolve their disagreement, the Union may file a grievance in connection with such selection.

21.12 In circumstances where the Company has received applications pursuant to a job posting and one of those applications is from a regular employee whose job has been declared redundant, the Company may, with the written agreement of the Union and provided ability and qualifications are relatively equal, give preference to that regular employee.

ARTICLE 22 - DIFFERENTIALS

22.01 This agreement provides for a number of premiums which are paid, in addition to the basic pay, as extra compensation when an employee works at times which are outside the normal hours worked by the majority of employees. Employees are entitled to only one (1) premium for the same hours worked, and where in this agreement more than one (1) premium could be interpreted as applying, the employee shall receive the highest premium applicable.

22.02 An employee who works all or part of a regular scheduled shift between the hours of 12:01 a.m. Saturday and midnight Saturday will be paid a "SATURDAY SHIFT DIFFERENTIAL" as per 22.05.

22.03 A shift employee who is scheduled to work for any period between 12:01 a.m. Sunday to midnight Sunday shall be paid "SUNDAY PREMIUM TIME" for hours worked. "SUNDAY PREMIUM TIME" is fifty percent (50%) over the basic wage rate. Shift differentials (Clause 22.05) will also apply.

22.04 Shift differentials will not be paid for periods when an employee is working overtime.

22.05 Shift employees who work a regular schedule of hours, all or part of which fall between 6:00 p.m. of one day and 7:00 a.m. of the following day, shall receive one of the following shift differentials:

(a) EVENING SHIFT DIFFERENTIAL

(6:00 p.m. to 12:00 midnight) regular schedule of hours terminates on or before 12:00 midnight.

(b) NIGHT SHIFT DIFFERENTIAL

(12:00 midnight to 7:00 a.m.) all or part of the regular schedule of hours falls between 12:00 midnight and 7:00 a.m.

	Effective Upon Ratification	
Evening Differential		
Less than three (3) hours worked	1.92	1.99
Three (3) hours but less than six (6) hours worked	2.33	2.42
Complete six (6) hours evening shift	2.82	2.93
Night Differential		
Less than three (3) hours worked	2.98	3.09
Three (3) hours but not over six (6) hours worked	3.34	3.47
Over six (6) hours worked	3.65	3.79
Saturday Shift Differential	10.03	10.41

22.06 An employee who is temporarily assigned to a management position will in no case receive less than ten percent (10%) above her/his basic rate of pay.

22.07 Effective on ratification of this Agreement all shift differentials shall be increased by a percentage equal to one half of the percentage of the general wage increase over the term on this Agreement for members of CEP Local 401.

Example:

For example purposes only, the figures from the 1996 agreement have been used in the following calculation

Step a)

The general increase over the term of the 1996 agreement was:

$(\text{Year 1} = 1\%) + (\text{Year 2} = 1.5\%) + (\text{Year 3} = 1.5\%) = 4\%$

Step b)

One half of 4% = 2%

Step c)

Increase all rates for shift differentials by 2% and place in the collective agreement as the ratified amount.

ARTICLE 23 - LIVING EXPENSE & TRANSPORTATION ALLOWANCE

23.01

- (a) When considered necessary by the Company, or requested by an employee, the Company shall, unless impossible, provide transportation to such employee's place of residence when she/he finishes work at or after 11:00 p.m., or transportation from her/his place of residence when she/he is required to report for duty in an emergency, between the hours of 11:00 p.m. and 7:00 a.m. Such transportation shall not be provided beyond a five (5) mile radius from the office in which the employee works; therefore, employees residing outside this five (5) mile radius will only be entitled to receive Company sponsored transportation within the limits of the five (5) mile radius. Such employees will be responsible for paying their own transportation costs for any distance exceeding the five (5) mile radius.
- (b) Employees who are required to work overtime which terminates after sunset and before sunrise, shall if

required, be provided with a taxi voucher to the maximum amount of \$8.00.

23.02 The Company shall provide and pay the cost of a reasonable standard of board and lodging for all employees who are required to work or receive training outside their normal headquarters as herein defined including the following periods, provided the employees remain at the working location:

- (a) All days on which no scheduled work is provided.
- (b) Time lost on the job through stress of weather, lack of materials or tools and other similar causes of delay.
- (c) In cases of sickness or non-occupational accident to an employee, which it is expected will cause time loss exceeding one (1) week, and where the employee remains at the working location, the employee's supervisor shall refer the matter of board expense with his recommendations, to the Department Head for ruling. When the employee is eligible for benefits, such instances come under the jurisdiction of the Worker's Compensation Board or the Employee's Benefit Committee as the case may be (See Article 26 of this Agreement).
- (d) Temporary transfer to another headquarters.
- (e) Single accommodations will be provided to employees under the following conditions:
 - (1) When single accommodations are available in the locality where work is being performed.
 - (2) Where single accommodations are requested by the employee concerned.

23.03 Employees working temporarily away from their normal headquarters over a meal period shall receive a meal at the Company's expense on the terms set out herein:

- (a) Reimbursement limits per day for in-province meals are outlined in 23.03 (f).
- (b) When an employee qualifies for three (3) meals in one day, the daily limits as outlined in 23.03 (f) shall apply.
- (c) Signed receipts for all in-province meals for which reimbursement is requested will be required before payment will be made.
Receipts will not be required for out-of-province meals.
- (d) An overtime meal allowance as provided in 17.05 and as defined in 23.03 (f) will be paid with no receipts required.
- (e) Employees working outside their normal headquarters may choose to carry their own lunch in lieu of purchasing a noon meal and be compensated at the lunch allowance rate outlined in 23.03 (f).

