

October 21, 2005

Recommendations of the Facilitator, Presented by Vincent L. Ready *Background and Analysis*

Background

On October 6, the Province appointed Mr. Vincent L. Ready as an Industrial Inquiry Commissioner (IIC) with the mandate to recommend a new collective bargaining structure for teachers and school employers. As a first step towards meeting that mandate, on October 17 Mr. Ready agreed to facilitate discussions to resolve the current impasse between those parties.

In entering into discussions with Mr. Ready, the Province laid out four principles:

1. Respect for the rule of law, and the provisions laid out in Bill 12 passed by the Legislature of British Columbia;
2. Maintaining the common wage mandate that has been established through to March 31, 2006, and that has been successfully followed in more than 130 prior public sector negotiations;
3. Addressing learning conditions by involving all educational partners through the Learning Roundtable and the *School Act*; and
4. Fixing what has been acknowledged by all parties as a fundamentally broken bargaining process.

Mr. Ready provided his non-binding recommendations to all parties on the evening of October 20. In reviewing those recommendations, the Province concluded that they meet all four of its stated principles.

As Premier Campbell stated in his October 21 press conference responding to the recommendations, “This is a constructive framework that allows us all to move forward under the law.”

The Premier committed that “the government will be accepting the recommendations of Mr. Ready unconditionally.”

Analysis of Mr. Ready’s Recommendations

Mr. Ready has provided a series of recommendations that he says will “address key issues in the public school system, and provide a basis for an expeditious return to work by teachers.” He further notes that the recommendations “are conditional on prompt votes by the parties and an expeditious return to work by the teachers.”

It was on this basis that the Province has accepted all of his recommendations, as follows:

Harmonized Salary Grids:

Mr. Ready recommends that government commit to “fund \$40 million towards harmonization of salary grids throughout the province,” to be effective in the next fiscal year.

- This recommendation flows from the 2004 Wright Commission Report, which examined teacher bargaining structures. It highlighted differing teachers' salary grids in all 60 school districts that created inconsistencies between districts.
- Addressing this issue has always been an objective of the Province, and was explicitly highlighted in the Industrial Inquiry Commissioner's Terms of Reference laid out on October 6th (Section ii requests that IIC examine "Methods and costs associated with the harmonization of compensation structures ...").
- It is important to note that under Bill 12, section 2(2), "the parties may vary, by agreement, the collective agreement." Consistent with this provision under the law, agreement around harmonization could be a mid-term contract adjustment that would take place (as Mr. Ready notes) "after the end of the current fiscal year and before the expiry of the present collective agreement."
- *Fiscal Implications*: \$40 million annually, commencing in the 2006/07 fiscal year. This is after the current common wage mandate expires and will be funded from the available amount provided for future public sector wage and benefit settlements.

Benefits - LTD Lump Sum Funding:

Mr. Ready recommends "that Government provide one time funding of \$40 million towards the BCTF LTD trust."

- Mr. Ready explains this recommendation by noting that "BCTF is the only major public sector union whose members pay the entire costs of Long Term Disability ("LTD") coverage."
- Mr. Ready further notes that while he recommends one-time funding in this regard, he is "not prepared to recommend an ongoing change to the collective agreement."
- *Fiscal Implications*: \$40 million in one-time costs this fiscal year. This will be funded through savings realized as a result of foregone teachers' salaries and other savings due to the illegal strike action. This savings is currently estimated at approximately \$150 million.

Mr. Ready further recommends that the parties conduct a study of non-monetary benefits "with a view to harmonizing the benefit provisions in the upcoming negotiations," and to conclude that study by February 28, 2006.

- This recommendation is consistent with the mandate of the IIC, and the Province welcomes any work that can provide an appropriate fact-base to expedite future negotiations with teachers.

