



To: The Membership of IUOE Local 727
Re: Sick Leave – Article 29.02 and Proposed Sick Leave Payout Pilot Program

Dear Brothers and Sisters,

Over the years, IUOE Local 727 has been engaged in discussions regarding the sick leave provisions contained in **Article 29.02 of our Collective Agreement**. These discussions have focused on ensuring that our members are able to access sick leave for a variety of legitimate circumstances, including personal illness, illness of an immediate family member, medical and dental appointments, the birth or adoption of a child, and emergency situations.

Throughout these discussions, the Union has listened carefully to the concerns and suggestions brought forward by our members. During various Town Halls with the Employer, members repeatedly raised an important issue: **when sick leave is not used, there should be a mechanism that allows employees to either receive a payout or carry unused sick leave forward into a bank for future use.**

Your Union took that feedback seriously.

With that in mind, Local 727 began working with EMCI to explore a new approach that could provide greater fairness and flexibility to our members while maintaining the fundamental purpose and value of the sick leave benefit.

Sick Leave Payout Pilot Program

On **June 24, 2026**, the IUOE Local 727 Business Manager and both Business Agents met with **Gordon Peckham, Vice President, Operations, and Kaylee Balcom, Senior Manager, Human Resources.**

The purpose of this meeting was to present a proposed **Sick Leave Payout Incentive Pilot Program**. The intent of the pilot was to evaluate whether a voluntary sick leave payout incentive could:

- Positively impact employee attendance;
- Reduce staffing pressures;
- Improve operational stability;
- Encourage employees to preserve their sick leave benefits; and
- Provide employees with a fair opportunity to benefit from unused sick leave while maintaining the integrity of the sick leave provision.

The proposal was intended to be a **pilot project**, allowing both the Union and Employer to evaluate actual results and determine whether the program provided measurable benefits to employees and the operation.

On **June 30, 2026**, Local 727 presented its proposed **Memorandum of Agreement regarding the Sick Leave Payout Pilot Program** to the EMCI Senior Leadership Team for approval.

The Union continued to follow up in an effort to move the proposal forward. On **July 15, 2026**, and again on **July 21, 2026**, I followed up with **Matthew Crossman**, advising that any further delays could jeopardize the parameters necessary to properly collect and analyze the data required to determine the success or failure of the pilot project.

We were advised that approval was still being awaited before the Memorandum of Agreement could be implemented.

Since that time, there has been **no further response**.

Our Disappointment

At this point, the Union can only conclude that there is no current interest from EMCI in proceeding with this important pilot project.

I want to be very clear that this is **extremely disappointing**, particularly for you, our members, who have raised this issue and have long awaited an opportunity to have your voices heard.

Local 727 brought forward a proposal that was not simply about paying out sick leave. It was an attempt to find a **new and balanced direction**—one that recognized the legitimate concerns of our members, encouraged responsible use and preservation of sick leave, and provided an opportunity to evaluate whether unused sick leave could be addressed in a fair and equitable manner.

The proposed pilot would have allowed the Union and Employer to work together, collect meaningful data, and make decisions based on evidence rather than assumptions. It was an opportunity to determine whether a voluntary program could benefit **employees, the Employer, and the overall operation**.

Unfortunately, despite the Union's efforts to move the proposal forward, that opportunity has not materialized.



Your Union Will Continue to Advocate

I want to assure every member of Local 727 that **your Union has not ignored your concerns, nor have we abandoned this issue.**

We heard you when you raised the issue of unused sick leave. We brought your concerns forward to EMCI. We developed a proposal intended to address those concerns while protecting the purpose of the sick leave benefit. We met with senior representatives of the Employer, presented the proposed pilot, and followed up repeatedly in an effort to see it implemented.

We will continue to advocate for **fairness, equality, and meaningful improvements to the benefits contained in our Collective Agreement.**

The sick leave provisions in Article 29.02 are important to our members and their families. Any discussion about their future must recognize the legitimate needs of employees while also ensuring that the benefit remains available when it is genuinely needed.

Your feedback has driven this initiative from the beginning, and we will continue to listen to you and pursue opportunities to improve our Collective Agreement.

While we are disappointed that EMCI has, to date, not moved forward with the proposed pilot, **Local 727 remains committed to pursuing a fair and reasonable solution to the issue of unused sick leave.**

We will keep the membership informed of any further developments.

In Solidarity,

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