

What's Really on the Table?

Costing the BCTF Revised Package of Proposals Presented June 17

June 19, 2014

On June 13, 2014, several media outlets began reporting that the BC Teachers' Federation (BCTF) "...presented a new contract proposal to the employer on Friday, kicking off an intense set of negotiations...."¹BCPSEA received the BCTF revised package late that evening. The package included proposals for two funds with no dollar amounts allocated. On Tuesday, June 17, the BCTF proceeded to table an "Outline of Comprehensive Position," which provides an additional level of detail including dollar amounts for the proposed funds. This Backgrounder explains the key proposals the BCTF now has on the table and BCPSEA's calculation of the cost of those proposals.

The total cost of the proposed wage and benefit increases is still approximately two times higher than agreements recently concluded with BC's other major public sector unions covering approximately 150,000 employees (including the recent [Framework Agreement with K-12 support staff unions](#)).

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 14.5%**. Including the \$5,000 signing bonus proposed by the BCTF adds approximately \$150 M to total costs.

	Public Sector Collective Agreement Settlements to Date	BCPSEA's Current Compensation Offer to BCTF	Current BCTF Total Compensation Demands
Total Compensation	5.5%	7.0%	14.5%
Signing Bonus	None	+ \$1,200	+ \$5,000
Economic Dividend*	Yes	Yes	Yes
Contract Length	5 Years	6 Years** Optional 7 th year at 8.5%***	5 Years

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

**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 7 year term including an additional 1.5% wage increase. This would provide teachers with an 8.5% wage improvement between 2013 and 2020.

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).

¹ The Canadian Press as reported by [The Province](#), June 14, 2014.

The union is holding firm to a number of very costly proposals in addition to their wage demands. The chart below summarizes the cost of the union's current proposals. The total cost of these demands is a significant barrier to a new collective agreement.

BCTF Proposal	Ongoing Cost in Year 5
Wages and Benefits	\$211.1 M
Salary Grid Reduction +	\$16.9 M
Preparation Time – Elementary +	\$86.2 M
Preparation Time – Secondary +	\$5.9 M
Pregnancy and Parental Leave +	\$22.1 M
Benefits – Extended Health and Dental	\$11.0 M
TTOC Benefits – Grid Placement +	\$4.6 M
Professional Development	\$8.8 M
Impact of the BCTF compensation increase proposals on the above matters (identified above with +)	\$9.7 M
Subtotal (excluding Wages and Benefits)	\$165.2
The BCTF proposes an ongoing fund of \$225 M per year to be applied to compensation matters (in addition to wages) such as those items in the shaded rows above. This amount would be \$59.8 M more than the current cost of those proposals (the difference between \$225 M and \$165.2 M).	\$59.8M
Total Cost of BCTF Compensation Proposals	**\$436.1 M
Percentage Increase in Total Compensation*	14.5%
Class Size, Class Composition (cost of additional teachers arising from class size and composition limits and ratios)	\$1.24 B
Cost of additional non-enrolling teachers for new ratios	\$300.5 M
Impact of the BCTF compensation increase proposals on their Class Size, Class Composition and Non-enrolling items above	\$126.6 M
Total Cost of BCTF Class Size (etc.) Proposals 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/nonenrolling 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).	***\$225 M - \$1.67 B
Total Ongoing Increased Costs (depending on the class size proposals as above)	\$661 M - \$2.1 B
Plus One-time Signing Bonus (BCTF proposed \$5,000)	\$150 M
+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 total cumulative cost of these provisions over the BCTF's proposed five-year term of the agreement would total \$1.1 billion. ***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.	

Note: Term — The BCTF proposed a change to the term of the agreement from four years to five years (July 1, 2013 – June 30, 2018).

Details of the BCTF proposals and associated costs are included in the following tables.

Wages	
BCTF Proposal	Ongoing Cost in Year 5
<p>The BCTF wage proposal includes a signing bonus and general wage adjustments:</p> <ul style="list-style-type: none"> ▪ July 1, 2013: \$5,000 signing bonus (\$150 M one-time cost) 	No ongoing cost (\$150 M one-time cost)
<ul style="list-style-type: none"> ▪ July 1, 2014: 3.5% increase ▪ July 1, 2015: 1.5% increase ▪ July 1, 2016: 1.5% increase ▪ July 1, 2017: 1.5% increase <p>The proposal also includes an additional increase equal to the difference between the actual GDP and the forecasted GDP to take effect on the first pay day after February 1 in the collective agreement year.</p>	\$211.1 M
<p>The BCTF is also seeking:</p> <ul style="list-style-type: none"> ▪ “Shortening” of the teacher salary grid from 10 steps to 8 steps by removing the first two steps on the grid ▪ Restoration of three salary grid categories removed during the salary harmonization process in 2006 ▪ Increases to all allowances by a set percentage. 	\$16.9 M (This is the cost by year 5, but the cost continues to increase significantly for several years until all existing employees are at the top of the salary grid)
Preparation Time	
BCTF Proposal	Ongoing Cost in Year 5
<p>The BCTF proposes increases to preparation time as follows:</p> <ul style="list-style-type: none"> ▪ Elementary <ul style="list-style-type: none"> ○ Effective July 1, 2014 - 120 minutes ○ Effective July 1, 2015 - 150 minutes ○ Effective July 1, 2016 - 180 minutes 	\$86.2 M
<ul style="list-style-type: none"> ▪ Secondary (current provision is 194 minutes (12.5%) per instructional week): <ul style="list-style-type: none"> ○ Effective July 1, 2016 – an additional one (1) day ○ Utilization at full discretion of the teacher ○ A classroom move would result in awarding of two additional days of preparation time ○ All preparation time “lost” (e.g., due to statutory holidays, non-instructional days, and meetings) to be “made up” ▪ The BCTF is also proposing that teachers teaching on call (TTOCs — substitute teachers) would receive the same preparation time as a regular teacher, or pay in lieu. 	\$5.9M

