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· May 21,2008

MEMORANDUM OF UNDERSTANDING

Between:

The MINISTER OF LABOUR
(hereinafter referred to as the "Minister")

and

The CHAIR
GRIEVANCE SETTLEMENT BOARD
(hereinafter referred to as the "Chair")

MEMORANDUM OF UNDERSTANDING
Grievance Settlement Board

1. LEGISLATIVE AUTHORITY AND MANDATE

- 1.1 The Grievance Settlement Board (the "Board") was established by section 20 of the *Crown Employees Collective Bargaining Act, 1972*, S.O. 1972, c.67 and is continued by section 46 of the *Crown Employees Collective Bargaining Act, 1993*, S.O. 1993, c.38, as amended by S.O. 1995, c.1 ("CECBA"). It is composed of a Chair, one or more Vice-Chairs and an equal number of members representing the Crown employees that are represented by a trade union, and the Crown in right of Ontario in accordance with subsection 47(2) of CECBA. Board staff is appointed under Part III of the *Public Service of Ontario Act, 2006* ("PSOA").
- 1.2 The Board is an independent, adjudicative tribunal issuing decisions based upon the evidence presented and submissions made to it by the parties, and upon its interpretation and determination of the relevant legislation and jurisprudence. The Board also resolves issues through various alternative dispute resolution processes.
- 1.3 The Board exercises the powers and performs the duties conferred upon it by the CECBA. Subsection 7(3) of the CECBA requires every collective agreement relating to Crown employees to provide for the final and binding settlement by arbitration by the Board of all disputes arising from the interpretation, administration or alleged violation of the collective agreement, including whether or not the matter is subject to arbitration. Thus, the Board's role is to resolve disputes that arise in workplaces governed by a collective agreement made under the CECBA when a grievance is unresolved after proceeding through the various stages of the grievance procedure set out in the collective agreement.
- 1.4 In exercising its role, the Board seeks to encourage harmonious relations between employers, employees and trade unions by dealing with matters before it fairly and as expeditiously as possible.
- 1.5 Subsection 47(1) states that "Subject to the specific requirements in this section, the composition and administration of the Grievance Settlement Board shall be determined by the agreement of the Crown in right of Ontario and the trade unions representing Crown employees...". For this purpose the Crown and the trade unions have entered into an agreement known as the "Partnership Agreement to Facilitate the Governance of the Grievance

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Settlement Board", hereinafter referred to as the "Governance Agreement".

- 1.6 The Governance Agreement establishes a Governance Council to administer the agreement. The Chair of the Board serves as Chair of the Governance Council. The Governance Council acts primarily as an advisory body and exercises decision-making authority as provided for in the Governance Agreement. The Governance Agreement also establishes a sub-committee known as the Financial Advisory Committee to consider and review the financial and administrative costs of the Board.

2. MEMORANDUM OF UNDERSTANDING

2.1 Purpose of the Memorandum of Understanding

2.1.1 The purpose of this Memorandum of Understanding ("MOU") is to clarify the Board's accountability to the Minister and the Government of Ontario. As well this MOU sets out the expectations for information exchange and working relationships that support the accountability requirements within a framework which recognizes the Board as an independent, adjudicative body.

2.1.2 The MOU establishes:

- the roles of the Minister, the Deputy Minister of Labour ("Deputy Minister"), the Governance Council, the Registrar of the Board ("Registrar") and the Chair;
- financial management and administrative practices and arrangements for the efficient and effective operation of the Board, including staffing;
- the extent to which specific Management Board of Cabinet Directives and Guidelines apply to the Board;
- the applicability of directives issued pursuant to the PSOA;
- reporting requirements; and
- accountability relationships including audits.

2.1.3 The MOU does not supersede the provisions of any legislation governing the Board. The MOU shall not affect, modify, limit or interfere with any of the responsibilities of the Minister and the Board established by law. In the

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event of a conflict between the MOU and a provision of any legislation respecting the Board, the legislation prevails.

2.1.4 Any reference to Ministry in this MOU means Ministry of Labour.

2.2 Duration of Agreement

2.2.1 This MOU is subject to the approval of the Management Board of Cabinet, if required. It shall be effective on the date the Minister and the Chair of the Board sign the MOU. The MOU shall remain in effect for five years from the date of signing or until a new MOU is agreed to by the parties.

