



UNITE. ORGANIZE. WIN.



**CENTRAL TABLE PROPOSALS
CONSULTATION GUIDE**
Bargaining 2020

Published by: Confédération des syndicats nationaux (CSN)

Production: Comité de coordination des secteurs public et parapublic (CCSPP-CSN)

Translation: Kelly Oliel

Illustration: Jimmy Goyette

Logo (Unite. Organize. Win.) : Marie-Claude Doyon, Jean Grégoire

Graphic Design: Jimmy Goyette, Jean Grégoire

Legal Deposit: BANQ, BAC 2019

ISBN : 978-2-89501-101-9

May 2019

TABLE OF CONTENTS

For public services with a more human touch

| | |
|---|---|
| Changing of the guard in Quebec: The CAQ in power | 4 |
| Networks in crisis | 4 |
| Insufficient, non-competitive wages | 5 |
| Critical shortages of staff | 6 |
| Favourable economic circumstances | 6 |
| Waging a major battle | 6 |
| Unite. Organize. Win. | 6 |

Proposals submitted for debate

| | |
|--|-----------|
| 1. Wages | 8 |
| Proposals 1.1 and 1.2 | 9 |
| 2. Working Conditions and Practices | 10 |
| Proposal 2.1 | 10 |
| 3. Pension Plan (RREGOP) | 11 |
| Proposals 3.1, 3.2 and 3.3 | 13 |
| 4. Group Insurance | 14 |
| Proposals 4.1 and 4.2 | 14 |
| 5. Parental Rights Plan | 15 |
| Proposal 5.1 | 15 |
| 6. Regional Disparities | 16 |
| Proposals 6.1 and 6.2 | 16 |
| 7. Ongoing Work | 17 |
| Proposal 7.1 | 17 |
| 8. Harmonization | 18 |
| Proposal 8.1 | 18 |

FOR PUBLIC SERVICES WITH A MORE HUMAN TOUCH

The 2020 round of bargaining is just around the corner. In fall 2018, tens of thousands of you participated in the extensive CSN public sector consultation to paint a picture of the situation in the networks and contribute to the list of demands. A clear consensus came out of this extensive consultation: to adequately respond to all of the issues that occur in various workplaces and to ensure the sustainability of the services, major changes must take place, which can only be achieved through a massive reinvestment in the public sector.

To guide the work to prepare the draft collective bargaining agreement, in February 2019, activists from the four federations adopted a broad orientation:

That, for the next round of bargaining, the focus will be placed equally on the improvement of working conditions and practices, particularly by combatting work overload and job insecurity, and the improvement of wages. That the principles underlying wage demands allow for increases higher than inflation for all employees and that special attention be given to low-income employees.

Based on this general orientation, you will be voting on the eight central table proposals that you have before you. Before reading, debating, and adopting a position on these proposals, here is an overview of the circumstances that will influence this round of bargaining.

CHANGING OF THE GUARD IN QUEBEC: THE CAQ IN POWER

On October 1, 2018, after 15 years of Liberal reign, save for a short PQ interlude from 2012 to 2014, the Coalition Avenir Québec came into power in Quebec. For the public sector, the election of a party for the first time raises many questions: as the largest employer in Quebec, how will François Legault's government act toward its employees? After repeating time and

time again that it wants to do things differently, will it be able to move away from the disparaging tone of the previous Liberal presidents of the Conseil du trésor? It is too soon to tell.

While the first CAQ budget, tabled on March 21, 2019, provides for spending increases in education and health, caution is in order with regard to the true desire of the new government to make structural investments in its areas of responsibility. Since its founding in 2011, the CAQ has never hidden its goal of reducing the role of the government. Abolishing school boards, reducing income tax, greater presence of the private sector in health and social services, and promoting outsourcing in the networks have, over the years, been key proposals from François Legault's party. After having experienced Jean Charest's government reengineering and Philippe Couillard's austerity measures, we know full well that these attempts to reduce the role of the government will inevitably lead to a decline in public service quality and access.

NETWORKS IN CRISIS

For about thirty years, public network funding in Quebec has been suffering. The shift to ambulatory care, massive government employee departures, zero deficit, fiscal austerity—public services have been hurting for a while.

