NO MORE CUTS
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BARGAINING HISTORY

The progress of negotiations
in the 1996, 1999, and 2002 rounds of OPS bargaining

May 5, 2004

This document summarizes the 1996, 1999, and 2002 rounds of contract talks between the Ontario government and OPSEU in the Ontario Public Service. The summary focuses on key issues and key points in the process:

1996 Round:

1) Laws passed by the government before the final phase of bargaining in 1995;
2) Jan. 12, 1996, when the demands of both sides were known;
3) Feb. 6, 1996, when the employer tabled its "final offer" position for the vote by OPSEU members; and
4) March 31, 1996, at the end of the strike.

1999 Round:

1) Jan. 20, 1999, the date by which the employer had tabled all its initial demands;
2) Feb. 25, 1999, when the employer tabled its "final offer" for members to vote on; and
3) March 18, 1999, when the current collective agreement was signed.

2002 Round:

1) Dec. 18, 2001, when bargaining on issues began, with both sides tabling initial positions;
2) Feb. 14, 2002, when the employer tabled its "final offer" for members to vote on;
3) May 2, 2002, when the parties signed a tentative agreement after 51 days of a strike by OPSEU.

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Legislative changes

Nov. 10, 1995: Bill 7 eliminates "successor rights" for Crown employees. OPSEU members lose the legal right to keep their jobs, wages, benefits, pensions, and all other collective agreement rights if their work is privatized, downloaded, or otherwise leaves the OPS.

Jan. 12, 1996

No job offer and no protection of any kind if work is privatized, downloaded, or otherwise divested. No obligation for employer to transfer wages, benefits, pensions entitlements, or seniority to new employer.

Final offer, Feb. 6, 1996

"Where feasible": Employer offers to "examine" the possibility of work with successor employer for OPSEU members, "where feasible." No mention of transfer of wages, benefits, pension entitlement, or seniority to new employer.

Contract signing March 31, 1996

"Reasonable efforts": In Appendix 9, Employer agrees to make "reasonable efforts" to find work for OPSEU members whose work is transferred out of the OPS, "at terms and conditions as close as possible" to OPS terms and conditions. Agrees that jobs will be offered on the basis of seniority. Agrees that employees can decline job offer and take full severance package if new employer does not pay at least 85 per cent of OPS salary and satisfy terms and conditions regarding benefits, seniority, and other terms and conditions.

Result:

Good jobs: Dozens of major privatizations and downloads delayed up to a year or more (social assistance, property assessment, highway maintenance, print & mail services, etc.) when employer fails to make "reasonable efforts." Many members reach early retirement or find good jobs elsewhere as a result. All 1,000 members at former Queen St. Mental Health Centre receive job offers, at 100 per cent of pay, when their work is transferred out of the OPS. All 1,700 property assessment staff win job offers at full pay with new Ontario Property Assessment Corporation. Thousands more benefit in smaller transfers. Thousands still wait to be transferred.

Pension bridging 1995-96

Legislative changes

Jan. 29, 1996: Bill 26 changes the Pension Benefits Act so that OPS workers are no longer eligible for a "partial plan windup" in the event of major downsizing. This makes it impossible for workers to bridge to retirement if laid off before their pension eligibility date.

Jan. 12, 1996

No bridging offer; Bill 26 not yet law.

Final offer, Feb. 6, 1996

Nothing new: Bridging to pension only **if** the government has part-time work available **and** the employee agrees to give up the number of weeks of severance **and/or** pay in lieu represented by his or her number of weeks to retirement. Maximum bridging period is the time required to earn the amount of the severance (two weeks' pay per year of service) **and** pay in lieu of notice (six months' pay), while working a minimum 14 hours per week. Employee would pay full-time pension credits during part-time bridging period. **If employer does not have part-time work, employee can not bridge.** Employer proposal is nothing new: it actually offers less than the already-existing Section 12 of the OPSEU Pension Plan.

Contract signing March 31, 1996

A real bridge: Bridging to pension allowed if you receive a surplus notice up to three years before your nearest early retirement date (the amount of time represented by your six months pay in lieu of notice, up to six months Termination Pay, and up to two years unpaid leave of absence). Employee pension contributions would be paid from employee's pay in lieu of notice. Employee would work for the remainder of the notice period (this could involve taking vacation credits). Period represented by Termination Pay would be taken as a **paid** leave of absence, with pension contributions deducted in the normal way.