2.3 Review and Amendment

2.3.1 The MOU may be reviewed at the request of either of the parties, and shall be reviewed in the event that a new Minister or a new Chair is appointed, the Board's governing legislation is amended, if there are mergers or consolidations of labour relations agencies that impact upon the Board, or the status of the agency changes due to the adoption of an alternative service delivery model.

2.3.2 Further to the general provision above, the parties specifically understand that this MOU may need to be reviewed and, if necessary, revised with respect to any additional regulations made under or directives issued pursuant to the PSOA.

3. ROLES AND RESPONSIBILITIES

The Minister

3.1 The Minister is accountable for the Board to the Government of Ontario and is responsible for representing the Board in Cabinet and its Committees, the Legislative Assembly and before Committees of the Legislature.

3.2 The Minister is accountable to the Legislature for the Board's fulfillment of its mandate, its compliance with government administrative policies and for this purpose shall report to the Legislature, concerning the activities of the Board.

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- 3.3 The Minister is accountable for the coordination of the various agencies falling within his or her jurisdiction to ensure there is no duplication of effort and inconsistency amongst agencies.
- 3.4 The Minister recognizes that the Board is a statutory entity exercising powers and performing duties in accordance with its legislative mandate. The Minister acknowledges the independence of the Board in the conduct of the proceedings before it and in the rendering of its adjudicative decisions, and that these decisions must be made and be seen by the public to be made independently and impartially.
- 3.5 The Minister is responsible for assessing whether the Board is fulfilling its legislative mandate and for ensuring operational initiatives which are developed and implemented are in accordance with the Board's legislative mandate.
- 3.6 The Minister is responsible for the formulation and carriage of amendments to the legislation governing the Board.
- 3.7 The Minister is responsible for the review and approval of the Board's annual business plan and for the annual allocation of resources to the Board in accordance with the Ministry and government's annual budget approval and resource allocation process.

The Chair

- 3.8 The Chair acknowledges that accountability to the government in exercising the Board's mandate is a fundamental principle to be observed in the management, administration and operation of the Board. The Chair acknowledges that accountability of the Board to the Government of Ontario means direct accountability to the Minister.
- 3.9 The Chair acts as the Chief Executive Officer and shall provide leadership and strategic direction to the Board, and is responsible for the overall management and administration of the Board. The Chair shall direct the affairs of the Board within its mandate as defined in Article 1.2 and Article 1.3 of this MOU and in accordance with its approved business plan.
- 3.10 The Chair acknowledges that, in order for the Minister to perform the duties set out in this MOU, the Minister must be informed of the existence or

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emergence of issues relating to the Board's mandate, and the Chair shall inform the Minister of such issues upon their emergence and on a regular basis as required.

- 3.11 The Chair is accountable to the Minister for ensuring that the Board carries out the responsibilities assigned or delegated to it under the Board's enabling legislation and any other applicable legislation, and complies with all applicable legislation, Management Board of Cabinet and Ministry of Finance Directives and Guidelines, Cabinet Office Communications Directives, Public Service Commission Directives and this MOU.
- 3.12 The Chair is responsible for presenting the Board's annual business plan to the Minister. The Chair is responsible for reviewing the Board's proposed annual budget and business plan and bringing them forward to the Minister and the Deputy Minister for approval.
- 3.13 The Chair shall ensure that there is a timely, effective and efficient caseload management system to resolve disputes, including where appropriate, alternative dispute resolution mechanisms.
- 3.14 The Chair shall evaluate the performance of Board Vice-Chairs and Members based on the agency's performance measures being met and shall make every reasonable effort to ensure that they receive proper orientation and training.
- 3.15 The Chair shall promote consistency, where appropriate, and expeditious high-quality decision-making by the Board in the rendering of awards.
- 3.16 The Chair recognizes the principles of agency transformation and agrees to implement the recommendations respecting agency administration, performance measures, efficiency and accountability requirements insofar as they are consistent with the Board's independent adjudicative function.
- 3.17 The Chair is the Ethics Executive for Board Vice-Chairs and Members pursuant to the PSOA as described in Article 5.7 of this MOU.
- 3.18 The Chair is responsible for ensuring that Board Vice-Chairs and Members and Board staff are aware of the applicable conflict of interest rules under the PSOA. If the Board decides to adopt its own conflict of interest rules, instead of the rules in the PSOA, the Board will provide the Deputy Minister

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with a copy of the proposed conflict of interest rules before they are submitted for approval to the Conflict of Interest Commissioner.