In health and social services, more than four years after the adoption of Bill 10¹, which, according to Minister Barrette, should have improved services, the vast majority of stakeholders agree that the network has never been more disorganized. The successive waves of compression, the introduction of new management methods, like lean management, and the aging of the population have made the situation worse. Many heartfelt pleas have been made by workers on social media and in open letters to alert the public to the real distress they experience on the ground, distress that has resulted due to an accumulation of issues: staff shortages, work overload, bureaucratization, etc. Such issues affect all categories of staff in the health and social services network.

¹ An Act to modify the organization and governance of the health and social services network, in particular by abolishing the regional agencies.
<http://www.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-10-41-1.html>

In education, the situation is not much better. Massive compressions have led to major job cuts, particularly for support staff at school boards and CEGEPs, both in terms of staff who provide direct services to students, and administrative and technical staff and manual labourers, emphasizing the job insecurity associated with such positions. At the same time, administrations always keep their doors open to outsourcing and are gradually replacing unionized support staff with staff whose jobs are insecure, who are underpaid, and who do not have union protection.

Moreover, the instability of investments into the CEGEP network and the inadequate funding method have only added to job insecurity for full-time teachers and hourly paid professors. In the regular stream, teachers sometimes wait for over 15 years without becoming permanent. The situation is even worse in continuing education, where teachers earn a fraction of the salary of their regular-stream colleagues, and where it is virtually impossible to become permanent.

In various government agencies, workers are also experiencing job insecurity and work overload. Too often, managers do not replace absent employees, dumping the workload on others, or on the desk of the absent person who, upon returning, becomes swamped.

Budget cuts and network underfunding have resulted in major damage. The workers in the public sector have borne the brunt, while trying to maintain access and quality of services. Work overload is now the norm in the public sector, with the direct consequence of a significant increase in the number of cases of burnout and psychological distress. The data shows that in recent years, the cost of wage-loss benefits in the public sector has skyrocketed, which makes abundantly clear the impact of the Liberal austerity policies. The public sector, which was once a choice employment sector, has become a difficult and unappealing environment.

INSUFFICIENT, NON-COMPETITIVE WAGES

Coupled with the deterioration of working conditions is the fact that wage increases obtained in the public sector for several decades have clearly been insufficient. When they are compared to inflation, as measured by the Consumer Price Index (CPI), it becomes evident that workers in government networks and agencies have seen their purchasing power decrease over the years.

On the other hand, wage increases in the public sector are systematically less than those in the rest of the labour market. The Institut de la statistique du Québec (ISQ), which compiles wage increases planned in Quebec collective agreements on an annual basis, found that in the past 33 years, the public sector has obtained annual increases lower than that of the private sector on 29 occasions. In terms of the gap in overall compensation (wages and benefits) between government employees and the rest of the employees in Quebec, the most recent ISQ report found that government employees earn 6.6% less in overall compensation, while in wages alone, they earn 13.7% less. Wages paid in the public sector are therefore not competitive overall, in comparison to those paid in the private sector.

CRITICAL SHORTAGES OF STAFF

With an unemployment rate that is hovering around 5%, several regions in Quebec are currently at full employment, which has led to the issue of labour availability; labour shortages are already occurring in a number of employment sectors.

For the public sector, this issue is extremely concerning since labour shortages add to the current challenge of attraction and retention. Much of these attraction-retention issues result from the deterioration of working conditions and practices, as well as lower wages in the public sector than in any other economic sector (in particular, semi-skilled workers earn on average 25% less than their peers in the rest of the labour market). Job insecurity and work overload are also major factors that explain the difficulty public networks have with attracting and retaining staff.

In parliamentary committee in April 2019, Minister Marguerite Blais reported on the magnitude of the labour shortage in health and social services: there will be 62,018 positions to fill in the next five years, 33,000 of which are patient attendants (PAB). The shortage is already felt on the ground, and certain categories of staff, including professionals and technicians in the health and social services network, have had to do unpaid overtime to maintain the quality of services. For school support staff, based on the consideration of the estimates, there will be nearly 7000 positions to fill in the next five years, which equates to nearly half of the positions that will need to be filled in this sector. In CEGEPs, recruitment difficulties are also a reality and will worsen over time.

