

Supplement to Provincial Collective Agreement March 2006

In March 2006 a Memorandum of Agreement re: Provincial Collective Agreement was ratified bringing some changes to the 2001-04 Collective Agreement. This document contains modifications to the Collective Agreement contained in this memorandum.

Memorandum of Agreement re Provincial Collective Agreement

Between

Her Majesty the Queen in Right of Newfoundland and Labrador,
represented herein by Treasury Board

And

The Newfoundland and Labrador School Boards Association,
on behalf of the School Boards listed in Schedule A

And

The Newfoundland and Labrador Teachers' Association, a body corporate constituted by the Newfoundland Teachers' Association Act, 1974, Chapter 50 of the Statutes of Newfoundland, 1974

THIS Agreement made this 9th day of March, 2006

Articles/schedules of the present Collective Agreement that are modified by this MOA are reprinted in their entirety with the changes noted by **BOLD** print. These articles/schedules are:

- Article 15 - Sick Leave
- Article 24 - Isolation Allowance
- Article 26 - Group Insurance
- Article 43 - Duration of Agreement
- Article 49 - Substitute Teachers
- Schedule B - Substitute Teachers Salary Scales
- Schedule C - Annual Salary Scales and Allowances
- Schedule D - Memorandum of Understanding re Pensions
- Schedule O - Annual Premium Rate Setting Process
- Letter 8 - Pensions
- Letter 9 - Article 26 - Group Insurance

- I. The Parties agree to enter into a new collective agreement: All terms outlined in the 2001-2004 collective agreement remain the same for the 2004-2008 collective agreement except as otherwise stated in this Memorandum of Agreement.
- (Note: The Collective Agreement modifications referenced in paragraph I above are the issues #1 to #5 as contained on Pages 1 to 17 of this document.)**
- II. The parties are agreed the modifications outlined in paragraph I above complete the negotiations on those items and those items will not be the subject of further negotiation.
- III. The parties agree that with the exception of the modifications/amendments/changes contained in paragraph I of this Memorandum of Agreement all other unchanged provisions of the 2004-2008 collective agreement are subject to further revision during the life of this agreement. The parties will continue negotiations on the remaining unchanged provisions of the 2004-2008 collective agreement. The parties agree that section 31(2) of the *Teachers' Collective Bargaining Act*, RSN ch. T-3 shall apply to negotiations undertaken in accordance with this paragraph. The parties agree the modifications/amendments/changes contained in paragraph I of this Memorandum of Agreement will remain in effect regardless of the outcome of negotiations undertaken on the remaining unchanged provisions of the 2004-2008 collective agreement.
- IV. The parties agree that while the items contained in paragraph I are final that either party may make reference to the modifications/amendments/changes contained in this Memorandum of Agreement as part of the conciliation board proceedings and the conciliation board shall consider the content of this Memorandum of Agreement when reporting its findings and recommendations.

Issue # 1: Pensions

Schedule D of the 2001-2004 collective agreement is amended by the following:

Government Payments

1. **Government will pay \$1.953 billion into the Teachers' Pension Fund, with \$1.5 billion being paid by March 1, 2006, and the remaining \$453 million on or before April 1, 2006.**
2. **It is agreed that the payment contained in Clause 1 above is full settlement of special payments referenced in Clause 1 and Clause 2 of Schedule D of the 2001-2004 Collective Agreement.**
3. **The payment contained in 1 above satisfies the requirements of Section 8.1 of the *Teachers' Pensions Act*, SNL1991, Chapter 17.**

Contribution Increases

4. Contribution rates for all teachers shall be increased by 0.5% effective September 1, 1998, with a Government match.

Benefit Modifications – Base Plan

5. (a) All benefits in respect of pensionable service accrued under the TPP shall be integrated with the CPP using an offset factor of 0.6%.
(b) When a teacher elects to receive CPP benefits before age 65, the amount of the reduction as calculated under (a) and (b) shall be reduced by 0.5% for each month that the effective date is less than age 65.
6. The rounding provision contained within the TPP shall be modified for eligibility purposes and eliminated for benefit calculation purposes. Implementation will be as follows:
Effective from September 1, 1998, teachers can retire during the school year and receive an immediate pension, only if they have accumulated the required number of complete years of pensionable service necessary for eligibility. However, at the end of a school year, teachers who require five-tenths or less of a year of pensionable service in order to qualify for a pension shall be permitted to retire but will have their benefits calculated based on the exact number of years and tenths of years of pensionable service accumulated to the date of retirement.
7. Purchase of service provisions contained in the Teachers' Pension Act will be amended as follows:
 - (a) Section 12 – Purchase of Refunded Service (PSPP, USPP, MUNPP, MHAPP)
 - (i) Teachers will have a period of six (6) months effective from September 1, 1998 to purchase eligible service under Section 12 under the existing formula.
 - (ii) After the expiry of the six-month period, all purchases of refunded service will be at the greater of full actuarial cost and contributions determined based on the salary and the contribution rate in effect at the date of election to purchase.
 - (b) Section 13 – Purchase and Recognition as Worked Service Periods of Approved Leave Without Pay
 - (i) Teachers who have existing periods of maternity leave and unpaid sick leave will have six (6) months from September 1, 1998 to elect a purchase of such service, at a cost based on the existing formula, matched by the current employer. After the six-month period, the purchase cost will be the full actuarial cost or the amount calculated as employee contributions based on the salary and contribution rate in effect at the date of election to purchase, whichever is greater.