(f) <u>Reimbursement Limits:</u>		Ratified Amount
Breakfast	\$ 7.25	\$ 7.52
Noon Meal	10.75	11.15
Evening Meal	13.50	14.00
O/T Meal Allowance	10.75	11.15
In-Province Total	31.50	32.68
Out of Province Total	40.00	41.50
Box Lunch	6.50	6.74

23.04 Should an employee who is working away from her/his normal headquarters wish to board/lodge elsewhere than at the accommodation provided by the Company, she/he may do so after notifying her/his Supervisor under the following conditions:

- (a) That the accommodation be suitable and within reasonable distance of the work location.
- (b) That the employee report for duty promptly at the time and place assigned by her/his Supervisor.

- (c) That the rate paid for board shall be a rate that is deemed fair and reasonable.
- (d) Effective upon ratification the new rate for home board shall be \$32.16 per day with no payments for Saturday, Sunday or Company Holidays unless the employee is scheduled in advance to work on one of these days.

23.05 Employees who have worked continuously for a period of at least two (2) weeks over fifty (50) miles from their Normal Headquarters, shall be entitled to one (1) paid return trip every two (2) weeks to their homes or their Normal Headquarters, whichever is the lesser amount. This does not apply to employees on loan to other Companies or Organizations or to employees on course outside the provinces of Prince Edward Island or Nova Scotia. Periods of absence due to vacations, sickness, leave of absence or other similar reason, are not to be included when determining the period of continuous work away from Normal Headquarters.

23.06 In the cases where the Company pays the employee's board and lodging and on weekends that do not come within Clause 23.05 above, the employee may, subject to the approval of the Company, return to her/his home for the weekend, and the Company will pay or contribute toward the amount of transportation expense to the employee's home or her/his headquarters whichever is the lesser amount, up to the amount of any savings in board and lodging accruing to the Company as a result of the absence of such employee on the weekend.

23.07 Time spent travelling will not be paid and employees are expected to arrange their trips so as not to interfere with their working schedules.

23.08 Employees will only receive paid transportation when they make actual trips to their homes. Cash equivalent will

not be paid to employees who elect to stay at the site of their work.

23.09 Employees travelling from one reporting centre to another will be paid for such time at basic wage rates exclusive of (a), (b) and (c) below:

Travelling time to and from course of instruction shall not be regarded as time travelling from one reporting centre to another. Employees travelling for this purpose shall be paid for time spent travelling at basic wage rates exclusive of (a), (b) and (c) below.

- (a) Time out of working hours proceeding to or from transportation; the time allowance being that for the journey only less deductions (b) and (c).
- (b) Night travelling between 10:00 p.m. and 7:00 a.m., when sleeping accommodation is provided by the Company.
- (c) One hour for each meal provided while travelling or on arrival.

23.10 Employees driving or travelling on Company business from one reporting centre to another after regular hours in Company owned or hired vehicles shall be paid at the appropriate overtime rate of pay.

23.11 The Company shall not pay employees for time spent driving or travelling in Company vehicles, or otherwise, when going to and from the mid-tour meal.

23.12 Effective on ratification of this Agreement all rates for meal allowances and homeboard shall be increased by a percentage equal to one half of the percentage of the general wage increase over the term of this Agreement for members of CEP Local 401.

Example:

For example purposes only, the figures from the 1996 agreement have been used in the following calculation

Step a)

The general increase over the term of the 1996 agreement was:

$$(\text{Year 1} = 1\%) + (\text{Year 2} = 1.5\%) + (\text{Year 3} = 1.5\%) = 4\%$$

Step b)

$$\text{One half of } 4\% = 2\%$$

Step c)

Increase all rates for meal allowances and homeboard by 2% and place in the collective agreement as the ratified amount.

ARTICLE 24 - WORK PERFORMED BY MANAGEMENT

24.01 The Company does not expect or intend Company management personnel or persons appointed to acting management positions to do work which is normally carried out by employees. However, occasions may arise such as in training demonstrations, restoration or maintenance of service in an emergency, and other occasions when in the Company's judgement Company management personnel or persons appointed to acting management positions must perform such work. These occasions should be considered exceptions and not normal operating practice.

ARTICLE 25 - EMPLOYEE INFORMATION

25.01 The Company will provide clearly delineated space on existing bulletin boards on the stated property locations for use by the Union for posting notices with respect to Union activities. (Charlottetown Head Office, Charlottetown Workcentre, Charlottetown Central Office, Summerside Central Office, Summerside Workcentre.)

25.02 The Union agrees to post only factual notices, reports and announcements pertaining to Union meetings, elections, nominations, appointments, finances, or recreational and social activities.

25.03 The Union agrees that nothing contrary to the interests of the Company or in contravention of the spirit and intent of this Agreement shall be posted. Should the Company believe that posted material is not in accordance with the provisions of this Article, such material may be removed by the Company or will be brought to the attention of a Local Officer of the Union, and all such material wherever posted shall be removed by the Union immediately after such notification, and shall not be re-posted.

