

1 **Q. In reference to the evidence of Earl Ludlow, page 28, line 1, please advise as to the**
2 **forecast negotiated labour increases versus the actual negotiated labour increases**
3 **and the percent of increase/decrease, as the case may be, for the years 1996 to**
4 **current.**

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6 **A.** Newfoundland Power does not forecast wage increases for unionized labour in advance
7 of labour negotiations.

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9 In 1996, the Company and the Craft and Clerical bargaining units of IBEW Local 1620
10 entered into collective agreements covering a 3-year period. Under the terms of those
11 agreements, each employee received a \$1,000 signing bonus. The agreements did not
12 provide for any increase in base wages. In lieu of wage increases, it was agreed that
13 unionized employees would participate in the Company's Incentive Pay Plan.
14

15 Table 1 shows the incentive payments received by unionized employees for 1996, 1997
16 and 1998.
17

Table 1 Incentive Pay Plan Negotiated Incentive Payments	
Year	Corporate Incentive Pay
1996	2% of base wages
1997	3% of base wages
1998	4% of base wages

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19 The Incentive Pay Plan for employees below the level of Manager was discontinued in
20 1998. The collective agreements currently in effect for both the Craft and Clerical
21 bargaining units were signed in April 1999, and are effective for the period October 1,
22 1998 to September 30, 2003. Details of the wage increases provided for in those
23 agreements are shown in Table 1 in the response to Request for Information NLH-206.