- (ii) Teachers who have existing periods of approved leave without pay, including education leave, shall have six (6) months from September 1, 1998 to elect to purchase such service. The cost to purchase such service shall be determined on the basis of the contribution rate and member salary at the date of election to purchase. Such contribution will be matched by the Employer. After the six-month period, the purchase cost will be the full actuarial cost or the amount calculated as employee contributions based on the salary and contribution rate in effect at the date of election to purchase, whichever is greater.
 - (iii) Teachers who have existing periods of approved unpaid university study leave previously purchased as pensionable service under the former teacher's training service purchase arrangement, shall have six (6) months from September 1, 1998 to convert such pensionable service to worked service at favourable rates. The favourable rate cost shall be determined based on the salary and the contribution rate in effect at the date of election to convert. Such cost shall be reduced by the amount, with interest, previously paid to purchase the service.
After the six-month period such service can still be purchased but the cost will be the full actuarial cost or the amount calculated as employee contributions based on the salary and contribution rate in effect at the date of election to purchase, whichever is greater. For purposes of this Section, unpaid university study leave does not include university years prior to becoming employed as a teacher.
 - (iv) Where a teacher who joins the TPP after September 1, 1998 has periods of prior approved leave which would otherwise have qualified under this Section, the cost to purchase shall be the full actuarial cost or the amount calculated as employee contributions based on the salary and contribution rate in effect at the date of election to purchase, whichever is greater.
 - (v) If, within six (6) months of returning from a period of authorized unpaid leave, a teacher elects to purchase that leave, the cost will be the required employee contributions based on the salary at the start of the period of leave. This amount shall be matched by the Employer. After six (6) months, the cost shall be the full actuarial cost or the amount calculated as employee contributions based on the salary and contribution rate in effect at the date of election to purchase, whichever is greater.
- (c) Sections 14 and 16 – Purchase of Other Service and Reciprocity
- (i) Service accumulated in other jurisdictions can only be credited to the Plan by way of Reciprocal Transfer Arrangements in accordance with Revenue Canada registration provisions.

- (d) Sections 11 and 15 – Purchase of Service and Payment Arrangements
 - (i) A teacher who did not contribute to the Substitute Teachers' Pension Plan, may elect to purchase substitute teaching time. The period over which the cost may be paid is twice the period being purchased, or the period from the date of election to purchase and the date of retirement, whichever period is shorter.

Teachers' Ancillary Pension Plan

- 8. The provisions of the TPP and the early retirement provisions currently contained in the Teachers' Ancillary Pension Plan (TAPP) will be combined.

Indexing

- 9. Introduction of a formal indexing program for only those plan members whose benefits have been integrated with the CPP as follows:
 - (a) The indexing formula shall be sixty per cent (60%) of the annual change in the national Consumer Price Index as published by Statistics Canada for the calendar year immediately preceding the anniversary date, to a maximum annual increase of 1.2%.
 - (b) (i) Such increase to be applied to the pensions of all pensioners and survivors whose benefits are integrated with CPP and who have attained age 65, from September 1, 2002; and
 - (ii) For those pensioners and survivors whose benefits are integrated with CPP and are not age 65, from the next anniversary date after the date they reach age 65.
 - (c) The cost of such indexing provision shall be 1.7% of salary and allowances, to be shared equally by the parties, commencing September 1, 2002.
 - (d) The additional contributions required to fund the indexing benefit shall be deposited to a separate account (Indexing Account). Any increase in pensions pursuant to the indexing formula shall be payable only to the extent that funds are available in the Indexing Account. Benefits payable from the Indexing Account under the indexing provision shall not be subject to the deficiency guarantee provisions under the Pensions Funding Act.
 - (e) The anniversary date shall be September 1, 2002, and every September 1 thereafter.

Unfunded Liabilities

- 10. Government and teachers acknowledge that there remains an unfunded liability in the Pension Plan after implementation of these measures. Government agrees to accept full responsibility for the unfunded liability of the TPP incurred up to 31 August 1990, including all carrying costs related to that liability. All new unfunded liabilities incurred after that date, including that related to the early retirement provision under TAPP, shall be shared equally between Government and teachers.

