

ESSENTIAL SERVICES AGREEMENT ("ESA")

made this 24th day of June 2026, between

COVENANT HEALTH, Misericordia Community Hospital and

Villa Caritas
("Employer")

AND

CANADIAN UNION OF PUBLIC EMPLOYEES, LOCAL 2111

("Union")



1. PREAMBLE AND PURPOSE

- 1.01 The Employer acknowledges the right of its unionized Employees to withhold their labour and strike in accordance with this ESA and applicable law.
- 1.02 The Union acknowledges the right of the Employer to lockout its unionized Employees in accordance with this ESA and applicable law.
- 1.03 The Parties, in accordance with the Alberta *Labour Relations Code* (the "Code"), acknowledge the requirement of an ESA to ensure the continued provision of essential services in the event of a strike or lockout.
- 1.04 In recognition of this, the Parties agree as follows:

2. PARTIES

- 2.01 The Parties to this ESA are the Canadian Union of Public Employees, Local 2111 and Covenant Health, Misericordia Community Hospital and Villa Caritas.

3. TERM

- 3.01 This ESA shall be in effect until the Parties have ratified a new Collective Agreement.

4. DEFINITIONS

- 4.01 "Essential Services" are those services:
 - (a) the interruption of which would endanger the life, personal safety or health of the public; or
 - (b) that are necessary to the maintenance and administration of the rule of law or public security.

- 4.02 "Designated Essential Services Worker" ("DESW") meaning a bargaining unit member who is required to work in accordance with an Essential Services Agreement during those times that they are required to perform Essential Services under the Agreement and has the same meaning as defined in the Code.
- 4.03 "Out of Scope" ("OOS") means an individual identified in Section 1(1)(1) of the Code: "a person who in the opinion of the Board performs managerial functions or is employed in a confidential capacity in matters relating to labour relations who may be available to perform some essential services under this Agreement.

5. STRIKE OR LOCKOUT NOTICES

- 5.01 The Parties agree that service of the notice of the date, time and initial location(s) to commence a strike or lockout under Section 78 of the Code shall occur at least seventy-two (72) hours prior to the commencement of the strike or lockout.
- 5.02 Following the commencement of a strike or lockout, any changes to the date, time, or location(s) must be served in writing on the other Party as follows:
- a. at least seventy-two (72) hours' notice if the location is moving to the Misericordia Community Hospital; and
 - b. at least forty-eight (48) hours' notice if the location is moving to the Villa Cartias.

6. UMPIRES

- 6.01 The Parties agree to select Rick Wilson as the lead umpire (Appendix A). The role of the lead umpire is to:
- (a) assist the Parties in concluding the ESA;
 - (b) settle the terms of the ESA in the event the Parties cannot agree;
 - (c) rule on interpretation disputes of the ESA; and
 - (d) be available during a strike or lockout for a timely resolution of disputes.

The foregoing does not limit the utilization of the lead umpire to act as a deputy umpire in order to hear disputes outlined in 6.02.

- 6.02 The Parties agree to select Mia Norrie as the deputy umpire (see Appendix A). The role of the deputy umpire is to:
- (a) assist the Parties in reaching an agreement on essential services staffing plans;
 - (b) rule on any application and Implementation disputes of the ESA; and
 - (c) be available during a strike or lockout for a timely resolution of disputes.

By mutual agreement, a deputy umpire may act as the lead umpire when the lead umpire is unavailable to hear disputes outlined in 6.01.

7. PROCESS FOR NEGOTIATING STAFFING PLANS

- 7.01 The Parties agree to develop staffing plans that set out the classifications of Employees, and the total number of positions in each classification, required to perform the essential services over a seven (7) day period (see Appendix B).
- 7.02 The Parties agree to exchange information related to who has authority to negotiate the staffing plans and who has final signing authority.
- 7.03 The staffing plans will be attached in Appendix B.

8. PROCESS FOR ASSIGNING CAPABLE AND QUALIFIED EMPLOYEES

- 8.01 The Parties shall meet upon receipt of notice of a strike or lockout and thereafter, as often as necessary. Such meetings will occur at a local level for the purposes including and not limited to the following:
 - (a) sharing of information to help coordinate the assignment of capable and qualified Employees required to perform the essential services;
 - (b) notification by the Employer to the Union on the number of capable and qualified Out of Scope Employees who are available to fill a position for a specific shift;
 - (c) confirmation by the Union to the Employer of which Employees are designated essential services workers and for which shifts they are assigned to work;
 - (d) notification by the Employer to the Union of any acuity level changes at the site and/or department that would change the required level of essential general support services;
 - (e) determining whether any changes are required, such as whether the number of positions in each classification required to perform the essential services should be increased or decreased.