25.04 The Company will pay for the cost of printing and publication of this Agreement and ensure that the collective agreement is distributed at the time of publication. The format and quantity of the printing and publication will be as mutually agreed to by the Company and the Union, but at any rate, will be sufficient to provide a printed copy for each member of the bargaining unit.

25.05 Employees will be given a copy of their "Personnel Performance Review," and they will be permitted to discuss details of their record with their foreman or supervisor.

Once an employee has been given this information, it will be her/his responsibility to maintain her/his own file, and the information will not be provided by the Company again. The Company agrees to provide to the employee updated material as it is recorded in the employee's file.

25.06 The President and Executive Representative of the Union shall be placed on the distribution list to receive updated copies of General Circulars which pertain to matters covered by this Collective Agreement.

ARTICLE 26 - SICKNESS, ABSENCE & BENEFITS

26.01 All regular employees who have completed three (3) or more consecutive months of continuous employment and who are unable to work due to sickness or accident will be paid at basic rates for the period of absence up to one (1) week. In such cases, a medical certificate to the effect that

the regular employee is unable to work may be required. Based on the supervisor's knowledge of the circumstances of the particular case, a medical certificate may not be required.

26.02 Payment for absences beyond one (1) week will be made in accordance with the terms of the Employees' Benefit Plan to eligible regular employees who have more than three (3) months' continuous service. A doctor's certificate is required before any payments can be made under the terms of the Benefit Plan.

26.03 Supervisory employees are specifically instructed to see that all employees suffering from sickness when away from their homes or employees meeting with accidents shall receive prompt and proper attention and accommodation, and in cases where payment for the same is not covered by regulation, such matter shall be referred with recommendations to the Department Head for ruling.

26.04 Employees injured at work and are unable to work shall be eligible for compensation as follows:

For absence of one week duration or less, regular employees will be paid at basic wage rates.

Regular employees who are reported on Workers' Compensation for a period up to and including twenty-six (26) weeks shall be paid the difference between the employee's income from WCB and their net pre-accident earnings up to the maximum allowable under the Workers' Compensation Act.

All periods of time when an employee is on Workers' Compensation are considered to be "service" for all purposes. Pension, Health and Disability Benefits and Seniority will accumulate during this time. Where a monetary contribution is normally required of an employee for the employee to be entitled to any benefit referred to in this clause, the employee is responsible for and must, within a reasonable time, pay the monetary contributions.

26.05 Regular employees with insufficient service to receive any benefits and regular employees who are ill for a longer period than is covered by their benefits may be granted leave of absence without pay for the duration of their illness provided it does not exceed one (1) year. The period of leave of absence shall be deducted from the employee's service for all purposes.

26.06 The immediate supervisor may authorize wage payment to regular employees for occasional absent time arising from illness of a member of the family. Absences of this type should be of brief duration, only long enough to arrange for someone to take over the responsibilities and duties of the ill person. One day or less per occurrence should usually be adequate.

Requests to and authorization by the immediate supervisor will not be unreasonably made or withheld.

To qualify for wage payments, such situations must be unforeseen.

26.07 The Company agrees not to diminish the general level of benefits currently being provided under the Employees' Benefit Plan without consent of the Union for the terms of this Agreement. Should legislation, regulation or any similar circumstances beyond the Company's control affect any of these plans, the Company shall retain its right to modify them accordingly.

ARTICLE 27 - WITNESS, JURY DUTY & ELECTION

27.01 An employee will be excused from work without loss of basic pay while serving on Jury Duty or as a subpoenaed witness during the period actually occupied as such. No extra time or overtime will be allowed for time spent in these public duties.

27.02 Employees having the right to vote during Federal, Provincial and Civic Elections shall, on request, be granted time off with pay in accordance with the Federal, Provincial or Civic Laws.

ARTICLE 28 - BEREAVEMENT LEAVE

28.01

- (a) Employees shall suffer no loss of basic pay for absence from work during the:
 - (1) Four **(4)** working days immediately following the death of their husband, wife, common-law spouse (more than one **(1)** year), common-law children, step-children, son or daughter.
 - (2) Three **(3)** working days immediately following the death of their father, mother and guardian, brother or sister.
 - (3) Two **(2)** working days following the death of their mother-in-law, father-in-law, brother-in-law, sister-in-law, grandfather, grandmother, grandchild or any other member of their family regularly living with or being provided for by the employee.
- (b) For purposes of subparagraph (a) above, where the employee is notified of the death prior to her/his commencement of work, such day shall be counted as the first day of bereavement leave. Where, however, the employee receives notice of the death after she/he has started work, the following day shall be counted as the first day of such bereavement leave, although the employee will be able to leave work without loss of basic pay should she/he receive such notice before her/his workday is concluded.
- (c) Under special circumstances or when extensive travel is involved, the Company may, upon request, grant an employee an extension of paid bereavement leave beyond the days provided in (a) above and such request will not be unreasonably made or denied. In no case, however, shall the paid bereavement leave exceed five **(5)** working days.

- (d) An employee's Supervisor may, upon request, grant any employee time off without loss of basic pay to attend a funeral of a person not specifically listed above; the maximum time allowed for this purpose shall be one (1) day. Such request shall not be unreasonably withheld.
- (e) Days on which a bereaved employee is on vacation shall be counted as working days for the purpose of this article and vacation time shall be rescheduled.

