



Treasury Board of Canada
Secrétariat

Secrétariat du Conseil du Trésor
du Canada

Memorandum of Understanding between the Treasury Board of Canada and The Canadian Association of Professional Employees

Financial Incentives Plan for the Translation Bureau

1 April 2005 - 31 March 2006

Canada



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GENERAL PROVISIONS

1. The Treasury Board of Canada, as the Employer, and the Canadian Association of Professional Employees, as the Bargaining Agent, hereby agree to implement a financial incentives plan in the Translation Bureau in addition to the pay specified in Article 15 (Pay) and Appendix "A" of the Translation Group Collective Agreement.
2. The parties hereby agree that this Memorandum of Understanding does not form part of the Translation Group Collective Agreement and is not a collective agreement within the meaning of the *Public Service Staff Relations Act*.
3. The Plan shall take effect on April 1, 2005, and terminate on March 31, 2006. It may be extended or amended by agreement between the parties.
4. The incentives under the Plan are earned on an individual basis and are paid for work meeting the quality requirements set by the Employer.
5. During the lifetime of the Plan, an employee who satisfies the quality requirements stated in 4 becomes eligible for an incentive the day the said requirements are satisfied, and remains eligible until the end of the incentive period. The data used to calculate the threshold and the degree to which it is exceeded are prorated, based on the employee's duration of eligibility.
6. For the purpose of this Memorandum of Understanding,
 - (a) "Compensation" means the aggregate of the salary, overtime hours paid in cash and pay supplements owed to the employee in accordance with Appendix "A" of the Translation Group Collective Agreement in force.
 - (b) "Employee" means any person who is a member of the TR bargaining unit.
 - (c) "Part-time employee" means an employee whose normal scheduled hours of work are less than thirty-seven and one half hours (37 1/2) per week.
7. Notwithstanding any other provisions herein, the Plan is subordinate to the financial constraints imposed on the Translation Bureau. If, in the opinion of the Translation Bureau, the constraints are such that they compromise the

application of the Plan, the Employer shall so advise the Bargaining Agent and employees in writing at least one month, except in circumstances beyond its control, prior to suspending the earning of incentives. If applicable, the Employer shall advise the Bargaining Agent and employees in writing at least one month prior to resuming the earning of incentives.

8. As soon as the Translation Bureau decides to invoke paragraph 7, it shall present and explain the relevant financial information to the Bargaining Agent.

9. The Plan applies only to employees working in the Operations Sector, in Technolinguistic Services or in the Interpretation and Parliamentary Translation Directorate (IPTD). It also applies on a prorated basis to employees assigned to these sectors, in accordance with the duration of their assignment.

GRIEVANCE PROCEDURE

10. An employee who feels personally aggrieved by the interpretation or application of this Memorandum of Understanding is entitled to file a grievance in compliance with paragraphs 11 to 16.

11. An employee who wishes to file a grievance at any level in the grievance procedure shall forward it in writing to the immediate supervisor or local unit chief, who shall forward it to the Employer's representative authorized to process grievances at the appropriate level, and shall provide the employee with a receipt indicating the date when the grievance was received by this representative.

12. The Bargaining Agent is entitled to consult with the Employer with respect to a grievance at every level of the grievance procedure.

13. The grievance procedure has two levels and a third party:

- (a) Levels I and II— a management representative. The Employer shall inform the Bargaining Agent of the name of its designated representative for both levels.
- (b) Third party—a person appointed jointly by the Employer and the Bargaining Agent, whose decision shall be final and binding, and whose financial compensation shall be borne equally by the parties to this Memorandum of Understanding. Should the parties not agree on a person to act as third party, they shall use the mediation services of the Public Service Staff Relations Board in order to reach agreement on the choice of a third party.

14. An employee may file a grievance at the first level no later than 15 days after:

- (a) being notified orally or in writing of the action or circumstances giving rise to the grievance

or

- (b) first becoming aware of that action or those circumstances.