- 8.02 The Employer shall utilize the services of its management, excluded personnel and OOS, provided they are capable and qualified, to the fullest extent possible.

The Employer shall determine the scheduling and hours of work of OOS Employees, having regard to resident safety, operational requirements, and applicable employment standards and ESA obligations.

Upon receipt of notice of a strike/lockout, the Employer will provide to the Union the OOS assignments as soon as possible but not less than 48 hours before the strike or lockout commences. During a strike or lockout, the Employer will continue to provide the OOS assignments no less than 48 hours in advance of the shift.

- 8.03 The Employer shall be responsible for assigning OOS to fill positions for specific shifts. The Employer shall inform the Union of the number of OOS assigned to any particular shift. These OOS shall be counted towards the number of positions in each classification in accordance with the staffing plans. For example, if the

Parties agree that three (3) positions in a specific classification are essential for a specific shift, and there are two (2) capable, qualified and available OOS, the Union shall be responsible for assigning one (1) designated essential services worker.

- 8.04 Where the Employer has previously advised the Union that an OOS is assigned to a particular shift, and that OOS is unable to report for their assigned shift, the Employer will make every reasonable effort to fill the shift with an alternate OOS. If no alternate OOS is available, the Employer shall inform the Union and the Union will assign a DESW to fill the shift.
- 8.05 The Union shall be responsible for assigning capable and qualified DESWs and ensuring that those Employees report for all shift requirements in accordance with the staffing plans. This includes having adequate, capable, and qualified Employees available to report to duty if required. The Union shall only assign an Employee to work a specific shift who normally works in the unit/area, department and program and has been oriented to the unit/area.
- 8.06 If an Employee is unable to report for their shift during a strike or lockout, the Union will have a designated process for the Employee to follow to notify the Union so that arrangements can be made for an alternative Employee to be assigned to work the shift in question. The Union will inform the Employer of any such changes.
- 8.07 Both Parties acknowledge the benefits of having workspace in near proximity to the impacted site(s) that will help facilitate ongoing communication between site leadership and union representatives who are responsible for assigning designated essential services workers. In the event of a strike or lockout, the Employer shall provide the Union with an exclusive--use, furnished workspace with internet access and a telephone line for the duration of the dispute.
- 8.08 In the event of a strike or lockout, the Union shall be responsible for the cost and procurement of any equipment, supplies or additional items that may be required to perform its staffing/scheduling responsibilities under this ESA.
- 8.09 During a strike or lockout, a Union representative shall only access the workspace for the purposes of assigning DESWs and other responsibilities as outlined in the ESA. The site may require that the Union representative be accompanied by an Employer official at all times.

9. TERMS & CONDITIONS OF EMPLOYEES

- 9.01 Upon the commencement of a strike or lockout, the terms and conditions of the Collective Agreement:
- (a) Shall not apply to Employees on strike or lockout; however, benefits coverage will be maintained for all eligible Employees as per Article 28 of the Collective Agreement and the Union agrees to reimburse the Employer for the associated

costs in accordance with Article 9.09 of this agreement and Appendix C;

- (b) Shall continue to apply to Designated Essential Service Workers performing essential services except as amended as follows:

The following articles in the Collective Agreement shall not apply:

- i. Article 16; (Hours of Work)
- ii. Article 17; (Overtime)
- iii. Article 18; (On call)
- iv. Article 19; (Call back)

- (c) In the event of a rotating Strike or Lockout, the Collective Agreement shall continue in full force and effect at all sites not on Strike or Lockout.

- (d) DESWs will be paid based on the Employee's classification and rate of pay in effect at the commencement of the strike or lockout.

9.02 An Employee who is required to work in accordance with this Agreement is a DESW during those times that the Employee is required to perform essential services under the Agreement.

9.03 The development and implementation of Part B staffing plans may result in changes to affected Designated Essential Service Workers' regularly scheduled hours of work. Where a Designated Essential Service Worker's hours of work are reduced due to the operation of part B staffing plans, for the duration of a strike or lockout this does not constitute a layoff of the employee under Article 36 Layoff and Recall.

9.04 The following on-call provisions apply to Designated Essential Services Workers:

- (a) the words "on-call duty" shall be deemed to mean any period during which a Designated Essential Services Worker is assigned an on-call shift in a staffing plan as identified in Part B of this Agreement.
- (b) the Employer shall pay \$4.25 per hour to a Designated Essential Services Worker who is assigned on-call duty.
- (c) if a Designated Essential Services Worker is called back to duty from on-call duty, they shall be paid for all hours worked at the basic rate or, if applicable, at the overtime rate in accordance with clause 9.05 of this agreement.
- (d) where a Designated Essential Services Worker has previously worked during the calendar day and is called back to duty from on call duty they shall be reimbursed for a round trip between their place of work and their home at Covenant Health rates per kilometer.

