

AGREEMENT BETWEEN

AT&T Canada Corporation
(Hereinafter referred to as the Company)



And

UNITED STEELWORKERS OF AMERICA, TC LOCAL 1976
(Hereinafter referred to as the Union)



January 1st, 2001 – December 31st, 2003

***Denotes Change From Previous Collective Agreement**

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Article One: Recognition & Jurisdiction

1.01 The signatory parties to this Agreement pledge themselves to live up to the spirit as well the letter of this Agreement, it being recognized that no agreement is any stronger than the honesty and good faith of the parties involved.

1.02 The Company recognizes the Union as the sole and exclusive bargaining representative of all employees of the Company covered by this Agreement.

1.03 The use of the masculine or feminine gender or titles in this Agreement shall be construed as including both genders and not as sex limitations unless the Agreement clearly requires a different construction.

The Collective Agreement will be published in both official languages (English and French) at Company expense and will be distributed on the basis of employee language preference.

*1.04 Definitions:

Headquarters is the place, or defined address to which an employee is assigned or appointed by posting.

Work Location - is the area incorporated within the recognized metropolitan boundaries of the city or town concerned.

1.05 The Company will 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 against an employee for reasons of that employee's pregnancy, age, marital status, family status, disability, sex, sexual orientation, race, creed, colour, national or ethnic origin, political or religious affiliation or for exercising any rights under this Collective Agreement.

The parties also agree that every employee has a right to be free from all forms of harassment and as such every employee of the company is governed by the terms and conditions of the "Mutual Respect in the Workplace Policy" as defined in the Letter of Understanding - Mutual Respect.

1.06 The Company and the Union jointly confirm their intent to further the aims of employment equity in the workplace through ongoing consultation, with a view to achieve mutual agreements to meet this objective.

*1.07 With the objective of strengthening the partnership between the company and the union and building relationships between managers and union representatives, it is agreed that the parties will continue to participate in the "Communication Model Forums". Level 3 meetings will occur at least twice a year. Contracting out and training will be discussed at these forums.

Article Two: Recognition of Management Functions

2.01 The Union recognizes that it is the exclusive function of the Company to manage the business and to direct the working forces of the Company in a manner consistent with the terms of this Agreement.

Article Three: Scope

3.01 The following rules and rates of pay shall govern the service of employees of the classification set forth herein and employed in connection with the maintenance and construction of the outside plant and cable plant of the Company and the maintenance of microwave towers and sites, with the exception of the electrical-microwave equipment therein, excluding supervisors and those above.

Such employees shall be considered as coming within the scope of this Agreement, and shall be considered as employees within the meaning of this Agreement.

Technical Classification:

Cable and Line Technician

Article Four: Seniority and Seniority Districts

4.01 The seniority and promotion Districts shall be as follows:

Western District: The Provinces of Alberta and British Columbia.

Prairie District: The Provinces of Saskatchewan, Manitoba, and that portion of Ontario west of, but excluding Armstrong and Nipigon.

Ontario District: The Province of Ontario east of, and including Armstrong and Nipigon, and west of but excluding Chalk River, Brent and Brockville.

Eastern District: That portion of the Province of Ontario east of, and including, Chalk River, Brent and Brockville, and the Provinces of Quebec, New Brunswick, Prince Edward Island and Nova Scotia.

When new Seniority and Promotion Districts are created, or the boundaries of the present Seniority and Promotion Districts are changed, employees concerned will have one (1) year from the date of change in which to exercise seniority rights on their original Seniority and Promotion District, provided that only one such move will be permitted.

4.02 Present employees have a General District Seniority (GDS) date as per last official district seniority lists prepared, posted and corrected, if applicable, in accordance with Articles 4.06 and 4.08.

Current employees of the Company and newly hired employees entering the bargaining unit will establish a General District Seniority (GDS) date equivalent to the date of entry into the bargaining unit.

4.03 New hired employees will be on probation for a period of six (6) months from date of completion of training or from appointment to a regular position. This six (6) month period may be extended upon request of the company. This probationary period will be exclusive of all time absent for any reason.

The Company, at its sole discretion, may release any employee on probation, as set out above, for any reason and such dismissal will not be subject to review beyond the level of second level manager.

4.04 Employees shall retain and continue to accumulate General District Seniority (GDS), including while on lay-off or on any other authorized leave.

4.05 Employees transferred or promoted to a temporary position not covered by the Collective Agreement shall continue to retain and to accumulate seniority rights in their district only for a period of six (6) months, at which time, all their seniority rights shall be discontinued and abolished.

Employees transferred or promoted to a permanent position not covered by the Collective Agreement shall cease accumulating seniority as of the date of transfer; however, they shall retain such seniority, for a period of two (2) years, at which time all their seniority rights shall be discontinued and abolished. Once the seniority rights of transferred or promoted employee are discontinued and abolished, he or she can only return to the bargaining unit in a bulletined vacant position for which no employees are applying, at which time he or she will establish a new General District Seniority (GDS) date.

4.06 District seniority lists reflecting names and General District Seniority (GDS) dates, will be prepared by classifications and will be posted as early as possible, but in any event, not later than

Article Four – Seniority Districts & Seniority (Continued)

February 28th and August 31st of each year, copies of which will be furnished to the President and Local Union Representative.

4.07 An employee holding seniority, who is appointed to any other classification, shall continue to accumulate seniority and appear in any former classifications on district seniority lists.

4.08 Protests in regard to seniority standing must be submitted in writing within sixty (60) days from the date seniority lists are posted. When proof of error is presented by an employee or his representatives and/or the Company, such error will be corrected and when so corrected and agreed upon, the seniority date shall be final. No change shall be made in the existing seniority status of an employee unless concurred to by the President.

Article Five: Staffing Process

*5.01 Within the District the Company will direct the workforce through assignment, recall and/or posting to meet all staff requirements.

5.02 An employee in a Technical classification, if qualified, will be required to perform any work in his own position.

5.03 When a temporary or permanent vacancy exists, the Company, may or may not fill the vacancy and in order to do it, shall apply the following method;

- A) Reassigning employees within the work location; or
- B) Recall a qualified employee on lay-off at the work location;
- C) Rebalance staff within the District,

Where there is a headquarters where a reduction in staff will occur, the Company will ask for a volunteer to be permanently reassigned to the headquarters where the vacancy exists.

If there is no volunteer, the employee with the least General District Seniority (GDS) will be reassigned or will exercise his seniority rights under article 9

Employees being reassigned as part of rebalancing, will be entitled to benefits under Article 7 of the Job Security Agreement; or

- D) The Company will post a bulletin on the district; or
- E) Employees wishing to be transferred to a position in another Seniority District will make application to their manager. Employees who transfer to a new district will be allowed to transfer full General District Seniority (GDS).
- F) The Company will Hire externally

*Note - The Company will advise the President when a vacancy will not be filled

5.04 A) When an employee is permanently assigned to a new headquarters and the move is more than thirty (30) kilometres and less than sixty (60) kilometres the employee will be eligible for the greater of: relocation costs in accordance with 5.14 and the monthly allowance of \$135.00 per month during twelve (12) months from the date of transfer to the new headquarters.

B) When an employee is permanently assigned to a new headquarters and the move is more than sixty (60) kilometres the employee will be eligible for relocation benefits in accordance with Article 7 of the Job Security Agreement.

5.05 An employee temporarily assigned to a position of any type shall return to his position at the termination of such temporary assignment.

5.06 A) Temporary relief assignments will be assigned to the junior qualified employee immediately available.

B) If the temporary relief assignment requires that an employee must change shifts, the employee will be given a minimum of forty-eight (48) hours notice.

C) If the temporary relief assignment requires that an employee must travel fifteen (15) kilometres outside his work location, he will be eligible for the appropriate mileage allowance.

Article Five – Staffing Process (Continued)

D) If the temporary relief assignment requires that an employee must be away overnight, he will be eligible for expenses in accordance with Article 16.

5.07 An employee may be temporarily assigned to work in another seniority district without forfeiting his seniority on his own district. He will not, however, accumulate any seniority rights in the district to which he is assigned. Upon the completion of his assignment on another district, he will return to his former position.

5.08 Copies of all postings covered by this Agreement and notices of award shall be posted throughout the district and copies sent to the Local Union Representative.

*5.09A) Applications to postings must reach the officer issuing the posting not later than eight (8) calendar days from the date of the posting. Such positions will be awarded to the senior qualified applicant within thirty (30) calendar days from the closing date of the posting.

B) Successful applicants will be required to remain in such position for eighteen (18) months, unless otherwise agreed to by the manager.

5.10 An employee may cancel his application within eight (8) days from the date of the posting. After the expiration of such period, he may not cancel his application except where mutually agreed to by the President and the Second Level Manager. Once appointed to the new position the employee will not be permitted to bid on his former position until it again becomes vacant.

5.11 An employee returning to duty after completion of vacation shall resume his former position. In the event such position is no longer existent, he may exercise his seniority rights in accordance with Article 9. In any event he may exercise his seniority to any position bulletined and filled during his absence providing he has the necessary qualifications and his application reaches the office of the respective hiring manager not later than seven (7) calendar days from the date of his return. But in either case, where the employee so displaced is required to receive fifteen (15) days' notice, the returning employee will not be allowed to assume the position until the expiration of this period.

*5.12 A) An employee who is laid-off must immediately register his name and address with the Local Union Representative and the proper Officer of the Company so that he may be readily located in the event of recall. A laid-off employee must inform the Company of any change to their current address and phone number during the recall period.

B) Recall rights will be for a period of one (1) year from the date of layoff.

C) The Company may recall employees in the District for work which they are qualified to perform, in order of seniority highest to lowest for work assignments of ten (10) weeks or more. If the work assignment is less than ten (10) weeks the Company may elect to use recall or elect to use a contractor at its sole discretion.

D) An employee who is recalled must report to work within four (4) days of being contacted by the Company. An extension to this time frame may be granted for good and sufficient reasons as determined by the Company.

E) A laid-off employee who does not accept the recall to work will be deemed as voluntarily

Article Five – Staffing Process (Continued)

resigning from the company. He will forfeit all seniority, have his name removed from the recall list and have his record closed in accordance with the Company's staff regulations.

F) The employment relationship of laid-off employees will end after one (1) year or, if the employee is in receipt of Job Security Benefits, one (1) year after Job Security Benefits have run out.

5.13 The Company will establish an inter-district transfer list. Employees wishing to be transferred to another seniority district will make appropriate application to the proper Officer of the Company. Such employees, if qualified, will be considered for transfer.

Employees who transfer to a new district will be allowed to transfer full General District Seniority (GDS).