- 3.19 The Chair is also responsible for ensuring that Board Vice-Chairs and Members and Board staff are aware of their obligations and rights under the PSOA related to political activity and the disclosure and investigation of wrongdoing.

The Deputy Minister

- 3.20 The Deputy Minister is responsible for ensuring that the Ministry is providing the administrative, financial, human resources and information technology support services required by this MOU to the Board, and shall commit to the Minister that the support or services provided to the Board are of the same quality and standard as provided to the Ministry's own divisions and branches.
- 3.21 The Deputy Minister is accountable to the Minister for: reviewing the Board's business plan; ensuring Board compliance with applicable Management Board of Cabinet and Ministry of Finance Directives and Guidelines, Public Service Commission Directives, conflict of interest rules and Cabinet Office Communications Directives; ensuring that the Minister is aware of any additions or amendments to the Board's policies or operational initiatives which affect the Board's mandate; providing advice to the Minister concerning Board issues and initiatives of importance relevant to the Board's mandate; and informing the Minister of the requirements of applicable Management Board of Cabinet and Ministry of Finance Directives and Guidelines, Public Service Commission Directives, conflict of interest rules and Cabinet Office Communications Directives.
- 3.22 The Deputy Minister shall undertake on behalf of, and in conjunction with, the Minister, assessments of whether or not the Board is fulfilling its legislative mandate and recommend ways to resolve any issues or problems that are identified as barriers to the delivery of the Board's mandate.
- 3.23 The Deputy Minister is responsible for providing a framework for assessing whether the Board's business planning and performance measurement processes and goals are developed and implemented in accordance with approved government policies.

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3.24 The Deputy Minister is responsible for ensuring that all accountability and reporting requirements as provided for by this MOU are met.

The Registrar

3.25 The Registrar has been delegated human resources authority under the PSOA as described in Article 5.5 of this MOU.

3.26 The Registrar is prescribed as the Ethics Executive under the PSOA for public servants, other than government appointees, of the Board as described in Article 5.7 of this MOU.

Governance Council

3.27 The Governance Council in conjunction with the Chair shall discuss and determine the following:

- a) all matters necessary for the fair, effective, and expeditious resolution of disputes;
- b) selection of the appointment of Grievance Settlement Officers, Nominees, and Vice-Chairs;
- c) the general administration of the Board;
- d) the incorporation of other employee organizations and employers who may, in the future, be added to the Board including their cost share, representation, duties and responsibilities;
- e) the creation and tasking of any sub-committee that may be necessary including the Financial Advisory Committee;
- f) any other matters pertaining to the role and function of the Board which the Chair or any of the members of the Governance Council feel is appropriate.

3.28 The Governance Council shall meet quarterly, subject to the call of any special meetings in accordance with the Governance Agreement.

3.29 The Financial Advisory Committee shall meet as required, subject to the call of any special meeting in accordance with the Governance Agreement, to consider and review the financial and administrative costs of the Board. The Financial Advisory Committee may make recommendations to the Governance Council.

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3.30 The Governance council makes its decisions based on consensus of the members. The Chair of the Board, in his or her capacity as Chair of the Governance Council, shall try to achieve consensus of the members in the exercise of the Council's decision-making powers, where possible. In the absence of a consensus, the Chair shall cast the deciding vote.

4. INFORMATION EXCHANGE

4.1 The Minister and the Chair recognize that timely information exchange concerning the operations and administration of the Board is essential to enable the Minister to be accountable for the Board in the Legislature, for the parties to discharge their respective responsibilities, and to ensure the consistency of Board operational initiatives with the strategic directions of the Government of Ontario, as for example, meeting the government's standards of public service.

4.2 The Minister and the Chair shall meet on a regular basis, and as required to discuss issues relating to the delivery of the Board's mandate or to review matters provided for in this MOU, as well as initiatives and issues that affect the Board and the Ministry's common stakeholder communities, and any other issue considered appropriate.

4.3 The Deputy Minister and the Chair shall meet on a regular basis, and as required to discuss matters of mutual importance to the Board and the Ministry, such as the services provided by the Ministry to the Board, the implementation of corporate policies, issues relating to the efficient operation of the Board, and to review matters provided for in this MOU.

