

MEMORANDUM OF AGREEMENT

BETWEEN

THE CROWN IN RIGHT OF ONTARIO

As Represented by the

MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY

AND

CENTRALIZED SUPPLY CHAIN ONTARIO

WHEREAS: The Ministry of Public and Business Service Delivery (the Ministry) will transfer the Program currently supported by Employees at the Supply Chain Ontario division of the Ministry to Centralized Supply Chain Ontario (Supply Ontario).

The Ministry and Supply Ontario (the Parties) acknowledge that the Program Transfer is a "Sale of a Business" for the purposes of Article 27.18.1 of the Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO) Collective Agreement and Section 10 of the *Crown Employees Collective Bargaining Act, 1993* will apply.

The Ministry shall provide AMAPCEO a copy of this Agreement.

Pursuant to the Program Transfer to Supply Ontario on the Changeover Date, Supply Ontario shall become the successor employer and shall assume operations related to the Program.

THE PARTIES therefore agree as follows:

ARTICLE 1 – PRINCIPLES

- 1.1 It is agreed that it is an important goal of the Parties to ensure the continuation of the Program in order to maintain protection of the public interest and enhance public confidence in supply chain management on behalf of government entities, broader public sector entities and health sector entities.
- 1.2 In achieving that goal, the Parties agree that it is important to ensure a smooth transition in relation to human resource management issues.
- 1.3 The Parties agree to treat all transferring Employees in accordance with the current Collective Agreement between the Crown in Right of Ontario and AMAPCEO (April 1, 2022, to March 31, 2025). Supply Ontario agrees to share information with applicable Employees in an effort to create a level of morale among Employees which would be conducive to the continued provision of the Program. The Ministry agrees all its disclosure of all factual matters related to the Employees as set out in the Schedules defined in Article 2 of this agreement are true to the best of its knowledge.
- 1.4 Pursuant to the terms of the separate Memorandums of Agreement between the Ministry, Supply Ontario and AMAPCEO ("the Tri-Partite Agreement"), Employees shall be offered jobs by Supply Ontario on terms required by this Agreement which are consistent with the Collective Agreement in place at the time the Program transfers to Supply Ontario. Employees shall have the opportunity to follow their work to Supply Ontario as part of the Program Transfer.

ARTICLE 2 – DEFINITIONS

- 2.1 "Changeover Date" means the date Supply Ontario assumes the governance and management of the Program pursuant to the Minister of Public and Business Service Delivery's approval and that the Program is transferred from the Ministry to Supply Ontario.
- 2.2 "Employees" includes both Regular Employee(s) and Fixed Term Employee(s) as defined in this Article who are members of the AMAPCEO bargaining unit employed by the Supply Chain Ontario division of the Ministry.
- 2.3 "Regular Employee" means a public servant who has been appointed under Section 32 of the *Public Service of Ontario Act, 2006*, other than for a fixed term.

- 2.4 "Fixed Term Employee" means a public servant who has been appointed under Section 32 of the *Public Service of Ontario Act, 2006*, for a fixed term.
- 2.5 "Parties" mean the Ministry and Supply Ontario, and "Party" means either one of them.
- 2.6 "Program" means all units and branches within the Supply Chain Ontario division at the Ministry and the related operations supports (e.g., IT, finance) currently performed by Employees including, but not limited to, the Enterprise Vendor of Record Program, advertising and communications procurement, supply chain advisory services and the functions that support them. It also includes the management, oversight, and operations of the provincial stockpile of personal protective equipment and critical supplies and equipment, including supporting the Ministry of Health for testing and other programs.
- 2.7 "Program Transfer" means the transfer of the Program and Employees set out in Schedule "B", from the Ministry to Supply Ontario.
- 2.8 "Schedule A" means the schedule, including any addendums, to be attached to this Agreement which identifies the Employees who will receive job offers from Supply Ontario and, if accepted, will transfer from the Ministry to Supply Ontario.
- 2.9 "Schedule B" means the schedule, including any addendums, to be attached to this Agreement which identifies the Employees who received and accepted Supply Ontario's job offer, and will transfer from the Ministry to Supply Ontario.
- 2.10 "Schedule C" means the schedule, including any addendums, to be attached to this Agreement which identifies the Employees who received and accepted Supply Ontario's job offer and have an approved leave of absence that would begin after or conclude after the Changeover Date.

ARTICLE 3 – JOB OFFERS

- 3.1 Prior to the Changeover Date, Supply Ontario agrees that every Employee listed in Schedule "A" will receive a job offer from Supply Ontario, that is consistent with the terms of this agreement, the Tri-Partite Agreement and the terms and conditions of the current Collective Agreement between Management Board of Cabinet and AMAPCEO.