*5.14 An employee when required to lead, guide and/or direct the employees assigned to them will be paid a senior rate of \$40.00 per week. The Company will determine the requirements and the number of seniors based on the needs of the business. The senior rate will be applied to the qualified senior employee(s) in a workgroup on the basis of qualifications, demonstrated skills and knowledge. Qualifications will be evaluated based on theoretical and practical examinations.

5.15 A) Provided prior notification has been given to the appropriate second level manager, as applicable, an employee will be eligible for a reimbursement of 100% of the rental cost of a suitable U-Haul or equivalent; including the cost of:

- i) daily rental (including mileage charges);
- ii) gas for rental truck;
- iii) liability and collision insurance for the rental truck;
- iv) drop-off charges.

B) An employee who relocates under the terms of this provision will be provided with:

Paid Leave:

- i) 1 - 200 kilometres - 1 day
- ii) 201 – 500 kilometres - 2 days
- iii) 500 kilometres plus - 3 days

C) An employee who has relocated under the terms of this provision will be reimbursed for 100% of the aforementioned costs by submitting a detailed expense account (receipts included) to his supervisor.

D) If an employee does not wish to move his household effects himself, he may use a commercial mover and claim the equivalent cost covered in 1. above on presentation of receipts from the mover.

E) In lieu of the above, an employee may claim \$1.25 per kilometre to a maximum of \$300.00 effective upon ratification.

F) The foregoing will be applicable for each relocation, but only once per calendar year in the case of voluntary relocation.

Article Six: Work Week for Regular and Swing Assignments

6.01 Employees shall be assigned two (2) consecutive rest days in each seven (7). Preference shall be given to Saturday and Sunday and then to Sunday and Monday. The work weeks may be staggered in accordance with the Company's operational requirements.

6.02 The term "work week" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work.

6.03 Swing assignments, consistent with service requirements, will be established by the Company to provide for rest day coverage. Such assignments may, on different days, have different starting times, duties and work locations provided such starting times, duties and work locations are those of the employee(s) relieved. Employees filling such assignments will receive their own step level on date of assignment.

6.04 Wherever possible, except by agreement between the Company and the employee concerned, a minimum of eight (8) hours will be provided between the completion of one Swing assignment and the commencement of the next.

6.05 Assigned hours and/or rest days, including those of swing positions, will be changed in accordance with the requirements of the service, but not less than forty-eight (48) hours notice of such change shall be given to the employees affected.

Article Seven: Hours of Work

*7.01 A) The hours of work, exclusive of meal period, for all permanent full-time employees covered by this agreement will be three (3) eight (8) hour shifts, in a twenty four (24) hour period, or any other locally agreed upon shift based on a 40 hour work week.

B) The hours of work, exclusive of meal period, will be:

Day Shift: eight (8) hours, beginning and ending between 6:00 a.m. and 5:00 p.m.

Evening Shift: eight (8) hours beginning at or later than 5:00 p.m.

Night Shift: eight (8) hours beginning at or later than 10:00 p.m.

The shift differential for the evening and night shift will be:

Evening Shift	Night Shift
\$1.43	\$3.07

7.02 A work day assignment will not be split more than once, or extended beyond twelve (12) hours. Split shifts will be restricted to the absolute minimum consistent with the requirements of the service.

7.03 A) Employees appointed to permanent or temporary positions will be given preference of shifts in an work group, excluding those in receipt of the senior rate or specified position, on the basis of General District Seniority.

B) Shifts will be assigned on the basis of training being sufficient.

C) Employees may only exercise seniority for choice of shifts on a permanent or temporary position on the first day of January each year.

7.04 An employee shall not be required to work more than five (5) continuous hours without a meal period, or be required to take a meal period before three and a half (3 1/2) hours continuous duty has been performed, unless otherwise agreed to by the employee concerned.

7.05 A meal period will be of sixty (60) minutes duration, but it may be lessened or increased by agreement with the employee concerned. In no case shall a meal period be less than thirty (30) minutes duration or considered as a split in the tour of duty.

7.06 Employees will be granted one short relief of fifteen (15) minutes on each portion of a shift.

Article Eight: Overtime, Call-Out, Standby

8.01 Overtime accruing within eight (8) hours service in the basic work week shall be paid at the pro rata rate. Overtime after eight (8) hours' service shall be paid for at one and one-half (1 1/2) times the pro rata rate.

8.02 Work in excess of forty (40) straight time hours in any work week shall be paid for at one and one-half (1 1/2) times the basic straight time rate except:

- A) where such work is performed by an employee due to moving from one assignment to another;
- B) where such work is performed by an employee due to moving to or from a laid-off list;
- C) where rest days are being accumulated;
- D) as otherwise agreed between the President and the proper Officer of the Company.

8.03 A) Time worked by an employee, not continuous with, before or after the regularly assigned hours, shall be paid for on the basis of a minimum of four (4) hours at one and one-half (1 1/2) times the pro rata rate for four (4) hours work or less, and the time worked in excess of four (4) hours will be computed on the basis of one and one-half (1 1/2) times the pro rata rate.

B) The Company will determine the number and location of employees required for standby. Employees when required to be on standby will be paid one (1) hour of their basic wages, at one and one-half (1 1/2) times that rate, for each eight (8) hours of standby coverage. They will be required to carry a communications device and respond promptly.

Employees called out will be paid as per Article 8.04.

No employee will be required to be on standby duty for greater than fourteen (14) consecutive days. Seven (7) days notice will be provided to employees prior to being placed on standby. Standby will be assigned on a rotational basis When practical. In the event of an emergency, qualified employees will be assigned to standby and the Union will be advised.

8.04 Restoral Call Out:

A) An employee called out to work overtime which is not continuous with, before or after the regularly assigned hours will receive a minimum call out of four (4) hours at one and one half (1 1/2) times the pro rata rate. The employee may be required to remain at work for such four (4) hour period subject to operational requirements.

An employee who is called at home and effects A restoral by instructing another technician over the telephone or who effects restoral by personal computer from home will receive a minimum call out of two (2) hours at one and one half (1 1/2) times the pro rata rate.

B) An employee called out and accepting one (1) or more trouble calls on the initial call out will be paid for one (1) four (4) hour call out. Time worked in excess of the minimum call out period will be paid at one and one half (1 1/2) times the pro rata rate.

C) In the event another trouble call arises during the course of the initial call out the employee will not be entitled to another four (4) hour call out unless the original trouble call(s) have been brought to a satisfactory closure and the employee has been released from the original call out.

D) Call out will not be paid if prior approval for a Call out from the duty officer or supervisor was not authorized, unless other arrangements are authorized.

Article Eight – Overtime, Call-out, Standby (Continued)

E) Call outs which become continuous with, before or after an employee's regular working hours will receive the appropriate overtime rate for the number of hours from call out to/ from regular working hours. No minimum applies.

8.05 Employees, if required to work on regularly assigned rest days (except when these are being accumulated as provided for in Article 6), shall be paid at the rate of time and one-half for all time worked with a minimum of four (4) hours for which four (4) hours service may be required.

8.06 Overtime will be distributed as equitably as practicable.

When a problem is identified by the Local Union Representative, the local manager shall meet with him or her to discuss and agree upon an appropriate procedure to ensure equitable distribution at the specific locations.

8.07 An employee working overtime for which he is entitled to payment at the rate of time and one-half his regular wage rate shall have the option of receiving equivalent time off with pay in lieu of.

Banking of overtime shall be limited to a maximum of (40) hours and will be liquidated on July 1 and December 31 each year. Overtime banked in the last fifteen (15) calendar days of each period may be carried over to the following period. Time off entitlement will be based on the actual wage rate of the employee at the time overtime accruals were earned. Payment for time taken will be made through normal pay period procedures.

Requests for time off (minimum four (4) consecutive hours) shall be made not less than fourteen (14) requirements necessitate, the Company shall have the right to defer such requests. Time limits and minimum period of leave may be waived by mutual agreement between the employee and the supervisor. Requests for specific days off will not be unreasonably withheld. Time off will not be granted when it directly results in additional overtime.

Employees may request payment of banked overtime on fourteen (14) days notice at which time all such monies owing will be liquidated.

8.08 An employee who works more than two (2) hours of overtime continuous with the end of his regular tour will be allowed a twenty (20) minute paid meal period. Such period will not be taken at the end of the shift.

8.09 A) Employees, except those travelling to or from a training course, will be paid regular time rates for time spent travelling outside of regularly-assigned hours of duty on order of the Company

B) Employees who are selected for training will, if required too, travel to the training location, Suffer no loss of wages while in transit but will not be paid for time spent travelling outside normally assigned hours nor on rest days.

Article 9: Staff Reduction

9.01 A) Effective from ratification, the Company shall provide the President / Designate, within ninety (90) days, advance notice of all lay-offs and displacements.

B) All lay-offs or displacements of all employees will be governed by the terms and conditions of the Collective Agreement and the Job Security Agreement.

C) The Company shall give an employee who is being displaced or laid-off and who has completed the required probationary period and has established seniority, at least fifteen (15) calendar days notice in writing.

D) The employee, upon receipt of notice of lay-off or displacement must, within three (3) calendar days, advise his/her supervisor and the second level manager of his/her intention to invoke the options provided under this Article. The employee may still exercise his options after the three (3) days notice has expired, but will not be paid for additional time necessary to provide proper notice, fifteen (15) days, to another employee being displaced.

9.02 A) Prior to issuing the lay-off notice to the employee, the Company will issue an Early Retirement Separation Allowance in accordance with the Job Security Agreement to eligible employees (54 years of age or older) in the classification at the work location first. If no one accepts, it will then be offered in the Job Security Eligibility Territory (JSET). If an eligible employee accepts this allowance and takes early retirement the lay-off notice will be rescinded by the Company.

B) If no eligible employee accepts E.R.S.A. the Company will issue a Voluntary Severance Allowance (VSA) in accordance with the Job Security Agreement to eligible employees (53 years of age or less) in the classification at the work location first. If no one accepts, it will then be offered in the Job Security Eligibility Territory (JSET). If an eligible employee accepts this allowance and takes voluntary severance the lay-off notice will be rescinded by the Company.

9.03 In the event of a staff reduction in any Technical classification, the employee with the least General District Seniority (GDS) in the work location, in the classification in which the reduction is being effected will be laid off first.

A) The employee whose position is abolished or who is displaced will be eligible for a Voluntary Severance Allowance (VSA); or

B) The employee whose position is abolished or who is displaced may elect voluntary lay-off and will be eligible to receive fifty percent (50%) of his weekly lay-off benefit entitlement contained in the Job Security Agreement. Such employee will not be subject to the recall provisions contained in Article 5; or

C) The employee whose position is abolished or who is displaced will, if qualified or qualified for training, have the option of exercising his General District Seniority (GDS) to displace in the permanent work location where the junior is located, in his Job Security Eligibility Territory (JSET), as defined in the Job Security Agreement, in any Technical classification; or

D) The employee whose position is abolished or who is displaced will, if qualified or qualified for training, have the option of exercising his General District Seniority (GDS) to displace in the permanent work location where the junior is located, in the seniority and promotional district, in any Technical classification. If by exercising this option, such an employee is not able to retain a position, he will be eligible to participate in the benefits contained in the Job Security Agreement.