ARTICLE 29 - MATERNITY LEAVE OF ABSENCE AND CHILD CARE LEAVE

29.01 Employees who have completed six (6) months of continuous service will be granted leave of absence for maternity and child care as provided under the Canada Labour Code:

- (a) The leave of absence will be without pay.
- (b) Pension, health and disability benefits and seniority will accumulate during the period of the leave of absence. Where a monetary contribution is normally required of an employee for the employee to be entitled to any benefit referred to in this clause, the employee is responsible for and must, within a reasonable time, pay the monetary contribution.
- (c) An employee who is pregnant is entitled to and shall be granted a leave of absence from employment of up to seventeen (17) weeks, which may commence not earlier than eleven (11) weeks prior to the estimated date of her confinement and end not later than seventeen (17) weeks following the actual day of her confinement.
- (d) Where an employee has or will have the actual care and custody of a new born child, that employee is entitled to and shall be granted a leave of absence from employment of up to twenty-four (24) weeks

commencing as the employee elects:

(i) in the case of a female employee:

(A) on the expiration of any leave of absence from employment taken by her under paragraph (c) above,

(B) on the day the child is born, or

(C) on the day the child comes into her actual care and custody, and

(ii) in the case of a male employee,

(A) on the expiration of any leave of absence from employment taken in respect of the child by a female employee under paragraph (c) above,

(B) on the expiration of any leave of absence from employment taken in respect of the child by a female employee who is entitled to such leave on account of her pregnancy under the laws of the province of Prince Edward Island.

(C) on the day the child is born, or

(D) on the day the child comes into his actual care and custody.

(e) Where an employee commences legal proceedings to adopt a child or obtains a legal order for the adoption of a child, that employee is entitled to and shall be granted a leave of absence from employment of up to twenty-four **(24)** weeks commencing on the day the child comes into the employee's care.

(9) The aggregate amount of leave of absence from employment that may be taken by two employees under paragraphs (d) and (e) above shall not exceed twenty-four **(24)** weeks.

29.02 Every employee who intends to take a leave of absence from employment under this article shall:

- (a) give at least four (4) weeks notice in writing to the Company unless there is a valid reason why such notice cannot be given and
- (b) inform the Company in writing of the length of leave intended to be taken
- (c) give at least four (4) weeks notice in writing to the Company of any change in the length of leave intended to be taken unless there is a valid reason why such notice cannot be given.

29.03 No employee shall be required to take a leave of absence from employment because she is pregnant unless the employee is unable to perform an essential function of her job and no appropriate alternative job is available for that employee. A pregnant employee who is unable to perform an essential function of her job and for whom no appropriate alternative job is available may be required to take a leave of absence from employment only for such time as she is unable to perform that essential function. The burden of proving that a pregnant employee is unable to perform an essential function of her job rests with the Company.

29.04 An employee who intends to take a leave of absence from employment under this article is entitled upon written request therefore to be informed in writing of every employment, promotion or training opportunity that arises during the period of leave for which the employee is qualified.

29.05 When an employee returns from any leave of absence under this article, that employee will be reinstated in the position that the employee occupied when the leave of absence commenced. Where for any valid reason the Company cannot reinstate an employee in the position referred to in this article, the Company shall reinstate the employee in a comparable position with the same wages and benefits and in the same location.

29.06 The Company will not dismiss, suspend, lay-off,

demote or discipline any employee because the employee is pregnant or has applied for leave of absence under this article. Neither will the Company take into account the pregnancy of an employee or the intention of an employee to take a leave of absence from employment under this article in any decision to promote or train the employee.

29.07 In addition to the Canada Labour Code, the following provisions apply:

- (a) Employees who have taken leave of absence under 29.01 (c) and 29.01 (d), and who so request, will be granted a child care leave of absence of an additional eleven (11) weeks. It is understood, however, that the Company will not be responsible for the continuation of benefits and seniority referred to in 29.01 (b) above, beyond the period of leave provided for in the Canada Labour Code.
- (b) The Company may, at any time, request a pregnant employee to provide a doctor's certificate stating she is able to continue to work. All employees returning to work after childbirth are required to provide a doctor's certificate stating they are able to resume their normal duties.

ARTICLE 30 - PART-TIME

Definition

30.01 PART-TIME EMPLOYEE means a Regular Employee as defined in Clause 7.14.

Holidays

30.02 Part-time employees receive holiday pay, in proportion to the hours normally worked, for Company holidays which fall on a day on which they are normally scheduled to work.

Floating Holiday

30.03 Part-time employees who have worked at least three (3) continuous months may choose one (1) day per calendar

year mutually acceptable to themselves and the Company for a Floating Holiday. Pay for the day will be for the number of hours scheduled to be worked on that day.

Civic Holiday

30.04 Part-time employees working in centres where a specific date has been set for a Civic Holiday and who would have normally worked had the day not been a holiday are entitled to receive their basic wage for the day.

Overtime

30.05 Part-time employees receive overtime, at the applicable rate, for hours worked over 7.5 per day or 37.5 per week. An employee who works, for example, 5 hours per day Monday to Friday would not receive overtime for hours worked on Saturday unless the total hours worked in that week exceed 37.5.

Pay Treatment

30.06 Saturday Pay: Part-time employees receive straight time for hours worked on Saturday unless all or a portion of the hours worked cause the total hours worked during that week to exceed 37.5. Should this be the case, the appropriate overtime rates would apply. The Saturday differential may also apply.