For the entire public sector, over 25% of staff will be eligible to retire, which will make workforce renewal even more of a challenge, negatively affecting workload, schedules, mandatory overtime, and family-work-school balance.

It is now therefore more important than ever to seriously address these issues, in order to substantially improve both working conditions and wages of public sector workers.

FAVOURABLE ECONOMIC CIRCUMSTANCES

In his first budget tabled on March 21, 2019, the new Minister of Finance, Éric Girard, confirmed the excellent health of Quebec's public finances. Assessments indicate that the current government will close the 2018–2019 fiscal year with the largest budget surplus in history, 3.6 billion dollars, after the transfer to the Generations Fund². Remember that this surplus was largely accumulated on the backs of workers in the public sector, as well as of those who benefit from it, through compressions and austerity measures.

In the current state of public finances, it would be difficult for the President of the Conseil du trésor to use the government's inability to pay to justify potential lean offers to public sector employees. Quebec clearly has the means to invest in public services. It is therefore a question of choice, and it is up to the government to decide not to reduce its revenues and allocate a significant portion of its room to manoeuvre to improving public services.

WAGING A MAJOR BATTLE

New political actors, a significant budget surplus, a public concerned about its services and one that supports staff, but also disorganized networks, underfunding, and workers at the end of their rope—this is the environment in which we find ourselves as we begin the next round of bargaining to renew public sector collective agreements.

UNITE. In the past, we have proven that, united within the CSN, we can overcome all challenges. The one that awaits us is daunting.

ORGANIZE. We often repeat that we are hundreds of thousands of women and men working to offer the best possible services to the public. We talk about strength in numbers. This number, as large as it is, means nothing if it does not embody a major collective movement.

WIN. It is through our mobilization efforts that we will obtain what we want: public services with a more human touch, both for those who work in public service and for the entire population of Quebec.

2 Created in 2006, the Generations Fund accumulates amounts with the aim of reducing public debt in Quebec.



PROPOSALS TO BE VOTED ON

That the CSN public sector federations demand:

- The introduction of clauses in the collective agreement that would ensure annual inflation adjustments based on the CPI Quebec;
- For the duration of the collective agreement of three (3) years, based on the most beneficial formula, the annual inflation adjustments based on the CPI Quebec plus zero point five percent (0.5%) or:
 - The first (1st) year, an adjustment paid in the form of a fixed amount of three dollars (\$3), integrated into the compensation scales;
 - The second (2nd) year, an increase of three percent (3%);
 - The third (3rd) year, an increase of three percent (3%).

1.2

That the federations working together in the CCSPP commit to carrying out research to assess wage adjustments, particularly in relation to starting wages and the number of steps.

2. WORKING CONDITIONS AND PRACTICES

The current context of labour shortages and workloads becoming heavier has led to pressing issues with regard to attraction and retention in the public sector, not to mention their impact on the health and safety of workers. To curb this issue, working conditions and practices must improve drastically; the government needs to act quickly to better the situation.

In recent years, the government has not funded public services in a way that meets needs, which has had a direct impact on the work of the women and men who take on the responsibility of providing such services. Cutting jobs while trying to maintain the services being offered has inevitably led to an increased workload for those who still hold jobs in the networks. To improve service quality and access, prompt, major reinvestment into health and social services, education, and government agencies is necessary.

ORIENTATION FOR WORKING CONDITIONS AND PRACTICES

The public sector federations propose to demand major investments in health and social services, education, and government agencies to improve working conditions and practices. Such investments should allow for the negotiation of structural measures to create new jobs to combat work overload and reduce job insecurity.

PROPOSAL TO BE VOTED ON

2.1

That, given that the general orientation demands that the focus be placed equally on both wages and working conditions and practices, the CSN public sector federations demand that the Conseil du trésor:

- Make major investments in health and social services, education, and government agencies to improve public service quality and access;
- That such investments allow for identifying significant financial margins and mandates, in order to agree on solutions negotiated at sectoral tables that would improve working conditions and practices for public service workers. That such solutions address, among other things, issues related to job creation, job insecurity, physical and psychological health, attraction and retention, and family-work-school balance.

That the federations working together in the CCSPS assess the financial margins required to improve working conditions and practices, in particular to allow for the creation of jobs to combat work overload.