9.05 Designated Essential Services Workers are eligible for overtime at two times (2X) their basic rate pay for:

- (a)
 - (i) any time worked in excess of seven and three-quarter (7 3/4) hours during any one (1) day; or

- (ii) any time worked in excess of the daily hours for Employees who are scheduled to work a Modified Hours work day; or
 - (iii) any time worked in excess of the total hours of work assigned to a full-time position in a fourteen (14) calendar day period [i.e. seventy-seven point five (77.5) hours] commencing the date of a Strike or Lockout.
 - (b) all overtime will be paid out on the subsequent pay period, no banking of hours during a strike or lockout will be permissible.
- 9.06 Designated Essential Services Workers shall be provided with an unpaid meal break for not less than one-half (1/2) hour for shifts worked greater than four (4) hours.
- 9.07 Designated Essential Services Workers shall be permitted one (1) paid rest period of fifteen (15) minutes during each full period of three point eight seven five (3.875) hours worked, the time of which shall be scheduled by the Employer. If an Employee is unable to take their paid rest period, or is recalled from their paid rest period, compensating time shall be provided later in their shift.
- 9.08 The Union will reimburse the Employer for health plan premiums cost prorated to account for any hours worked on Essential Services. The Employer is responsible for the Employer portion of the premiums prorated to the hours worked by each Designated Essential Service Worker during a work stoppage.
- 9.09 The cost to be reimbursed by the Union to the Employer in accordance with 9.08 of this agreement will be billed to the Union no later than sixty (60) days following the conclusion of the strike or lockout. The Union shall submit payment no later than sixty (60) days following receipt of the Invoice. Any costs not billed within sixty (60) days will not be subject to repayment. (Appendix C)
- 9.10 No Employee shall be discriminated against or disciplined in any manner for taking part in a legal strike or lockout.

10. PROHIBITION ON REPLACEMENT WORKERS

- 10.01 During a strike or lockout at a site, the Employer shall not:
- (a) permit Employees in the bargaining unit on strike or lockout to work at that site unless they are a DESW;
 - (b) increase the scope of work performed by volunteers or contracted out services at that site;
 - (c) assign work that would normally be performed by an Employee in the bargaining unit that is on strike or lockout to other Employees at that site who are members of other bargaining units; or
 - (d) hire additional persons at that site to perform work normally performed by an Employee in the bargaining unit who is on strike or lockout.

11. RESPONDING TO EMERGENCIES AND UNANTICIPATED OR FORESEEABLE CHANGES

- 11.01 Where an emergency, unanticipated or foreseeable change to the essential services arises that cannot be responded to safely by the number of essential services Employees available as per Appendix B, the Employer will immediately contact the Union to advise of the number of additional DESWs that are required to appropriately respond to the situation.
- 11.02 The Union will endeavor that Bargaining Unit Members will be available in the event of any Emergency or disaster situation and will provide additional Designated Essential Service Workers as soon as possible.
- 11.03 The Employer shall provide the Union with a verbal summary of the situation: in response, the Union shall comply with the request to ensure that the DESWs arrive as soon as reasonably possible and within any time limits as prescribed on the staffing plan. Within twenty-four (24) hours of the request, the Employer will provide the Union with a written documentation to support the request.
- 11.04 In the event of a dispute between the Employer and the Union as to the number of requested staff required to respond to the emergency, unanticipated or foreseeable situation, the DESW(s) will perform the work in question immediately and without delay. If such a dispute arises, the dispute will be addressed in accordance with Section 12 of this ESA.
- 11.05 Following the end of the emergency, unanticipated or foreseeable change to the essential services, the total number of essential services Employees will return to the agreed upon essential services staffing numbers as indicated in the essential services staffing plan in Appendix B.

12. RESOLVING DISPUTES

- 12.01 In the event a dispute arises during the application or implementation of the ESA during a strike or lockout, the dispute will be referred to the Umpire identified in Section 6 of this Agreement for resolution.
- 12.02 Such disputes shall be initiated, in writing, to the Umpire utilizing the form attached in Appendix D.
- 12.03 To ensure there is open communication, both parties will meet each morning to attempt to resolve any disputes or concerns, arising out of the strike or lockout.

The umpire will be available from 7:00AM to 9:00 PM, 7 days a week. The hearings will be virtual.
- 12.04 If the dispute is not resolved by the Umpire to the satisfaction of either the Employer or the Union, the Parties may, together or separately, apply to the Commissioner for a review of the decision within ten (10) calendar days pursuant to section 95.7 of the Code.

