MEMORANDUM OF SETTLEMENT

of all outstanding matters in dispute

Between:

The Crown in Right of Ontario

as represented by Management Board of Cabinet

("the Employer")

- and -

Ontario Public Service Employees' Union

("the Union")

- 1. The parties agree, subject to ratification by both parties, to the terms and conditions of the Unified Collective Agreement as amended by the following agreed to items. Ratification by both parties shall be deemed to have occurred on the latest date on which ratification occurs by the employees in the bargaining unit and by Cabinet. The ratification process will be completed by both parties on or before , unless agreed otherwise.
- 2. The renewal of the Unified Collective Agreement shall be effective on the date of ratification by both parties and shall expire on the 31st day of December 2017.
- 3. Except as provided otherwise in the terms of the Memorandum of Settlement, any changes to benefits shall be effective on the first day of the month following the month in which ratification by both parties occurs.
- **4.** Except as provided otherwise in the terms of the Memorandum of Settlement, all other changes to the most recently expired Collective Agreement shall be effective on the date of ratification by both parties.
- **5.** The renewal Collective Agreement shall be in the form of the most recently expired Collective Agreement, as amended by the attached. It is understood that some editing and renumbering may be necessary and the parties shall appoint an editing committee for that purpose.
- **6.** The undersigned unanimously agree to recommend these terms of settlement as attached to their respective principals and, in the case of the signatories for the Union, to the bargaining unit employees.
- 7. All issues in dispute are hereby withdrawn

Dated at Toronto, this day of Septem 2015.

For the Union:

For the Employer:

1. SALARY

Amend Article UN 16 as follows:

ARTICLE UN 16 - SALARY

- UN 16.1.1 Effective January 1, 2013 2015, the salary rates in effect on December 31, 2012 2014, shall remain in effect, and are contained in the Salary Schedule attached set out in the 2013-2014 Collective Agreement.
- UN 16.1.2 All salary rates to be increased across the board as follows:

January 1, 2017 - 1.4%

The salary rates in effect on January 1, 2017 for all classifications are contained in the Salary Schedule attached.

UN 16.1.2 Effective January 24, 2013, the new salary rates for all classifications shall be contained in the salary schedule. This salary schedule includes a new start rate 3% below the start rate in effect on December 31, 2012.

MINIMUM WAGE

UN 16.3 In the event that there is a legislated increase to the minimum wage in Ontario and a classification that has a minimum hourly rate of pay that falls below the minimum wage, the minimum hourly rate of pay for that classification will be adjusted to be equal to the minimum wage, and all hourly rates of pay in the same classification shall be adjusted to maintain the dollar difference in hourly rates of pay that existed prior to the adjustment.

2. LUMP SUM PAYMENT

The following language does not form part of the collective agreement.

All OPSEU employees as of January 1, 2016, including employees on approved leaves of absences and employees temporarily assigned to a position out of the bargaining unit, shall be entitled to a one-time lump sum payment equal to 1.4% of earned base salary less statutory deductions. The determination of earned base salary shall be calculated based on payment of wages earned for regular hours worked in the 2015 calendar year in an OPSEU-represented position (including pay in lieu of vacation leave where applicable), and payment for approved leaves as covered by the Collective Agreement in the 2015 calendar year while assigned to an OPSEU-represented position. This lump sum payment shall not alter an employee's earned base salary for any purpose.

3. SALARY PROGRESSION FREEZE

NEW APPENDIX

[DATE OF RATIFICATION]

SALARY PROGRESSION FREEZE

LETTER OF UNDERSTANDING

Ms. Ruth Hamilton Chief Negotiator, OPSEU 100 Lesmill Road North York, Ontario M3B 3P8

Re: Salary Progression Freeze

The parties agree that notwithstanding any other article in the collective agreement, all employees' salary rates as of January 1, 2016 shall be fixed at that rate and no employee shall be entitled to any salary progression from January 1, 2016 to December 31, 2017. Employees hired or appointed into positions in the OPSEU bargaining unit during the term of the collective agreement shall have their salary fixed at the salary rate received upon hire or appointment and shall not be entitled to any salary progression for the duration of the collective agreement.

Sincerely,

Michael Villeneuve Director, Negotiations and Security Branch Employee Relations Division

[This letter forms part of the Collective Agreement]

4. TERM OF AGREEMENT

Amend Article UN 17 as follows:

ARTICLE UN 17 - TERM OF AGREEMENT

UN 17.1 This agreement covers the period from January 1, 20132015, until December 31, 20142017. The effective date of any changes to the terms of this Agreement from the previous Agreement, unless otherwise indicated, shall be January 24, 2013 [insert date of ratification]. This Agreement shall continue automatically thereafter for annual periods of one (1) year each unless either party serves notice to the other in writing that it wishes to bargain for a new Collective Agreement in accordance with the Labour Relations Act, 1995, and the Crown Employees Collective Bargaining Act, 1993.

