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## AGREEMENT IN PRINCIPLE REACHED BY THE COMMON FRONT — IT'S NOW UP TO THE GENERAL MEETINGS TO DECIDE

Last December 17, the Common Front reached an agreement in principle with the Treasury Board for the renewal of the collective agreements of the 400,000 members that it represents. The three organizations making up the Common Front (CSN, FTQ, SISP), after judging that this agreement was satisfactory, then announced that they would be recommending that it be ratified.

Since then, three of the CSN's public sector federations (FNEEQ, FEESP, FP) have in turn decided, within their governing bodies that decide bargaining matters, to recommend this agreement in principle. One CSN federation, the FSSS, has recommended that it be rejected, as they believe it to be unsatisfactory.

This is precisely how our democracy works as a trade union movement: an agreement in principle belongs to the workers. They are ultimately the ones who will have to examine it, deliberate on it and decide, democratically, whether this agreement in principle should be ratified or not.

Over the next few weeks, the general meetings of all the Unions belonging to the four CSN public sector federations will be expressing their opinion regarding the terms of this agreement, as is the case for all the other Unions that make up the Common Front. That is why we feel it is vital to widely disseminate all the information regarding this agreement in the most transparent way possible.

### Salary Parameters

The average salary increases total 7.65% over the next five years. Lump sum payments totalling 1.5% will also be added to these increases to the salary parameters.

**2015** : 1% (lump sum payment\*)

**2016** : 1.5%

**2017** : 1.75%

**2018** : 2%

**2019** : 2.4% (average) + 0.5% (lump sum payment)

**Total** : 7.65% (salary increase)

+ 1.5% (lump sum payment)

\* The lump sum payments are calculated based upon the average salary earned by a full-time equivalent (FTE) public sector employee, namely, about \$50,000 a year. All full-time employees, regardless of their annual salary, will thus receive a fixed amount of about \$500 in 2015 and \$250 in 2019. Part-time employees will receive this amount on a pro rata basis for the number of hours they have worked. To be more precise, this amount represents \$0.30 per hour worked in 2015 and \$0.16 per hour worked in 2019, both for full-time and part-time employees.

## Salary Relativity

The average salary increase of 2.4% in 2019 arises from a major reorganization of all the salary scales in the health and social services system, school commissions and CEGEPs.

Under this agreement, the parties agreed to correct numerous incoherent elements, indeed certain injustices, that characterize this salary structure, which dates back to the 1960s. Currently, the structure incorporates 28 rankings and about 165 different salary scales. In the same ranking, there can be more than ten different scales with varying salaries, while logic would normally dictate that all the employees within the same ranking, having an approximately equivalent value, should be receiving the same remuneration.

That is why the Common Front accepted to undertake this exercise, but it did lay down the following conditions:

- the exercise would not be done on a zero cost basis;
- the salary adjustments for some people could not be made at the expense of other people;
- this exercise does not dispose of the salary parameter issue; the Government thus had to abandon its wage freeze notion, in order that the salary relativity exercise could be completed.

### Not to be confused

The term “salary relativity” can be applied to numerous realities: internal and external relativity, relativity between the public and the private sectors, between the provincial and federal public sectors, etc. Within the context of this particular round of bargaining, the term “salary relativity” has been applied to two very different concepts:

