

Management's monetary offer

Just Not Good Enough!

More than 12 hours of bargaining Friday ended without a tentative agreement. Why? Because OPTrust management refused to table an acceptable offer on wages and other critical monetary issues.

The day began with some initial progress. But in the afternoon, management tabled an offer that still failed to address a number of key priorities identified by members during demand setting last summer.

In an attempt to find a fair deal, your OPSEU team responded with significant moves on several outstanding issues. But by late in the evening, it was clear that management still wasn't prepared to make a reasonable offer.

With bargaining about to stall, the OPSEU team called it a day at 11:30 p.m. Instead, we agreed to one more meeting with the management team and the provincial conciliation officer on Friday, Jan. 23.

Time for management to reconsider

The break gives everyone involved an important opportunity. For management it's a chance to rethink its approach and come back to the table with an acceptable offer that reflects your priorities.

For your OPSEU team, it's a chance to update you on what's on the table.

This bulletin provides details of the key issues that still need to be resolved. We think you'll agree: it's time for management to up its offer!



And most important, the break gives you time to show management you're sticking to your demand for a fair deal that reflects the real value of the work you do. See below for how you can help get that message across.

So, what's on the table?

After 10 days of bargaining, including two days in conciliation, the parties have agreed to a number of changes to our collective agreement.

But there is still a long way to go to reach a deal on the key monetary issues.

See page 2 for a summary of the outstanding issues and the last proposals tabled Friday by OPTrust management & your OPSEU team.

Send a message to OPTrust Management

The next three days may be our last chance to tell management to table a fair offer at conciliation. So your OPSEU Mobilizing committee is asking for YOUR support this Wednesday, Thursday and Friday.

1 Dress down – way down!

Wear your grubbiest jeans and your oldest T-shirts to work over the next three days. Help show management that if they want you to look like professionals and work like professionals, they'll have to pay you like professionals.

2 Button up!

Put on an "Up Your Offer" button, to help make sure management gets the message.

3 Accessorize

Don't forget to wear your OPSEU wristbands and lanyards.

Here's a summary of the outstanding issues and the last proposals tabled Friday by OPTrust management & your OPSEU team.

1) Wages, Term & Step 6

A reasonable wage package is the core of any fair collective agreement. We need protection for our standard of living – and financial recognition for the value of our work.

OPTrust management's last offer included:

- Wage increases of only 1.5% per year over a four-year deal, with retro pay from January 1, 2009.
- No change to the current Step 6, which provides an increase of only 0.75% and only after 10 years in the same position

OPSEU's last proposal included:

- Annual increases of 2.25%, 2.5%, 2.5% and 3.5% over four years, plus retro
- Changing Step 6 to provide an average raise of 2.2%, one year after you reach Step 5.

The employer's wage offer just doesn't cut it. It's below the current rate of inflation, which would mean a cut in your real earnings over the life of the collective agreement. What's more, management refused to even consider a cost-of-living agreement (COLA) that would protect your real wages if inflation exceeds the annual increase.

The union's wage proposal together with the change to Step 6 would protect every member's standard of living over the next four years. And a real Step 6 would deliver an increase for 90% of the bargaining unit over a four-year agreement.

That's why changing Step 6 was one of your top 3 economic demands. Given management's refusal to consider COLA and their insistence on a four-year deal, a real Step 6 is all the more critical.

2) New Pay Grades

Another top priority coming out of demand setting is the creation of new pay grades at the top of the salary grid. This would allow new senior jobs to be fairly paid. It would also create room to reclassify existing senior positions when there is a significant change in job duties.

OPTrust management's last proposal would

- Create a new Pay Grade 10, paid at 20% above Grade 9
- Assign just one existing job, and 2 new vacant positions to Grade 10.

Your OPSEU team's last proposal would

- Create two new pay grades.
 - Grade 10 would be paid 10% above Grade 9.
 - Grade 11 would be paid 20% above Grade 9
- Add the three positions proposed by management to Grade 11
- Allow other jobs to be assigned to Grades 10 or 11 in the future, as required.

Of course, the whole point of adding new pay grades is to ensure senior jobs are paid fairly. But management's proposal for a single new grade at a 20% jump above the next highest pay band would strictly limit the number of jobs that would be classified above Grade 9.

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Your Pay and Theirs

In this round of bargaining, management seems keen on keeping your wage increases to an absolute minimum. So, you might be wondering how much senior management have been paying themselves recently. Here are a few numbers to keep in mind as you consider management's current wage offer for unionized staff.

	Annual Increases in Base Salary			
	2005	2006	2007	2008
Heather Gavin	–	–	10.0%	?
Morgan Eastman	7.8%	5.0%	7.5%	?
Charlie Eigl	5.4%	5.2%	10.0%	?
Unionized Staff	3.0%	3.0%	3.0%	3.20%

Of course, we still don't know what increases management received in 2008 or what they plan to pay themselves in 2009. But what do you think the odds are that they've limited themselves to 3.2% in 2008 - or 1.5% for the each of the next four years?

New Pay Grades (continued)

On the other hand, by creating two new grades with smaller pay increases between them, the OPSEU proposal would allow a much fairer system for classifying senior positions above Grade 9.