E) An employee who exercised the option provided for in paragraph C) and who is later

Article Nine – Staff Reduction (Continued)

displaced from the permanent work location by a senior employee will have the option, if he is not entitled to or does not accept the benefits provided for in Article 9.02 and 9.03 A), of exercising his seniority rights under paragraph D) or elect voluntary lay-off under paragraph B). Such employee will only be entitled, upon request, to receive relocation benefits under Article 7 of the Job Security Agreement for one of his displacements; based on the original lay-off.

F) An employee who exercised the option provided for in paragraph C) and who is later displaced or laid off as the result of his permanent work location ceasing to be permanent will have the option, if he is not entitled to or does not accept the benefits provided for in Article 9.02 and 9.03 A), of exercising his seniority rights under paragraph D) or may elect voluntary lay-off and will be eligible to receive weekly lay-off benefits contained in the Job Security Agreement.

G) An employee who does not exercise any of the options provided in A), B), C), D), will forfeit all General District Seniority (GDS) and classification seniority, be deemed as voluntarily resigning from the Company, and have his record closed in accordance with the Company's staff regulations.

9.04 Employees who are on lay-off will be recalled in accordance with Article 5.

Article Ten: Training

10.01 The Company will select the employees to be trained and will provide training facilities and instruction to the number necessary to meet staff requirements resulting from business demands, technological developments, promotion, etc.

Article Eleven: Application of Wage Scales

11.01 All Technical employee salaries will be in accordance with single ladder structure rates Appendix "A".

11.02 A) New employees will normally commence employment at the entry level rate.

B) A starting rate may be paid in excess of the entry level rate based on the level of previous experience and/or technical knowledge.

C) A new employee, who has successfully completed his training requirements and who has not completed one (1) year service may have his rate adjusted upward by a maximum of two (2) steps based on performance, demonstrated ability and experience. Notice of such will be provided to the applicable Local Union Representative.

11.03 Salary progression to higher steps for which an employee is eligible will be based on:

A) **Normal Progression:** Six (6) month adjustment, based on satisfactory job performance from date of hire.

B) **Promotion:** Immediate adjustment of one step level. Such promotion will not affect normal step rate progression as per article 11.03 A).

C) **Performance Review:** An employee's performance will be evaluated every six (6) months. If any employee's performance is not satisfactory, his scheduled salary increase may be withheld. He will be so advised in writing thirty (30) days prior to the date on which such salary increase was due. During the following thirty (30) day period, he will have an opportunity to improve his performance to the necessary standard. In such an event, he will be granted his scheduled salary increase on the original date. If his performance does not improve sufficiently during this period, but does at a later date, his salary increase shall be made effective from the first day of the month following the date on which he qualifies.

11.04 Authorized absences not exceeding thirty (30) calendar days in any six (6) month period shall be counted for the purpose of step rate progression.

An employee who has achieved the maximum step level of a position, and as a result of staff reduction is required to accept a position with a lower maximum step level, will automatically receive the maximum step rate of the higher rated position again, at such time as he is assigned or posted back to that position.

11.05 The pay period for all employees shall be on the basis of every two weeks. Pay day for all employees shall be every second Thursday. The Company will give the Union thirty (30) days notice before any change in the pay day.

Article Twelve: Technological Change

12.01 The Company will consult with the Union in order to assist employees whose terms and conditions of employment are affected by substantial technological changes. A minimum of three (3) months notice of such technological change will be provided to the Union. Such notice shall provide a description of the change.

12.02 When a notice is issued under Article 12.01 and it becomes known to the Employer that the change will be delayed for reasons over which the Employer has no control, advice will be issued to the Union concerned, and employees involved explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.

12.03 On the introduction by the Company of technological, operational, and/or organizational changes of a permanent nature, the provisions relating to the Job Security Agreement, as applicable, will govern.

Article Thirteen: General Holidays

***13.01** An employee who qualifies in accordance with Article 13.05 shall be granted a holiday with pay on each of the following general holidays:

All Provinces:

1. New Year's Day
2. Good Friday
3. Victoria Day
4. Canada Day
5. Labour Day
6. Thanksgiving Day
7. Christmas Day
8. Boxing Day
9. Floater - A locally agreed upon day throughout the year provided the employee gives his manager 30 days notice of which date he is requesting.

New Brunswick:

1. New Brunswick Day
2. Remembrance Day

Prince Edward Island:

1. Easter Monday
2. Remembrance Day

Quebec:

1. St. Jean Baptiste Day
2. The first Monday in August.

Nova Scotia, Saskatchewan, Ontario, Alberta, Manitoba and British Columbia:

1. Civic Holiday (the first Monday in August)
2. Remembrance Day

13.02 When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

13.03 In order to qualify for pay for any one of the holidays specified in clause 13.01, an employee:

A) must have been in the service of the Company and available for duty for at least thirty (30) calendar days. This clause (A) does not apply to an employee who is required to work on the holiday;

B) must be available for duty on such holiday if it occurs on one of his work days excluding vacation days, except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday, or who is in receipt of, or who subsequently qualifies for, weekly sickness benefits because of illness on such holiday. A regularly assigned employee who is required to work on such general holiday shall be given an advance notice of four (4) calendar days, except for unforeseen exigencies of the service, in which case he will be notified not later than the completion of his shift or tour of duty immediately preceding such holiday that his services will be required;

C) must be entitled to wages for at least twelve (12) shifts or tours of duty during the thirty (30) calendar days immediately preceding the general holiday. This clause (C) does not apply to an employee who is required to work on the holiday.

Article Thirteen – General Holidays (Continued)

13.04 A qualified employee whose vacation period coincides with any of the general holidays specified in clause 13.01 shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

13.05 An employee who does not qualify under clause 13.03 with respect to pay for a general holiday and who is required by the Company to work on that day shall be paid in accordance with the provisions of Articles 7 and 8 of this Agreement as applicable.

13.06 An assigned employee qualified under clause 13.03 and who is not required to work on a general holiday shall be paid eight (8) hours' pay at the straight time rate of his regular assignment.

13.07 In the application of clauses 13.06 for weekly rated employees, "eight (8) hours' pay at the straight time rate" shall be deemed to be a day's pay as calculated according to clause 13.13.

13.08 An employee qualified under clause 13.03 and who is required to work on a general holiday shall be paid, in addition to the pay provided in clauses 13.06 at a rate equal to one and one-half (1 1/2) times his regular rate of wages for the actual hours worked by him on that holiday with a minimum of three (3) hours for which three (3) hours service may be required but an employee called for a specific purpose shall not be required to perform routine work to make up such minimum time. When more than one shift is worked by an employee on a general holiday, the provisions of Article 13.06 shall apply to the first shift only.

As an alternative, the Company may require that qualified employees who are required to work on a general holiday be paid at straight time rates and bank whatever overtime is accruable to them under the foregoing provisions.

Earned time off will be taken during the current three (3) month period or carried forward to the following quarter when the holiday worked occurs in the last fifteen (15) days of the period.

Employee requests for time off entitlement to be continuous with normal rest days, will be granted.

Where operational requirements prohibit time off in lieu of or when mutual agreement cannot be reached, payment for time earned will be granted when that determination is made, but no later than the end of that quarter.

13.09 Shifts or tours of duty commencing between 12:00 midnight on the day of the general holiday and 11:59 p.m. on the night of the general holiday, both times inclusive, shall be considered as work on that holiday.

13.10 The daily rate of pay for weekly rated employees shall be the weekly rate divided by five.

13.11 In the application of this Article it is the intention to rotate the staff as far as it is possible to do so consistent with service requirements.

13.12 A) Employees will be assigned, based on the most junior qualified on any particular shift within a work group where the need exists, to fulfil overtime requirements. Should the need to assign occur with subsequent holidays, then the next most junior qualified employee, on the shift for which the requirement exists, would be assigned providing he has not previously worked overtime on a statutory holiday.

B) The above process is to be repeated until such time as all employees of a particular shift have worked overtime on a statutory holiday.

C) Once all the employees of a particular shift in a work group have worked overtime on a statutory holiday, within a calendar year, then the need for any additional requirements will

Article Thirteen – General Holidays (Continued)

be met by the Company assigning the most junior qualified employee(s) from another shift who has not yet worked overtime on a statutory holiday.

Article Fourteen: Vacations

*14.01 Vacation earned in any one calendar year will be taken during the following calendar year except with regards to newly hired employees who will be given, at date of hire, a minimum of 1 day off for every month between their date of hire and the end of the year, to a maximum of 10 days. In the following year, the employee will be granted 2 weeks vacation regardless of their cumulative calendar years of service.

*14.02 Vacation entitlement will be based on the completion of cumulative calendar years of service, as at the proceeding December 31st, as outlined in the following table. The same entitlement applies to each subsequent calendar year, until a higher entitlement is attained as outlined in the following table.

New Hires - see article 14.01

Less than 2 years service – 2 weeks paid vacation
2 years service – 3 weeks paid vacation
8 years service – 4 weeks paid vacation
18 years service – 5 weeks paid vacation
26 years service – 6 weeks paid vacation

*14.03 Where an employee has five (5) weeks or more vacation entitlement, unless prior approval is obtained, he will not be able to take more than 4 consecutive weeks at one time.

When an employee has six (6) weeks vacation entitlement, the company will have the option of paying the employee at pro-rata rates for the sixth week.

14.04 When an employee wishes to take vacation in January/February and when such times are available; then the employee may advise the Company of such request by December 15 of the preceding year. Requests for vacation dates will be honoured on the basis of general district seniority and will appear on the vacation lists circulated in January as the first choice for only those employees required to exercise their seniority to acquire that preferred time.

Article Fourteen - Vacations

14.05 An employee will be compensated for vacation at the rate of the position which he would have been filling during such vacation period.

14.06 Vacation days shall be exclusive of the assigned rest days and the general holidays specified in Article 6 and Article 13 of the Agreement.

14.07 Provided an employee renders compensated working service in any calendar year, time off duty on account of bona fide illness, injury, authorized pregnancy leave, leave to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any calendar year shall be included in the computation of service for vacation purposes.

14.08 An employee who has become entitled to a vacation with pay shall be granted such vacation within a twelve (12) month period immediately following the completion of the calendar year of employment in respect of which the employee became entitled to the vacation.

14.9 An employee who, due to sickness or injury, is unable to take or complete his annual vacation in that year shall, at the option of that employee, have the right to have such vacation carried to the following year.