Result:

Making it: Access to bridging is not dependent on availability of part-time work, as determined solely by the employer; no requirement to work part-time to access bridging; **surplused workers keep Termination Pay (one week's pay per year of service, to a maximum of 26).** Thousands of OPSEU members make it to retirement in decent financial shape.

	"Just cause" 1995-96	Seniority/ bumping 1995-96
Legislative changes	**Nov. 10, 1995:** Changes in Bill 7 mean Crown employees can be disciplined or fired without just cause.	
Jan. 12, 1996		Employer demands "one bump and you're out." Surplused employees could bump, but bumped employees would be laid off immediately.
Final offer, Feb. 6, 1996		Employer offers one bump for all members who are surplused. Workers who are bumped may also bump, but only if they have at least five years' service. Since most junior employees are bumped, this is a very limited option.
Contract signing March 31, 1996	Workers cannot be fired or disciplined without just cause.	**Three bumps allowed.**
Result:	**Full protection:** Workers the boss doesn't like can't be targeted for harassment or firing; those who lose their jobs through downsizing have full protection of the collective agreement, including severance, pension bridging, etc.	**Senior employees recognized** for their years of service.

	“Short-term” layoffs 1995-96	Factor 80 1995-96
Jan. 12, 1996	**Six months:** Employer demands right to lay off classified employees for up to six months at a time, with two weeks’ notice.	**Window closed:** Workers surplused after their Factor 80 eligibility date would not be able to take Factor 80. They would either have to try to bridge to their next early retirement date, wait until age 65, or take a reduced pension for life.
Final offer, Feb. 6, 1996	**Three months:** Employer demands right to lay off classified employees for up to three months at a time, with two weeks’ notice.	No change in final offer.
Contract signing March 31, 1996	**No way:** Classified employees not subject to short-term layoffs.	**Window open:** “Factor 80 re-opener” gives members who are surplused after their Factor 80 eligibility date a 30-day window in which they can retire early with an unreduced pension.
Result:	**Total protection:** Every classified member is protected from short-term layoffs for whatever reason: program cuts, end-of-year budget cutting, or employer targeting of particular individuals.	**Hundreds of members saved from major loss of retirement income.**

	Wages and re-classification <u>1995-96</u>	Control over pensions <u>1995-96</u>
Jan. 12, 1996	Employer demands right to re-write job classifications on its own and **change pay rates** unilaterally as of Dec. 31, 1998	**Total control:** Employer demands total control over pensions, insisting that they be allowed to set contribution and benefit levels as they choose.
Final offer, Feb. 6, 1996	No change in final offer.	This demand dropped in final offer.
Contract signing March 31, 1996	Employer takes over full responsibility for re-classification (Bargaining Unit Overhaul). Union maintained right to bargain wages before implementation of the BUO.	Aside from dropping demand for total control over pensions, employer agrees not to pass laws affecting the OPSEU Pension Plan for the life of the contract. Any changes must be negotiated.
Result:	**No pay cuts.**	**Joint control:** Continued joint employer/union control over pensions. **No increases in contribution levels or cuts to pension entitlements.**

	Voluntary exit 1995-96	Unclassified workers 1995-96
Jan. 12, 1996	No enhanced severance for workers who want to leave the OPS but have not been surplused.	(No changes from previous contract). No benefits for unclassified workers. **Unclassified workers (except seasonals) do not move through the pay grid.** When an unclassified worker has been in a position for two years, and there is an ongoing need for the work, the employer shall create a classified position and post the vacancy.
Final offer, Feb. 6, 1996	No change in final offer.	No change in final offer.
Contract signing March 31, 1996	Union wins enhanced severance for people who want to exit voluntarily. Members can have their job matched with a member on the surplus list.	**Movement on the grid:** Full-time unclassified workers move through the pay grid for their classification, and receive **two per cent of pay in lieu of benefits.** Unclassified positions converted to classified positions are awarded to the incumbent unclassified worker.
Result:	**Severance:** Wins severance pay for voluntary exits; surplused members keep working.	**More money** for full-time unclassified workers; recognition of service for workers in converted positions.

Training 1995-96

Jan. 12, 1996	No employer-paid training.
Final offer, Feb. 6, 1996	No change in final offer.
Contract signing March 31, 1996	Surplused members win up to **$3,000** in tuition expenses.
Result:	**Money for education** upon leaving the OPS.