13. INFORMATION SHARING

13.01 The Employer shall provide the Union relevant information including, but not limited to:

- (a) staffing for each Unit/ Area and Department, (e.g. normal hours of operation, schedule rotations, whether staff are normally replaced during absences);
- (b) process for assigning OOS;
- (c) process for replacing OOS;
- (d) list of all Employees including their contact information on file, classification, and status (actively working, LOA, restrictions);
- (e) list of all OOS, including their work location and whether they are capable and/or qualified to perform the work of an Employee on strike or lockout;
- (f) number of volunteers by site and a list of their usual responsibilities and schedules (if available);
- (g) name(s) and contact information of the Employer representative responsible for:
 - (i) assigning capable and qualified OOS.
 - (ii) reviewing, discussing, and resolving staffing related Issues with the Union counterpart;
 - (iii) communicating with the Union counterpart to resolve picketing issues;
 - (iv) discussing and resolving issues with the Union counterpart that are unrelated to staffing or picketing.

The information in (a) shall be provided before any staffing plan discussions. The information in (b), (c), (d), (e), (f), and (g) shall be provided upon the commencement of the cooling-off period.

13.02 The Union shall provide the Employer with all relevant information regarding, including, but not limited to:

- (a) process for assigning designated essential services workers;
- (b) process for replacing designated essential services workers;
- (c) names and contact information of the Union representative(s) responsible for:
 - (i) assigning and contacting designated essential services workers;
 - (ii) reviewing, discussing, and resolving staffing-related issues with the Employer counterpart;
 - (iii) managing the picket line and communicating with the Employer counterpart to resolve picketing issues; and
 - (iv) discussing and resolving issues with the Employer counterpart that are unrelated to staffing or picketing.

The information shall be provided upon request but no sooner than the appointment of a mediator and no later than the commencement of the cooling-off period.

14. COMMUNICATION

- 14.01 The Parties shall make all reasonable efforts to ensure the public is aware of the impact on services caused by the strike or lockout.
- 14.02 The Parties agree to develop a joint communication to ensure both Parties understand their obligations in relation to this ESA. Such communication will include at least the following:
- (a) reporting for assigned shifts;
 - (b) reporting to work on time and within the prescribed time limits when placed on- call;
 - (c) completion of essential services when on duty;
 - (d) protocol for calling in sick;
 - (e) protocol for leaves of absence;
 - (f) protocol for reporting to work when responding to emergencies and foreseeable changes to the essential services;
 - (g) protocol for handling work place grievances;
 - (h) protocol for discussing the strike or lockout while on site;
 - (i) protocol for picketing, if one is agreed to by the parties.

The communication is to be finalized and distributed no later than the commencement of the cooling off period.

15. AMENDING THE ESSENTIAL SERVICES AGREEMENT

- 15.01 Any terms, including the terms of the staffing plans, may be amended by agreement of the Parties. In the event the Parties do not agree on an amendment, the lead umpire shall make a ruling. Either Party may apply to the Commissioner for a review of the lead umpire's ruling within ten (10) calendar days of the lead umpire making the award, on grounds that it is unreasonable.

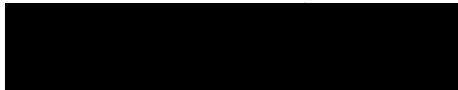
16. ACCESS AND EGRESS

- 16.01 The Union will provide unrestricted access and egress for emergency vehicles (ambulances, fire trucks, law enforcement) blood, oxygen, emergency equipment and emergency supplies.
- 16.02 Vehicles delivering patient food supplies and any other person or delivery required for the continued operation of the facilities and essential services be delayed by the union, but in any event for no longer than 5 minutes.
- 16.03 During the cooling off period, the Employer will provide a map of the Employer site to the Union including:
- (a) facilities located on each site;
 - (b) main entrance and emergency department entrance; (if necessary)
 - (c) parking area;
 - (d) area for deliveries;

- (e) public Transportation route and stop locations (if route/stops transits Employer property); and
- (f) any other items the parties deem necessary.

This Essential Services Agreement has been executed by the Employer and Union by their respective duly authorized representatives.

ON BEHALF CUPE LOCAL 2111

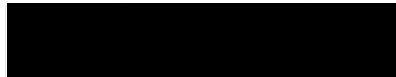


Garrett Spelliscy
Administrator



Lee-Ann Kalen
National Representative

ON BEHALF OF THE EMPLOYER



Megan Zembal
Acting Director, Labour Relations

Signed and date on the 24th day of June, 2026.