14.10 An employee who, while on annual vacation, becomes ill or is injured, shall have the right to terminate (temporarily) his vacation and be placed on weekly indemnity. An employee who is again fit for duty shall immediately so inform the Company officer in charge, and will continue his vacation if within his scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be mutually agreed between the proper officer of the Company and the authorized local Union representative.

14.11 An employee terminating his employment for any reason at a time when an unused period of vacation with pay stands to his credit shall be allowed vacation calculated to the date of his leaving the service, as provided for in Article 14.02 inclusive, and, if not granted, shall be allowed pay in lieu thereof.

14.12 An employee who is laid off shall be paid for any vacation due him at the beginning of the current calendar year and not previously taken, and if not subsequently recalled to service during such year shall, upon application, be allowed pay in lieu of any vacation due him at the beginning of the following calendar year.

***14.13** Each year in January, the Company will circulate a vacation list(s) at each workgroup. Vacation selection will be based on allowing a minimum of 15% of the staff on the vacation list being off at any one time. When making this calculation, if the fractional part of the result is equal to or greater than 0.5 then the number will be rounded up.

The list will be circulated in order of greatest district seniority and each employee will make his first choice. Once the list has been circulated to all employees, it will start over for a second and, if necessary, a third time for the balance.

Article Fourteen - Vacations

14.14 Unless otherwise mutually agreed, employees who do not apply for vacation in the manner as provided in Article 14.13 shall be required to take their vacation at a time to be prescribed by the Company.

14.15 An employee who is entitled to vacation shall take same at the time scheduled. If, however, it becomes necessary for the Company to reschedule an employee's scheduled vacation dates, he shall be given at least fifteen (15) working days advance notice of such rescheduling and will be paid at the rate of time and one-half his regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which he is entitled will be granted at a mutually agreed upon later date. This Article 14.15 does not apply where rescheduling is a result of an employee exercising his seniority to a position covered by another vacation schedule.

14.16 The vacation dates for an employee who is the successful applicant for a regular or temporary vacation relief position will be assigned, as far as is practicable, to permit him to take his vacation on the dates requested, seniority permitting. In the event that he is required to perform vacation reliefs during such period, his vacation will be deferred to a later date when not required as a relief employee. In such event, he will be paid for his vacation at the rate of the position occupied on the dates he would otherwise have been assigned vacation.

14.17 In the selection of vacation dates in accordance with Article 14.13, employees will be allowed to divide their allotted vacation entitlement in accordance with the following:

- A) The vacation will be taken in segments of not less than one (1) week;
- B) Employees will select their first segment in order of seniority in accordance with Article 14.13;
- C) Each subsequent selection of remaining vacation entitlement will be in order of seniority to be selected after the initial vacation selections for that vacation list have been completed;

14.18 Employees desiring an advance vacation payment must make application for same not later than five (5) weeks prior to commencing their vacation. The advance vacation payment shall be for complete weeks only and shall be equal to their rate at the time of application less an appropriate amount to cover standard deductions. An employee may make only one request for an advance against vacation pay in each calendar year.

Article Fifteen: Expenses

*15.01 A) Expenses will be paid by the Company when the employee (except the employee selected for training) cannot return home or is assigned to work more than one hundred and fifty (150) kilometers outside his headquarters.

B) Expenses will be paid by the Company when the employee is selected for training and is required to travel from his permanent work location to the training location.

*15.02 Expenses for which eligible employees will be entitled will be as follows:

A) Meal Allowance:

Meal	Jan 1/2001	Jan 1/2002	Jan 1/2003
Breakfast	\$7.00	\$7.50	\$8.00
Lunch	\$10.50	\$11.00	\$11.00
Dinner	\$23.50	\$23.50	\$24.00
TOTAL	\$41.00	\$42.00	\$43.00

Allowances listed are all inclusive amounts to which employees who fulfil eligibility requirements at the time a meal period is allotted, are entitled. The above amounts may be increased at the discretion of the Second Level Manager in cases of high cost areas or unusual circumstances. No receipts are required. The Company reserves the right to provide for meals in lieu of above expenses.

B) **Accommodation:** Employees assigned to duties which prevent them from returning home at night will be allowed actual reasonable expenses for hotel accommodation (receipt required) or in lieu thereof an amount of \$34.00 per night for accommodation of choice (no receipt required). The Company may arrange hotel accommodation in advance.

Effective January 1, 2002 the Accommodation amount will increase to \$35.00.

Effective January 1, 2003 the Accommodation amount will increase to \$36.00.

C) **Transportation:** Transportation charges including train, airplane, taxi and/or public transportation will be provided by the Company as authorized and directed by the responsible supervisor in advance. Receipts are required.

D) **Miscellaneous:** Where an assignment requires an employee to be away from home for two (2) or more consecutive nights, he will be entitled to claim a miscellaneous allowance of \$7.00 per night retroactive to the first day of the assignment.

Where an assignment required an employee to be away from home for more than seven (7) consecutive days, he may claim for each such period actual reasonable laundry expenses. Receipts are required.

When away for more than one day he will be entitled to five(5) minutes of calling per day on the AT&T Canada LDS network using a Company supplied prepaid calling card. Calls made on the competitors' networks, will not be reimbursed unless pre-approved by his manager or in an emergency.

E) **Advance on Expenses:** Where required, a reasonable amount of money for expenses will be advanced by the Company.

Article Fifteen – Expenses (Continued)

15.03 Employees, when working away from their regular headquarters, may, when the work situation will permit, be allowed to return home for their rest days, provided:

A) Proper Company official is advised

B) they are available at the work location at the assigned starting time at the beginning of the regular work week; and

C) the expense including travel time involved will not exceed that which would be incurred had they remained at the work location on their rest days.

Notwithstanding the above, such employees will be allowed to return home for their rest days no less frequently than every two (2) weeks or that employee will be guaranteed a minimum eight (8) hours work at premium rates through that rest period.

*15.04 Where the use of a personally-owned automobile is authorized, the allowance paid shall be 34 cents per kilometre.

Effective January 1, 2002 the Mileage amount will increase to 35 cents per kilometre.

Effective January 1, 2003 the Mileage amount will increase to 36 cents per kilometre.

Article Sixteen: Leave of Absence

16.01 Employees elected Division Officer, as well as Local Chairperson for each seniority and promotional district shall be granted leave of absence without pay, for Union business. A request for leave of absence, stating the duration of the absence, will be submitted in writing to the immediate supervisor at least three (3) working days prior to the date requested. Emergency situations requiring their presence will not require such written notice, subject to advising and receiving approval from their immediate supervisor. Such approval will not be unreasonably withheld.

16.02 If convenient and on request of the Local Chairperson, an employee not included in Article 16.01 will be granted leave of absence without pay in accordance with the Company regulations, for the purpose of attending to business in connection with this Agreement.

16.03 A) An employee, at the discretion of the Company and in accordance with Company rules and regulations, may be granted up to three (3) months leave of absence without pay in any twelve (12) month period. The employee will apply for such leave of absence in writing. If such leave is granted, he will be required to report back for duty on or before the expiry date of such approval.

B) However, in the event of sickness or other bona fide reason, additional or extended leave of absence in accordance with Company's rules and regulations may be granted, but in each case the employee shall obtain approval in writing prior to the expiry date of the authorized leave.

16.04 An employee on authorized leave of absence shall continue to accumulate seniority while on such leave, and his name shall be continued on the seniority list for the classifications in which he has established seniority rights.

16.05 A) An employee returning to duty for a temporary period after leave of absence granted for educational purposes will be returned to his former classification and step level provided there is a vacant position available for which qualified. In all other cases, an employee returning to duty after leave of absence shall resume his former position and step level. In the event such position is no longer existent, he may exercise his seniority rights in accordance with Article 9.

B) He may also exercise his seniority to any regular position bulletined and filled during his absence, providing he has the necessary qualifications and his application reaches the office of the respective hiring manager not later than seven (7) calendar days from date of his return. However, where the employee so displaced is required to receive fifteen (15) days' notice, the returning employee will not be allowed to assume the position until the expiration of this period.

16.06 Any employee participating in a joint meeting required by the Company will suffer no loss of wages and will be considered as if working for all purposes.

16.07 Employees elected as Division Officers or Local Chairperson for each promotion and seniority district, when granted, in accordance with the provisions of the agreement, a leave of absence without pay of up to thirty (30) calendar days duration, for union business, shall suffer no loss of benefits under Article 21

Article Seventeen: Bereavement Leave

17.01 Upon the death of an employee's spouse, child, parent, brother, sister, step-parent, father-in-law or mother-in-law, the employee shall be entitled to three (3) days bereavement leave without loss of pay provided he has not less than three (3) months cumulative compensated service. The employee will be granted up to three (3) days bereavement leave for the purpose of attending the funeral upon the death of the employee's grandchild or grandparents. It is the intent of this article to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his regular wages for that period to the employee to whom leave is granted.

17.02 In the application of this Article, spouse will include a common-law spouse as defined in Section 2(1) of the Canadian Human Rights Benefits Regulations, provided the employee has informed the Company of the common-law relationship for purposes of benefits under this Agreement.

17.03 If qualifying under 17.01 or 17.02, in the case where the employee is named the executor of a will, up to five (5) additional days leave of absence without pay may be granted, provided the employee has notified his manager.

Article Eighteen: Corrective Action

18.01 An employee shall not be disciplined or discharged except for just cause.

18.02 An employee who has completed his probationary period will not be subject to corrective action or disciplined until his case has been thoroughly investigated by the Company.

18.03 When an employee is required by the Company to attend a formal review meeting, the employee and Union Local Representative will be notified in writing two (2) working days in advance. The employee will have the assistance of one or two fellow employees or a Union representative unless the employee objects.

18.04 An employee may be held out of service in the event of a dismissable offence for a period not exceeding five (5) days pending the investigation of his case.

18.05 Any decision resulting in corrective action will be rendered within thirty (30) days from the acknowledgement of the incident giving rise to corrective action. The date of acknowledgement shall be established upon request.

Such notice will contain the reasons for the corrective action and a copy will be forwarded to the Union within seven (7) calendar days of the decision, unless the employee refuses to allow such.

This time limit may be extended by mutual agreement between the Company and the Union.

18.06 When the Company concludes that an employee's conduct justifies discharge for just cause, the Company will notify the employee and the Union in writing that it will discharge him/her at the end of an immediate suspension period of three (3) working days, during which the employee may appeal to a Senior Company officer. The Company officer must meet the employee and the Union Representative within the three (3) day period and within 48 hours of this meeting state in writing to the employee and Union that the discharge is sustained, modified or revoked.

18.07 Should the employee be exonerated and no discipline imposed, he/she shall be paid for any time lost, with a maximum of one (1) day's pay for each twenty-four (24) hours.