3. PENSION PLAN (RREGOP)

THE RREGOP: WORK RELATED TO PLAN MATURITY

Over the past decade, the RREGOP has progressively come back up after the 2008 financial crisis, to finally return to financial health. In fact, the most recent update of the actuarial valuation indicates that the pension fund for members is funded at about 107%, meaning that the plan can fully deliver on its commitments.

It is also important to remember that during the last round of bargaining, the parties agreed to form a working committee with the mandate of examining RREGOP provisions and financing, while accounting for certain issues, such as the following:

- the fact that it is nearing maturity;
- increased life expectancy; and
- developments in financial markets.

Among the issues listed above, the fact that the plan is nearing maturity seems to be the issue that could have a long-term impact on RREGOP financing. In concrete terms, it means that active members will have to finance the benefits for an increasing number of retirees, which will create upward pressure on employee contribution rates. As such, given the increase in contribution rates over the past years and the potential impact of plan maturity on employee contributions, the CSN public sector federations wish to begin work to defend retirement quality, while aiming to stabilize contribution rates.

IMPROVING RETIREMENT CONDITIONS WITHOUT AFFECTING CONTRIBUTION RATES

In accordance with the proposal to commit to working to stabilize contribution rates, we are proposing a series of demands with the common thread of improving RREGOP retirement conditions, without resulting in an additional financial burden for members.

Allowing members to begin progressive retirement two years earlier

Currently, at the end of their careers, public sector workers can reduce their work time through a phased departure agreement. Such an agreement allows them to reduce their work schedule for a period of at least one year and at most

five years. Despite the reduced work schedule, such people get credited, for the purposes of calculating the pension, for the service and wages they would have obtained had they not made use of this measure, since their contribution level remains the same as it was before they started participating in the program.

Due to labour shortages and the increased workload in various networks, it would be beneficial for workers to be able to take part in the program at least seven years before they retire.

Establishing a mechanism to adjust pensions for retirement after age 65

In Quebec, most supplemental pension plans offer a mechanism to adjust the pension for those who continue to work after age 65, but this is not the case for the RREGOP. This provision, known as a postponed retirement annuity, allows workers who decide to continue to work for the same employer after age 65 to delay their pension benefits so that the amount increases. Note that those who opt for a postponed retirement annuity stop contributing to the plan after their 65th birthday and no longer accumulate years of credited service. When they retire, the amount of the pension will be increased since the payment period will be shorter.

Workers who are over 65 years old and who continue to work in public networks generally do so more out of necessity than by choice, so that they can have a higher retirement income. Introducing a postponed retirement annuity in the RREGOP will therefore be a significant benefit for such people.

Increasing the maximum age for participating in the RREGOP to 71 years

According to the current provisions of the plan, those who hold jobs that fall under the RREGOP must stop contributing to the plan as of December 30th of their 69th year. This implies that the pension will no longer increase based on service or wages. The pension becomes somewhat frozen. They can no longer ask for their pension benefits because they will have to leave all of their jobs that fall under the plan to receive their benefits. Increasing the participation age to 71 years will allow such people to increase their pension.

FOSSIL FUEL DIVESTMENT AND RESPONSIBLE INVESTMENT POLICY

The Caisse de dépôt et placement du Québec (CDPQ) is investing a significant portion of Quebecers' savings in fossil fuels. According to the Sortons la Caisse du carbone coalition, "these investments are incompatible with the Paris Agreement and climate science. They are also increasingly risky since the energy transition is accelerating and fossil fuel assets have already become highly devalued or are at risk of becoming so in the near future" [our translation]. In this regard, we believe that our contributions to the RREGOP funds should not be put at risk to fund the climate crisis, oil sands, and pipelines, but should instead serve to support the transition to a future built on renewable energy and green jobs. It was in this perspective that CSN members adopted the following resolution during the 2017 Congress:

That the CSN develop an Environmental Charter that sets out the CSN's principles and commitments on protecting the environment and ensuring a just transition toward more ecological jobs. That the CSN begin giving thought to the issue of fossil-fuel related investments made by pension funds and investment funds.