- 3.2 The Ministry agrees it will complete Schedule "A" for each stage of job offers with the following Employee information: Employee name, home position title, home position classification, salary, anniversary/merit date, continuous service date, severance credit date and Employee's home address. The Ministry will share Schedule "A" for each stage of job offers with Supply Ontario for the purpose of job offer letter preparations by Supply Ontario.
- 3.3 Upon confirmation of Supply Ontario's agreement to provide job offers to all Employees listed on Schedule "A", the Ministry will disclose to Supply Ontario any Employees listed on Schedule "A" who are currently: on short term sick leave; in receipt of WSIB; in receipt of Ministry Long Term Income Protection Benefits for less than two (2) years; on pregnancy/parental leave; or on any other leave of absence. The Ministry will also disclose the leave start date and leave end date if known.
- 3.4 The offers of employment to the Employees will be for employment with Supply Ontario at Supply Ontario's workplace. The offers may include language regarding any interim measures related to workplace while Supply Ontario finalizes a commercial lease.
- 3.5 Supply Ontario will provide job offers to Employees in Schedule "A" prior to the Changeover Date, save those Employees who are on leave and will receive an offer only upon their return to work as per this Agreement. The detail of the job offers to be made to Employees by Supply Ontario shall include position title, salary/hourly rate, the position title to whom the position reports, as well as the Employee's merit date, seniority/continuous service date, and severance credit date at Supply Ontario. Job offers will be conditional on the Program actually transferring from the Ministry to Supply Ontario.
- 3.6 Employees in Schedule "A" will receive job offers from Supply Ontario for positions which match as closely as possible to the home positions they held immediately prior to the Changeover Date. The "home position" is the position to which the Employee has been permanently appointed and does not include any position to which the Employee is assigned on an "acting basis". However, this provision does not prohibit Supply Ontario from providing a job offer to an Employee that will continue their acting assignment after the Changeover Date, provided the acting assignment is required after transferring the Program.

- 3.7 Schedule "A" for each stage of job offers, once submitted to Supply Ontario by the Ministry will be considered final. Only amendments which amount to additions will be allowable by mutual agreement of the Parties.
- 3.8 Supply Ontario will provide Employees who it makes a job offer to, ten (10) working days from the date of the offer to accept or to refuse the job offer. Supply Ontario will inform Employees in the job offer that should the Employee not accept the offer or not respond within ten (10) working days, Supply Ontario shall deem the Employee to have refused the offer.
- 3.9 Supply Ontario agrees it will complete Schedule "B" for each stage of job offers with the names of Employees who have accepted the job offer. Supply Ontario agrees to update Schedule "B" after each round of job offers.
- 3.10 The employment status of the Employees accepting job offers with Supply Ontario will be the same as their employment status immediately prior to the Changeover Date (e.g., full-time to full-time, part-time to part-time, regular to regular, fixed term to fixed term).
- 3.11 In the event Supply Ontario hires within thirteen (13) weeks of the Changeover Date, an Employee in Schedule "A" who originally refused a job offer, Supply Ontario will advise the Ministry of such hiring. Supply Ontario agrees to disclose to the Ministry the name, current home address and start date of such Employee. All Employees in this situation will be added to Schedule "B" and repay to the Ministry any and all payments received subsequent to their job offer refusal. In accordance with Article 10 of this Agreement, the Employee will not be entitled to termination or severance pay at the time of transfer.
- 3.12 In the event Supply Ontario hires in the period greater than thirteen (13) but within twelve (12) months of the Changeover Date, an Employee in Schedule "A" who originally refused a job offer, Supply Ontario will advise the Ministry of such hiring. Supply Ontario agrees to disclose to the Ministry the name and start date of that Employee in Supply Ontario's employ. All Employees in this situation will not be added to Schedule "B" and will repay to the Ministry any and all payments received subsequent to their job offer refusal. In accordance with Article 10 of this Agreement, the Employee will not be entitled to termination or severance pay from the Ministry.

ARTICLE 4 – WORKPLACE SAFETY AND INSURANCE BOARD (WSIB)

- 4.1 An Employee in Schedule "A" who is in receipt of WSIB benefits will receive a job offer from Supply Ontario only once they are deemed fit to return to work by WSIB. For clarity, these Employees will remain with the Ministry during their leave period.
- 4.2 An Employee in Schedule "A" who is at work and receiving partial WSIB benefits will receive a job offer from Supply Ontario consistent with the modified work program in place for the Employee at that time.