Article Nineteen: Grievance Procedure

*19.01 A grievance concerning interpretation or alleged violation of this Agreement, or an appeal by an employee who believes that he has been unjustly dealt with, shall be processed in the following manner:

It is understood that prior to filing a step 1 grievance the employee (with the assistance of the Local Union Representative and the employee's manager shall take every reasonable step to resolve the issue.

It is further understood that an employee may use the communication model as an alternative process to resolve issues without forfeiting his right to the grievance process.

Step 1: The aggrieved employee shall present his grievance in writing, identifying the Article(s) of the Collective Agreement alleged to have been violated and the remedy(ies) sought to his immediate manager within thirty (30) calendar days following the cause of the grievance. The manager will render a decision in writing within fourteen (14) calendar days. Following receipt of the employees grievance a copy of the companies decision at Step 1 will be sent to the Union.

Any mutual agreement to resolve a grievance at this step between the employee, Union Representatives and Company Representatives will be done without precedent.

If an employee chooses to use the communication model process in an attempt to resolve an issue, the above time limits to file a Step 1 grievance will begin on the day of the level 2 communication model meeting decision.

Step 2: If the grievance is not settled at Step 1, the President, or in his absence his accredited representative may within thirty (30) calendar days following receipt of the decision rendered at Step 1, appeal the decision, in writing, identifying the Article(s) of the Collective Agreement alleged to have been violated and the remedy(ies) sought to the appropriate second level manager. The appropriate second level manager will render a decision in writing within thirty (30) calendar days following receipt of the appeal. In the event of a discharge, the employee may file a grievance at Step 2 of the grievance procedure.

Step 3: If the grievance is not settled at Step 2, the President may progress the grievance within thirty (30) calendar days to arbitration in accordance with Article 20.

It is understood that any unresolved step 3 grievances may be discussed at a level 3 communication model meeting prior to referring the grievance to arbitration.

Grievance / Arbitration Committee – The Grievance / Arbitration Committee will meet on a quarterly basis to review, resolve and make decisions on grievances submitted to arbitration.

19.02 A) Policy grievances may be initiated by the Local Union Representative or the President at Step 2 within thirty (30) calendar days following the acknowledgment of the cause of the grievance but in any case not longer than ninety(90) calendar days from the cause of the grievance.

B) A policy grievance initiated by the President will be forwarded to the Director, Labour Relations for resolution.

C) Policy grievances may relate to disputes concerning the meaning, interpretation, or alleged violation of this Agreement but in no case will a policy grievance be issued for the purpose of by-passing the appeal process for an employee who believes he has been unjustly dealt with.

Article Nineteen – Grievance Procedure (Continued)

19.03 The settlement of a grievance shall not under any circumstances involve retroactive pay beyond a period of one hundred and twenty (120) calendar days prior to the date that such grievance was submitted.

19.04 Any grievance not progressed within the prescribed time limits shall be considered settled on the basis of the last decision and shall not be subject to further appeal. Where a decision is not rendered by the appropriate officer of the Company within the prescribed time limits, the grievance may be progressed to the next step in the Grievance Procedure.

19.05 When a grievance based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate Officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

19.06 The time limits specified at Step 1 shall be extended for the duration of an absence from work on account of a bonafide illness or the authorized leave of the grieving employee. Any other time limits will be extended for thirty (30) calendar days when mutually agreed.

19.07 Upon request from either party, a pre-arbitration committee will meet and identify both parties positions as to all relevant issues and remedies. The parties cannot subsequently change their positions at the arbitration except to the extent they become aware of new fact(s). Each party must advise the other of such new fact(s) as soon as it becomes aware of the new fact(s).

Article Twenty: Arbitration

*20.01A) Any grievance which is not settled to the satisfaction of the Union or the Company may be progressed to arbitration by written notice to the Director, Human Resources or the President within thirty (30) calendar days following the receipt of the decision at Step 2 or the due date of such decision if not received. If not so submitted within the time stipulated, the grievance shall be considered settled on the basis of the last decision.

B) With the intention of having a simplified and accelerated system of Arbitration an expedited Arbitration process may be used with mutual agreement by the parties. If such process is agreed to by the parties for the resolution of the grievance, it is understood that both parties will meet within 30 days to establish the guidelines for the expedited process.

20.02 Grievances shall not be subject to arbitration which involve:

A) any request for a modification of this Agreement

B) any matter not covered by this Agreement

C) any matter which by terms of this Agreement is exclusively vested in the Company

20.03 The grievance shall be submitted to a single arbitrator except as provided hereafter. The parties shall endeavour to select an arbitrator from mutually agreed to lists within fifteen calendar days of submission:

When both parties mutually agree not to select an arbitrator from the approved lists, then the parties may agree on an alternate arbitrator. If agreement is not reached, the party requesting arbitration shall then request the Minister of Labour to appoint an arbitrator.

20.04 A party desiring that the dispute be submitted to an Arbitration Board shall so request in the arbitration notice. The other party must agree or disagree within fifteen (15) calendar days and, in accordance with the acceptance or refusal, article 20.03 or 20.05 will apply.

20.05 Where an Arbitration Board is to be established it shall be established within thirty (30) days from the date of the application for same is filed and shall consist of three (3) members, one of whom shall be selected by the Union and one of whom shall be selected by the Company and a Chairperson selected by the two (2) first-mentioned members of the Board. In the event of the failure of the two (2) members of the Board so selected to agree upon the selection of a Chairperson, the matter may be referred by either member to the Minister of Labour for Canada, who shall choose the Chairperson.

20.06 In the event of any vacancy on the Board occurring by reason of death, incapacity or resignation, or for any other reason, such vacancy shall be filled in the same manner as is provided herein for the establishment of the Board in the first instance.

20.07 The decision of the sole Arbitrator or the Board shall be limited to the dispute or question contained in the statement or statements submitted to it by the party or parties. The decision of the sole Arbitrator or Arbitration Board shall not change, add to, vary or disregard any provisions of this Agreement.

20.08 Decision(s) of the sole Arbitrator or the majority of the members of the Arbitration Board which are made under the authority of this arbitration article, shall be final and binding upon the Company, the Union, and all employees concerned. If there is no majority decision, the decision of the Chairperson shall be the decision of the Board.

Article Twenty – Arbitration (Continued)

20.09 The Union shall pay the fees and expenses of the member chosen by it; the Company shall pay the fees and expenses of the member chosen by it; the fees and expenses of the Chairperson or sole Arbitrator shall be divided equally between the Company and the Union.

20.10 If in the application of the arbitration procedure either the Union or the Company raises any question as to whether a grievance is arbitrable, such question shall be submitted for decision to the Arbitrator or Arbitration Board established as provided herein to deal with the grievance giving rise to the question.

20.11 Arbitration hearings for employee initiated grievances or policy grievances will be held either at Toronto, Vancouver, or Montreal at the request of the Union.

Article Twenty-one: Employee Benefit Plan

21.01 The cost of the following benefits contained in Article 21 will be shared:

- 75% Company
- 25% Employee

- Life Insurance Accidental Death & Dismemberment
- Short Term Disability Long Term Disability
- Dental
- Extended Health Care

In the application of this Article, spouse will include any person, who is living with that person for at least a year, if the two persons have publicly represented themselves as husband and wife, or as an analogous relationship, provided the employee has informed the Company of the common law relationship for purposes of benefits under this Agreement.

It is agreed between the parties that should the Company introduce Premium Sharing for its benefit programs during the term of this agreement that the following principles will be used:

- The premium split will be 75% Company paid and 25% Employee paid.
- The employee premium will be 25% of the total premium cost to a maximum of:

Single	Family
\$25.00	\$50.00

- Deductibles of \$25.00 / single and \$50.00 / family for health and dental.
- Allocation will be done in a tax effective manner.

Note: Union accepts the concept of employee costs increase but agreement depends on split premiums (active-retiree) and reduced cap for family.

21.02 Employee Benefit Plans will be provided for employees covered by this Agreement subject to the terms of the policies with the underwriters unless otherwise specifically noted.

21.03 Benefits will be provided through policies with carriers selected by the Company. The President will be advised in advance of any change in carriers and may request a meeting to discuss such change. A copy of policies shall be provided to the Union upon request.

Should a change in carrier occur, benefit coverage shall be maintained as practicable. In the unlikely event that a benefit coverage is reduced, the parties shall meet to negotiate alternative benefit coverage of equal value.

21.04 Life Insurance:

A) **Eligibility** - An eligible employee is one who, has maintained a continuous employment relationship for at least thirty (30) days as of the first day of a month in which a claim occurs; and

has compensated service in the thirty (30) day period preceding a claim.

B) **Coverage** - The company will provide with no cost to the employee group term life insurance of : \$50,000. Subject to the terms of the contract with the Underwriter.

Article Twenty-one – Employee Benefit Plans (Continued)

Additional voluntary life (to a maximum of two times basic salary) may be purchased at the going group rate by interested employees.

C) Accidental Death and Dismemberment – In addition to the Group Term Life Insurance, a policy will be provided to a maximum amount of: \$50,000

for employees whose death or dismemberment is the result of an accident. This accidental death and dismemberment insurance will be applicable only to participating employees who have compensated service during the 30 day period preceding any claim.

D) Post Retirement Insurance - An employee who retires from service will be entitled to a \$5,000 Life Insurance Policy, fully paid by the Company.

E) Inactive Employees - Participating employees who are laid-off shall be entitled to continue their Life Insurance and accidental death and dismemberment insurance by remitting the appropriate premium to the Company for a period not exceeding twenty four (24) months from the last date of regular service.

Conditions and procedures for such direct payment will be set by the Company, in accordance with the terms of the policy with the Underwriter.

Participating employees who are on leave of absence shall be entitled to continue their Life Insurance and accidental death and dismemberment insurance by remitting the appropriate premium to the Company for a period not exceeding twelve (12) months from the last date of regular service. Conditions and procedures for such direct payment will be set by the Company, in accordance with the terms of the policy with the Underwriter

F) Coverage Termination - Subject to the terms of the policy with the Insurance Company or other specific provision herein life insurance coverage and accidental death and dismemberment insurance will cease on the last day worked in the event of:

- i) Termination;
- ii) Strike, lock-out;
- iii) Lay-off, leave of absence except as provided in (E) above.

21.05 Short Term Disability Benefits:

A) Eligibility - An eligible employee is one who has maintained a continuous employment relationship for at least thirty (30) days as of the first day of the month in which a claim occurs and has compensated service in the thirty (30) day period preceding a claim.

Article Twenty-one – Employee Benefit Plans (Continued)

B) Waiting Period - Short Term Disability Benefit payments for participating employees will commence from the first day in case of a non-occupational accidental injury, from the first day of sickness if hospitalized, and from the fourth day in other cases of sickness.

Outpatient surgery is to be considered Hospitalization.