3) Classification Issues

Job classifications are a longstanding problem at OPTrust. That's why your OPSEU team tabled two key demands: one for a "joint job evaluation" process and the other to create stronger language allowing jobs to be reclassified. Together, these changes would create a fair process for fixing current classification problems and dealing with future issues as they arise.

Management rejected these proposals outright. Instead, they have agreed to reclassify just 10 positions:

- The Data Analysts, Investment Data Technician, Pension Payments Clerk and Senior Benefits Analysts would all move from Grade 4 to Grade 5
- The Communications Advisors, IT Security & Network Specialist, Web Specialist, Senior Data Analysts and Treasury Analyst would move from Grade 8 to Grade 9
- The Senior Financial Analyst - Alternative Investments would move from Grade 9 to the employer's proposed Grade 10

So far, management has rejected ALL other reclassification demands tabled by the OPSEU team. These were based on the complete "special cases" submitted by members in June.

While the classification changes accepted by management so far are a partial step in the right direction, they would benefit only 33 members – or 26% of the bargaining unit. Worse, they offer no clear mechanism for addressing other classification problems.

So, unless management comes up with a much stronger wage offer combined with a real Step 6, the result would leave too many members to fall behind inflation.

4) Separation Allowance

OPTrust management says there are no plans for layoffs, so there's no need to increase the separation allowance paid to laid-off employees. Sound familiar? It should. That's exactly what they said in 2004... just before they axed 11 jobs.

After pressure by the OPSEU team, management finally offered to improve the separation allowance to 2 weeks per year of service, to a maximum of 42 weeks – up from the current 36-week maximum. There's just one problem: in 2012 even the most senior employee will have only 17 years of service. So the most any employee could collect would be 34 weeks separation pay – less than the current maximum.

Instead, OPSEU's latest proposal is for 3 weeks' separation pay per year of service, up to 36 weeks. Since any layoff notices must be issued to members with the least seniority, this would mean a 50% increase in separation pay for most members.

What's been agreed to so far?

Until management comes up with a fair monetary offer, we're still a long way from a final tentative agreement. But after 10 days of bargaining a number other issues have been agreed to.

Non-monetary items

In November the two teams signed off on important non-monetary changes. These include:

- Elimination of short-term layoffs
- Increased notice of layoff to affected employees
- Increased notice of layoff to the union, to discuss other available options
- Improved protection in the event of organizational and technological change
- Improved union representation and union leave provisions
- A job-sharing option
- Stronger language on scheduling and approval of alternative hours of work
- Improvements to the scheduling and approval of vacation and Work-Life Balance days
- A two-year limit on carrying forward banked compensating time off
- Including contract employment in the service and seniority of all employees hired to permanent positions after ratification
- Confirming Family Day as an additional paid holiday.

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Monetary items

Monetary changes that the two teams have agreed to but not yet signed off include:

- Increasing the kilometric rate for employees using their own vehicles for work-related travel to 46 cents per kilometer (up from 41 cents).
- Increasing the on-call premium from to 20% of the employee's normal hourly wage (up from \$1/hour)
- Prorating Work-Life Balance Days in the final year of employment
- The following benefit improvements:
 - Employer to pay 90% of LTD premiums (up from 85%)
 - Psychologist and acupuncturist added to paramedical coverage
 - Paramedical coverage increased to \$1,200 per service, per family member, per year (up from \$1,000)
 - Adding insulin, glucose monitoring equipment and insulin pumps; increasing coverage limits above current plan
 - Employer to pay 80% of vision care premiums (up from 60%); coverage increased to \$400 every two years (up from \$300)
 - Orthodontic coverage increased to \$4,500 per child (up from \$3,000)
 - Major restorative dental coverage raised to \$3,000 per family member per year (up from \$2,000).

Important: Final agreement on all these items depends on the parties reaching a complete tentative agreement that is ratified by OPSEU members and the OPTrust Board of Trustees.

Putting bargaining in context

When they talk about your wage increase for the next few years, management likes to point to two facts.

First, they note that the Plan's investment losses and the change in the economic climate means that they can't pay you more than the bare minimum. But the reality is that the payroll for the entire OPSEU bargaining unit is just over \$8 million a year, excluding benefits. That means for every one percent that our pay increases, the cost to OPTrust is just \$80,000.

We're a good investment

In other words an increase two or three times what management is proposing would have zero impact on the health of the plan or OPTrust's financial situation. Compare that to the millions they spend each year on external consultants and investment managers – and how well that has worked out recently – and paying us a reasonable wage increase for a job well done is a brilliant investment

Comparisons with the OPS?

The other thing management likes to point to is the recent collective agreement in the OPS. In fact, they seem to think we should be happy to take the OPS

wage settlement of 1.75%, 2%, 2% and 2% over four years.

What they are conveniently ignoring is that the OPS included the creation of a new step at the top of each pay band – not unlike the Step 6 proposed by your OPSEU team. What's more the OPS agreement includes a number of other important monetary improvements that are nowhere to be found in OPTrust management's proposals.

What's more, management is conveniently ignoring the obvious fact that we are NOT part of the OPS. Maybe they should look to the Ontario Pension Board for their model. The recent OPSEU contract there included wage increases of 6% in 2008 and 4% in 2009.

Keep yourself plugged in!

Have questions about bargaining? Want to get more involved? Contact a member of your OPSEU bargaining team or the OPSEU mobilizing committee.

Or send an e-mail to opseulocal568@yahoo.com.