15.

- (a) Where the first-level decision or settlement is personally unsatisfactory, an employee may file a grievance at the second level within ten days of being informed in writing by the Employer of the decision or settlement; where the Employer has not conveyed a decision before the prescribed deadline, an employee may file a grievance within 15 days of filing the grievance at the first level.
- (b) Where the second-level decision or settlement is personally unsatisfactory, an employee may file a grievance with the third party within ten days of being informed in writing by the Employer of the decision or settlement; where the Employer has not conveyed a decision before the prescribed deadline, an employee may file a grievance within 15 days of filing the grievance at the second level. In order to file a grievance with the third party, the employee must have obtained the approval of the Bargaining Agent and its agreement to represent the employee in the proceedings.
- (c) The deadline for replying to an employee's grievance is normally ten working days after the grievance is filed at the first or second level, and 20 working days after it has been filed with the third party.
- (d) An employee who fails to file a grievance before the prescribed deadline is deemed to have abandoned the grievance, unless unable to so comply owing to circumstances beyond personal control.

- (e) The deadlines set out in this Memorandum of Understanding may be extended by mutual agreement between the Employer and the Bargaining Agent.
- (f) The employee, the Bargaining Agent and, if applicable, the Employer, shall be advised simultaneously of the decision.
- (g) An employee may abandon a grievance by so informing the immediate supervisor or unit chief in writing.
- (h) Use of intimidation, threat of dismissal or any other kind of threat to cause an employee to abandon a grievance or refrain from exercising a personal right to file a grievance, as provided in this Memorandum of Understanding, is prohibited.

16.

- (a) The decision made by the third party is final and binding and no further action may be taken pursuant to the *Public Service Staff Relations Act*. In adjudicating a grievance, the third party may not render a decision requiring amendment of the Memorandum of Understanding. The third party, in making its decisions, can consider only the content of the Memorandum of Understanding and cannot impose corrective measures other than the payment of the incentive in accordance with this Memorandum of Understanding, with interest.
- (b) The parties agree on the fact that the decisions made by the third party cannot be referred to arbitration and that they will not refer or support any referral of a decision to arbitration.

OPERATIONS SECTOR

17. Paragraphs 18 to 27 apply to employees working in the Operations Sector, in accordance with paragraph 9.

18. The incentive described in paragraph 19 is paid to the employee for pro forma hours, calculated using the Translation Bureau's billing rate scale, in excess of a threshold defined as follows:

$$(A - B) \times C$$

where

A is the employee's total hours, including unconverted overtime;

B is the employee's non-billable hours; and

C is the production coefficient applicable to the employee, based on the employee's level.

19.

- (a) The incentive paid to the employee for pro forma hours credited in excess of the threshold defined in paragraph 18 is equal to:

$$D \times E \times [(F/2) / G]$$

where

D is the pro forma hours credited to the employee in excess of the threshold;

E is the average hourly rate billed by the Bureau;

F is the average unit cost of contracting out; and

G is the average unit price billed.

- (b) The incentive paid to the employee cannot exceed 10% of the employee's compensation as defined in paragraph 6.

20. Variables E, F and G in paragraph 19 (a) above are set by the Bureau based on the 2004-05 fiscal year. The Bureau shall recalculate them each month and report the results in the reports distributed to employees. It will set the definitive values in April 2006 based on actual data for 2005-06. The final F/G ratio will be used in calculating the incentive. The value for E based on data for the 2004-05 year shall apply if it is greater than the definitive value set in April 2006.

21. Where texts are dictated, the pro forma hours credited to the employee shall be reduced by 6.5%.

22.