Sunday Pay: Part-time employees who are scheduled to work for any period between midnight Saturday and midnight Sunday receive "Sunday Premium Time" for the hours worked. They are also entitled to receive shift differentials.

Probation

30.07 The probationary period for a regular part-time employee shall be hours worked equivalent to six (6) months' service of a full-time employee.

Progression

30.08 Part-time employees are entitled to progressions as described in Clause 15.06.

Relief Periods

30.09 Part-time employees who work a full 7.5 hours per day are entitled to two (2) 15 minute breaks per day, one in the morning and one in the afternoon.

A part-time employee whose complete shift is four (4) hours without a meal break will receive a 15 minute break while an employee whose complete shift is five (5) hours will receive a twenty (20) minute break.

Service

30.10 Part-time employees will have service and seniority determined on a prorated basis in accordance with the proportion of full-time hours worked.

Severance Pay

30.11 Where a part-time employee is eligible for severance pay under provisions of this collective agreement, it shall be paid prorated to their basic weekly wage.

Vacation

30.12 Part-time employees will be entitled to vacation as shown in Clause 19.04 based on:

- a) Net credited service
- and/or
- b) elapsed time since last placed on the Company payroll as a regular part-time employee.

For the purpose of annual vacation selection, part-time employees shall have their seniority dates adjusted as at the end of the last pay period of the previous calendar year.

Vacation pay is prorated on the basis of hours worked during the previous vacation year compared to a regular full-time employee.

Wages

30.13 Part-time employees shall be paid that proportion of the wage rate that equals to the proportion of the regular



hours which they work. Extra hours will be paid for at straight time. (See Clause 30.05).

Limitations

30.14 The Company agrees that part-time employees are to be used only for part-time operational requirements, and that whenever practical, such positions shall be combined in order to create full-time positions. The number of part-time employees shall not exceed ten (10) without mutual consent of the Company and the Union. The scheduled hours of work per week shall not be less than the minimum number of hours required to qualify for Long Term Disability (LTD) and in any event shall not be less than fifteen (15) hours.

General

30.15 All other provisions of the Collective Agreement apply to part-time employees except where they conflict with the provisions of this Article or where it is specifically stated that the provision does not apply to part-time employees.

ARTICLE 31 - TERMS OF AGREEMENT

31.01 This Agreement shall be effective from ~~the second (2)~~ day of January, 1999, and shall continue in force and effect (subject to the provisions of Clause 31.02 below) until the d thereafter until terminated by four (4) months' notice, given in writing by either party to the other.

31.02 This Agreement may be cancelled, amended or superseded by a new Agreement at any time by the mutual consent of both parties hereto.

31.03 Upon receipt of any notification requesting any change whatsoever in the existing Agreement, the parties hereto agree to meet within thirty (30) days of receipt of such notification for the purpose of considering the matter to which such notification refers. In the meantime pending the conclusion of such negotiations, the existing Agreement shall remain in full force and effect, unless specifically

cancelled by one of the parties hereto by regular notification as provided in Clause 31.04 below.

31.04 Any notice of cancellation of this Agreement shall be made in writing by either party to the other within three (3) months of the expiry date. In the event of either party desiring to negotiate a new Agreement, the parties shall arrange to meet for negotiations as soon as possible after notice of cancellation has been served.

IN WITNESS THEREOF the parties hereto have executed this Agreement by their duly authorized officials the day and year first above mentioned:

Signed in the presence of

ISLAND TELECOM INC

Cathy Monell

Ann Buell
Director of Corporate Development and Assistant Secretary

Cathy Monell

A. David Koster
Industrial Relations & Safety Mgr.

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA

Jamie MacLeod

J.R. Cook
CEP National Representative

Jamie MacLeod

A. Macleod
Local Union President

Jamie MacLeod

Cathy Monell
Local Union Chief Steward

**ISLAND TEL
CLERICAL WAGE SCHEDULE
GRADE 6**

STEP	Jan. 3, 1999		Jan. 3, 1999		Jan. 2, 2000		Jan. 2, 2000		Jan. 7, 2001	
	Pay Equity		Weekly	Hrly.	Pay Equity		Weekly	Hrly.	Weekly	Hrly.
1	\$469.13	\$12.51	\$480.75	\$12.82	\$482.25	\$12.86	\$494.25	\$13.18	\$506.63	\$13.51
2	\$475.88	\$12.69	\$497.88	\$13.01	\$499.38	\$13.05	\$501.75	\$13.38	\$514.13	\$13.71
3	\$492.00	\$13.12	\$504.38	\$13.45	\$505.88	\$13.49	\$518.63	\$13.83	\$531.75	\$14.18
4	\$513.38	\$13.69	\$526.13	\$14.03	\$527.63	\$14.07	\$540.75	\$14.42	\$554.25	\$14.78
5	\$534.75	\$14.26	\$548.25	\$14.62	\$549.75	\$14.66	\$563.63	\$15.03	\$577.88	\$15.41
6	\$557.63	\$14.87	\$571.50	\$15.24	\$573.00	\$15.28	\$587.25	\$15.66	\$601.88	\$16.05
7	\$582.00	\$15.52	\$596.63	\$15.91	\$598.13	\$15.95	\$613.13	\$16.35	\$628.50	\$16.76
8	\$607.13	\$16.19	\$622.13	\$16.59	\$624.00	\$16.64	\$639.75	\$17.06	\$655.88	\$17.49
9	\$631.88	\$16.85	\$670.88	\$17.89	\$672.75	\$17.94	\$689.63	\$18.39	\$706.88	\$18.85