Other Issues

11. The NLTA will have a representative on the **Pension Investment Committee** of the Pooled Pension Fund.

The following letter of intent to be added:

Letter #8 – Pensions

2006 02 10

Mr. Kevin Foley
President
Newfoundland and Labrador Teachers' Association
3 Kenmount Road
St. John's, NL A1B 1W1

Dear Mr. Foley:

It is understood and agreed by the parties to this Collective Agreement that all provisions which reference teachers' pensions shall continue in effect for the life of the 2004 -2008 Collective Agreement.

Yours truly,
Raelene Thomas
Chief Negotiator
Treasury Board

Issue # 2: Salaries

Schedules B and C of the 2001-2004 collective agreement are amended by the following:

Schedule B – Substitute Teacher Salary Scales

Increase the salary scales in Schedule B as follows:

September 1, 2004	-	0%
September 1, 2005	-	0%
September 1, 2006	-	3%
September 1, 2007	-	3%

Schedule C – Annual Salary Scale

Increase the salary scales in Schedule C as follows:

September 1, 2004	-	0%
September 1, 2005	-	0%
September 1, 2006	-	3%
September 1, 2007	-	3%

Schedule C – Allowances Per Annum

Increase the Allowances in Schedule C as follows:

September 1, 2004	-	0%
September 1, 2005	-	0%
September 1, 2006	-	3%
September 1, 2007	-	3%

It is further understood and agreed that parties to this Memorandum of Agreement will not seek any revision of salary scales or allowances of the 2004-2008 Collective Agreement.

Note: Salary Scales appear at the end of this document.

ARTICLE 24: ISOLATION ALLOWANCE

1.24.01 TEACHERS IN ISOLATED SETTLEMENTS: Every teacher teaching school in a settlement as described in this article shall be paid the bonus set out opposite the description of that settlement as follows:

Teachers Holding Certificates and Licences			
Effective	Sept.1, 2005	Sept. 1, 2006	Sept. 1, 2007
(a)	2434	2507	2582
(b)	1656	1706	1757
(c)	1656	1706	1757

Teachers Holding Licences Other Than A Licences

Effective	Sept.1, 2005	Sept. 1, 2006	Sept. 1, 2007
(a)	1851	1907	1964
(b)	780	803	828
(c)	780	803	828

Description of Settlement

- (a) Every settlement in the Province where there is not a road, railroad, or continuous ferry service connecting that settlement with other settlements.
- (b) Every settlement in the Province connected by road with other settlements but not with the main highway
- (c) Every settlement in the Province connected to other settlements and to a main highway by a ferry service which is not continuous.

24.02 Teachers employed in isolated areas of Labrador shall receive the greater of the Allowances as determined by Clauses 48.01 and 24.01.

24.03 Teachers living and teaching in communities covered by this Article shall be entitled to two (2) days of paid leave in the aggregate in a school year, when they are delayed from returning to their communities due to an interruption in transportation service.

Issue # 3: Sick Leave

Article 15: Sick Leave of the 2001-2004 collective agreement is amended by the following:

ARTICLE 15: SICK LEAVE

15.01 A teacher is eligible for sick leave with pay when the teacher is unable to perform duties because of illness, injury or other disability provided the necessary sick leave credits have been accumulated and provided the other requirements of this Article have been complied with.

15.02 (a) A teacher, **who has teaching experience in the province prior to September 1, 2006**, shall be entitled to paid sick leave according to the following scale:

- First year of service 18 days
- Second year of service 36 days
- Third year of service 60 days
- Fourth year of service 89 days
- Fifth year of service 117 days
- Sixth year of service 146 days
- Seventh year of service. 157 days

Eighth year of service	168 days
Ninth year of service.	179 days
Thereafter	195 days

15.02 (b) **Notwithstanding Clause 15.02 (a), effective September 1, 2006, a teacher who has no previous teaching experience in the Province is entitled to accrue sick leave at the rate of twelve (12) days per year of service.**

15.02 (c) **Effective September 1, 2006, the maximum number of days of sick leave which may be awarded to a teacher who has no previous teaching experience in the province during any consecutive twenty (20) year period of service shall not exceed two hundred and forty (240) days.**

15.02 (d) **Effective September 1, 2006, a teacher who has no previous teaching experience in the Province may anticipate sick leave to the end of the period of the teacher's contract of employment or to the end of the year concerned, whichever is the shorter period.**

15.03 (a) The maximum amount of sick leave to which a teacher, **who has teaching experience in the province prior to September 1, 2006**, may be entitled at any time shall be calculated by working back for the past four (4) years and deducting any days used during that four (4) year period, except that a teacher with nine (9) or more years of teaching service who uses all sick leave days shall be entitled to the following number of days sick leave credit during each of the following (4) years:

During the first year of service	18 days
During the second year of service	36 days
During the third year of service	60 days
During the fourth year of service	89 days
Thereafter	195 days

(b) In any event, a teacher, **who has teaching experience in the province prior to September 1, 2006**, shall be entitled to not less than eighteen (18) days' sick leave in any school year.