- (a) A notice indicating the total incentive earned from April 1, 2005 to March 31, 2006 shall be given to the employee no later than June 15, 2006.
- (b) The accrued incentive shall be paid to the employee once a year no later than August 15, 2006. Amounts less than \$2 will not be paid.
- (c) Upon written request by the employee, a maximum of 50% of the incentive accrued hereunder may be converted into leave credits, which are calculated by dividing the amount to be converted by the current straight-time rate set in the TR collective agreement, and dividing the result by 1.5. Any such request shall be submitted within ten working days of the employee's receipt of the notice referred to in (a) above, which shall include a reference to an equivalent in days of the portion of the incentive that may be converted into leave credits.
- (d) The employee can use this leave upon producing the request for the required conversion. Such leave is granted subject to operational requirements. Within six months following receipt of the notice referred to in (a) above, the employee may replace any annual leave requested or approved for June, July, August or September 2006, before or after taking it, with leave credited in accordance with (c) above.
- (e) Leave credits not used by an employee within 6 months of receiving the notice referred to in (a) shall be paid in cash, in the amount that would have been received without the requested conversion.

23. Any notice of adjustment, whether upwards or downwards, will include an explanation of the adjustment and the fiscal implications thereof.

24. The employer will make every reasonable effort in the distribution of work to assign an employee as few non-billable activities as possible.

25. An employee transferred or assigned to another unit will be credited pro forma hours equivalent to those credited in the previous unit, if greater. This

provision applies to a period of adjustment, agreed upon insofar as possible, and applies only when the transfer or assignment is at the employer's request.

26. Notwithstanding the foregoing, hours billed under a lump-sum professional services agreement are not taken into account for the purposes of the Plan.

27. Pro forma hours credited to employees whose work is billed by the day, by dedicated employees and by employees on special assignment are taken into account for the purposes of the Plan.

IPTD SECTOR

28. Paragraphs 29 to 37 apply only to employees working in the Interpretation and Parliamentary Translation Directorate, in accordance with paragraph 9.

29. The Plan is based on the principle that, regardless of the daily workload of each unit, each employee at the same level is paid the same amount for any surplus.

30. An incentive is generated only by translation, revision and editing activities.

31.

- (a) The acquisition period for the purposes of the Plan consists of six months, namely April, May, June, November and December 2005 and March 2006, which constitute the peak period of the parliamentary cycle and total 132 paid days.
- (b) If, in the course of the acquisition period, there is prorogation, including a federal election campaign, the day following the prorogation, the day before Parliament returns and the period between those two dates are excluded from the earning days.

32.

- (a) The incentive thresholds are, depending on the IPTD Unit and the TR level, the product of the daily workload in a unit and the number of paid days in the earning period. Refer to Table A below.

Table A: Daily Workloads and Thresholds

Unit	Workload	Threshold
Committees (words dictated and re-read)	TR-1: 2,100 words TR-2: 2,800 words TR-3: 3,200 words Revision: 10,500 words revised = 3,200 words translated	TR-1: 277,200 words TR-2: 369,600 words TR-3: 422,400 words Revision: 422,400 word translated equivalents
Documents (words typed and re-read)	TR-1: 1,350 words TR-2: 1,800 words TR-3: 2,200 words	TR-1: 178,200 words TR-2: 237,600 words TR-3: 290,400 words
Interpretation	TR-1: 2,925 words TR-2, TR-3 and TR-4: 3,900 words	TR-1: 386,100 words TR-2, TR-3 and TR-4: 514,800 words

- (b) The Committees thresholds are reduced by 11.5% for words typed and re-read, and the Documents thresholds are increased by 13% for words dictated and re-read.
- (c) Notwithstanding the foregoing, in the Debates Unit, every hour the Houses of Parliament sit equals 208 words and 255 words respectively for TR-2 and TR-3 employees, multiplied by the ratio of the baseline staffing (30) over the actual staffing, regardless of whether the employee's production is typed and re-read, dictated and re-read, or edited. The thresholds applicable to this production are those set for the Documents Unit (see Table A).
- (d) The employee's threshold is reduced by 1/132 for each day without compensation.
- (e) A gross hour of interpretation by three (or by two for interpretation in foreign languages) TR-2, TR-3 or TR-4 interpreters converts to 650 words, and a gross hour of interpretation by two interpreters converts to 975 words. For TR-1 interpreters, the gross hour of interpretation by three

interpreters converts to 490 words and the gross hour by two interpreters converts to 730 words. For elbow, consecutive or escort interpretation, the gross hour of interpretation by two TR-2, TR-3 or TR-4 interpreters converts to 650 words, and a gross hour of interpretation by one interpreter converts to 975 words.