Note: The Jan. 3, 1999 rate includes \$.60 per hour on Step 9 in addition to 2.5% wage increase

**ISLAND TEL
CLERICAL WAGE SCHEDULE
GRADE 7**

STEP	Jan. 3, 1999 Pay Equity		Jan. 3, 1999		Jan. 2, 2000 Pay Equity		Jan. 2, 2000		Jan. 7, 2001	
	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.
1	\$520.13	\$13.87	\$533.25	\$14.22	\$536.63	\$14.31	\$550.13	\$14.67	\$564.00	\$15.04
2	\$528.38	\$14.09	\$541.50	\$14.44	\$544.88	\$14.53	\$558.38	\$14.89	\$572.25	\$15.26
3	\$549.75	\$14.66	\$563.63	\$15.03	\$567.00	\$15.12	\$581.25	\$15.50	\$594.75	\$15.86
4	\$574.13	\$15.31	\$588.38	\$15.69	\$592.13	\$15.79	\$606.75	\$16.18	\$621.75	\$16.58
5	\$599.63	\$15.99	\$614.63	\$16.39	\$618.38	\$16.49	\$633.75	\$16.90	\$649.50	\$17.32
6	\$625.13	\$16.67	\$640.88	\$17.09	\$645.00	\$17.20	\$661.13	\$17.63	\$677.63	\$18.07
7	\$653.63	\$17.43	\$670.13	\$17.87	\$674.25	\$17.98	\$691.13	\$18.43	\$708.38	\$18.89
8	\$682.50	\$18.20	\$699.75	\$18.66	\$704.25	\$18.78	\$721.88	\$19.25	\$739.88	\$19.73
9	\$712.13	\$18.99	\$729.75	\$19.46	\$734.25	\$19.58	\$752.63	\$20.07	\$771.38	\$20.57

**ISLAND TEL
CLERICAL WAGE SCHEDULE
GRADE 8**

STEP	Jan. 3, 1999		Jan. 3, 1999		Jan. 2, 2000		Jan. 2, 2000		Jan. 7, 2001	
	Pay Equity		Weekly	Hrly.	Pay Equity		Weekly	Hrly.	Weekly	Hrly.
	Weekly	Hrly.			Weekly	Hrly.				
1	\$550.13	\$14.67	\$564.00	\$15.04	\$573.75	\$15.30	\$588.00	\$15.68	\$602.63	\$16.07
2	\$559.88	\$14.93	\$573.75	\$15.30	\$583.50	\$15.56	\$598.13	\$15.95	\$613.13	\$16.37
3	\$580.88	\$15.49	\$595.50	\$15.88	\$605.63	\$16.15	\$620.63	\$16.55	\$636.00	\$16.91
4	\$607.50	\$16.20	\$622.88	\$16.61	\$633.38	\$16.89	\$649.13	\$17.31	\$665.25	\$17.77
5	\$634.13	\$16.91	\$649.88	\$17.33	\$661.13	\$17.63	\$677.63	\$18.07	\$694.50	\$18.52
6	\$661.13	\$17.63	\$677.63	\$18.07	\$689.25	\$18.38	\$706.50	\$18.84	\$724.13	\$19.37
7	\$691.50	\$18.44	\$708.75	\$18.90	\$720.75	\$19.22	\$738.75	\$19.70	\$757.13	\$20.11
8	\$721.13	\$19.23	\$739.13	\$19.71	\$751.88	\$20.05	\$770.63	\$20.55	\$789.75	\$21.01
9	\$751.88	\$20.05	\$770.63	\$20.55	\$783.75	\$20.90	\$803.25	\$21.42	\$823.50	\$21.91

HOUSE SERVICE										
	Jan. 4, 1998		Jan. 3, 1999		Jan. 2, 2000		Jan. 7, 2001			
	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.	Weekly	Hrly.
	\$389.25	\$10.38	\$399.00	\$10.64	\$409.13	\$10.91	\$419.25	\$11.18		

**MEMORANDUM OF AGREEMENT ON
OUT-OF-PROVINCE WORK AND
AND WORK ASSIGNMENTS WITH AN ASSOCIATE COMPANY
BETWEEN:
ISLAND TELECOM INC.
AND
THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION
OF CANADA, LOCAL 401
On behalf of its members**

This Memorandum of Agreement, dated this 3rd day of June 1999, pertains to all employees in the Clerical, Plant and Operator's bargaining units.

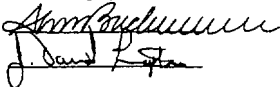
The company and Union agree as follows

In the event that an employee(s) is loaned, transferred or assigned to perform work for an associate Company, either inside or outside the province of Prince Edward Island, or assigned to perform work for Island Tel outside the province of Prince Edward Island, the Company will ensure that the employee(s) and the Union are fully advised with regard to wages, working conditions and benefits, relative to the new work assignment, before the new work assignment begins.

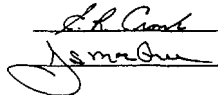
Transfers and temporary assignments within Island Telecom Inc. will continue to be governed by the terms of the Collective Agreement, and this Memorandum of Agreement will have no effect on existing rights of the parties relative to the transfer and temporary appointments within Island Telecom Inc.