15.04 Sick leave with pay in excess of four (4) consecutive teaching days at any time or seven (7) teaching days in the aggregate in any school year shall not be awarded to a teacher unless a medical certificate satisfactory to the School Board has been submitted in respect thereof. In any case where the School Board is satisfied that it is not possible for the teacher concerned to secure a medical certificate, a certificate of a registered nurse, the Chairperson of the School Board, a magistrate or any other person designated by the School Board may be accepted in place of a medical certificate.

15.05 In calculating the sick leave days of a teacher in accordance with Clause 15.02, the years during which a teacher served as any of the following shall be deemed to be years of service as a teacher:

- (a) professional officer of the Department of Education; and/or
- (b) executive officer of the Denominational Education Council; and/or
- (c) President of the Newfoundland and Labrador Teachers' Association; and/or
- (d) President of the Canadian Teachers' Federation; and/or
- (e) an Administrative Staff Officer of the Newfoundland and Labrador Teachers' Association; and/or
- (f) a faculty member of Memorial University; and/or
- (g) a teacher in a Government School; and/or
- (h) an Administrative Staff Officer of the Newfoundland and Labrador School Boards Association of Newfoundland; and/or
- (i) a District Director or an Assistant Director; and/or
- (j) a teacher employed in a school in Wabush, Labrador City or Churchill Falls or Conne River; and/or
- (k) a teacher with the Cabot Institute of Applied Arts and Technology, the Institute of Fisheries and Marine Technology, a Community College, and/or a District Vocational School; and/or
- (l) related service done in an institution as a specialist teacher approved for this purpose by the Minister; and/or
- (m) as a teacher in an adult education institution approved by the Minister.

15.06 The provisions of this Article shall apply to a teacher who is under contract and who is unable to commence duties due to sickness, injury or incapacity.

15.07 A teacher who develops a major illness shall be entitled to the benefits covered by this Article where:

- (a) the teacher is undergoing full-time training as a teacher at the university; and
- (b) the teacher holds a teacher's certificate or licence; and
- (c) the teacher immediately before commencing such training served as a teacher for a period of not less than one (1) year; and
- (d) illness requires the teacher to withdraw from university without completing or commencing a semester's work.

15.08 A teacher on extended sick leave with pay may be required by the Minister or the School Board to undergo a medical examination at any time provided the requirement is not unreasonable in terms of frequency or other circumstances.

15.09 When a teacher is absent on sick leave and on that day the school is closed because of weather, or other such reasons, and the teachers are not required to be in attendance, such day or days shall not be deducted from the teacher's accumulated sick leave.

- 15.10 (a) For the purpose of Clause 15.02, **for a teacher who has teaching experience in the province prior to September 1, 2006**, an academic year during which the teacher accumulates ninety-seven and one-half (97.5) days shall constitute a year of service.
- (b) For the purpose of Clause 15.02, in computing additional years of service **for a teacher who has teaching experience in the province prior to September 1, 2006**, the total days of service accumulated during years of less than ninety-seven and one-half (97.5) days shall be divided by the number of days in a school year as prescribed in Article 28 (Length of the School Year). This subtotal shall be added to the subtotal determined by Clause 15.10 and one-half (½) year or more shall be counted as a year, but a fraction of less than one-half (½) shall not be counted.
- (c) **For the purposes of Clause 15.02, effective September 1, 2006, a teacher who has no previous teaching experience in the province shall be awarded sick leave on a prorata basis during an academic year in which the teacher accumulates less than 195 days service. Such sick leave to be rounded to the nearest half-day.**
- 15.11 Subject to Article 9, upon termination of leave under this Article, a teacher shall be returned to the same teaching position held immediately prior to the commencement of the leave.
- 15.12 (a) A teacher who has not accumulated sufficient sick leave to cover a period of absence under this Article shall be granted upon request special sick leave up to fifteen (15) teaching days.
- (b) Special sick leave granted shall be deducted from sick leave credits subsequently accumulated.
- (c) A teacher who was granted special sick leave pursuant to Clause 15.12(a) shall, upon ceasing to be a teacher, compensate the employer for special leave which has not been recovered under Clause 15.12(b) and the amount of compensation shall be calculated at the employee's rate of remuneration in effect at the time the days were borrowed.
- 15.13 A teacher whose entitlement to sick leave with pay under this Article has been exhausted, and whose illness requires further absence from work, shall be placed on sick leave without pay. Periods of time on sick leave without pay, both before and after the signing date of this Agreement, shall be considered time taught for the purposes of seniority and service time within the pensions legislation.
- 15.14 In the event that a teacher is required to obtain a medical certificate by the School Board in addition to the initial certificate provided, then the teacher shall not be required to incur any additional cost.

