

## UPDATE

# Following Meetings With Vince Ready — Barriers to Concluding a Negotiated Collective Agreement: Costing the BCTF Proposals Currently on the Table

*August 31, 2014*

Following weekend exploratory talks with Vince Ready, BCPSEA and the BCTF were unable to conclude a negotiated agreement. Mr. Ready made the decision late Saturday afternoon (August 30) that the parties remain too far apart for mediation to be successful, and broke off the exploratory talks. Any resumption of talks will be determined by Mr. Ready based on his assessment that mediation might be successful.

The BCTF did not accept last week's request by Minister of Education Peter Fassbender for the union to stand down from its strike. It is anticipated the BCTF will resume its full strike action on Tuesday, September 2. As advised in our statement of August 28, BCPSEA had accepted the Minister's proposal for the employers' association to stand down from further lockout action for a two week period.

A brief outline of events leading to the breakdown of the current exploratory talks with Mr. Ready is outlined below, followed by charts setting out the current demands of the union. The BCTF demands remain far in excess of all other public sector agreements to date.

- Exploratory discussions were held over several days in late June/early July between BCPSEA Lead Negotiator Peter Cameron and BCTF President Jim Iker, with the assistance of Justice Stephen Kelleher of the BC Supreme Court in the role of potential mediator. The purpose of the discussions was to determine whether the parties could move their respective positions closer to bridge the significant gap between them such that mediation would be viable.
- BCPSEA was clear in those discussions that although we were willing to further explore possible options and would be able to make some moves with respect to what was on the table, our comprehensive package tabled on June 15 was very close to the limit of what the province can afford. We were also clear that the BCTF needed to come back to the table with a set of proposals more in line with the collective agreements reached with other public sector unions (including the K-12 support staff unions) over this past year.
- On August 8, BCPSEA and the BCTF met to review proposals and identify potential areas of movement. Both parties agreed to seek further assistance from a third party, and to inquire into the availability of Vince Ready.
- Mr. Ready conducted exploratory discussions with the parties on August 13, and agreed to monitor the situation with a view to resuming exploratory talks or commencing full mediation when he determined it would be productive.

- Following a meeting of the parties' lead negotiators with the Minister of Education on August 28, the BCPSEA and BCTF bargaining teams met with Mr. Ready on August 29 to engage in further exploratory talks.
- In the early evening of August 30, Mr. Ready determined that he was unable to “find a framework to get this dispute resolved” at this time, given the reality that the parties were not able to move within a potential zone of settlement.
- BCPSEA is extremely disappointed that we were unable to conclude an agreement at this time. The stumbling block remains the BCTF’s insistence on seeking approximately \$166 million more — just in the first five years — in wages and benefits than the settlements achieved with BC’s other public sector unions covering 150,000 employees (including the recent Framework Agreement with K-12 support staff unions). The BCTF is also still asking for a \$5,000 signing bonus, at a cost of an additional \$150 million.
- The union is also holding firm to a number of other very costly proposals; in their totality, the cost of the BCTF proposals is a significant barrier to achieving a new collective agreement. When accounting for the difference in the proposed term of the agreement, the BCTF total compensation demands remain nearly double the pattern of other recent public sector agreements in BC.

The following charts set out the key proposals the BCTF currently has on the table and BCPSEA's calculation of the cost of those proposals. The union's base salary demand (including required increases to wage-related benefits) increases costs by 8%. However, when the union's proposed increases to other compensation items such as benefits and reduced hours are added, **the total proposed compensation increase rises to 11.2%**. Including the \$5,000 signing bonus proposed by the BCTF adds approximately \$150 M to total costs.

	Public Sector Settlements to Date	BCPSEA’s Current Compensation Offer to BCTF	Current BCTF Total Compensation Demands
Contract Length	5 Years	6 Years* Optional 7 <sup>th</sup> year at 8.5%**	5 Years
Total Compensation	5.5%	7.0%	11.2%
Signing Bonus	None	Expired as at June 30, 2014 (+ \$1,200)	+ \$5,000
Economic Dividend***	Yes (50%)	Yes (50%)	Yes (100%)

\*The most recent teacher collective agreement ended on June 30, 2013. All other past public sector agreements ended in the spring of 2014 and have now been renegotiated to end in 2019. BCPSEA has proposed a six-year term for the new teacher agreement to bring the BCTF into alignment with the expiry date of all other public sector collective agreements (July 1, 2013 to June 30, 2019).

\*\*BCPSEA has offered an alternate seven- year term including an additional 1.5% wage increase. This would provide teachers with an 8.5% wage improvement between 2013 and 2020.

\*\*\*The Economic Stability Dividend will provide additional increases if the actual provincial GDP exceeds the forecast.

The following chart summarizes the cost of the union’s current proposals. While the BCTF has stated that it doesn’t agree with some of the numbers used by BCPSEA for our costings, it has refused to provide its own costing or to refer areas of disagreement to the joint BCTF/BCPSEA data working group (which includes the option of third party verification).

BCTF Proposal	Ongoing Cost in Year 5
Wages and Benefits	<b>\$211.1 M</b> (plus any Economic Stability Dividend)
Preparation Time – Elementary +	<b>\$86.2 M</b>
Preparation Time – Secondary +	<b>\$5.9 M</b>
Pregnancy Leave +	<b>\$8.8 M</b>
Benefits – Extended Health and Dental	<b>\$11.0 M</b>
TTOC Benefits – Grid Placement +	<b>\$4.6 M</b>
Impact of the BCTF compensation increase proposals on the above matters (identified above with +)	<b>\$8.2 M</b>
<b>Subtotal (excluding Wages and Benefits)</b>	<b>\$124.7M</b>
<b>Total Cost of BCTF Compensation Proposals</b>	<b>**\$335.8 M</b>
<b>Percentage Increase in Total Compensation*</b>	<b>11.2%</b>
Class Size, Class Composition (cost of additional teachers arising from class size and composition limits and ratios)	<b>\$1.24 B</b>
Cost of additional non-enrolling teachers for new ratios	<b>\$300.5 M</b>
Impact of the BCTF compensation increase proposals on their Class Size, Class Composition and Non-enrolling items above	<b>\$126.6 M</b>
<b>Total Cost of BCTF Class Size (etc.) Proposals</b> The BCTF class size proposal is currently estimated at a cost of \$1.67 B. As an alternate proposal, the BCTF proposes \$225 M per year OR the return to the 2001 class size/class composition/non-enrolling teacher ratios (at a cost similar to the \$1.67 B total cost of the class size proposals above) pending the appeal court’s decision (see page 6).	<b>***\$225 M - \$1.67 B</b>
<b>Total Ongoing Increased Costs (depending on the class size proposals as above)</b>	<b>\$560.8 M - \$2.0 B</b>
<b>Plus One-time Signing Bonus (BCTF proposed \$5,000)</b>	<b>\$150 M</b>
+Will have additional costs due to wage and wage-impacted benefits proposal. *Total Compensation is defined as all wages, wage-impacted benefits, and non-wage impacted benefits. **The cumulative cost of these provisions over the BCTF’s proposed five-year term of the agreement would total \$940 million. ***The cumulative cost of these provisions over the BCTF’s proposed five-year term of the agreement would total \$2.0 billion - \$5.7 billion.	

Further resources are available on the BCPSEA [website](#). In addition, current fact sheets on class size, composition, student achievement and funding are available on the Ministry of Education’s [Newsroom page](#).

We will continue to provide updates and clarify information as events unfold. Please contact Mike Roberts at 604 730 4519 or [miker@bcpsea.bc.ca](mailto:miker@bcpsea.bc.ca) if you have any questions.