4.4 The Chair shall keep the Minister advised of issues or events that concern or can be reasonably expected to concern the Minister in the exercise of his or her responsibilities, including matters relating to the Board which are of importance to the Minister, and shall keep the Deputy Minister informed and up-to-date on all program operating matters.

4.5 The Minister, and the Chair shall consult with each other with respect to release to the public, via the media or otherwise, of any policy or operational initiative.

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- 4.6 The Ministry shall consult with the Chair when initiatives are taken to amend the legislation or regulations which may affect the Board's mandate or operations. The Minister shall advise the Chair of those policy decisions of the Government of Ontario relevant to the administration of the Board's operations.
- 4.7 The Minister and the Chair shall share information in a timely fashion, concerning any issue that affects the Board's operations or may require the Minister's attention. This may include issues which:
- (i) have a significant impact on clients or stakeholders;
 - (ii) raise questions in the Legislature or are raised by the media or stakeholders;
 - (iii) have a significant financial or operational impact on public sector labour relations in the province;
 - (iv) ensure operational initiatives which are developed and implemented are in accordance with the Board's legislative mandate; and
 - (v) require reports to Cabinet, Treasury Board, Management Board of Cabinet, other Cabinet Sub-committees or other government agencies.
- 4.8 The Deputy Minister shall inform the Chair of the policies of the Ministry and the government that apply to the Board, such as financial, administrative, human resources and other corporate policies, including policies in respect of French Language services, freedom of information, workplace harassment and equal opportunity.
- 4.9 Prior to embarking upon the preparation and/or release of any public discussion papers and/or research papers, the Chair shall consult with the Minister.
- 4.10 The Chair shall ensure that a report of the Board's decisions is published and distributed regularly, and the Board may publish and distribute any other material and reports it considers necessary to inform the public of the

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Board's decisions and operations. The Board acknowledges that Crown copyright applies to publications of the Board including its decisions.

5. MANAGEMENT AND ADMINISTRATION

5.1 Agency Classification and Staffing

- 5.1.1 The Board is classified as an adjudicative agency of the Government of Ontario under the provisions of the Management Board of Cabinet Directive on Agency Establishment and Accountability. It is subject to all Management Board of Cabinet, Ministry of Finance, and Cabinet Office Directives and Guidelines applicable to adjudicative agencies, including any amendments to those Directives and Guidelines in effect on the date this MOU is executed, or any Directives and Guidelines which come into effect after that date, subject to their consistency with the Board's independent adjudicative role as mandated by the CECBA.
- 5.1.2 The Board receives its funds from, and deposits its revenues to the Consolidated Revenue Fund through the Ministry's Expenditure Estimates pursuant to an appropriation authorized by the Legislature.
- 5.1.3 The Board's staff are appointed under Part III of the PSOA and shall receive all the rights and benefits under that Act and any relevant collective agreements. The management of such staff shall be subject to Management Board of Cabinet Directives and Guidelines, Public Service Commission Directives, other government policies and procedures respecting human resources, and any applicable collective agreements or other applicable legislation or regulations.
- 5.1.4 The Chair, Vice-Chairs and Members are appointed by the Lieutenant Governor in Council by Order in Council pursuant to subsection 47(4) of CECBA in accordance with the selection process established under that provision and in accordance with the Governance Agreement.
- 5.1.5 The Chair shall designate one of the Vice-Chairs to be the alternate Chair while the Chair is absent, and when the alternate Chair is required to act as such, he or she is responsible for the matters assigned to the Chair by this MOU.

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5.1.6 The Chair shall advise the Minister of appointment vacancies. The Minister and the Chair shall follow the process for making appointments and re-appointments of Vice-Chairs as established by subsection 47(4) of CECBA and the Governance Agreement. Members of the Board shall be appointed in accordance with current practice.

5.2 Administrative Support

5.2.1 The Board receives its administrative support from the Ministry of Labour and is subject to all central agency Directives and Guidelines.

5.2.2 The Board and the Ministry shall avoid duplication of services to the extent possible, taking into account the need to reflect and preserve the independence of the Board.

5.2.3 The Chair shall operate the Board in accordance with all administrative policies established and specified in Management Board of Cabinet Directives and Guidelines.

5.2.4 The Deputy Minister is responsible for negotiating administrative services to be provided to the Board through Ontario Shared Services.

5.2.5 The Chair shall, upon the request of the Minister or the Deputy Minister, supply specific data and other information, which may be required from time to time for the purposes of the provision by the Ministry of administrative, financial and support services to the Board.