ARTICLE 49: SUBSTITUTE TEACHERS

- 49.01 The rate of pay for substitute teachers shall be based on qualifications and service in accordance with the salary scales in Schedule B, for periods of substitution for the same regular teacher of less than or equal to three (3) consecutive days.
- 49.02 For periods of substitution in excess of three (3) consecutive days for the same regular teacher, the substitute teacher will be paid on the basis of qualifications and service in accordance with the salary scales contained in Schedule C of this Agreement with effect from the first day of such period of substitution.
- 49.03 Substitute teachers shall be paid for a maximum of paid holidays designated by the School Board if the holidays occur during a contract period.
- 49.04 For salary purposes, substitute teachers shall be deemed to have kept school on any day or part thereof where:
- (a) the school is closed pursuant to Section 32 of the Schools Act 1997; or
 - (b) previously contracted substitute services are not required for any other reason(s) and the substitute teacher is not notified prior to reporting for duty at the school that his or her services are not required.
- 49.05 Substitute teachers are entitled to paid leave to participate in approved inservice activities which occur during a contract period if attendance at the inservice is required by the School Board.
- 49.06 (a) All substitute teaching time is included in the calculation of sick leave credits as per Article 15 of this Agreement.
- (b) Subject to Clause 49.08, substitute teachers shall be paid for sick leave approved in accordance with the Collective Agreement subject to the following conditions:
- (i) the substitute teacher is under contract with a School Board or the Department of Education for a period of fifty (50) consecutive days or more during the school year, or a substitute teacher accumulates fifty (50) days for substitute teaching service during the school year;
 - (ii) the illness for which the substitute teacher obtained leave occurred after the teacher commenced employment during a contract period;
 - (iii) the payment of sick leave benefits will not extend beyond the termination date of the contract period;
 - (iv) substitute teachers who accumulate fifty (50) days of teaching service through a series of short term contracts will be paid for sick leave days certified by the School Board(s) retroactive to the date the teacher first commenced employment in the school year. After fifty (50) days, sick leave benefits will be paid as claims are submitted by the School Board(s).

- (v) **Effective September 1, 2006, substitute teachers with no previous teaching experience in the province who qualify for sick leave in accordance with this clause will be awarded sick leave in accordance with Clauses 15.02(b), 15.02(c), 15.02(d) and 15.10(c).**

- 49.07 Substitute teachers shall be paid for the number of hours of duties assigned to them during the regular school instructional day, except, that no teacher shall receive more than one (1) day's pay for each day taught.
- 49.08 Substitute teachers who substitute for twenty (20) teaching days or more on a continuous basis will be considered a replacement teacher for purposes of benefits under this Agreement, with effect from the first day of such period of substitution.

Issue # 4: Group Insurance

Effective with the 2006-2007 renewal, Article 26: Group Insurance of the 2001-2004 collective agreement is amended by the following:

ARTICLE 26: GROUP INSURANCE

- 26.01 **In accordance with Clause 26.02**, Government will contribute **a portion of** the premium rate for **plan** options currently contained in the basic portion of the NLTA Group Insurance Plan (**Basic/Dependent Life, Accidental Death and Dismemberment, and Health**), and other benefits which may be agreed to between the parties.
- 26.02 **In accordance with Clause 26.01, the contribution rate per participating teacher to be paid by Government for each option in the basic portion of the NLTA Group Insurance Plan shall be determined annually in accordance with Schedule O. These rates shall be determined no later than February 28th of each year or the earliest date thereafter.**
- 26.03 The insurance committee currently established shall continue to be constituted as initially established and be a forum for discussions on the **Government contribution rates to the NLTA Plan**. In addition, the committee **may discuss premium rates and benefits under the NLTA and Government plans**.
- 26.04 The NLTA agrees to **provide** Government with **enrolment data** and information on the coverages of the **plan** options **in the NLTA Plan** to which Government contributes. **The NLTA agrees to provide Government and Government agrees to provide the NLTA with relevant portions of the financial statements, premium rating analysis and supporting documentation used to establish the contribution rate in accordance with Schedule O**. Such information will be provided **within thirty (30) days of a request for same or** as soon as possible following receipt by the **NLTA Group Insurance Trustees or Government**.
- 26.05 Coverage under those options of the existing NLTA Group Insurance Plan to which the Government contributes, shall be available to all members of the bargaining unit subject to underwriting qualifications only.