ARTICLE 5 – LEAVES OF ABSENCE

- 5.1 Upon the Ministry's receipt of Schedule "B", the Ministry agrees to further disclose in Schedule "C", for each stage of job offers, the nature/type (e.g., educational, outside employment, special or compassionate etc.) and terms (start and end dates) of approved leaves of absence that would begin after or conclude after the Changeover Date for any Employees previously identified.
- 5.2 An Employee in Schedule "A" who is on an approved leave of absence, except those on a pregnancy/parental leave, and did not elect to return early from their leave to receive their job offer from Supply Ontario will receive a job offer from Supply Ontario only upon their return to work. For clarity, the Employee remains with the Ministry during their leave period.
- 5.3 An Employee in Schedule "B" who at the time of the Changeover Date is on a pregnancy/parental leave, will transfer employment on the Changeover Date and will be allowed to complete the balance of their pregnancy/parental leave with Supply Ontario.
- 5.4 Following the signing of this Agreement, the Ministry will not, on its own, approve any discretionary leave of absence for an Employee if such leave would begin after or conclude after the Changeover Date, without securing Supply Ontario's prior agreement. Supply Ontario agrees to honour leaves of absence approved prior to the signing of this Agreement and scheduled to take place after the Changeover Date provided such leaves have been disclosed in Schedule "C".

ARTICLE 6 – SHORT TERM SICK LEAVES

- 6.1 An Employee in Schedule "A" who is on short term sick leave will receive a job offer from Supply Ontario only upon their return to work at the Ministry. For clarity, these Employees will remain with the Ministry during their leave period.

ARTICLE 7 – LONG TERM DISABILITY

- 7.1 An Employee in Schedule "A" who is in receipt of Ministry Long Term Income Protection benefits and will have been for less than two (2) years as of the Changeover Date, will remain an Employee of the Ministry and their job offer will be placed on hiatus. If such Employee is deemed fit to return to work by the appropriate medical authority(s), prior to the expiry of the two (2) year period, the hiatus period will end, and Supply Ontario will make a job offer to that Employee at that time.
- 7.2 An Employee in Schedule "A" who has been in receipt of Ministry Long Term Income Protection for two (2) years or more will not be eligible to receive a job offer from Supply Ontario and will be removed from Schedule "A". At the two (2) year mark, the hiatus period will end, and the Employee will remain with the Ministry.

ARTICLE 8 – ACCUMULATED CREDITS

- 8.1 The Ministry agrees to disclose all necessary information regarding accumulated credits (vacation credits, compensating time off (overtime), or attendance credits), to the best of its knowledge, for Employees in Schedule "B".
- 8.2 Employees in Schedule "B" shall be entitled to carry over any earned but unused accumulated credits (vacation credits, compensating time off (overtime), or attendance credits) earned with the Ministry. For clarity, any forfeited vacation not used prior to the Changeover Date will not transfer to Supply Ontario and will be lost.
- 8.3 Employees in Schedule "B" who at the time of the Changeover Date are utilizing their accumulated credits (vacation credits, compensating time off (overtime), or attendance credits), will transfer employment on the Changeover Date and will be allowed to complete the balance of their vacation, compensating time off, etc. with Supply Ontario.
- 8.4 Following the signing of this Agreement, the Ministry will not, on its own, approve any vacation, compensating time off, etc. for an Employee where that absence would begin after or continue past the Changeover Date, without securing Supply Ontario's prior agreement. Supply Ontario agrees to honour vacations, compensating time off, etc. approved prior to the signing of this Agreement and scheduled to take place after the Changeover Date.

- 8.5 The Ministry shall make best efforts to confirm unused accumulated credit information as of the Changeover Date, for Employees in Schedule "B" in writing to Supply Ontario within 30 calendar days following the Changeover Date.
- 8.6 The Ministry shall transfer corresponding funding to Supply Ontario for all unused accumulated credit entitlements noted above (e.g., vacation credits, compensating time off (overtime), or attendance credits), accrued to the point of the Changeover Date so that Supply Ontario does not inherit any funding liability for such costs.

ARTICLE 9 – PENSION PLAN ARRANGEMENTS

- 9.1 Pension plan arrangements are subject to the *Pension Benefits Act*.
- 9.2 Effective on the Changeover Date, Supply Ontario agrees to continue pension participation for transferring Employees represented by AMAPCEO in the Public Service Pension Plan, administered by the Ontario Pension Board.