5.3 Legal Services

5.3.1 The Board may obtain outside legal assistance when required. If such assistance is to be obtained, the Board shall do so in accordance with Schedule "A": "Use and Retention of Outside Legal Services" and the Ministry of the Attorney General's Corporate Operating Policy on Acquiring and Using Legal Services.

5.4 Management Board of Cabinet Requirements

5.4.1 As an agency of the government, the Board must conduct itself according to the management principles of the Government of Ontario. These principles include ethical behaviour, prudent and lawful use of public resources, value

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for money, high-quality service to the public, fairness and equity, and openness and transparency as set out in the Corporate Management Directive, 1997 of Management Board Cabinet.

- 5.4.2 In accordance with the Management Board Directive on Agency Establishment and Accountability, the Board shall prepare an annual report and an annual business plan for the Minister's consideration. Information in the Board's annual business plan may be added to the Ministry's annual budget plan submission.
- 5.4.3 The annual report shall include a report on the Board's performance measures and indicators and client service initiatives.
- 5.4.4 The Board shall not release its annual report to the public until the Minister has tabled the report in the Legislature in accordance with the Standing Orders of the Legislative Assembly. However, it will continue to prepare and provide to Governance Council ongoing reports in accordance with past practice.
- 5.4.5 The Chair shall ensure that conflict of interest matters regarding Board Vice-Chairs and Members are dealt with in accordance with the Management Board of Cabinet Directive on Government Appointees.

5.5 Financial and Human Resources Delegation

- 5.5.1 The financial and administrative framework, including human resources administration, for the Board is set out in the Ministry's Delegation Documents, entitled "Ministry of Labour Financial Authority Framework" dated September 2007 and "Inventory of Human Resources Responsibilities" dated December 2005, collectively referred to as the "Delegation Documents". Any reference to the Delegation Documents in this MOU shall include any amendments made to them after the date this MOU comes into effect.
- 5.5.2 Pursuant to the PSOA, the Public Service Commission has delegated human resources authority to the Registrar.
- 5.5.3 The terms and conditions of the delegated human resources authority are specified in the Public Service Commission's delegation document dated July 20, 2007, entitled "Delegation of powers, duties and functions to

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prescribed individuals and chairs and deputy ministers in respect of public servants appointed to work in Commission public bodies", which may be amended from time to time. Any delegation is conditional upon exercising the delegated authority as defined therein.

- 5.5.4 The Registrar has subdelegated certain aspects of his or her human resources authority, in accordance with the PSOA, to public servants within the Board at the manager level or above pursuant to a subdelegation document executed in October 2007. The subdelegation document may be amended from time to time.
- 5.5.5 The Chair shall ensure that individuals within the agency with delegated or sub-delegated human resources authority will be accountable to the Public Service Commission or the sub-delegating authority as appropriate, and will exercise that authority in compliance with any relevant legislation, directives or policies and in accordance with the operational goals and mandate of the Board, and within the parameters of the delegated authority.
- 5.5.6 In accordance with the "Ministry of Labour Financial Authority Framework" dated September 2007, financial authority has been delegated to the Agency Head, Director and Manager, who shall exercise the delegated authority in accordance with the operational goals and mandate of the Board and within the parameters of the delegated authority.
- 5.5.7 The Chair is accountable to the Deputy Minister for compliance with the "Ministry of Labour Financial Authority Framework" dated September 2007 and is responsible for ensuring that the Board operates within its approved budget allocation in the fulfillment of its mandate.
- 5.5.8 Financial and accounting procedures of the Board shall be in accordance with Ministry of Finance and Management Board of Cabinet Directives and Guidelines.
- 5.5.9 The Registrar is accountable to the Deputy Minister or the Deputy Minister's delegate for the management and supervision of Board staff in accordance with Management Board of Cabinet Directives and Guidelines, Public Service Commission Directives, including the Human Resources Management Governance and Accountability Directive, and the Ministry's "Inventory of Human Resources Responsibilities" dated December 2005. The Registrar is ultimately responsible to the Public Service Commission for

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carrying out the human resources management functions delegated to him or her by the Public Service Commission. The Registrar shall exercise this authority in support of the Chair's responsibility to direct the affairs of the Board within its mandate. For example, as the Board's staff report, and are accountable to, the Registrar for their performance, the Registrar shall implement effective systems of performance measure and talent management for Board staff, including evaluation of performance in accordance with corporate guidelines.