	Bumping rights 1999	"Super-seniority" 1999
Jan. 20, 1999 (employer demands known)	"One bump and you're out." Employer launches direct attack on seniority rights, demanding surrender of three-bump job security language.	Employer demands the right to grant "super-seniority" to up to 300 handpicked junior employees at a time. These employees would be immune from bumping for up to 36 months.
Feb. 25, 1999 ("final offer")	No change.	Same, but immunity from bumping would only last 18 months.
March 18, 1999 (tentative agreement reached)	Three bumps maintained in collective agreement.	Super-seniority dropped by employer; not included in collective agreement.
Result:	Seniority protected for OPSEU members facing surplus.	Seniority protected. Employer not allowed to protect favourites from layoff.

	"Pay for performance" <u>1999</u>	Unclassified staff <u>1999</u>
Jan. 20, 1999 (employer demands known)	Employer demands "pay for performance," defined then as the ability to deny movement on the pay grid if employee performance does not meet levels decided unilaterally by the employer.	Employer demands deletion of Article 31.15, the article that makes it possible for unclassified employees to convert to classified status.
Feb. 25, 1999 ("final offer")	No change.	Employer drops demand for elimination of Article 31.15, but proposed that credit for conversion purposes could not be accumulated by unclassified employees filling in for classified employees on a termporary assignment.
March 18, 1999 (tentative agreement reached)	No pay for performance. Employees move upwards on the pay grid at set time intervals, not at employer's discretion.	Employer drops demand for concessions. Agrees in a letter that the conversion process is not working, and agrees to work with the union to improve it.
Result:	Wage equality for members. Employer unable to use wages to discipline employees or reward personal favourites.	Unclassified employees retain the right to be converted to classified status.

	Termination pay 1999	Long Term Income Protection 1999
Jan. 20, 1999 (employer demands known)	Employer demands ability to transfer liability for Termination Pay (Articles 53 & 78) to your next employer if you transferred out of the OPS.	Employer calls for elimination of "escalator clause," which gives people on LTIP inflation protection of up to two per cent per year.
Feb. 25, 1999 ("final offer")	Employer modifies this takeaway to say that it would only apply in cases where an employee's work was transferred to work in the Broader Public Service.	Employer offer modifies initial demand so that the income of people on LTIP goes up at the same rate as any general wage increase in the OPS.
March 18, 1999 (tentative agreement reached)	Government remains liable for paying termination pay if new employer fails to do so.	Contract language unchanged from the final offer.
Result:	Termination pay saved for thousands of OPSEU members, who receive up to 26 weeks' salary in termination pay when their work is divested from the OPS.	Sick or injured workers on LTIP lose some money because of the employer's low wage offer, but gain the opportunity to make more in future rounds of bargaining when wage increases exceed two per cent.

Wages 1999

Jan. 20, 1999 (employer demands known)

Employer offers general wage increases of 0.5 per cent, 0.75 per cent, and 1.0 per cent in each year of a three-year deal.

Feb. 25, 1999 (“final offer”)

Employer offers 0.85 per cent, 1.35 per cent, and 1.0 per cent in each year of a three-year deal.

March 18, 1999 (tentative agreement reached)

Final agreement provides for a general wage increase of 1.0 per cent, 1.35 per cent, and 1.95 per cent in each year of a three-year contract. This increase was added on top of wage adjustments for close to 10,000 people in certain job classifications.

Approximately 700 **inspectors and investigators** receive $1.8 million under a new pay framework for 12 classifications. **Systems Officers** also work in a new pay framework, which includes a new Systems Officer 6. Total pay boost for the 375 SOs is $800,000. About 1,000 **Financial Officers** and the four **Tax Auditors** in the Ministry of Finance receive $3.375 million through the creation of a new Tax Auditor series. An 85 per cent strike vote in the Corrections Category results in shift premiums going up from 52 cents to $1.00 an hour (afternoons) and from 62 cents to $1.50 an hour (nights). **Correctional Officers** who work weekend shifts receive a new weekend shift premium of $8 (per shift). The overall package is worth $7.1 million a year to the roughly 4,400 COs in the Corrections category. OPSEU members in the **Nurse 2** and **Nurse 3** classifications (1,800 people) move up one step (three per cent) on the pay grid. An extra step is added to raise the pay of those already at the top of the grid. Total value of the increases is $3.3 million. Some 400 **Office Administration** workers in Land Registry Offices in the Ministry of Consumer and Commercial Relations get $1.8 million to deal with changes in their job duties as a result of restructuring. **All classes within the Operational and Maintenance** bargaining unit have each step in the salary range adjusted by six cents per hour. The general wage increase is applied to the adjusted ranges. Workers in 18 **trades** received a pay hike of 80 cents an hour. This amounts to a total of $700,000 for 820 people.