Pregnancy/Parental Supplemental Employment Benefits (SEB)	
BCTF Proposal	Ongoing Cost in Year 5
<ul style="list-style-type: none"> ▪ Include all definitions of parents including birth fathers and adoptive parents ▪ Top-up of 100% for pregnancy leave ▪ Top-up of 60% for parental leave 	\$22.1 M
Benefits	
BCTF Proposal	Ongoing Cost in Year 5
<ul style="list-style-type: none"> ▪ Coverage for teachers on the Salary Indemnity Plan (SIP — long-term disability) to be the same as teachers who are actively at work ▪ Upon the teacher's death, continuation of benefits for dependents for a period of 12 months ▪ Mandatory participation in the benefits plan. 	TBD
<p>Improvements to the extended health benefits plan:</p> <ul style="list-style-type: none"> ▪ Open formulary drug plan ▪ Inclusion of fertility drugs ▪ Medical services and supplies ▪ Hearing aids phased in from \$1,500 – 2,500 ▪ Orthotics phased in from \$300 - \$400 ▪ Vision phased in from \$300 - \$400 ▪ Paramedicals phased in from \$600 - \$700 ▪ Massage Therapy - \$3,000 per year maximum with a doctor's prescription. <p>The BCTF is seeking the following improvements to the dental plan:</p> <ul style="list-style-type: none"> ▪ A phased transition <u>from</u> the current plan: <ul style="list-style-type: none"> ○ 100% Plan A ○ 60% Plan B ○ 60% Plan C - \$4000 limit <u>to:</u> <ul style="list-style-type: none"> ○ 100% Plan A ○ 75% Plan B ○ 60% Plan C (\$5,000 limit) <p>The BCTF is also proposing that the employer have no ability to change benefits carriers without the prior agreement of the union.</p>	\$11.0 M Dental and extended health only

Teachers Teaching on Call (TTOCs)	
BCTF Proposal	Ongoing Cost in Year 5
<p>The BCTF is seeking increases to wages for teachers teaching on call (TTOCs, also known as substitute teachers), including:</p> <ul style="list-style-type: none"> ▪ Placement on the teacher salary grid from day one to a maximum of Category 5, Step 9 ▪ Experience credit: 170 days = one year for all TTOCs (with superior provisions) ▪ Where no replacement of BCTF member on union leave, union should only reimburse salary cost of a TTOC ▪ Minimum call-out of 0.5 day ▪ Addition of vacation pay ▪ Call-out of greater than 0.6 would equal a full day <p>Increase benefits in lieu daily payment from \$3.00 to \$20.00</p>	\$4.6 M
Professional Development Funding	
BCTF Proposal	Ongoing Cost in Year 5
<p>The BCTF proposes that each teacher employee would receive the following funding:</p> <ul style="list-style-type: none"> ▪ October 1, 2014 - \$350 <p>For each year following, increase the same as applied to salary grid</p> <ul style="list-style-type: none"> ▪ October 1, 2015 - 1.5% ▪ October 1, 2016 – 1.5% ▪ October 1, 2017 – 1.5% <p>AND, each teacher employee receiving the Recruitment and Retention allowance would also receive:</p> <ul style="list-style-type: none"> ▪ October 1, 2014 - \$800 <p>For each year following, increase the same as applied to salary grid</p> <ul style="list-style-type: none"> ▪ October 1, 2015 - 1.5% ▪ October 1, 2016 – 1.5% ▪ October 1, 2017 – 1.5% 	\$8.8 M

Class Size and Composition

As outlined in our *For the Record* [No. 2014-02](#) dated March 6, 2014, BCPSEA cannot support the continuation of 1980s-based language in the collective agreement. The BCTF has also proposed formulae to calculate class size, composition, and numbers of non-enrolling teachers that are not flexible and do not permit decisions by teachers and principals at the school level. If these formulae were applied today, the union's proposal would have an annual cost of approximately \$1.6 billion by the end of year 5.

BCTF Proposal	Ongoing Cost in Year 5
Class size and composition (cost of additional teachers arising from class size and composition limits and ratios)	\$1.24 B
Cost of additional non-enrolling teachers	\$300.5 M
Impact of the BCTF's current proposal for compensation increases on the additional costs	\$126.6 M
Total Cost of Class Size and Composition	\$1.67 B
	OR
Pending the court decision, if the BCTF is successful it is of the view that there would be a return to the 2001 class size/class composition/nonenrolling teacher ratios (at a cost similar to the \$1.67 B total cost of the class size proposals above). The BCTF has proposed an interim solution of a Workload Fund of \$225 M per year until the court's decision is rendered. If unsuccessful, the BCTF proposes the \$225 M per year would be enshrined in the collective agreement. If this alternate proposal is accepted, the BCTF would withdraw its original proposal on class size/composition/nonenrolling teachers.	\$225 M

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](#).

BCPSEA has reiterated its desire to conclude a collective agreement by June 30, 2014. We will continue to provide updates and clarify information as events progress.

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