5.5.10 The Chair is responsible for bringing any significant human resources matters to the attention of the Chief Administrative Officer of the Ministry or the Director of the Human Resources Branch of the Ministry, whether or not a delegated power is, or has been exercised by the Registrar.

5.6 Freedom of Information and Protection of Privacy

5.6.1 The Minister has delegated all of his or her powers and duties under the *Freedom of Information and Protection of Privacy Act* ("FOIPPA") to the Chair with respect to the Board pursuant to a delegation document dated December 15, 2005, as amended from time to time. The Chair recognizes that the Minister is ultimately responsible and accountable to the Legislature for ensuring compliance with the FOIPPA.

5.6.2 If the Board or the Chair becomes aware of a breach, potential breach or allegation of a breach of the FOIPPA, it shall be reported to the Freedom of Information and Privacy Office of the Ministry which may provide assistance in assessing the breach, potential breach or allegation of a breach. The Freedom of Information and Privacy Office may report the breach, potential breach or allegation of a breach to the Office of the Chief Information and Privacy Officer at the Ministry of Government and Consumer Services as required.

5.6.3 The Ministry's Freedom of Information and Privacy Office shall coordinate an annual meeting with the Board and the Chair to review the Board's privacy and information management practices and any issues related to the application and administration of the FOIPPA.

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5.7 Role and Responsibility of the Ethics Executive under the PSOA

- 5.7.1 It is recognized by the parties that the purpose of Article 5.7 is to promote consistency of decision-making regarding conflicts of interest, political activity and disclosures of wrongdoing within the Ontario Public Service.
- 5.7.2 The Ethics Executive ("EE") for public servants, other than government appointees, of the Board is the person prescribed in Regulation 375/07 made under the PSOA. If there is no person prescribed, then the Chair of the public body is the EE. Currently, the Registrar is prescribed as the EE for public servants, other than government appointees, of the Board. During the time the EE is the Registrar, the Chair shall receive reports from time to time from the Registrar regarding the ongoing application of this Article.
- 5.7.3 The EE is responsible for receiving and assessing requests or notifications related to conflict of interest, applications, requests or notifications related to political activity and disclosures of wrongdoing, and making determinations in relation to such matters.
- 5.7.4 In carrying out the authority conferred on the EE under the PSOA, the EE will ensure compliance with the PSOA and Management Board of Cabinet's Disclosure of Wrongdoing Directive dated August 20, 2007.
- 5.7.5 Upon receipt of a request or notification concerning conflict of interest or an application, request or notification concerning political activity, the EE will provide a copy of the request, notification or application to the Human Resources Branch ("HRB") at the Ministry who will assist the EE in making any necessary inquiries. HRB may provide a report with or without recommendations to the EE, with a copy to the Deputy Minister. Once the EE has made a determination with respect to the request, notification or application, or makes a referral to the Conflict of Interest Commissioner, the EE will provide a copy of the determination or referral, as the case may be, to the Deputy Minister. The EE will provide any determination given by, or any direction received from the Conflict of Interest Commissioner to HRB.
- 5.7.6 If the EE initiates an inquiry, without receipt of an application, request or notification concerning conflict of interest or political activity, the EE will inform HRB who will assist the EE in making any necessary inquiries. HRB may provide a report with or without recommendations to the EE, with a copy to the Deputy Minister. Once the EE has made a determination with respect to the subject matter of the inquiry or makes a referral to the Conflict

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of Interest Commissioner, the EE will provide a copy of the determination or referral, as the case may be, to the Deputy Minister. The EE will provide any determination given by, or any direction received from the Conflict of Interest Commissioner to HRB.