ARTICLE 10 – SEVERANCE PAY

- 10.1 The employment of Employees who are transferred to Supply Ontario is not terminated or severed and the severance entitlements of such Employees shall be carried over to Supply Ontario. The Ministry shall not be liable to any Employees in Schedule "B" for any payment of termination or severance pay and shall disclose to Supply Ontario all accrued severance entitlements which Supply Ontario will assume.
- 10.2 The Ministry shall transfer all corresponding funding to Supply Ontario for any severance or termination benefit accrued to the point of the Changeover Date so that Supply Ontario does not inherit any funding liability for such costs.

ARTICLE 11 – HUMAN RESOURCES AND EMPLOYEE HEALTH FILES

- 11.1 Subject to the consent of the Employee, the Ministry agrees to provide Supply Ontario with copies of the human resources file (e.g., corporate personnel file) for each Employee in Schedule "B", following the Changeover Date, or as the Parties may otherwise agree. For clarity, the Ministry agrees it will not remove any documents from the human resources files, related to Employee performance or disciplinary records, unless there is a Collective Agreement

requirement to do so (e.g., "sunset clause"). Furthermore, information regarding Employees in Schedule "B" will be provided by the Ministry on any unresolved and on-going issues or systemic matters which require Supply Ontario to be aware and responsible, including available documents related to Employee grievances, complaints/investigation involving allegations of workplace discrimination and harassment, and complaints/investigation involving allegations of workplace violence. For clarity, resolved and non-systemic matters including available documents related to Employee grievances, complaints/investigation involving allegations of workplace discrimination and harassment, and complaints/investigation involving allegations of workplace violence shall not transfer, except as required for implementation.

- 11.2 Employee health files and all WSIB documents relating to Employees in the possession of the Ministry shall be consolidated in a single Employee health/WSIB file which shall remain the property and in the possession of the Ministry and shall not be transferred.
- 11.3 Subject to the consent of the Employee, the Ministry will provide Supply Ontario with all available documents pertaining to existing accommodation arrangements for Employees in Schedule "B". Supply Ontario may disclose this information to those individuals that need to know, in order to provide accommodation to the Employee or as required by law. Supply Ontario will take all reasonable measures to protect the confidentiality of the information included in the transferred documents.
- 11.4 The Ministry agrees to provide Supply Ontario with copies of the payroll file for each Employee in Schedule "B", following the Changeover Date, or as the Parties may otherwise agree.

ARTICLE 12 – ARBITRATION

- 12.1 A dispute arising out of the interpretation, application or administration of this Agreement between the Parties shall be resolved as follows. The Party raising the issue shall do so in writing within ten (10) business days of becoming aware of its existence. The Parties will meet within ten (10) business days thereafter, with a view to resolving the issue. Should the Parties be unable to resolve the issue within ten (10) business days of such meeting, it will be referred to arbitration in accordance with the *Arbitration Act, 1991*. The arbitrator will be agreed upon by the Parties, failing which, the arbitrator will be appointed by the Ontario Superior Court of Justice, upon application by one Party with notice to

the other. The costs of the arbitration will be divided equally between the Parties to the arbitration, unless otherwise allocated by the arbitrator. The decision of the arbitrator shall be final and binding on the Parties and not subject to appeal.

ARTICLE 13 – OUTSTANDING DISPUTES/COMPLAINTS

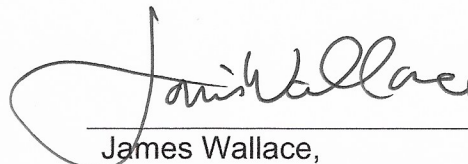
- 13.1 The Ministry will be responsible for the carriage, litigation, resolution, and liability with respect to all outstanding disputes, complaints, arbitrations or other proceeding or cause of action of any kind related to Employees in Schedule "B" which have been filed, served, commenced or initiated in any way as of the date immediately prior to the Changeover Date.
- 13.2 Supply Ontario will cooperate with the Ministry in releasing witnesses from work or providing other reasonable assistance in the event that proceeding occurs after the effective date of employment, provided that the Ministry will reimburse Supply Ontario for any reasonable cost associated therewith.
- 13.3 In dealing with any dispute, complaint, arbitration or other proceeding or cause of action described in Article 13.1 the Ministry may request relevant information from Supply Ontario. Supply Ontario shall, if so requested by the Ministry, provide all relevant information respecting such matters to the Ministry, as allowable by law.

The Parties acknowledge that this Agreement will form part of a comprehensive agreement governing all matters related to the Program Transfer and such comprehensive agreement is subject to ratification by Supply Ontario and the Ministry.

Dated in Toronto, this 8th day of June, 2023.



Renu Kulendran
Deputy Minister,
Ministry of Public and Business
Service Delivery



James Wallace,
Chief Executive Officer,
Centralized Supply Chain Ontario