The CSN reiterated and confirmed this commitment during the Confederal Council meeting in June 2018, by adopting the following proposal:

It is essential to maintain and develop a program to replace fossil fuels with green energy and that pension funds (the CDPQ included) proceed with a gradual, organized, consistent fossil fuel divestment within a five-year period [our translation].

It is in line with this political approach that we reiterate our demands in the context of public sector bargaining.

ORIENTATION FOR THE RREGOP

The public sector federations propose to commit to carry out work on the maturity of the RREGOP to protect retirement quality, while aiming to stabilize employee contribution rates.

In addition, with the goal of improving the pension plan without affecting contribution rates, some demands to improve retirement conditions have been identified: to allow for phased departure agreements of up to seven years before retirement instead of the five years that is possible currently, to establish a mechanism to adjust pensions for retirement after age 65, and to increase the maximum age for participating in the plan to 71 years.

Finally, CSN public sector federations propose to support the responsible investment project being put forward by the CSN to the CDPQ, by integrating the CSN's demand into the list of bargaining demands. They demand that the CDPQ revise its "Policy on Responsible Investment" so that it is in line with current environmental issues.

PROPOSALS TO BE VOTED ON

3.1

That, on the basis of preliminary findings with regard to the possible financial impacts of the RREGOP nearing maturity and the increase in the average age of its members, the CSN public sector federations commit to work aimed at protecting retirement quality offered by the RREGOP, while attempting to stabilize contribution rates to improve overall compensation for employees.

That the federations working together in the CCSPP assess the recommendations of the union side of the RREGOP working committee to prepare their demands.

3.2

That the CSN public sector federations demand the following improvements for retirement conditions with no impact on contribution rates:

- Extend the maximum length of progressive retirement provided for in the Act respecting the government and public employees retirement plan from five years to seven years;
- Establish a mechanism to adjust pensions for retirement after age 65;
- Increase the maximum age for participating in the RREGOP to 71 years.

That the federations working together in the CCSPP commit to carrying out research to identify other demands that would improve retirement conditions with no effect on contribution rates or at little cost for the plan.

3.3

That the CSN public sector federations demand that the Caisse de dépôt et placement du Québec (CDPQ) proceed with a gradual, organized, consistent fossil fuel divestment from the RREGOP within a period of five (5) years.

That the CSN public sector federations demand that the CDPQ substantially improve its policy of responsible investment by increasing consideration for environmental and social aspects in the financial management of depositors' amounts on deposit.

4. GROUP INSURANCE

For several years, group insurance premiums have been increasing significantly, more specifically premiums for health insurance plans. The cost of group insurance represents a significant financial burden for public sector workers.

It is provided for in collective agreements that the employer contributes to health insurance plans. This contribution varies based on federation, wage rate, and number of hours worked. For those who work less than 70% of the equivalent of full time, the employer contribution is cut in half. Such employees must then pay the balance of the employer contribution as well as their own contribution.

During the previous round of bargaining, the federations obtained additional contributions from the employer. Nevertheless, the employer's share in health insurance plans is clearly inadequate and is non-existent for public sector members of the Fédération nationale des enseignantes et enseignants du Québec (FNEEQ-CSN).

In addition to better cost-sharing between employees and the employer, solutions to reduce the cost of prescription drugs should also be considered. It will be important, in particular, to review the mechanisms for setting patented and generic prescription drug prices, to extend the application of the agreement on pharmacists' professional fees to all prescriptions, and to create a universal public prescription drug insurance plan.

The CSN is currently running a campaign to create such a plan in Quebec. It is a demand that we have strongly insisted on for a long time, in order to guarantee fair access to prescription drugs and the same level of coverage for all.

ORIENTATION FOR GROUP INSURANCE

While accounting for the specific realities of each organization, the public sector federations propose that the burden of workers be reduced with regard to the cost of their group insurance plans and that some provisions of the plans be improved upon, by demanding annual employer contribution increases, access to the full employer health insurance contribution (irrespective of employment status or the number of hours worked), and measures to reduce medication costs. It is also proposed that the public sector federations support the CSN's demand by also calling for a commitment from the government to establish a universal public prescription drug insurance plan for all Quebecers.