5. NEW - LEGAL INDEMNIFICATION

Add new Appendix as follows:

[NEW APPENDIX]

[Date of Ratification]
LEGAL INDEMNIFICATION

LETTER OF UNDERSTANDING

Subject to the other provisions of this Article:

An employee charged with but found not guilty of a criminal or other federal offence, because of acts done in good faith in the performance of his/her duties as an employee, shall be indemnified for the necessary and reasonable legal costs incurred in the defense of such charges;

An employee charged with but found not guilty of a provincial offence, because of acts done in good

faith in the performance of his/her duties as an employee, shall be indemnified for up to five thousand dollars (\$5,000) of the necessary and reasonable legal costs incurred in the defense of such charges;

Where an employee is a defendant in a civil action for damages arising out of acts done in good faith in the performance of his/her duties, and a government lawyer (or in the case of an insured claim, counsel retained by the insurer) determines he/she is unable to act for the employee, the employee shall be indemnified for the necessary and reasonable legal costs incurred in defending the action, if the employee is not found to be liable. Any legal costs which are recovered by the employee in the action shall be deducted from the reimbursement; and

Where an employee's conduct has been called into question in the course of a Public Inquiry or a Coroner's Inquest and the employee was acting in good faith in the performance of his/her duties and counsel acting on behalf of the Employer determines he/she is unable to act for the employee, the employee shall be indemnified for the necessary and reasonable legal costs incurred in defending the action.

Employees shall not be indemnified for legal costs arising from:

Grievances or complaints under the Collective Agreement between the Employer and the Union or under the *Public Service of Ontario Act*, 2006; or

The actions or omissions of employees acting in their capacity as private citizens; or

Investigations and complaints under the Employer's Workplace Discrimination and Harassment Prevention Policy.

For the purposes of this new article, an employee:

Shall be deemed to have been found not guilty where: he/she is finally acquitted; the charges are withdrawn; or he/she is discharged following a preliminary inquiry; and

Shall be deemed to have been found guilty where: he/she is given an absolute or conditional discharge; or he/she subsequently is found guilty of, or pleads guilty to other charges arising out of the same incident(s).

Applications for approval for legal indemnification shall be made in writing to the Deputy Minister, as soon as the employee is aware of a legal proceeding in which he/she requires legal representation.

Legal costs incurred prior to approval for legal indemnification will only be reimbursed where the Employer is satisfied that it was not possible in the circumstances for the employee to obtain prior approval and that the application for approval was made at the earliest opportunity.

The employee shall enter into a written retainer agreement with counsel retained by the employee. The form and substance of the retainer, including the terms and conditions of the agreement, shall be subject to the approval of the Employer.

Any account submitted by counsel retained by the employee is subject to review and approval of the Employer. In the event the Employer does not approve the actual costs disclosed on the account, the employee may have the account assessed on a solicitor and client basis by a court assessment officer. The Employer will reimburse the employee for the fee charged to the employee for filing a request for an assessment with a court assessment officer.

For the purposes of this Article:

The legal costs shall be deemed to have been incurred by the employee notwithstanding that the

employee may have received financial assistance from the Union in respect thereof or that the Union paid or incurred the expenses directly; Costs paid by the union will be reimbursed directly to the Union by the Ministry, in accordance with this article; and

"Employees" shall include a former employee or his/her estate where the charge and/or action arose out of a situation that occurred while the former employee was still an active employee of the employer.

Any disputes regarding the granting of legal indemnification shall be resolved by way of grievance subject to the following:

- a) Any finding of guilt in a statutory offence proceeding, or
- b) Any finding of liability in a civil action for damages

Shall be determinative of the issue of guilt or liability for the purpose of any grievance proceeding in relation to this Article.

For the purposes of this Article, a reference to an Act shall be deemed to include any Act that in the future is enacted in place of the Act referred to in this Article.

Any compensation for legal costs incurred under this article shall be based on a maximum hourly rate of one hundred and ninety-two (\$192.00) per hour, and the hourly rate of one hundred and ninety-two (\$192.00) per hour, shall be the maximum amount that shall be reasonable and necessary for the purposes of this article. Despite the language of any retainer which may be submitted by the employee, or approved by the employer, the employer shall only be liable for up to a maximum of one hundred and ninety-two (\$192.00) per hour.

[This letter forms part of the Collective Agreement]

6. UPDATED LIST OF APPENDICES:

Renew the following appendices:

- Appendix UN 1 Schedule A Averaging Hours of Work
- Appendix UN 2 Custodial Responsibility Allowance
- Appendix UN 5 Compressed Work Week Arrangements Applicable to the IHC Classification group (Article 10.1 Central Collective Agreement)
- Appendix UN 6 Addendum for the Institutional and Health Care Classification Group