Signed at Charlottetown, Prince Edward Island, this 3RD day of June 1999.

For the Company:

Handwritten signatures for the Company, including a large signature and a smaller one below it.

For the Union:

Handwritten signatures for the Union, including a signature with a horizontal line above it and another signature below it.

MEMORANDUM OF AGREEMENT ON
PENSION AND BENEFIT IMPROVEMENTS
BETWEEN
ISLAND TELECOMMUNICATIONS INC.
AND
THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION
OF CANADA, INTERNATIONAL LOCAL 401
On behalf of its members

This Memorandum of Agreement, dated this 3rd day of June 1999, pertains to all employees in the Clerical, Plant and Operator's bargaining units

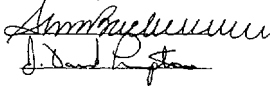
The Company and Union agree as follows:

If during the term of this Collective Agreement, any *improvements are made to pension or benefits* provided to its Clerical, Plant and Operator's employees by FMTI, such improvements will also be extended to employees of Island Telecom Inc. who are members of CEP Local 401.

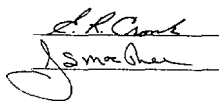
Further, the Company will meet with the Union to review such improvements prior to their introduction at Island Telecom Inc.

Signed at Charlottetown, Prince Edward Island, this 3rd day of June 1999

For the Company:

Two handwritten signatures in cursive ink, one above the other, representing the Company.

For the Union:

Two handwritten signatures in cursive ink, one above the other, representing the Union.

APPENDIX "B"

LIST OF JOB TITLES AND GRADES

GRADE	JOB TITLE
6	Central Office Clerk Clerk Typist General Clerk
7	Control Centre Clerk Service Delivery Clerk Dial Assignment Clerk Senior Clerk Plant Administration Clerk Repair Service Bureau Clerk Telemarketing Representative
a	Service Representative O.P. Engineering Clerk Senior Facilities Clerk Administration Universal Employee

- 1) Telemarketing Representative who perform complete service order processing will be upgraded to Service Representative Grade 8.
- 2) The Telemarketing Representative classification will continue at Grade 7 with the understanding that these employees are not normally expected to perform full service order processing.
- 3) General Clerk working in the Mobility Division and performing Service Representative functions on an on-going basis will be upgraded to Grade 7.
- 4) Effective with the signing of this agreement:
 - a) The Service Bureau Clerk now appears in the General Clerk Job Title.
 - b) The Assignment and Service Order Clerk and the Facilities Clerk are now the Service Delivery Clerk.

- c) **The Service Representative - Sales and the Service Representative - Mobile is combined with the Service Representative function.**
- d) **Step 9 of the grade 6 wage schedule is upgraded by \$.60 per hour. This increase is included in Appendix "A" of this agreement and is in addition to the final Pay Equity adjustment that occurs in January 2000.**

RECORD OF CONTINUITY

ISLAND TELECOM INC.

Agreement amended effective January 2, 1999, to provide the following:

- 1) Thirty-six (36) month contract expiring January 5, 2002.
- 2) Bridging of service has been reduced from 11 to 5 years.
- 3) Bumping to a job of a higher grade has been changed from "and" to satisfactorily performed on a regular basis for four months or more, "or" whose job she/he can do allowing a four week period of orientation, assessment of her/his ability to do the job.
- 4) Laid-off employee can give up recall and take severance pay. Severance pay was increased to two (2) weeks per year for each full year over five years and the 49 week maximum was also removed.
- 5) Recall - If a laid-off employee doesn't have the present ability to do the job that they are being recalled to then another employee with the present ability to do the job will be temporarily transferred into that job, pending the written approval of the union and the employee to be transferred.
- 6) Clarified that laid-off regular employees will retain their right to recall for twenty-four months.
- 7) Company time to respond to a grievance was increased to 5 days from 2 days. Also a name change was included to reflect the name change in the position. General Manager Corporate Development now refers to Director Corporate Development and Assistant Secretary.
- 8) The list of arbitrators was removed.

- 9) Language dealing with Technological Change was amended to encompass one rather than a number of affected employees. The training period was increased from 40 to 60 working days and the Technological Change - Termination Allowance was increased to 2 weeks pay for every full year of service. Other amendments were also made to the Technological Change - Termination Allowance to reflect changes made in severance pay referred to in item 4 above.
- 11) All employees will be paid by direct deposit.
- 12) COLA formula was renewed.
- 13) Hours of work for shift employees must be consecutive, except for a one-hour lunch break or a half hour lunch break by mutual agreement.
- 14) Shift differentials, meal allowances and homeboard were increased based on a percentage equal to one half of the total percentage of the general wage increase over the term of this Agreement.
- 15) The Service Bureau Clerk now appears in the General Clerk Job Title.
- 16) The Service Representative- Sales and the Service Representative - Mobile is combined under the Service Representative Job Title.
- 17) The Assignment and Service Order Clerk and the Facilities Clerk are now the Service Delivery Clerk.
- 18) The Grade 6 wage rate has been upgraded by \$.60 per hour.