PROPOSALS TO BE VOTED ON

4.1

That, accounting for the realities of each federation, the CSN public sector federations shall demand that the Conseil du trésor reduce the burden of public sector workers with regard to the costs of group insurance and improve provisions on group insurance, in particular through the following:

- Significant annual increases in employer contributions to group insurance plans;
- Access to the full employer health insurance contributions for all workers, no matter their employment status or the number of hours they work;
- Measures to reduce medication costs;
- Any other demands regarding group insurance that are subsequently agreed upon by the federations.

4.2

That the CSN public sector federations demand a commitment from the government to establish a universal public prescription drug insurance plan.

5. PARENTAL RIGHTS PLAN

The parental rights plan is similar in all public sector collective agreements, no matter the sector or job title. This plan groups together rights in the event of the birth or adoption of a child. Its goal is to protect the jobs of new parents during an absence due to the arrival of a child, to ensure their financial security, and to prevent their parenthood from negatively impacting their employment situation.

The plan includes a number of advantages and benefits for maternity, paternity, and adoption leave. Moreover, through rounds of bargaining, further benefits were added to protect the rights of pregnant or nursing women, or women who have given birth, in addition to supplementary allowances.

Finally, it is important to note the differences between family-work-school balance measures, which vary from one workplace to the next, and which are generally negotiated at sectoral tables, sometimes even at the local level, while the parental rights plan is agreed on during province-wide conventions bargaining.

ORIENTATION FOR PARENTAL RIGHTS

The public sector federations propose to maintain all existing measures and to assess all new proposals brought forward by members on this issue.

PROPOSAL TO BE VOTED ON

5.1

That the CSN public sector federations demand that all current conditions of the parental rights plan be maintained in this round of bargaining.

That the federations working together in the CCSPP study requests to improve parental rights that come out of the consultations regarding the proposed central table demands, in order to identify demands to improve the parental rights plan.

7. ONGOING WORK

In the last round of bargaining, several working committees were established to assess particular situations and come up with solutions to specific issues. These committees relate, in particular, to issues that affect psychologists, lawyers, and legal secretaries in the health and social services sector, semi-skilled workers, aeronautics teachers at the École nationale d’aéronautique (ÉNA), and licensed aeronautical technicians at the Centre québécois de formation en aéronautique (CQFA). Others also focus on larger issues that affect several job titles and multiple sectors, like the implementation of salary relativity on April 2, 2019, the RREGOP, the taxation issue related to outings, and the additional allowance paid during maternity leave.

Several committees will table their reports only in fall 2019, after the consultations regarding central table demands are complete. While certain committees may come up with interesting solutions, it is possible that others will be unable to resolve the issues raised by the union side. In all cases, the union side will have done its work and will be able to, at this stage, make recommendations.

In addition, government agencies that participate in public sector negotiations are also carrying out work that we need to take into account and that could lead to demands.

ORIENTATION FOR ONGOING WORK

The public sector federations propose to assess the recommendations of the union side for each of the committees when they table their reports to determine if such recommendations should be converted to demands during the next round of bargaining. At the same time, it is proposed to also take into account the progress of the work being carried out by government agencies.

PROPOSAL TO BE VOTED ON

7.1

That, in order to prepare their demands, federations that have come together in the CCSPP assess the recommendations of the union side for each of the working committees established following the 2015 round of bargaining and take into account the progress of the work being carried out by government agencies.

8. HARMONIZATION

The central table demands are recommended for all CSN public sector organizations. However, various consultation steps must be taken before presenting the demands to the employer.

As the public sector federations have expressed their desire to carry out the next round of bargaining in alliance, it is proposed to provide each organization with a mandate so that it can carry out the necessary harmonization work.

PROPOSAL TO BE VOTED ON

8.1

That each federation be given the mandate to harmonize central table demands with other public sector federations that have come together in the CCSPP and with other central labour bodies and union organizations with which they will form alliances, if appropriate.

ORIENTATION FOR HARMONIZATION

Harmonization is the step that allows for receipt of all new demands and all amendments received during general assemblies and groups them together to prepare a coherent draft for which there is consensus among the public sector federations. They therefore propose to harmonize on central table demands in order to encourage a strong alliance between them and alliances that are as broad as possible with other central labour bodies and union organizations, if appropriate.



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