- (f) Interpreters interested in participating in the IPTD Sector plan shall indicate their intention in writing to their supervisor no later than April 8, 2005, in which case they will be provided with texts from the Committees Unit, or from the Documents Unit to make up for any shortfall in texts from Committees.

Translations coming from the Documents Unit do not require editing. Interpreters may have to type them, but the employer shall make every effort to give them the opportunity to dictate them.

Interpreters participating in the Plan who have not asked for more texts for translation in the first month of the acquisition period shall be excluded from the IPTD Sector plan for the remainder of its duration.

33. The threshold is reduced by 1/132 for each paid leave day (including statutory holidays) and training day given and received, up to a maximum of 32 days, as well as for each deductible day of activity, with this maximum of 32 days being prorated to the number of days without compensation.

34. Deductible activities, not including training, are:

- union activities
- management of special projects
- management of terminology projects
- participation in a working group
- on-loan to the Operations Sector
- distribution of workload
- travel time for interpreters outside their headquarters area

- documentation activities
- any activity expressly authorized to be deducted by the Employer.

35. An employee is paid 9 cents for each word above the threshold applicable to that employee. The incentive cannot exceed 10% of the employee's compensation as defined in paragraph 6. Amounts less than \$2 are not paid.

36.

- (a) The incentive is paid to the employee after the end of the incentive period. The employee can convert an earned incentive to leave credits, up to a maximum of five days, at the rate of 1.5 times the employee's daily compensation for each day of leave. A request to do so must be submitted by the employee within ten working days of receipt of a notice indicating the total incentive earned during the period in question. The converted leaves are similar to parliamentary and interpretation leaves. The written notice includes a reference to an equivalent in days of the portion of the incentive that may be converted into leave credits. The employee can use this leave upon producing the request for the required conversion. The converted leaves are granted subject to operational requirements.
- (b) Any notice of adjustment, whether upwards or downwards, will include an explanation of the adjustment and the fiscal implications thereof.

37. The Plan does not apply to employees seconded to a client.

TECHNOLINGUISTIC SERVICES

38. Paragraphs 39 and 40 apply to employees working in Technolinguistic Services, in accordance with paragraph 9. They are also subject to paragraphs 18 to 27.

39.

- (a) An incentive is generated only by translation, rereading or revision activities performed by employees in Technolinguistic Services.

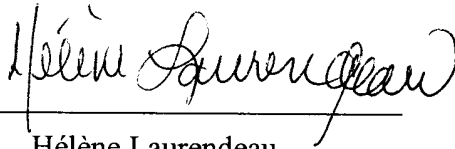
- (b) Insofar as possible, employees in Technolinguistic Services shall perform the translation, rereading and revision work associated with the Technolinguistic projects it manages.

40. The Financial Incentives Plan Steering Committee undertakes to review the application of the Plan to Technolinguistic Services by November 30, 2005.

SIGNED IN OTTAWA, this 31st day of March 2005.

THE TREASURY BOARD OF
CANADA

CANADIAN ASSOCIATION OF
PROFESSIONAL EMPLOYEES



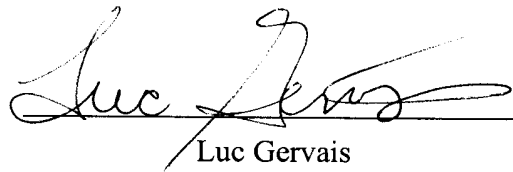
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