All employees with two (2) or more years service at the time of sickness will receive on a one (1) occasion per calendar year basis, payment of sick benefits at current plan levels for the first three (3) days of sickness (non-accident, non-hospitalized) when qualifying for a fourth (4) day claim. All employees with five (5) or more years service will be eligible for such benefits on a two (2) occasion per year basis.

C) Benefit Levels - Short Term Disability Benefit payments for claims which originate on or after January 1, 1998, 75% of base pay to a maximum benefit of : \$636.86

NOTE: Subject to Human Resources Development Canada (HRDC) approval a claimant in receipt of Employment Insurance Sickness Benefits will have such benefits supplemented to equal his Short Term Disability Benefit entitlement.

If the employee qualifies for Employment Insurance Sickness benefits, it is understood that the combined weekly payments received under this article and the weekly rate of employment insurance benefits will not exceed 75% of an employee's weekly base pay.

An employee has no vested rights to payments under the Employment Insurance Sickness Benefits Plan approved by the HRDC except to payments during a period of unemployment recognized as such by Human Resources Development Canada.

Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance benefits are not reduced or increased by Employment Sickness Benefits Program.

D) Benefit Period - Employees who are not eligible for Employment Insurance Sickness Benefits are eligible, subject to the terms of the policy with the underwriter, for Short Term Disability Benefit payments for up to 26 weeks.

Employees who are eligible for Employment Insurance Sickness Benefits will be eligible for Short Term Disability Benefit payments for the first 15 weeks. If, after the first 15 weeks, the employee is still disabled, Employment Insurance Sick benefits will replace the Short Term Disability Benefit payments for up to a further 15 weeks. If the employee is still disabled when Employment Insurance benefits have expired, he will be eligible for up to a further 11 weeks of Short Term Disability Benefit.

E) Other Coverage - During any period that a participating employee has been in receipt of Short Term Disability Benefit, Employment Insurance Sickness Benefits, or Worker's Compensation, and that employee continues to be totally disabled, that employee's Extended Health Care, Life Insurance, and Dental coverage will continue in force for a maximum period of one (1) year.

An employee who is totally disabled beyond a 12 month period and has maintained employee status will have his Life Insurance maintained in full for as long as he remains totally disabled or

Article Twenty-one – Employee Benefit Plans (Continued)

until age 65 or earlier date of retirement, at which time the coverage will reduce to \$5,000.

F) **Medical Notes** - Employer requested medical notes will be paid for by the Company

G) **Coverage Termination** - Subject to the terms of the policy with the Insurance Company, or other specific provisions herein, coverage for Short Term Disability Benefits will cease on the last day worked in the event of:

- i) Termination, suspension;
- ii) Strike, lock-out;
- iii) Lay off, leave of absence other than illness;
- iv) Retirement.

21.06 Dental and Extended Health Care Plan:

A) **Eligibility** - An eligible employee is one who has maintained a continuous employment relationship for at least ninety (90) days as of the first day of the month in which a claim occurs and has compensated service in the thirty (30) day period preceding the claim.

B) DENTAL BENEFITS:

i) Employees and their dependants eligible for coverage will be entitled to claim reimbursement for basic and major dental care combined up to a maximum of \$1000.00 per covered person per calendar year, after a deductible of \$25.00 single, \$50 / family per family per calendar year has been applied.

ii) For **basic** dental services, 100 percent of the actual cost of covered expenses will be reimbursed up to the amounts specified in the relevant provincial Dental Association Fee Guides for the current year.

iii) For **major** dental services, 50 percent of the actual costs of covered expenses will be reimbursed up to the amounts specified in the relevant provincial Dental Association Fee Guides for the current year.

iv) For **orthodontic** services for dependent children, coverage to include children under twenty one (21), 50 percent of the actual costs of covered expenses will be reimbursed up to the amount specified in the relevant fee schedule. A maximum lifetime coverage of \$2,000.00 per covered individual shall apply.

C) EXTENDED HEALTH CARE BENEFITS:

i) The company will provide an Extended Health Care Plan for eligible employees in respect of semi-private hospital accommodation and major medical expenses, with no deductible in respect of semi-private coverage, and a \$25.00 / single, \$50 / family per benefit year deductible in respect of major medical expenses. The terms and conditions of this Extended Health Care Plan will be described in the insurance policy.

ii) The company will provide a Visioncare provision for all eligible employees. Coverage includes one pair of glasses (frames and lenses), including contact lenses, up to a maximum of \$150.00 per person in any 24 month period.

iii) Coverage will include hearing aids to a maximum of \$300.00 per covered employee in any three (3) year period.

D) **Inactive Employees** - Participating employees who are laid-off shall be entitled to continue their Extended Health Care and Dental Benefits for a period not to exceed two (2) years from the last date of regular service, by remitting the appropriate premiums to the Company.

Article Twenty-one – Employee Benefit Plans (Continued)

Participating employees who are on leave of absence shall be entitled to continue their Extended Health Care and Dental Benefits for a period not to exceed one (1) year from the last date of regular service, by remitting the appropriate premiums to the Company.

E) Coverage Termination - Subject to the terms of the policy with the Insurance Company, or other specific provisions herein, coverage for Extended Health Care Benefits will cease in the event of:

- i) Termination;
- ii) Strike, lock-out;
- iii) Lay-off and leave of absence except as provided in (D) above.
- iv) Retirement, with employee option to maintain Extended Health Care Benefit by paying premium.

21.07 Long Term Disability (LTD)

This will provide you with continuing income equal to 66.7% of your monthly earnings at the date your disability began to a maximum benefit of \$4,000 a month provided you are still disabled after 26 weeks. If you have unused vacation credits when STD benefits expire, you will receive your vacation pay entitlement before LTD benefits begin. LTD benefits are taxable as regular income and are payable monthly for as long as you remain totally disabled, but not beyond age 65.

Definition of Disability:

During the Initial Assessment Period:

During the 180 day waiting period and the subsequent 24 months, disability is assessed on the basis of the duties you regularly performed for the Company before disability started. You are considered disabled if, because of disease or injury, there is no combination of duties you can perform that regularly took at least 80% of your time at work to complete.

After the Initial Assessment Period:

After the initial assessment period, you are considered disabled if disease or injury prevents you from being gainfully employed.

Gainful employment means work:

1. you are medically able to perform,
2. for which you have at least the minimum qualifications,
3. that provides income of at least 66.7% of your monthly pre-disability earnings, and
4. that exists either in the province or territory where you worked when you became disabled or where you currently live.

To qualify for LTD benefits, you must also be under the care of a qualified physician and you will be required from time to time to provide proof that you continue to be disabled.

Co-ordination With Other Disability Benefits:

Under the LTD Plan, your total income from all sources cannot exceed 66.7% of your regular earnings or \$4,000 a month, whichever is less. If you qualify for Workers' Compensation, Canada/Quebec Pension Plan or any other government or Company-sponsored disability benefits which would bring your total income up to more than 66.7% of your regular earnings, your LTD benefits will be adjusted accordingly. However, this \$4,000 limit does not include C/QPP benefits for dependent children, cost of living increases in C/QPP or Workers' Compensation benefits,

Article Twenty-one – Employee Benefit Plans (Continued)

disability income from a private insurance plan or 50% of earnings from an approved rehabilitation employment program as detailed below.

You will be required to provide proof that you have applied for all other disability benefits for which you may be eligible, along with a statement of the amount of any other benefits you are receiving.

Rehabilitative Employment:

A Rehabilitation Counsellor will assist you in appropriate rehabilitation or retraining programs. If you begin work under an approved rehabilitation program, your LTD benefits will be reduced by only 50% of your rehabilitative employment earnings, provided your total income does not exceed 100% of your earnings at the date your disability began.

Exclusions Under The LTD Plan:

You are not eligible for LTD benefits if disability results from any of the following causes:

- intentionally self-inflicted injuries
- war, insurrection, rebellion or participation in a riot or civil commotion
- accidental injuries sustained while working for another employer
- alcoholism or drug addiction, except while undergoing an approved rehabilitation program
- mental or emotional disorder, unless treatment is being provided by a physician certified in psychiatry
- any period of disability after you fail to participate or co-operate in a rehabilitation program that has been recommended or approved by the carrier
- any period in which you do not participate or co-operate in a reasonable and customary treatment program for your disability
- the scheduled duration of a period of leave of absence or temporary lay-off if disability starts after the leave or lay-off begins
- a period of confinement in a prison or similar institute
- the following periods if disability is due to pregnancy:
 - a period of maternity leave
 - the period starting 10 weeks before and ending 6 weeks after delivery and;
 - a period for which you are paid EI maternity benefits

21.08 Maternity/Child Care Leave - It is Company policy to grant leaves of absence without pay to employees for the purposes of maternity and child care subject to the following provisions. The maximum period of leave will be:

- i) maternity leave - 17 weeks without pay to employees who give birth
- ii) child care leave - 24 weeks without pay to male or female employees who have a new-born or newly-adopted child. Eligible employees on Maternity/Child Care Leave will continue to be covered under the benefit plans during the entire period of leave.

21.09 Claims denied by the Insurance Company will not be subject to review except where such claim has been denied on the basis of eligibility in which event a grievance may be filed pursuant to the grievance procedure of this Collective Agreement.

21.10 Short Term Disability Benefits Appeal Procedure:

If any difference shall arise between the Company and the Union as to whether an employee is entitled to Short Term Disability Benefits and agreement cannot be reached, the matter shall be submitted to medical arbitration in the following way:

The employee shall be examined by a physician appointed for the purpose by the Company and

Article Twenty-one – Employee Benefit Plans (Continued)

by a physician appointed for the purpose by the Union. If they shall disagree concerning the question, then the question shall be submitted to a third physician, selected by such two (2) physicians. The opinion of the third physician, after examination of the Employee and consultation with the other two (2) physicians, shall decide such question and will be binding upon the Company, the Union and the Employee involved. The fees and expenses of the third physician shall be shared equally by the Company and the Union.

21.11 Medicare Allowance:

A monthly allowance shall be applied against payments provided for under any government medical care program in the following manner:

A) Participating employees, if single, an allowance of \$8.00 per month or, if married, an allowance of \$14.00 per month.

Such allowance will first be used to pay any amount the Company is, or might be in the future, required to pay for such medical-surgical benefits under any government medical care program.

If no monthly amount is payable or if the monthly amount payable or to be payable by an employee, or by an employee and the Company, account basic medical-surgical benefits, is less than the allowance, the difference will be paid to the employee on the payroll and if the monthly amount is greater the difference will be deducted from the employee's wages.

Subject to the provisions of the above clauses, the allowance will be made in respect of each participating employee provided he performs compensated service during the month for which the allowance is made.