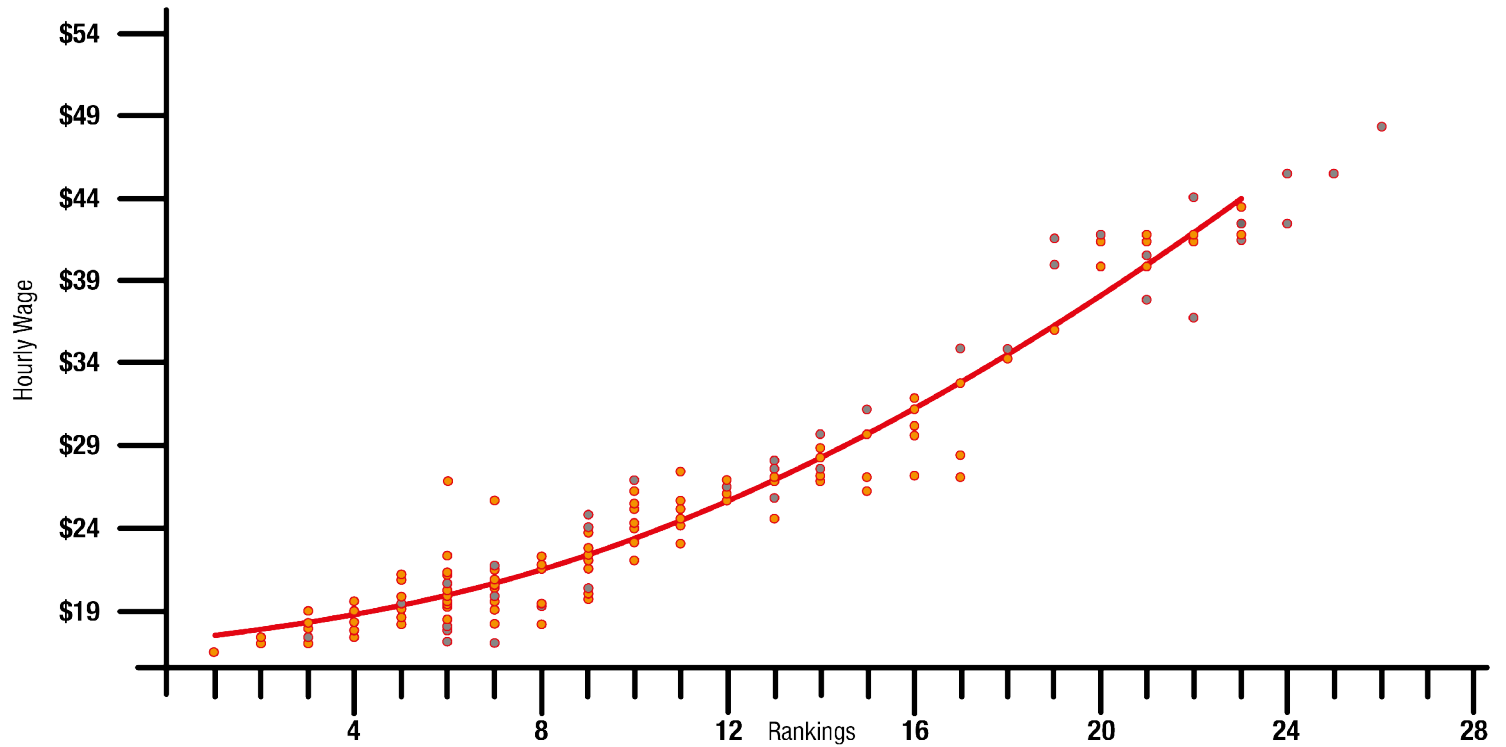
- **The salary relativity of the mixed job categories:** following the pay equity exercise, only the job categories that were not predominantly male or predominantly female (the so-called “mixed” categories) were not evaluated with regard to the objective criteria that applied to equity. The foregoing category counts some 30,000 employees in the public sector. The latter includes CEGEP teachers, workshop technicians, orthotics-prosthetics technicians and class 2 cooks, amongst others. The Common Front had asked for this exercise to be done and that the salary adjustments be made. For the job classifications where salary adjustments had been made, the foregoing will be integrated into the salary scales as of April 2, 2019, as you can see in the appendix to this document.
- **The “global” salary relativity (or salary structure in its entirety):** during this round of bargaining, the Common Front and the Treasury Board agreed to a more equitable salary structure between the different public sector job classifications, regardless of whether they are predominantly-male, predominantly-female or mixed. This exercise was not one of undertaking new job evaluations and giving them, where applicable, new rankings, but rather that of integrating different scales that were in a same ranking into a new common salary scale to apply to all the job classifications in this ranking.

### The salary structure curve

The public sector salary structure counts 28 rankings. The more a job is complex, the more the number of years of schooling that are necessary will be higher, amongst other factors, and the higher the job classification will be ranked. The higher the ranking, the higher the salary will be, and generally speaking, the greater the number of levels in the salary scale.

#### Figure (right)

The salary structure curve is determined by calculating the average of the tops of the salary scales of the predominantly-male job categories. Each point represents the top of **only one** scale.



In a same ranking, one might find today several different salary scales: the salary at the first level varies, the tops of the scales are different and the number of levels per scale may also differ.

Meanwhile, once again, an equitable remuneration would be one where employees who are in the same ranking would enjoy the same salary conditions, which is not the case today.

In 2019, the average salary increases will be 2.4% as a result of the following three stages being applied:

1. The establishment of new salary scales based upon the principle of "one ranking, one scale;"
2. A 2.5% increase applied to all of these new salary scales;
3. The integration of employees into their new salary scale at the level where their salary is either equal or immediately above the salary that they were being paid the previous year.

Accordingly, in 2019, taking into account the creation of these new salary scales, the 2.5% increase applied to the latter and the integration principle where people would then be paid a salary that is equal or immediately above their previous salary:

- 59% of the employees will receive an increase of 2.5% or more;
- 9% of the employees will receive an increase of between 2% and 2.5%;
- 9% of the employees will receive an increase of between 1% and 2%;
- 23% of the employees will receive an increase of less than 1%.