Recruitment and Retention of Teachers On Call (TOC's):

Mr. Ready recommends that the Province "commit to fund \$5.2 million towards the placement of TOCs on a uniform daily base rate of \$190, and for the placement of TOCs on the provincial salary grid after three continuous days on any assignment."

- Mr. Ready has asked parties to work together immediately to identify any issues with respect to implementing this solution, which will become effective on April 1, 2006.

Outstanding issues as of December 31, 2005 may be referred by either party to the IIC for a binding resolution. The Province supports this recommendation.

- *Fiscal Implications*: \$5.2 million annually, commencing in the 2006/07 fiscal year. This is after the current common wage mandate expires.

The Learning Roundtable:

Mr. Ready acknowledges that this “broad stakeholder group can be effective to identify and rectify problems that have been critical to this dispute.” He recommends that “Government increase the number of BCTF nominees at the Learning Roundtable” to increase the effectiveness of that process.

- The Province welcomes this acknowledgement of the Learning Roundtable on behalf of all education partners and British Columbians.
- The Province has been consistent in its commitment to improving learning conditions under the *School Act* through the Learning Roundtable and other processes and welcomes additional representation by the BCTF. The Roundtable will meet for the first time on October 24 with the Premier and the Minister of Education.

Class Size and Composition:

Mr. Ready highlights that the need to address problems of class size and class composition “have been acknowledged by both parties and by Government.” He recommends that “Government increase its commitment for learning conditions in this fiscal year from \$150 million to \$170 million,” with the additional resources “entirely targeted to issues of class size and special needs students.” This increase should be included in the ongoing funding base.

- The Province has consistently been committed to working with the BCTF and education stakeholders to address learning conditions. To meet this end, the Province increased grants to school districts by an additional \$150 million in this current school year – the largest single increase to district funding in over a decade.
- Mr. Ready has recommended an additional \$20 million on top of the \$150 million to be provided annually beginning this fiscal year. The Province accepts this recommendation, as it has already anticipated a \$20 million lift to funding next year. The Province will accelerate that committed lift to commence this year, and will further ensure that it is expressly targeted to address learning conditions as recommended.
- *Fiscal Implications*: \$20 million annually, beginning in this fiscal year. This year, it will be funded through savings accrued due to the illegal strike action. Next year, the recommended lift will be fully funded as was announced in a Government News Release on March 15, 2005, in which the Province explicitly committed that “School district operating funding will increase by another \$20 million a year in 2006-07 to \$4.047 billion.”

Mr. Ready also highlights the need for “an effective mechanism for enforcement of the class size limitations set out in the *School Act*,” and recommends the *Act* be amended to include such a mechanism.

- Mr. Ready commits to discuss this issue further with the parties and recommend an appropriate mechanism. The Province welcomes this commitment, and looks forward to working with Mr. Ready and parties through the IIC to establish this mechanism.

Mr. Ready further recommends that “Government consult with the BCTF with respect to potential amendments to the *School Act* with respect to class size limits for grades four to twelve.”

- The Province has been consistent in expressing its willingness to consult with the BCTF and other education partners on these issues.
- A number of the Learning Roundtable participants have written to the government to stress that they, too, have very definite and, in some cases, potentially divergent views on the best way to address these issues under the law and want to be part of the dialogue that informs how the *School Act* might be changed to best meet students’ needs. That will be the Province’s approach to meeting Mr. Ready’s recommendation.

Consultation with Teachers

Mr. Ready recommends “that Government and the BCTF establish an ongoing process for regular communication concerning teachers.”

- The Province acknowledges the need to improve communication with teachers, and looks forward to establishing an ongoing process as recommended.
- It is important to note that the Province has stressed to Mr. Ready that it understands that there are many issues that are particularly pertinent to teachers that are not contract cost items, and would benefit from greater communication. This includes such things as safety and security issues in the classroom, professional development, and teacher training.
- The Province looks forward to working with the BCTF towards this new process, as well as through other forums such as the annual Teachers’ congress, to improve communication.