Notwithstanding the provisions of Clause 21.11, a participating employee who does not perform compensated service in any calendar month but who is in receipt of a weekly indemnity payment under the provisions of the employee Benefit Plan will be treated as follows:

i) If he is resident in a province where a Medicare premium or Medicare tax is payable, he will be eligible for the amount of such premium or tax up to the maximum amount stipulated in Clause 21.11(A), or such lesser amount as is required to pay the premium or tax in such province. For those provinces where the premiums are paid for by the company, this will not apply.

ii) If he is resident in a province where no Medicare premium or Medicare tax is required, no payment will be made.

NOTE: "Participating employee" referred to previously has the same meaning as set out in the Employee Benefit Plan.

21.12 Sick Days

Sick Days will be provided as follows:

2001	3 days
2002	3 days
2003	4 days

Sick days are paid at 75% of the employee's step rate.

Article Twenty-Two: Deduction of Union Dues

22.01 The Company shall deduct on the second payroll of each month from wages due and payable to each employee subject to the terms of this Agreement, an amount equivalent to the uniform monthly dues of the Union, subject to the conditions and exceptions set forth in this Article.

22.02 The amount to be deducted shall be equivalent to the uniform, regular due payment of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this Agreement except to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions. The provisions of this Article shall be applicable on receipt by the Company of notice in writing from the Union of the amount of regular monthly dues.

22.03 Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants. Membership shall not be denied for reason of race, national origin, colour or religion.

22.04 Union dues deductions for new employees shall commence on the payroll for the second pay period of the month in which the employee performs compensated service.

22.05 If the employee's wages, payable on the second payroll of a month, are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

22.06 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

22.07 The amounts of dues so deducted from wages, accompanied by a statement of deductions from individuals, shall be remitted by the Company to the designated officer of the Union not later than forty (40) calendar days following the pay period in which the deductions are made.

22.08 The Company shall not be responsible financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances.

However, in any instance in which an error occurs in the amount of any deductions of dues from an employee's wages, the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated officer of the Union.

22.09 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days notice in writing.

22.10 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payroll made or to be made by the company pursuant to this Article, both parties shall co-operate fully in the defence of such action. Each party shall bear its own cost of such defence except that, if at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless the Company from

Article Twenty-two – Deduction of Union Dues (Continued)

any losses, damages, cost, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payroll.

Article Twenty-Three: Jury Duty

23.01 An employee who is summoned for jury duty and is required to lose time from his assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight time rate of his position for each day lost, less the amount allowed him for jury duty for each such day excluding allowances paid by the court for meals, lodging or transportation, subject to the following requirements and limitations:

A) An employee must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.

B) The number of working days for which jury duty pay shall be paid is limited to a maximum of sixty (60) days in any calendar year.

C) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee who has been allotted his vacation dates will not be required to change his vacation because he is called for jury duty.

***Article Twenty-Four: Termination of Agreement**

24.01 This Agreement as revised shall remain in effect until December 31, 2003 and thereafter, subject to one hundred and twenty (120) days notice in writing from either party to the Agreement of its desire to revise, amend or terminate it. Such notice may be served at any time subsequent to August 31st, 2003.

Signed at Toronto, Ontario, this 11th day of January, 2001.

FOR THE COMPANY

FOR THE UNION

Rod Cook

Richard Page

Colin Robertson

Nathalie Lapointe

Shari Strain

Daniel Caron

Seima Khan

Dan Forestell

***Appendix A: Single Ladder Structure: Weekly Rates of Pay – Technical Classifications**

Maximum Step

Cable and Line Technician - maximum Step 14

Rates:

Step	Jan 1/01	Jan 1/02	Jan 1/03
1	\$ 630.28	\$ 642.89	\$ 658.96
2	\$ 669.36	\$ 682.74	\$ 699.81
3	\$ 699.52	\$ 713.51	\$ 731.35
4	\$ 732.55	\$ 747.20	\$ 765.88
5	\$ 766.96	\$ 782.30	\$ 801.85
6	\$ 802.85	\$ 818.91	\$ 839.38
7	\$ 846.32	\$ 863.25	\$ 884.83
8	\$ 870.78	\$ 888.19	\$ 910.40
9	\$ 890.99	\$ 908.81	\$ 931.53
10	\$ 910.78	\$ 929.00	\$ 952.22
11	\$ 933.10	\$ 951.76	\$ 975.55
12	\$ 958.87	\$ 978.04	\$1,002.50
13	\$ 983.06	\$1,002.72	\$1,027.79
14	\$1,015.68	\$1,036.00	\$1,061.90

Appendix B: Contracting Out

The Company agrees that, in the period to contract termination, work presently and normally performed by employees represented by U.S.W.A will not be contracted out except:

1. When technical or managerial skills are not available within the Company; or
2. Where sufficient employees, qualified to perform this work, are not available from active or laid-off employees in the promotion and seniority territory where the work is required to be completed; or
3. Where essential equipment or facilities are not available at the time and place required; or
4. Where the nature or volume of the work is such that it does not justify the capital or operating expenditures involved; or
5. Where the required time of completion cannot be met with the skills, personnel or equipment available at the location of the work; or
6. Where the nature or volume of the work is such that undesirable fluctuations in the employment would automatically result.

This agreement will not apply in emergencies, to items obtained from manufacturers or suppliers nor to the performance of warranty work, none of which will be restricted by the Collective Agreement.

The Company will advise the President, in writing, as far in advance as practicable of its intentions to contract out work which would have a material and adverse effect on employees. Such advise will contain a description of the work to be contracted out, the anticipated duration, the reason(s) for contracting out, and, if possible, the date the contract is to commence.

If the President requests a meeting to discuss matters relating to the contracting out of work specified in the above notice, the appropriate Company officer will promptly meet with him for that purpose.

Should the President request information respecting contracting out which has not been covered by a notice of intent, it will be supplied to him promptly. If a meeting to discuss such contracting is requested, it will be arranged at a mutually acceptable time and place.

Appendix C: Cable and Line Technician's Allowance

Cable and Line Technicians at Step 10 or greater will receive an applicable Allowance of \$1.10 per hour. This allowance will not form part of the employee's straight time rate and will be paid only for time actually worked. This allowance will not be paid for time not worked, With the exception of time not worked on vacation and General Holidays.

Appendix D: Emergency Snow/Storm Conditions

The following will constitute the policy with respect to employees who, because of severe snow or storm conditions, either report late for work or are unable to report at all.

All employees are expected to make every effort to report for work on time notwithstanding snow or storm conditions. However, employees who, due to such conditions, arrive late for their assignments but report prior to midpoint of their tour of duty, will be paid for the day provided such late arrival is directly attributable to the aforementioned severe snow or storm conditions. Employees who report after the midpoints of their tour of duty will be paid one-half day.

With respect to employees who are unable to report for work due to the snow or storm conditions, or who report after the midpoint of their tour of duty it is agreed that notwithstanding the provisions of the collective Agreement, such employees may be given the opportunity to work additional hours at straight time rates in order to make up part or all of such lost time. It is understood that such arrangements will only apply insofar as they do not conflict with the provisions of the Canada Labour Code.

This policy will only apply when the proper municipal authorities have requested the public to leave their motor vehicles at home and local public transportation services are not operating due to snow storms.

Appendix E: Driver's Licence

In the event that an employee who requires a valid driver's licence to carry out normal job duties loses his/her licence for a period of time, the Company will attempt to provide reasonable accommodation to such an employee. If no reasonable accommodation is possible, the employee will be placed on leave of absence without pay.

The affected employee has three (3) principal responsibilities throughout:

1. to advise his manager of any Highway Traffic Act violation where operating a company vehicle and advise his manager of a potential loss of license and the time frame thereof,
 2. to provide sufficient documentation of the loss, and
 3. to advise the Company at least 30 days prior to the estimated date of return of licence.
- The specifics of each case will be discussed with the President as soon as possible.

Appendix F: Pension Plan

WHEREAS the Company and the U.S.W.A. have agreed on pension indexing formula as per enclosed Indexation Rules.

Indexation Rules:

1. Coverage

- Retires
- Surviving spouses
- Spouses of employees who die in service
- Disabled pensioners
- Matured deferreds

2. When increases occur

Starting January 1, 1992, provided the employees have reached age 65 and have been retired at least 5 years; but no more than 10 years deferral

3. Portion of pension covered

Whole pensions (includes portion due to Pension Enhancement Option)

4. Increase

50% of CPI over 12 months ending previous September 30, up to maximum CPI increase of 6%

5. Retroactivity

None

6. Required member contribution

No contribution

Inflation Protection:

The Company agrees to the introduction of a program of inflation protection covering both current and future retirees from the Pension Plan.

The details of the new benefit will be developed jointly by Union and Management representatives during 1990-91 with an effective implementation date of January 1, 1992.

The proposed improvements to the Plan will follow the amendment principles as set out in the memorandum of settlement between CP Rail and the Associated.

Non-Operating Railway Unions with any further modifications to be agreed to or negotiated by the Parties prior to 1992.

A) Include a period of lay-off of up to a maximum of twelve (12) consecutive calendar months, in the pensionable service of an employee who had completed not less than ten (10) years of Continuous Service at the date of lay-off. The employee must continue to contribute to the Plan on the basis of his basic rate of pay in effect on the first day of layoff.

B) For all members who are single at the date of pension commencement, the provision as Normal Form, a ten-year term certain guaranteed period with no reduction of monthly pension following the Member's death.

C) For members whose death occurs prior to eligibility for early retirement, the provision of a minimum pre-retirement death benefit equal to commuted value of complete vested benefit.

LOU: Homesteaded Employees

The following employees working in the Lineman classification in the Eastern Seniority District will be homesteaded:

L C. Blais
L J. M. Daunais

In the event of a staff reduction in the Lineman classification the employees listed herein will not be entitled to exercise their General District Seniority to displace employees in the Cable and Line Technician classification.

LOU: Inter District Assignments

Whereas Article 5.07 provides for temporary assignment on another district, the parties agree that work on the Toronto-Ottawa fibre optic route will be assigned as follows:

Restoral-

The Company at its sole discretion will dispatch Cable and Line Technicians from the Eastern or Ontario promotion districts.

Maintenance-

Routine maintenance on the Toronto to Smith Falls section of the fibre optic route will be performed by the Ontario District Cable and Line Technicians.

Routine maintenance from the Smith Falls (including Smith Falls) to Ottawa will be performed by the Eastern District Cable and Line Technicians.

LOU: Joint Committee on Contracting Out

Following the conclusion of a Memorandum of Agreement, the parties agree to establish a Joint Committee, composed of representatives of the Company and the Union, which is mandated to review selected instances of contracting out. Such instances, as identified by the Union, will be reviewed by the Joint Committee. The Company agrees that it will not unduly withhold its agreement to review such cases. The parties also agree to use their best efforts in order to achieve a resolve, by mutual agreement, on items brought forward.

