



Report on Education

from the Deputy Minister of Education

June 26, 2006

In my Education Report last Friday, I provided a short update on Teacher Bargaining. My report concluded with the comment, "...keep your fingers crossed – and hopefully we will get to a place where we have a peaceful year and focus on student learning." Well the weekend has come and gone, there have been talks, but no agreement yet. In fact, I understand that all the local association presidents remain in Vancouver at this time. I know you will be fielding many questions as this week unfolds, so I thought I would provide you with some more detailed information.

The following table shows the last positions of the parties that have been made public. The parties may be at a new place today, but this is what we know for sure about their last positions. Salary is, of course, the major issue and the major obstacle. The employers are within the range of settlement agreed to by the vast majority of public sector unions. The BCTF is still far outside that salary range. When coupled with other demands that have costs attached to them, the BCTF "ask" totals the equivalent of a 38% increase.

How would the salary offer (10%) advanced by the employer actually affect real teachers wages? It is important to remember that the employer's offer would be layered on top of some other changes to teacher salaries. In addition to the salary increase, teachers will also benefit from an incentive bonus of \$3,700 if an agreement is reached before Friday. As a result of the Ready award earlier this school year, teachers already received an average of \$1,200 as a Salary Indemnity Plan rebate, and teachers will receive an average of about 2% when salary standardization is implemented. Salary standardization will reduce the differences between salary rates that currently exist between school districts.

It is important to note that the benefits from the Ready award to teachers this year totalled \$110 million when you include an estimate of \$30 million for TOC pay increases. That is about a 5% increase before this new settlement is reached. No other public sector union received that treatment.

| Issue | BCPSEA Offer | BCTF Demand | Range of Settlement |
|---|--|--|---------------------|
| Salary raise | 10% (2.0, 2.5, 2.5,3.0) | 19% (7, 6, 6) | 8% to 14% |
| Term | 4 years | 3 years | 4 years |
| Preparation time | A minimum of 90 minutes for all elementary teachers | Improvements to 180 minutes elementary (from an average of 90), 400 minutes secondary (from 200) | |
| TOC benefits | | Improvements | |
| Pension contributions | | \$30M | |
| SIP contributions | | \$40M | |
| Class size | | *Manner and Consequence | |
| Portability of sick leave | | 60 days ported from one employer to another | |
| Incentive bonus | About \$3,500 year 1 \$1,000 end of year 4 | | \$3,300 - \$3,800 |
| Benefits | Increase life time extended health care benefits to \$100K | | |
| Remote location allowances | \$1,850 per teacher per year | | |
| Policy issues teacher skill enhancement | TBD | | |
| Total Cost | 10% | 38% | 8% - 14%** |

*Manner and consequence refers to language the BCTF seeks to have included in collective agreements to govern how classes are organized. Manner refers processes that include meetings, provision of information, timelines that must be observed when organizing classes. Consequence refers to outcomes of class composition decisions that may include professional development, training, offsetting compensation for teachers. Government takes the view that these sorts of provisions are likely outside the scope of bargaining.

**The total cost of the BCTF proposals would be \$2 billion over the proposed three-year term of the agreement. The total annual grant to school districts is just over \$4 billion per year. The total cost of the employer's proposal is just over \$600 million.

Here are some real examples of the impact of these factors in different school districts.

School District No. 36 (Surrey)

A first-year teacher in Surrey currently earns \$38,862. That would increase to \$46,315 this year, an extra \$7,453 (19% more) because of:

- \$1,200 in a one time rebate from the long term disability fund contributions recommended by Vince Ready
- \$1,741 from a 2% salary standardization to make teachers' salaries more consistent across the province (recommended by Vince Ready)
- \$3,700 in a one-time early signing bonus in 2006
- \$812 from 2% increase in the first year of the new contract.

That same teacher in 2010 would have received a cumulative total of \$11,855 over four years because of:

- \$5,955 in percentage increases and the 2% salary standardization over the four years
- \$3,700 in early signing incentive in 2006
- \$1,200 in the one-time long-term disability rebate
- Up to \$1,000 in year 4 long-term bonus in 2010

School District No. 45 (West Vancouver)

A teacher with 10 years experience in West Vancouver currently earns \$62,730. That would rise to \$70,402 this year, an extra \$7,672 (12% more) because of:

- \$1,200 in a one time rebate from the long term disability fund contributions
- \$1,488 from a 2% salary standardization to make teachers' salaries more consistent across the province
- \$3,700 in a one-time early signing bonus in 2006
- \$1,284 from 2% increase in the first year of the new contract

That same teacher in 2010 would have received a cumulative total of \$14,053 over four years because of:

- \$8,153 in percentage increases and salary standardization over the four years
- \$3,700 in early signing incentive in 2006
- \$1,200 in the one-time long term disability rebate
- Up to \$1,000 in year 4 long-term bonus in 2010

School District No. 52 (Prince Rupert)

A first-year teacher in Prince Rupert currently earns \$41,860. That would increase to \$49,447 this year, an extra \$7,587 (18 per cent more) due to:

- \$1,200 in a one-time rebate from the Long Term disability fund contributions
- Salary stabilization does not apply here as Prince Rupert salaries are above the provincial average.
- \$3,700 in a one-time early signing bonus
- \$837 from 2% increase in the first year of the new contract
- \$1,850 for an annual recruitment/retention allowance.

That same teacher in 2010 would have received a cumulative total of \$17,645 more over four years because of:

- \$4,345 in percentage increases
- \$7,400 in \$1,850 annual recruitment payment over 4 years
- \$3,700 in early signing incentive in 2006
- \$1,200 in the one-time long term disability rebate
- Up to \$1,000 in year 4 long-term bonus in 2010

It is good news that, as I write this report to you, BCPSEA and the BCTF are still talking and seeking areas of agreement. The conditions are still there to negotiate a fair agreement – respectful relationships, settlements within a consistent range, an incentive bonus and some areas for joint policy development. The impact of what is offered combined with what has already been provided is significant for individual teachers, as shown in the examples above. Will this be enough to get to a deal? As the Minister of Finance has said, government has to be fair and consistent with other unions that have already reached agreements.

We will be watching the progress of the parties with great interest this week and hoping for the best. To help you stay informed in a timely manner, we have established a new webpage that you can access online at www.gov.bc.ca. Just click on the 'Teacher Bargaining' icon. You can also access the new site online at www.teachersbargaining06.com. Questions that arise can be posted on this site and there is a Question and Answer section for those questions that we know are on everyone's minds.

A toll free phone line has also been made available to handle telephone enquiries: 1 877 744-0440