26.06 Government agrees to pay its share of group insurance premiums for those teachers on maternity and adoption leave, for a maximum of **thirty-nine (39)** weeks.

Schedule O

**Government of Newfoundland & Labrador
Newfoundland and Labrador Teachers' Association
Annual Premium Rate Setting Process**

Each year, both Government and NLTA will use this Premium Rate Setting Process to determine the required premium rates under their Group Insurance programs. For the Government program, this process will be used to calculate the contribution rate to the NLTA program, subject to clause 8 below. For the NLTA program, this process will be used to compare against the Government premium rate for determining Government's contribution, subject to clause 8 below. In both cases the rates are exclusive of all surplus, deficit or other cash adjustments.

The Basis of this Premium Rate Setting Process follows:

1. The Accidental Death and Dismemberment rate is determined by the insurers and the rate is negotiated with the Insurer and accepted by each plan sponsor.
2. The Basic and Dependent Life rates will be the rates determined by the rate setting mechanism for each of the NLTA and Government plans as outlined below:

5 Year Experience Rating			
1	Projected Annual Premium	\$	
2	Adjusted Premium (5 years)	\$	
3	Paid Claims (5 Years)	\$	
4	Demographic Factor	%	
5	Total Projected Claims	(3 X 4)	
6	Claim Ratio	5 / 2	
7	Projected Annual Claims	1 X 6	
8	Retention Charges	\$	
9	Required Premium	7 + 8	
10	Projected Premium	1	
11	Required Rate Action	9 / 1	

Note: For purposes of this calculation, under the Government plan, paid claims are reduced by any post age 65 life claims.

3. The health premium rates will be determined by the rate setting mechanism for each of the NLTA and Government plans as outlined below.

	Health Premium Rate Setting Formula		
1	Projected Annual Premium	\$	
2	Paid Claims from Previous Period	\$	
3	Claims Adjustments	\$	
4	IBNR Adjustment	\$	
5	Total Paid Claims	(2+3+4)	
6	Trend/Inflationary Factor	%	
7	Amendment Factor	\$	
8	Total Projected Paid Claims	(5+7)X6	
9	Retention Charges	\$	
10	Total Projected Claims & Retention	(8+9)	
11	Projected Loss Ratio	10 / 1	
12	Rate Action Required	11 – 100	

Process

4. Upon receipt of the renewal information from the insurer, confirmation of the financial information, review of all claims and trend information, Government and the NLTA will submit the foregoing information to an agreed upon group insurance consultant for the purpose of producing a premium rate adjustment schedule as noted in numbers 2 and 3 above.
5. The group insurance consultant will:
- Request and liaise with the plan sponsors and the insurers to ensure the necessary information is received in a timely fashion.
 - Review and confirm the reasonableness of any assumptions made.
 - Review and confirm that the information contained in the information pertaining to each plan is correct and reasonable.
 - Prepare a brief summary to each of the parties outlining the premium rates calculated using this premium rate setting process, including a summary of all calculations, indications that all documents have been reviewed and confirmation that the premium rates have been calculated using the agreed upon process.
 - Meet with both plan sponsors, if necessary, to address any issue that may arise.

6. Each party shall be responsible for expenses associated with the provision of its plan renewal information from the insurer, confirmation of the financial information, review of all claims and trend information, to the group insurance consultant. The parties shall pay equally the expenses and remuneration of the group insurance consultant.
7. Once the rate has been determined using the prescribed calculation and using the required supporting documentation, the rates calculated using this method will be used to determine the Government contribution to the NLTA plan.
8. The Government contribution to the NLTA required premium rate will be 50% of the lowest premium rate obtained for each Group Insurance plan option (identified in Items 1, 2, and 3 above) as determined by the calculation contained in Item 4. For example where the Government required premium rate for Basic Health is greater than the NLTA required premium rate for Basic Health, Government will contribute 50% of the NLTA required premium rate. Conversely, where the Government required premium rate is less than the NLTA required premium rate, Government will contribute 50% of the Government required premium rate. Under no circumstances will the Government contribution to the NLTA exceed 50% of the NLTA rate calculated under this schedule.
9. Inflation/Trend factors will be negotiated and agreed to with each Insurer independently by Government and NLTA. As both plans are insured, the Insurer(s) will have a vested interest in ensuring that the appropriate/ reasonable factor is used.
10. After these premium rates have been calculated, both Government and NLTA have the option of using any surplus funds they have available to offset the respective rates in their own plans.
11. The components of the premium rate setting mechanism are as follows:
 - Projected Annual Premium – Projection of premium derived solely from the monthly premium rates and number of employees covered under the program. The rates and volumes are those in force in the most recent month available for the premium rate setting.
 - Paid Claims – Total Cash Claims paid through the period.
 - IBNR Adjustment – Any adjustment to the Incurred But Not Reported Reserve.
 - Inflation/Trend Factor – The negotiated inflation/trend factor agreed to by the insurer and the plan sponsor.
 - Amendment Factor – Estimated claims adjustment due to a benefit level change.
 - Claim Adjustments – Credits or charges for items such as non-recurring claims.