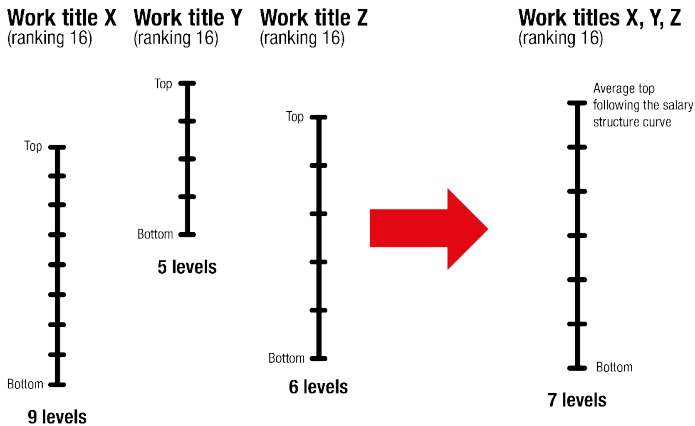
Each and every employee constitutes a unique case. Accordingly, a simulation tool was created in order to indicate what the exact situation would be for each one of them. This tool can be viewed and used at the following Web site address:

[www.entrensmains.org/relative](http://www.entrensmains.org/relative)

## First stage: one ranking, one scale

The new single scale for each ranking is based upon the average of the tops of the salary scales of all the rankings. The number of levels negotiated by the Common Front responds to the logic underlying the current structure: the higher the ranking, the greater the number of levels.

### Ranking 16 (totally fictive example)

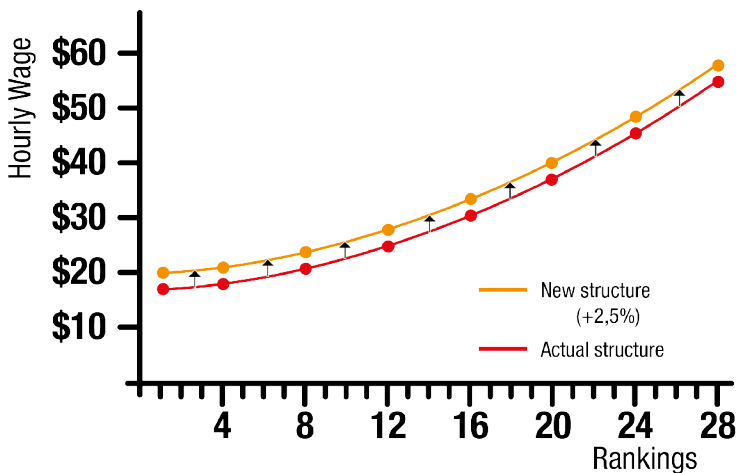


**ACTUAL STRUCTURE**  
THREE DIFFERENT WORK TITLES  
MAY HAVE THREE DIFFERENT SCALES  
WITHIN A SAME RANKING

**NEW STRUCTURE**  
ON THE BASIS « ONE RANKING,  
ONE SCALE »

## Second stage: raise the salary structure by 2.5%

After having negotiated the new structure based upon the principle of “one ranking, one scale”, it was necessary to achieve significant gains for all public sector workers. That is why the tops of the new salary scales of each ranking will all be increased by 2.5%, thereby generating a general increase in the lower levels. In all, the tops of the scales of the job classifications represented by 90% of the employees will be increased by a minimum of 2% (by 2.5% or more for 78% of the employees).



## Third stage: integration into the new salary scale

The integration into the new scale will be done on April 2, 2019, based upon the principle of an “equal salary or the salary immediately above it”. It’s thus possible that an employee at the 8th level in a scale with twelve (12) levels would attain level five (5) on the new scale, which would consist of ten (10) levels. Or again, an employee at the 3rd level in a scale of four (4) levels would rise to the 5th level of the new scale that would now count seven (7) levels. Regardless of the numbers involved: the integration will be done into the level where the salary will be an “equal or immediately higher salary.” Under no circumstances, will a lower level give rise to a reduction in salary. The rule that applies to “off rate, off scale” employees that has existed for several collective agreements now will be maintained: they will receive one-half of the salary increases as salary parameters, and the other half as lump sum payments. Accordingly, the salary structure will catch up to them over the years without them incurring any financial losses. In 2019, the off rate, off scale employees will only represent about 4% of all public sector employees.