- 5.7.7 The EE is bound by the Management Board of Cabinet's Disclosure of Wrongdoing Directive dated August 20, 2007, which requires that he or she, and any other persons involved in conducting or administering the process related to disclosures of wrongdoing, ensure that the process is fair, timely and as confidential as possible.
- 5.7.8 The EE will provide a copy of the disclosure of wrongdoing to the HRB, unless he or she believes that due to the nature of the wrongdoing, it would not be appropriate to do so. If the EE does not provide a copy of the disclosure of wrongdoing to the HRB, the EE will notify HRB of the disclosure and provide it with a summary of the disclosure to the extent he or she believes is appropriate. For example, the EE may decide not to disclose identifying information about the individual(s) involved in the disclosure.
- 5.7.9 HRB may provide assistance in assessing the disclosure and may prepare a report with or without recommendations for the EE. If the HRB prepares a report, a copy shall be provided to the Deputy Minister. After the EE has dealt with the disclosure, with or without the assistance of the HRB, the EE will provide a report describing the nature of the disclosure of wrongdoing, the manner in which it was handled and the determination that was made, to the Deputy Minister, with or without identifying personal information as may be appropriate.
- 5.7.10 If the EE receives information related to a disclosure of wrongdoing filed directly with the Integrity Commissioner or any communication or referral from the Integrity Commissioner respecting the disclosure, the EE will provide HRB with as much information about the disclosure or referral as the EE considers appropriate. HRB may provide a report with or without recommendations to the EE, with a copy to the Deputy Minister. If the EE provides a report to the Integrity Commissioner, the EE will also provide a copy to the Deputy Minister, with or without identifying personal information as may be appropriate. The EE will also provide the Deputy Minister with information related to an investigation or any further referral

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by the Integrity Commissioner that he or she may become aware of, with or without identifying personal information as may be appropriate.

5.7.11 The Chair is the Ethics Executive for Vice-Chairs and Members of the Board. If the Chair receives a disclosure of wrongdoing from one of these persons, or becomes aware of disclosure of wrongdoing filed with the Integrity Commissioner, the Chair will notify the Minister, where appropriate, of the disclosure and provide as much information about the disclosure as may be appropriate in the circumstances. The Chair will notify the Minister, where appropriate, of the outcome of the disclosure of wrongdoing.

5.7.12 The Chair will notify the Minister, where appropriate, when he or she makes a disclosure of wrongdoing to the Conflict of Interest Commissioner or the Integrity Commissioner, with as much information about the disclosure as may be appropriate in the circumstances. The Chair will notify the Minister, where appropriate, of the outcome of the disclosure of wrongdoing.

5.7.13 The Registrar will notify the Deputy Minister, where appropriate, when he or she makes a disclosure of wrongdoing to the Conflict of Interest Commissioner or the Integrity Commissioner, with as much information about the disclosure as may be appropriate in the circumstances. The Registrar will notify the Deputy Minister, where appropriate, of the outcome of the disclosure of wrongdoing. The Registrar will also notify the Deputy Minister when he or she makes a request, notification or application related to conflict of interest or political activity to the Conflict of Interest Commissioner and will provide the Deputy Minister with a copy of the request, notification or application and will advise the Deputy Minister of the outcome.

5.8 Co-location Shared Services

5.8.1 The Chair may enter into Letters of Understanding or Service Agreements with other agencies to establish terms and conditions regarding shared services or facilities.

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6. FINANCIAL REQUIREMENTS

6.1 Business Plan & Performance Measurement

- 6.1.1 The Chair shall review the Board's annual budget requirements and business plan and ensure that a business plan is submitted to the Minister for review and approval within the requirements established by the Agency Establishment and Accountability Directive.
- 6.1.2 Information from the Board's business plan may form part of the Ministry's annual budget plan submission and will be reflective of the Ministry's broad strategic directions. Each year the Minister shall advise the Chair of government and Ministry priorities and directions for consideration in the Board's business plan.
- 6.1.3 The Board's business plan must conform to the Management Board of Cabinet Directive on Agency Establishment and Accountability and shall:
- (i) outline the Board's business strategies for fulfilling its statutory mandate under all legislation which confers powers or duties upon the Board;
 - (ii) include the previous year's resource levels, expenditures, forecast expenditures and revenues for the current year and the proposed budget for the upcoming year;
 - (iii) outline the Board's proposed performance, quality service measures, standards, targets and commitments, and expected achievements and outcomes for the upcoming year;
 - (iv) outline the Board's proposed client service initiatives for the upcoming year, including a case management strategy;
 - (v) include detailed human resources, cash flow and information technology plans that reflect performance goals, client services initiatives and business strategies;
 - (vi) include Board workload targets respecting the number of grievances, the percentage of grievances settled without a

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hearing, the number of hearings held, the number of awards rendered and the number of awards overturned by the courts.

6.1.4 The Chair shall prepare and submit such reports as are required under any applicable legislation or by the Ministry, in accordance with established practices and time frames of the Ministry.