Result:

OPSEU members begin the long road back to decent wages after receiving no increases at all in the five years before.

	Factor 80 1999	"Short-term" layoffs 1999
Jan. 20, 1999 (employer demands known)	OPSEU demand calls for making Factor 80 a permanent feature of the collective agreement.	Employer demands the right to lay off classified employees for up to six months with just two weeks' notice. Seniority would only apply within a work unit defined by the employer.
Feb. 25, 1999 ("final offer")	Employer ignores OPSEU demand.	Employer drops demand.
March 18, 1999 (tentative agreement reached)	Collective agreement includes Factor 80 for all employees surplused for the life of the agreement (Later in 1999, OPSEU is able to use a major surplus in the OPSEU Pension Trust to extend Factor 80 to March 31, 2002 for **all** employees).	
Result:	Hundreds of OPSEU members are able to retire while they've still got a lot of good years left.	Job security and seniority protected. Employer not able to use short-term layoffs to discipline employees or make up for short-term budget shortfalls.

	Grievance procedure 1999	Bargaining Unit Overhaul 1999
Jan. 20, 1999 (employer demands known)	Employer demands a complex grievance bureaucracy in every Ministry. OPSEU Central Team wants swifter justice for grievances.	Employer ploughs ahead with Bargaining Unit Overhaul (BUO), a plan to give the boss unilateral control over wage levels for each job classification. Union demands that no worker's wages should go down as a result of the BUO. Union also demands a neutral tie-breaker for the Joint System Subcommittee (JSSC), a group of three employer and three union representatives that looks at classification grievances.
Feb. 25, 1999 ("final offer")	No change.	Employer cancels the BUO on Feb. 16 after angry OPSEU members file more than 10,000 grievances. No movement by employer on neutral tie-breaker for JSSC.
March 18, 1999 (tentative agreement reached)	A new grievance system allows most grievances to be dealt with through a streamlined mediation/arbitration process. The new process maintains full arbitration rights for harassment, dismissal, major discipline, and union policy grievances.	Employer agrees to defer any implementation of the BUO for the life of the collective agreement.
Result:	Swifter justice for OPSEU members. Thousands and thousands of grievances cleared from the backlog.	Wage rates for job classifications protected. JSSC has some success in resolving classification disputes, but neutral tie-breaker still needed.

	"Normal requirements" <u>1999</u>	Time off for union business <u>1999</u>
Jan. 20, 1999 (employer demands known)	Workers who are surplussed must be able to perform the "normal requirements" of a position before they can bump into it, instead of the *minimum* requirements.	Union demands improvements in time off for Local presidents to do union business. Employer says no.
Feb. 25, 1999 ("final offer")	No change.	Employer still says no.
March 18, 1999 (tentative agreement reached)	Employer drops demand. Surplussed workers need only be able to perform the minimum requirements of a position before they can bump into it.	Time off for local presidents to do union business goes from four hours every three weeks to four hours every two weeks – a 50 per cent jump.
Result:	Seniority protected. Surplussed workers have a better chance of staying employed in the OPS.	Local presidents have more time to help OPSEU members without sacrificing more personal time for themselves and their own families.

Wages and pay 2002

Dec. 18, 2001 (employer demands known)

The employer demands a new "pay for performance" system to replace automatic progression on the wage grid. No details provided.

Feb. 14, 2002 ("final offer")

The employer withdraws the proposal to eliminate automatic progression, but wants to add 0.5% to the top of wage grids as a "re-earnable" merit pay system. The employer offers a general wage increase of 1.95 per cent each year for three years, and an additional 0.5 per cent, conditional on the union accepting the employer's proposals on job postings and unclassified conversion.

May 2, 2002 (tentative agreement reached)

The general wage increase amounts to 8.45 per cent over three years, plus an additional one per cent for employees at the top of the wage grid based upon satisfactory performance. Employees in the Corrections category get an extra five per cent at the top of the wage grid in the first year and zero in subsequent years. Shift premiums increase. Schedule 6 employees get access to compensating leave of 0.5 hours for each hour worked between 36 and 48 hours per week and one hour for each hour worked over 48 hours. Kilometric rates increase. Hourly rate for students increase. For call back, all calls within a single four-hour period are now treated as a single "call back to work" for pay purposes.