**“Why would such and such a job classification get a 5% salary increase, while another one would only get 1.5%?”**

**The question is a legitimate one: it is however a reflection of the incoherent elements that continue to exist in our salary structure, which dates back to the 1960s. That is why the Common Front accepted to undertake this exercise and to reach an agreement to that effect: in order to establish a more equitable salary structure for all public sector workers.**

When one reads through all this data, some people might conclude that the increases generated by salary relativity are inequitable. “Why would such and such a job classification get a 5% salary increase, while another one would only get 1.5%?” The question is a legitimate one: it is however a reflection of the incoherent elements that continue to exist in our salary structure, which dates back to the 1960s. That is why the Common Front accepted to undertake this exercise and to reach an agreement to that effect: in order to establish a more equitable salary structure for all public sector workers.

## Retirement

Since the very beginning of these negotiations, the Government expressed its clear intention to make several major changes in the area of retirement and pensions, notably by increasing the age of retirement to 62 years old, by boosting the actuarial penalty of 4% to 7.2%, by lengthening the number of years used to calculate our pension benefits from five to eight and by introducing a mechanism to modify the age of retirement, based upon the evolution of life expectancies.

Since then, the Common Front worked relentlessly to prevent the Government from making such cutbacks a reality. The Government first retreated on the question regarding the number of years used to calculate one's pension benefit, restoring it to five years. Then, the Government indicated it was open to postponing when the age of retirement without any actuarial penalty would come into effect.

In this agreement, the age of retirement will be increased to 61 years old, as of July 2019. However, people who have accumulated 30 years of service could leave their jobs, as of 60 years old, without any actuarial penalty. These terms and conditions would also be taken into account for calculating the number of years of actuarial penalty that would apply, should one take an early retirement. For example, an employee who retires at 58 years old, after 28 years of service, would only sustain an actuarial penalty of two years, instead of three, since he or she would have accumulated 30 years of service at 60 years old. It should be recalled that anybody who accumulates 35 years of service, regardless of his or her age, could retire without any penalties at all.

The actuarial penalty will be increased from 4% to 6% in 2020. It should be recalled that it was 6% prior to 1998. It had been reduced by the Bouchard Government in order to encourage thousands of Government employees to take an early retirement. However, a certain imbalance crept into the situation after that: early retirements were in a certain sense being "financed" by the employees who were retiring after 60 years old. The 6% rate represents a kind of balancing measure for all the plan's contributors, as was demonstrated by figures provided by the CARRA, at the request of the two parties during negotiations.

Finally, for the purposes of promoting workforce retention, a voluntary measure was added at the Unions' request, which raises the maximum number of years that one can make contributions, from 38 to 40 years. Those people who so wish could thus work for 40 years and see their pension benefits rise to 80% of the salary they earned during their best five years.

## Skilled workers

This agreement stipulates that a 10% attraction and retention premium will be paid to skilled workers who occupy the following job classifications:

- Electrician
- Machinist (millwright) / Millwright / Machinist
- Master electrician / Senior electrician / Head electrician
- Stationary engineer
- Carpenter / Shop carpenter / Framing carpenter
- Painter
- Plumber / Pipefitter / Pipefitter – heating

The employee must hold a certificate of qualification or have the qualifications necessary to perform the duties that are intrinsic to one of the job classifications indicated above.

In addition, general handymen and certified general handymen will enjoy the premium, if they have the certificate of qualification related to the tasks that they perform associated with the trades indicated above.

## Psychologists

In this agreement, the premium stipulated in the administrative measure used to retain psychologists has been renewed and integrated into the collective agreements in the form of a letter of agreement. A parity committee will be charged with monitoring the premium, notably to evaluate its effect. It's important to underline that in addition to adding it into the agreements, the Government accepted to extend the application of this premium to the psychologists working in the education system.

## SBD, CHSLD and Far North

On this subject, the Government has accepted the Common Front's demand which sought to integrate into the collective agreements the amounts paid to certain employees, in accordance with the spirit of the letters of agreement agreed to in the health and social services systems related to severe behavioural disorders (SBD), attraction and retention mechanisms in the Far North region and for employees working with CHSLD residents.

## Regional Disparities

Responding positively to the Common Front's request, the Government reclassified the municipalities of Kuujuaq, Whapmagoostui and Kuujjarapik from sector III into sector IV. In addition, the city of Fermont was added to the list of localities where the article on dependent children attending high school will apply. Finally, the 8% retention premium applying to the North Shore has been maintained, without any conditions.

## It's now up to you to decide

Over the next few weeks, you will be called upon to make up your mind on this agreement in principle in the course of your Union's general meeting. This process is at the very foundation of our trade union democracy. Be on the lookout for messages that will be communicated to you by your Union regarding the dates and times of these meetings, as well as their locations.