- Retention Charges – Projected Charges outlined in the underwriting agreement between the insurer and Government including General administration, claims administration and processing, Risk Charges, Premium Tax, out of scope expenses (i.e.: mail outs, Amendments), Consulting fees and Pooling Charges.
- Projected annual premium is reduced by any third party administration fees, however these fees are added to the total rate to determine the final contribution rate.
- Paid claims exclude all new *ex gratia* claims.
- The demographic factor refers to the insurers adjustment for the change in the composition of the insured group, in terms of age, sex, etc.

Letter #9 – Group Insurance

February 10, 2006

Mr. Edward Hancock
Executive Director
Newfoundland and Labrador Teachers' Association
3 Kenmount Road
St. John's, NL A1B 1W1

Dear Mr. Hancock:

Re: Article 26 – Group Insurance

This letter is further to our conversation of today's date regarding the transition from the current method of funding group insurances to that contained in the Memorandum of Agreement dated February 10, 2006.

With respect to the 2006-2007 renewal Government agrees that if the parties are unable to provide the information required to satisfy Schedule O of the Memorandum of Agreement dated February 10, 2006 by March 15, 2006, the 2001-2004 Collective Agreement will apply and the amendments to Article 26 and Schedule O will take effect the first day of the month following the exchange of information required as per Schedule O.

Yours truly,
Raelene Thomas
Chief Negotiator
Treasury Board

Issue # 5: Duration of Agreement

Clause 43.01 of the 2001-2004 collective agreement is replaced with the following:

ARTICLE 43: DURATION OF AGREEMENT

- 43.01 This Agreement shall be in effect for a term beginning September 1, **2004**, and ending on August 31, **2008**, and shall be automatically renewed thereafter for successive periods of one year unless either party requests the negotiation of a new agreement by giving written notice to the other party within the period of ten (10) months immediately prior to the expiry date of this Agreement or any subsequent Agreement.
- 43.02 Where notice requesting negotiation of a new Agreement has been given, this Agreement shall remain in full force and effect until such time as there is agreement in respect of a renewal, amendment or substitution thereof, this without prejudicing the implementation of any terms of the new Collective Agreement which are agreed under the new Agreement to be retroactive or without prejudicing any rights under the Newfoundland Teacher (Collective Bargaining) Act.

Provincial Agreement
March 9, 2006

THIS Agreement made this 9th day of March Anno Domini, two thousand and six

IN WITNESS WHEREOF: the parties executed this Agreement the day and year first before written. Signed on behalf of Treasury Board representing Her Majesty the Queen in Right of Newfoundland by the Honourable Loyola Sullivan, President of Treasury Board, and the Honourable Joan Burke, Minister of Education, in the presence of the witness hereto subscribing:

Signed on behalf of the Newfoundland and Labrador School Boards Association by its proper officers in the presence of the witness hereto subscribing:

Signed on behalf of the Newfoundland and Labrador Teachers' Association by its proper officers in the presence of the witness hereto subscribing:

SCHEDULE B
SUBSTITUTE TEACHER SALARY SCALE
March 1, 2004 - August 31, 2006

		1	2	3	4	5	6	7	8	9	10	11	12
Certificate Level	I	18666	19620	20301	21247	21778	22102						
	II	20985	22542	23619	24711	25556	26153	26545					
	III	23944	25485	26661	27475	28541	29623	30233	30683				
	IV	26742	28247	29623	30999	32072	33144	34233	34856	35377			
	V	30860	32383	33765	35141	36520	37607	38718	39826	40475	41084		
	VI	35432	36975	38353	39729	41112	42492	43609	44743	45884	46563	47259	
	VII	40463	42033	43411	44782	46172	47537	48917	50076	51243	52398	53111	53911

SCHEDULE B
SUBSTITUTE TEACHER SALARY SCALE
September 1, 2006 - August 31, 2007

		1	2	3	4	5	6	7	8	9	10	11	12
Certificate Level	I	19226	20209	20910	21884	22431	22765						
	II	21615	23218	24328	25452	26323	26938	27341					
	III	24662	26250	27461	28299	29397	30512	31140	31603				
	IV	27544	29094	30512	31929	33034	34138	35260	35902	36438			
	V	31786	33354	34778	36195	37616	38735	39880	41021	41689	42317		
	VI	36495	38084	39504	40921	42345	43767	44917	46085	47261	47960	48677	
	VII	41677	43294	44713	46125	47557	48963	50385	51578	52780	53970	54704	55528