Many "special case" wage claims are successful and thousands of OPSEU members see gains including: nurses, scientists, Communications Operators, specific OCWA employees, Conservation Officers, Transportation Enforcement Officers, certain laboratory technologists and attendants, and classroom assistants and schools aides at provincial schools.

Result:

For the first time in a decade, wage increases for OPSEU members in the OPS outstrip the rate of inflation and private sector wage settlements. While the classification system remains a mess, some members in some classifications are closer to being paid what they are worth. For the first time ever, Schedule 6 employees get some recognition for their long hours of free work.

	Job security 2002	Pension issues 2002
Dec. 18, 2001 (employer demands known)	Employer wants to end multiple bumps. Employer wants to eliminate the option for employees to elect to be included in Requests for Proposals, a right guaranteed in Schedule A of Appendix 18.	The employer makes no move to extend Factor 80. Instead the employer wants to introduce an optional defined contribution plan and remove the 10-year amortization provision for service buy-back. Worse yet, the employer demands that the union surrender the right to control its share of surpluses in the OPSEU Pension Trust. This could prevent the union from using the members' own money to pay for pension plan improvements (such as Factor 80). Employer demands that pension issues not be grievable.
Feb. 14, 2002 ("final offer")	Employer withdraws proposal.	Employer withdraws optional defined contribution plan and service buy-back proposals.
May 2, 2002 (tentative agreement reached)	Article 20, Appendix 9, and Appendix 18 remain the same.	Employer drops demand re: control of surpluses in the OPSEU Pension Trust.
Result:	The hard-won job security gains of the 1996 strike and subsequent grievance victories are protected.	OPSEU members retain control of their share of surpluses in the OPSEU Pension Trust. In the summer of 2002, after consulting with members, the union uses $467 million in surplus dollars to extend Factor 80 another three years, fund other improvements, and pay for a contribution reduction.

	Unclassified issues 2002	"Term classified" employees 2002
Dec. 18, 2001 (employer demands known)	Employer proposes virtual elimination of conversion to classified status by proposing that "same work" does not refer to unrelated work assignments.	The employer says that, due to new legisation, the OPS collective agreement needs provisions for OPSEU-represented employees in the new "term classified" service
Feb. 14, 2002 ("final offer")	Employer attempts to pit classified and unclassified employees against each other by tying an extra 0.5 per cent wage increase to the acceptance of itso proposal on unclassified language and posting changes.	The employer presents a detailed proposal. Employer claims it needs term classified positions to attract new recruits to the OPS. In the employer's vision, term classified workers would have access to (capped) benefits, the pension plan, and other collective agreement rights, but no job security or conversion entitlements.
May 2, 2002 (tentative agreement reached)	Wait time for conversion to unclassified status drops from 24 months to 18. Unclassified employees receive six per cent pay in lieu of benefits, which is a four per cent pay increase for full-time unclassified workers and a six per cent increase for part-timers. A new letter of understanding recognizes seniority for unclassifieds in correctional institutions. A new letter of understanding sets up a process aimed at helping more part-time unclassified workers convert to to regular part-time status.	
Result:	A breakthrough contract for unclassified workers.	The collective agreement limits the use of term classified employees to 700 across the OPS. Term classified employees are recognized in the collective agreement, and have the right to convert to classified status after three years.

Benefits 2002

Dec. 18, 2001 (employer demands known)

The employer says that the costs of providing employee benefits are increasing “at a rate that is unacceptable.” They want to control benefits coverage through caps and other limits on certain specific coverages. No details are provided. Employer wants to explore methods to control losses.

Feb. 14, 2002 (“final offer”)

Still no details on the employer proposal to reduce benefits.

May 2, 2002 (tentative agreement reached)

A major battleground with wins and losses. Members gain a $3 million overall increase to the benefits package.Employer pays 100% of LTIP premiums; wage increases are matched for workers on LTIP. The employer pays for vision care improvements, improvements on major dental work, improved semi-private hospital coverage, better hearing aid coverage, and improvements to cover paramedical services. Plan members are forced to pay a $100 deductible for dental care, there is a “fee lag” for dental care, coverage of fluoride treatments ends, dental recall for adults is extended to every 9 months, and there are reductions in coverage for generic drugs and orthopedic shoes.

Result:

OPSEU members defend their benefit plan, but have more work to do to recover losses and make future progress.