In reviewing items, the parties will take into account all of the factors that drive contracting out. These factors include economics, flexibility, capacity, equipment, quality, time constraints and customer requirements. The parties also agree to review only those existing or potential contracts which are of a material nature and relevant to the core operations of AT&T Canada Outside Plant. While such cases are being reviewed, the normal operations of the company will continue to be carried out in a manner directed by the Company.

Should a viable alternative be mutually agreed upon by the parties, appropriate changes to the operations will be made where possible. In no case does the use of the Joint Committee limit any use of the existing contracting out clause in the collective agreement.

Where a business case cannot be supported to have the work performed in-house under the existing collective agreement terms and conditions, the parties may, by mutual agreement, modify such terms and conditions in an effort to have the work performed in-house.

LOU: Social Justice Fund

This letter is to summarize our understanding on The Social Justice Fund that will be established by the USWA.

Once the Social justice fund is established the President will notify the Director of Labour Relations of the commencement date of the Company contributions, such contributions will not be retroactive to the effective date of the collective agreement.

Upon notification the Company will pay one (1) cent per hour for each hour worked, excluding overtime.

The Union will provide documentation, at the request of the Company, on all corporate contributors and usage of the funds.

***LOU: Paid Education Leave**

This letter is to summarize our understanding on Paid Educational Leave for selected union representatives of the USWA.

During the term of the collective agreement the Company will contribute to the USWA, three (3) cents per hour for each hour worked, excluding overtime.

All contributions will fund the training of Union representatives for the purpose of improving the labour relations skills of the selected employee.

A request for educational leave of absence, stating the duration of the absence, will be submitted in writing to the employee's manager at least thirty (30) calendar days prior to the date requested. Such approval will not be unreasonably withheld.

LOU: Joint Task Force

The Company and the Union agree to form a joint task force with the mandate to improve:

Productivity
Labour Management Relations
Customer Satisfaction

This task force will be comprised of two (2) senior members of management and two (2) senior officials of the Union.

It is agreed that the first meeting will take place within ninety (90) days of ratification.

LOU: Translation and Printing

This letter is to summarize our understanding on translation and printing of the Collective Agreement between AT&T Canada and the USWA.

The Collective Agreement will be published in both official languages (English and French) at Company expense and will be distributed on the basis of employee language preference.

The Company agrees to complete printing of the Collective Agreement within one hundred and twenty (120) days after final approval of translation. The translation of the Collective Agreement shall commence within thirty (30) days of the signing of the Memorandum of Agreement.

LOU: Mutual Respect Policy

It is understood that both the Company and the Union wish to provide a work environment which is free of harassment and respects the dignity of our employees and your members. To this end the following items have been discussed and endorsed collectively:

1. AT&T Canada (the "Company") has instituted a ***Mutual Respect Policy***. This policy is actively communicated and enforced. Employees with questions may contact their immediate supervisor with respect to any questions. The policy is also available to employees in electronic format on our LAN system.
2. Complaints regarding any of the issues raised in this Letter of Understanding and covered under the Mutual Respect Policy are excluded from the grievance procedure except that any disciplined assessed as a consequence of these issues may be appealed in accordance with Article 19.06.
3. There shall be no discrimination, interference, restriction or coercion permitted in the workplace with respect to race, nation or ethnic origin, colour, religion, age, sex, marital status, family status, sexual orientation, disability, conviction for which a pardon has been granted or any other grounds prohibited by Federal Law.
4. Harassment is any conduct based on any of the grounds listed above that offends or humiliates and is a type of discrimination. Harassment will be considered to have taken place if it reasonably ought to have known that the behaviour was unwelcome or inappropriate in the workplace.
5. Harassment can consist of, but is not restricted to, threats, intimidation, verbal abuse, unwelcome remarks, innuendo, offensive and inappropriate material, hate literature and offensive jokes.
6. Sexual harassment is any unsolicited and unwelcome conduct, comment, gesture or contact of a sexual nature that could cause offence or humiliation or might be perceived as placing a condition of a sexual nature on conditions of employment, including any opportunity for training or promotion.
7. Sexual harassment may include, but is not limited to: suggestive remarks, joke innuendoes, unwarranted touching, leering, compromising invitation, pornographic or derogatory images, material of a sexual nature, sexually degrading words used to describe a person or a group or sexual orientation, or members of one sex or one's sexual orientation and sexual assault.

LOU: Temporary Employees

This letter is to summarize our understanding on **temporary employees** as defined under Article 1.04 of the collective agreement.

Employees on layoff within the Job Security Eligibility Territory (JSET) will be recalled before any temporary employees are hired.

Temporary employees may be used by the company and will be hired for a specific period of time typically to work on a specific project or to backfill for employees on temporary projects or leaves of absences. The duration of the employment and the approximate termination date will be specified at the time of hiring but will not exceed one (1) year from the date of hire. Should the employment exceed one (1) year, the temporary employee will be deemed to have become a permanent employee.

A temporary employee will retain all rights under the collective agreement and be subject to all the same terms and conditions except for the following:

- As the duration of the assignment and the approximate termination date will be determined at the time of hiring the employee, the employee will be given a fifteen (15) day notice to confirm the last day of employment. No ninety (90) day notice will be required to be served to the employee or the union.
- Temporary employee. will not be eligible to exercise Article 9 displacement rights
- A temporary employee will be placed in assignments as required by the operations and will not be eligible to bid any job bulletins.

Preferred consideration will be given to any temporary employee for any permanent position that may arise during the term of the employee's assignment.

***LOU: Job Security Agreement**

The Job Security Agreement amended as follows:

- 1) New employees entering the bargaining unit following April 4, 1995 will not be eligible to participate in the benefits contained in the Job Security Agreement.
- 2) New employees entering the bargaining unit following April 4, 1995 will be entitled to two (2) weeks severance per completed years of service. Employees with less than one (1) year will not be entitled to severance pay.
- 3) Effective July 1, 1996 cumulative compensated service will be based on 0.5 years of service for each year of service.

LOU: Premium Pay for Maintenance

It is understood and agreed that employees who are required by the company to perform Maintenance above sixty-five (65) feet will be paid a premium of one (1) hour of their basic Pro-Rata rate for each shift, in addition to their normal rate of pay.

LOU: Group RRSP

It is understood and agreed that all employees with six (6) or more months of service will be eligible to participate in the Company's Group RRSP plan on a voluntary basis.

LOU: Averaging Period

It is understood and agreed that The Company will amend the AT&T Canada Contributory Pension Plan dated January 1, 1996 as follows. The averaging period of pensionable earnings shall be the best sixty (60) months, not necessarily consecutive, of the one hundred and twenty (120) consecutive months prior to the members date of the determination.

***LOU: Bonus**

Bargaining Unit employees will participate in the Corporate Bonus Program (based on Company performance, customer satisfaction and personal performance evaluation). The bonus percentage target is 4% of step rate for each year of the agreement.

***LOU: Pension Formula Improvement**

It is understood and agreed that the Company will amend the AT&T Canada Contributory Pension Plan dated January 1, 2001 as follows. The pension formula improved by 0.1% to 1.4% of the member's highest plan earnings up to the average government base, plus 2.0% of the member's highest plan earnings in excess of the average government base for all plan members actively employed on January 1, 2001

***LOU: ESOP**

The Company will extend the Employee Share Ownership Plan (ESOP) to Bargaining Unit employees.

***LOU: Bargaining Unit Benefit Plan Council**

AT&T Canada

**Structure
of
Bargaining Unit(s) Benefit Plan Council**

Mandate

- Bring forward for discussion concerns expressed by the employees in regards to Health, Dental, Disability Life Insurance and Accidental Death & Dismemberment Plans.
- Develop an increased level of understanding of plan design and administration.
- Build a direct communication link between bargaining unit representatives and external insurance carriers.
- Develop a better corporate understanding of employee concerns.
- Promote awareness and understanding of the plans among plan members.
- Review once per year the financial and actuarial aspects of the plans.
- Review the performance of the carriers
- Authority to recommend change of carrier and/or benefit administrator

Corporate Sponsor

Senior Vice President, Human Resources

Council Members

(8) Members

Chairperson
Company Representatives

Executive Director Human Resources
Sr. Manager HRMS
Sr. HR Consultant Programs
Sr. Manager Labour Relations
(3) Appointed by the C.A.W.
(1) Appointed by Steel Workers
(1) Each Carrier

Bargaining Unit Representatives

External Carrier(s)

Meetings

- Four quarterly meetings will be held each year.
- Meeting times and location will be determined by the council.
- At least one meeting annually will be at the offices of the External Carrier.
- Formal agendas will be set in advance and minutes of the meeting will be recorded.
- Carriers would present:
 - reports of claims processed and denied including reasons for denial
 - average claims processing time
 - review of exceptional cases
 - details of plan coverage
- Agenda items will be tabled by either company or bargaining unit representatives.
- Claims issues could be tabled by HR or Union Representatives
- A quorum will consist of 4 members, at least half of which are employer representatives

Costs

- The company agrees to cover the reasonable costs associated with USWA members participating in these meetings. Associated costs will include time and related expenses for USWA members.

***LOU Demutualization**

It is agreed that all matters with respect to demutualization including any legal action have been resolved as a result of this agreement.

Within thirty (30) days of the signing of this agreement, the USWA will send correspondence to the company formally withdrawing all actions regarding demutualization.

***LOU: Gainsharing**

The parties agree to explore the feasibility of designing a gainsharing plan over the life of this contract.

***LOU: Scope of Work**

The parties agree for the purposes of clarifying bargaining unit scope to the following:

It is agreed and understood that beginning in January 2000, the responsibilities of Cable and Line Technicians will include the following:

- All preventative OSP cable maintenance (copper and fiber)
- All OSP cable locates (copper and fiber)
- All OSP cable relocates (copper and fiber)
- All OSP cable emergency restoration (copper and fiber)

In addition to the above mentioned responsibilities the group will also be responsible, when schedules and staff availability permit, for all OSP splicing on new construction work.

With this additional work it is also agreed and understood that effective January 2000, Cable and Line Technicians will no longer be responsible for the following:

- Any vertical or horizontal wiring within a building
- Any LAN wiring

It is further agreed that throughout the year 2000, a transition period will exist in order to meet the above changes. Throughout this transition period an overlap of responsibilities may exist between bargaining unit and non-bargaining unit but will not impact the clarification of role and responsibilities outlined in this document.

In the event that the USWA bargaining unit active employees as of the signing of this letter, do not have work anymore in splicing and maintenance and layoffs are necessary, the company will hold a meeting with USWA executive to review any opportunities of work that are currently being outsourced. Every effort will be made to find these employees work for which they are qualified. The USWA will be informed of outsourced work concerning AT&T LAN and vertical wiring through a biannual report.

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