

MEMORANDUM OF AGREEMENT

BETWEEN:

The Crown in Right of Ontario

(The "Employer")

- and -

The Ontario Public Service Employees Union

("The Union")

WHEREAS the Premier of Ontario has stated the government's commitment to take steps to restore Successor Rights for Ontario Crown employees and their Bargaining Agents;

AND WHEREAS, in the event that such a legislative change were to be made, the parties desire to address certain issues arising from the application of their Ontario Public Service Central Collective Agreement dated August 31, 2005;

AND WHEREAS the parties understand the importance of providing a clear statement of obligations to any potential successor employer;

AND WHEREAS the parties recognize the importance of open and timely dialogue;

THEREFORE the parties agree to the following terms:

and their bargaining agents

TB [Signature]

- A) In the event that legislation restoring successor rights for Ontario Crown employees does not become effective prior to October 1, 2007, this agreement shall become null and void.

Sale of a Business

and their bargaining agents

TB [Signature]

- B) In the event that legislation restoring successor rights for Ontario Crown employees does become effective prior to October 1, 2007,

- 1) The parties agree that if the Employer determines that there is a "sale of a business" as defined in the Labour Relations Act, 1995, section 69, this determination will trigger the application of this article.

- 2) Where the Employer determines that there is a sale of a business, it is agreed that:
- i. Appendices 9 and 18 of the Central Collective Agreement will not apply;
 - ii. The obligations of the Employer to Ontario Public Service employees who are affected by the sale shall be modified as set out in Appendix "A"; and
 - iii. Where the Employer determines that a transaction is a sale of a business, it shall indicate this in the request for proposal or the transfer agreement, whichever is applicable, and provide a copy of such document to the Union.

Reasonable Efforts

- C) Where there is a disposition or any other transfer by the Crown of bargaining unit functions or jobs pursuant to the Collective Agreement and the transfer does not constitute a sale of a business, the parties agree that the Appendices 9 and 18 of the Central Collective Agreement apply.

Dispute Resolution

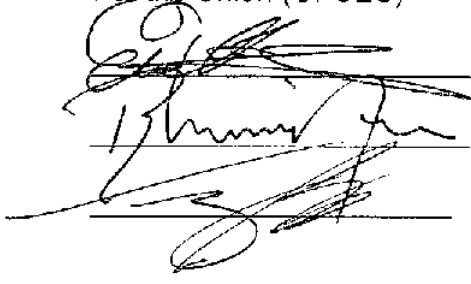
- D) Nothing in this agreement limits any rights that the Union may have to make an application to the Ontario Labour Relations Board.

Confidentiality

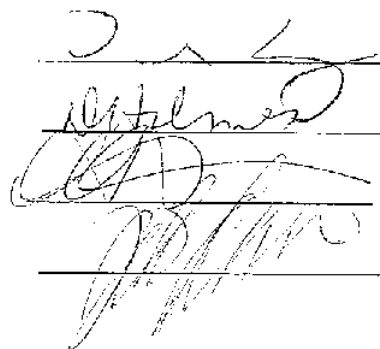
- E) The parties agree to keep this agreement confidential until such time as a Bill to restore successor rights for Crown employees may be introduced.

Dated at Toronto this 10th day of August, 2006.

For the Union (OPSEU)



For the Employer



APPENDIX "A" – OBLIGATIONS OF THE EMPLOYER TO EMPLOYEES AFFECTED BY THE SALE

Where a transaction is a sale of a business, the parties agree that the Employer shall have the following obligations to employees affected by the sale:

1. The employment of employees who are transferred to the successor employer is not terminated or severed and the service and seniority of such employees shall be carried over to the successor employer. The Employer shall not be liable to any employees who are transferred to the successor employer for any payment of termination or severance pay, or any other entitlements or obligations under the Central, Unified and Correctional Collective Agreements between the Employer and the Union.
2. Affected employees who do not receive a job offer from the successor employer will be surplusaged as a result of the sale subject to the terms of the Central Collective Agreement between the Employer and the Union.
3. The Employer will provide notice of the date of the sale to affected employees. Employees who choose to resign within nine (9) months after having received this notice but before receiving a job offer from the successor employer will forfeit all rights under the Central, Unified and Correctional Collective Agreements between the Employer and the Union.
4. Civil servants who refuse a job offer with the successor employer will be entitled to termination pay under article 53 or 78 of the Central Collective Agreement, but will forfeit all other rights under the Central, Unified and Correctional Collective Agreements between the Employer and the Union.