PEA SMS Collective Agreement Extension Overview

Background

Your PEA Bargaining Committee has been preparing for collective bargaining with the school this spring, as our Collective Agreement expires June 31, 2021. The school has approached us and proposed a collective agreement extension or rollover of existing agreement language. The twenty-month extension would be from July 1, 2021 to February 28, 2023. All members' wages would be increased by 2% on July 1, 2021 and another 2% on July 1, 2022. There would be no other language changes to the collective agreement.

Last Settlement (2016 to 2021)

Highlights of the last settlement with SMS are as follows:

- Increases to vacation accrual
- Improved benefits (vision, health spending account of \$500, drug card)
- 1% increase to employer pension contributions
- Increases to sick leave entitlement and carryover
- General wage increase of 7% over a five-year term

July 2016 – 0.5% July 2017 – 1.0% July 2018 – 1.0% July 2019 – 2.0% July 2020 – 2.5% (note implementation delayed due to COVID)

Schools Position

The school has stated that they will not provide 2% wage increases if the PEA insists on full scope bargaining and will only provide lower wage increases. The school states it is willing to pay the 2% increases to avoid dedicating the management resources needed to address full scope bargaining and also to have continuity in the current context (i.e. COVID).

COVID has negatively impacted the school's enrolment and revenues and has required various operational changes. This is likely to continue for the better part of 2021.

The school initially proposed a 24 month extension. The bargaining committee was able to secure their agreement to reduce the term of the extension to 20 months.

Options

1. Recommended: Agree to Extension

- If PEA members vote YES to ratifying the extension, then the language of current collective agreement would be in place until February 28, 2023.
- Wages for all members would increase by 2% on July 1, 2021 and another 2% on July 1, 2022.

<u>Pros</u>

• Members have certainty as to receiving 2% wage increases in each of the next two years. These increases are slightly higher than projected for BC by the Conference Board of Canada.

Conference Board of Canada: <u>https://www.hrreporter.com/focus-</u> <u>areas/compensation-and-benefits/projected-wage-increases-fall-short-for-</u> <u>unionized-workers-in-2021/338114</u>

"Negotiated wage increases for unionized workers are forecast to increase by 1.6 per cent for 2021 — down from an actual increase of two per cent actual in 2020, according to the Conference Board of Canada. By sector, salary increases in 2021 for private sector organizations (1.9 per cent) are expected to be higher compared to the public sector (1.5 per cent). The provinces with increases expected to be above the national average are Saskatchewan (1.8 per cent) and British Columbia, Quebec and Ontario (all 1.7 per cent)."

The Provincial Government sets public sector bargaining mandates for public K-12 schools and the rest of BCs public sector. There are rumours that the next public sector bargaining mandate which would apply after March 2022 may include a wage freeze as a result of the impact of COVID on provincial finances. A wage freeze in the public school system, may negatively impact the employer's thinking about appropriate SMS members' wage increases.

<u>Cons</u>

 Members' priorities (e.g. those reflected in the recent bargaining survey: workload, benefits, pension, severance, pro-d, etc.) will need to be addressed outside of bargaining this spring (e.g. SMS PEA Union Management Committee, grievances, campaigns) or at the table in the next round of bargaining (i.e. February 2023).

2. Not Recommended: Reject Extension and Engage in Full Scope 2021 Bargaining

<u>Pros</u>

• Members' priorities will be reflected in PEA proposals.

<u>Cons</u>

- SMS management have repeatedly emphasized they will not be willing to put forward 2% increases if the PEA rejects extending the current agreement language. They indicate they will be proposing and sticking to lower increases if 2021 bargaining is full-scope. There is real risk that the employer will continue to assert the position that full scope bargaining will include lower wage increases than the proposed 2%. Based on the history at the SMS bargaining table, it will likely continue to be challenging to bargain language and compensatory improvements in full scope bargaining. Members may be asked to support the bargaining committee with a strike vote in the event the employer is unwilling to address our priorities in a fair manner.
- COVID's impact on the employer's ability to pay for wage increases and other improvements is likely to guide their position at the bargaining table.
- Bargaining will require the employer to redirect its management team resources away from operational and educational priorities.

Final Comment

As a committee, we thank all members for their ongoing participation in the bargaining process. We understand that our recommendation is not the ideal outcome. If the extension is supported by members, it will delay opportunity to bargain language changes that are important to you. However, we believe the certainty regarding the two 2% wage increases over 20 months is significant and important enough for a member vote. If PEA members decide to ratify the employer's proposal for the 20 month extension providing the 2% wage increases, the PEA will continue to take action to fairly represent our members. We will pursue redress through dialogue with the employer and will grieve where that is required.

If members reject the extension, your bargaining committee will pursue the best possible agreement in full-scale bargaining this spring.