6.1.5 The Board shall provide the Ministry with reports on the implementation of its business plan on a quarterly or as required basis.

6.2 Audit Arrangements

6.2.1 The Deputy Minister is responsible for the provision of all audit services in respect to the Board and the Board shall provide the information, material and access necessary for the conduct of audits. The Chair will be given an opportunity for input into the audit process.

6.2.2 The results of any audit conducted by Ministry or other government staff shall be shared with the Chair. The Chair will be given an opportunity to enter his or her comments into the audit record of the Board.

7 OTHER CONSIDERATIONS

7.1 Emergency Management

7.1.1 As an adjudicative agency of the government, the Board is subject to applicable Management Board of Cabinet Directives and Guidelines and the Ministry's Emergency Plan mandated by the *Emergency Management and Civil Protection Act* (EMCPA), including the Ministry's Business Continuity Plan for Downtown Toronto. Therefore, the Board and the Ministry agree to develop and maintain necessary mutual arrangements to ensure continuity of the Board's services as may be required in the event of an emergency as defined in the EMCPA.

7.2 Environmental Bill of Rights

7.2.1 The Board recognizes and supports the Ministry's endorsement of the purposes of the *Environmental Bill of Rights, 1993* ("EBR"), which include protecting and conserving the environment. The Board also recognizes and supports the Ministry's commitment to environmentally sound practices and the Ministry's support and promotion of the "greening" of its programs,

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practices and activities to all its employees (e.g. the 3R's: reduce, reuse and recycle, in all daily transactions and work activities). The Board will make reasonable efforts to integrate consideration of the purposes of the EBR and utilize environmentally sound practices when conducting its business.

“Original Signed”
Brad Duguid
Minister of Labour

July 4, 2008
Date

“Original Signed”
Susan L. Stewart
Chair, Grievance Settlement Board

May 28, 2008
Date

MEMORANDUM OF UNDERSTANDING
Grievance Settlement Board

Schedule "A": Use and Retention of Outside Legal Services

Legal services are defined as: Legal services and advice provided by private sector lawyers as part of a consultant or fee-for-service arrangement with a consulting or multi-disciplinary firm undertaken within the Management Board of Cabinet Procurement Directive for Consulting Services and the Ministry of the Attorney General's Corporate Operating Policy on Acquiring and Using Legal Services. Where legal work is to be provided as part of such an arrangement, the following operating policy applies to the legal work portion.

If the Board wants to obtain outside legal assistance, it must do the following:

1. Provide prior written notification to the Director of Legal Services Branch, MOL, ("Director") of the need to retain outside legal counsel. The notification shall include,
 - (a) the legal matter for which the private sector lawyer is being retained;
 - (b) the name, firm and year of call of the private sector lawyer to be retained;
 - (c) the hourly rate of pay, and the approximate ceiling amount of the retainer, including fees and disbursements;
 - (d) a description of the legal work to be undertaken by the private sector lawyer and the period of the retainer (date to date);
 - (e) an explanation as to why the Board counsel cannot do the legal work; and
 - (f) how the private sector lawyer is being identified/selected, e.g. from an approved listing/roster.
2. Draft a retention letter, which shall include the information described in clauses 1(a) to (d), inclusive. The fees to be paid shall be within the approved fee schedule as set out from time to time by the MAG.
3. Supply the Director with copies of the retention letter and all retention accounts.
4. If necessary, develop and maintain a roster of qualified lawyers for the purposes of retaining outside legal counsel. The selection and retention of lawyers on the roster shall be done in a fair and equitable manner.

The Director, Legal Services MOL will provide the CAO of MOL and the Assistant Deputy Attorney General of the Legal Services Division, MAG with the retention information described in paragraph 3 above for their requirements.

The Chair of the Board is responsible for,

- (a) ensuring that the Board staff is up to date on and understands this Schedule with regard to the procurement of legal services;
- (b) preparing and submitting annual plans or prior written notification to the Director for retaining private sector lawyers on behalf of the Board;
- (c) managing and monitoring the legal work performed by private sector lawyers on behalf of the Board;
- (d) reviewing and approving invoices/bills submitted by private sector lawyers for legal work performed on behalf of the Board;
- (e) entering, reporting and maintaining statistics and costs for private sector retentions;
- (f) developing a roster, if necessary, and maintaining it; and
- (g) retaining the private sector lawyer and negotiating the fees and disbursements.