SCHEDULE B
SUBSTITUTE TEACHER SALARY SCALE
September 1, 2007 - August 31, 2008

		1	2	3	4	5	6	7	8	9	10	11	12
Certificate Level	I	19803	20815	21537	22541	23104	23448						
	II	22263	23915	25057	26216	27112	27746	28162					
	III	25402	27037	28285	29148	30279	31427	32074	32552				
	IV	28371	29967	31427	32887	34025	35162	36318	36979	37531			
	V	32739	34355	35821	37281	38744	39897	41076	42251	42940	43586		
	VI	37590	39227	40689	42149	43616	45080	46265	47468	48678	49399	50137	
	VII	42927	44593	46055	47509	48984	50432	51896	53126	54364	55589	56345	57194

SCHEDULE C
ANNUAL SALARY SCALE
March 1, 2004 - August 31, 2006

		1	2	3	4	5	6	7	8	9	10	11
			*1	2	3	4	5	6	7	8	9	10
Certificate Level	I	N/A	23953	24987	26020	27051						
	II	N/A	27677	29213	30750	32285	33820					
	III	N/A	31149	32686	34221	35756	37293	38826				
	IV	N/A	34838	36573	38309	40049	41787	43526	45264			
	V	N/A	39700	41455	43210	44966	46721	48474	50229	51985		
	VI	N/A	45280	47148	49014	50880	52748	54614	56479	58346	60212	
	VII	N/A	51206	53086	54966	56843	58721	60601	62478	64358	66236	68117

*The scale is read in this fashion for all those who commenced teaching in Newfoundland and Labrador on or after September 1, 2002.

**SCHEDULE C
ANNUAL SALARY SCALE
September 1, 2006 - August 31, 2007**

		1	2	3	4	5	6	7	8	9	10	11
			*1	2	3	4	5	6	7	8	9	10
Certificate Level	I	N/A	24672	25737	26801	27863						
	II	N/A	28507	30089	31673	33254	34835					
	III	N/A	32083	33667	35248	36829	38412	39991				
	IV	N/A	35883	37670	39458	41250	43041	44832	46622			
	V	N/A	40891	42699	44506	46315	48123	49928	51736	53545		
	VI	N/A	46638	48562	50484	52406	54330	56252	58173	60096	62018	
	VII	N/A	52742	54679	56615	58548	60483	62419	64352	66289	68223	70161

*The scale is read in this fashion for all those who commenced teaching in Newfoundland and Labrador on or after September 1, 2002.

SCHEDULE C
ANNUAL SALARY SCALE
September 1, 2007 - August 31, 2008

		1	2	3	4	5	6	7	8	9	10	11
			*1	2	3	4	5	6	7	8	9	10
Certificate Level	I	N/A	25412	26509	27605	28698						
	II	N/A	29363	30992	32623	34251	35880					
	III	N/A	33046	34677	36305	37934	39564	41191				
	IV	N/A	36960	38800	40642	42488	44332	46177	48021			
	V	N/A	42118	43980	45841	47704	49566	51426	53288	55151		
	VI	N/A	48038	50019	51999	53979	55960	57940	59919	61899	63879	
	VII	N/A	54324	56319	58313	60305	62297	64292	66283	68277	70270	72265

*The scale is read in this fashion for all those who commenced teaching in Newfoundland and Labrador on or after September 1, 2002.

**SCHEDULE C
ALLOWANCES PER ANNUM**

	March 1, 2004 to August 31, 2006	September 1, 2006 to August 31, 2007	September 1, 2007 to August 31, 2008
Principals: Basic Allowances	3049.59	3141.08	3235.31
Per Classroom: First 15 Thereafter	599.19 549.28	617.17 565.76	635.68 582.73
* Vice Principals to receive an allowance equal to one-half that paid to the principal in eligible schools.			
Program Specialists: for each room up to 12 each of the next 12 rooms each of the next 12 rooms	525.18 262.62 131.26	540.94 270.50 135.20	557.16 278.61 139.25
Guidance Counsellors: for each room up to 12 each of the next 12 rooms each of the next 12 rooms	324.79 162.43 81.16	334.53 167.30 83.59	344.57 172.32 86.10
Sole Charge: Number of Grades 1 to 3 4 to 6 7 or more	2193.21 2559.64 3049.14	2259.01 2636.43 3140.61	2326.78 2715.52 3234.83
Specialist Teachers	3248.08	3345.52	3445.89
Department Heads	2706.65	2787.85	2871.48