19) Revised wage schedule with minimum and maximum rates (weekly/hourly) as follows:

	Jan. 3, 1999 (\$) Pay Equity	Jan. 3, 1999 (\$)	Jan. 2, 2000 (\$) Pay Equity	Jan. 2, 2000 (\$)	Jan. 7, 2001 (\$)
Grade6	469.13 / 12.51 631.88 / 16.85	480.75 / 12.82 670.88 / 17.89	482.25 / 12.86 672.75 / 17.94	494.25 / 13.18 689.63 / 18.39	506.63 / 13.51 706.88 / 18.85
Grade7	520.13 / 13.87 712.13 / 18.99	533.25 / 14.22 729.75 / 19.46	536.63 / 14.31 734.25 / 19.58	550.13 / 14.67 752.63 / 20.07	564.00 / 15.04 771.38 / 20.57
Grade8	550.13 / 14.67 751.88 / 20.05	564.00 / 15.04 770.63 / 20.55	573.75 / 15.30 783.75 / 20.90	598.00 / 15.68 803.25 / 21.42	602.63 / 16.07 823.50 / 21.96

-
- 20) The following Letters of Intent were included:
 - Maternity Leave of Absence
 - Temporary Employees
 - 21) Memorandum of Agreement was signed regarding out-of-province assignments and work assignments with an associate company.
 - 22) Memorandum of Agreement was signed regarding Pension and Benefit improvements.
 - 23) Renewed the Memorandum of Agreement on Pay Equity with the remaining adjustment scheduled for January 2000.

PAY EQUITY
MEMORANDUM OF AGREEMENT

between

ISLAND TELECOM INC.

and

LOCAL 401
COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA

The Company and the Union are committed to achieving and maintaining Pay Equity in the workplace. Any adjustments to compensation agreed to by the parties will support this objective.

The Company and the Union recognize that the joint company-Union Pay Equity Committee has fulfilled its mandate, which was to determine the relative value to the positions in the bargaining units and the amount of the Pay Equity wage gap.

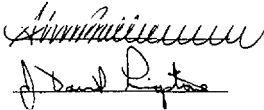
The parties have met and agreed to the first six Pay Equity adjustments which were effective January 1, 1995, January 8, 1995, January 7, 1996, January 5, 1997, January 4, 1998 and January 3, 1999.

The parties, in the fourth quarter of 1999, agreed to meet to determine the remaining Pay Equity adjustment for 2000. This payment will be effective the first pay period in the year 2000, which is January 2, 2000.

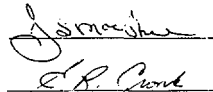
This represents the completion of the Pay Equity adjustments as agreed to by the Company-Union Pay Equity Committee.

SIGNED AT CHARLOTTETOWN, PRINCE EDWARD ISLAND, THIS 17th DAY OF January, 1999.

FOR THE COMPANY:


David Ruyton

FOR THE UNION:


E.R. Coud

PREAMBLE TO LETTERS OF INTENT

The following references are included in this document solely for the sake of convenience and shall not be construed as forming part of this collective agreement.

LETTER OF INTENT

February 11, 1999

Sheldon MacPhee
President Local 401
Communications, Energy and
Paperworkers Union of Canada
IslandTel
Summerside, PE

Service for Previously Approved Maternity Leaves of Absence

Dear Sheldon:

Currently the Company recognizes approved Maternity Leaves of Absence as service from March 1, 1985 (as per the Canada Labour Code) to the present.

Effective upon the ratification of this collective agreement, it is the Company's intention to recognize approved Maternity Leaves of Absence that occurred prior to March 1, 1985, to a maximum of seventeen (17) weeks per leave, as service for the purpose of seniority and pension.

An amended seniority list reflecting the re-calculated net credited service dates will be issued within two weeks of the ratification of this collective agreement.

This will also be included in the Memorandum of Settlement.

Sincerely,



Alan G. Buchanan
Director
Corporate Development

LETTER OF INTENT

February 3, 1999

Sheldon MacPhee
President
CEP Local 401
IslandTel
Summerside, PE

Dear Mr. MacPhee:

As a result of discussions on issues relating to the use of temporary employees, it is the Company's intention for the duration of this Collective Agreement to apply the following guidelines for the utilization of temporary employees.

1. Hire temporary employees for specific purposes and for specific periods of time. (As per Article 7.03 of this Agreement).
2. Provide the Union with notification of temporary employee hirings. (As per Article 7.03 of this Collective Agreement).
3. The use of temporary employees will be restricted to:
 - a) Seasonal demand, vacation backfill or Summer Student Program.
 - b) Replacement of regular or probationary employees temporarily
 - (I) working in another classification, or
 - (II) training, or
 - (III) off due to illness or injury, or
 - (IV) holding an acting position, or
 - (V) on maternity or child care leave.

.../2 }

Sheldon MacPhee

February 3, 1999

Page Two

- c) Specific Company Promotions (i.e. Fall Sales Campaign).
 - d) Specific projects.
 - e) The Company will not lay off a temporary employee who works at a **specific** job in a **specific** location and hire another temporary employee to work at the **same specific** Job in the **same specific location** just to **avoid** re-classification.
4. A temporary employee is assigned a headquarters when hired. A temporary employee who is temporarily assigned to another headquarters is eligible for the living and transportation allowance as described in article 23 of this collective agreement.
5. Any other use of temporary employees other than described above will be by mutual agreement between the Company and the Union.

Sincerely,



Alan G. Buchanan

Director

Corporate Development