

1 Q. **2013 General Rate Application, Intercompany Transaction Costing Guidelines –**
2 **Exhibit 8**

3 Page 5, lines 20-21 - Is there a differentiation between unionized and non-unionized
4 employees in respect of the Bill Rate calculation for the Type 2 charge? If yes,
5 provide details of the differences.
6
7

8 A. There is no differentiation in the methodology used to calculate Bill Rates for
9 unionized versus non-unionized employees. However, there is a small difference on
10 how the pay scales, which are used to calculate the salary component of the Bill
11 Rate, are determined. For non-union employees, the pay scales are based on the
12 job rate (100%) of the applicable salary grade. In this manner, the confidentiality of
13 an employee's placement within the salary scale is thereby protected. Union pay
14 scales are reflective of the "fixed rates" as stated in the collective agreement and
15 are the same as the individual's rate of pay.
16

17 The fully loaded cost component, currently 57%, is the same for both union and
18 non-union employees.