

2013: B20

MEMORANDUM TO:

Directors of Education
Secretary/Treasurers of School Authorities

FROM:

Gabriel F. Sékaly
Assistant Deputy Minister
Elementary/Secondary Business and Finance Division

Tim Hadwen
Assistant Deputy Minister
Labour Relations

DATE:

September 18, 2013

SUBJECT:

Clarification Regarding Appending of Memoranda of Understanding

We are pleased to report that the school boards of the province have communicated a virtually unanimous intention to proceed with completion of the 2012–14 Labour Framework. We now look forward to receiving attestations of compliance by September 30, 2013.

Further clarification has been requested about the Ministry's expectations concerning the appending of terms of the Memoranda of Understanding (MOUs) to collective agreements and about additional funding.

A. ITEMS TO BE APPENDED FROM THE 2013 MOUs

Questions have arisen about what specifically is to be appended to, and form part, of the local collective agreements in respect of the MOUs signed between the government and the federations and unions since January 23, 2013.

The attestation form you received with the Deputy Minister's memo of August 20, 2013, refers to "appending the 2013 MOUs." This means appending the provisions in the 2013 MOUs that are specified as needing to be appended to collective agreements, without amendment.

The 2013 MOUs themselves outline the items that are to be appended. All MOUs can be found on the Education Labour Updates web page, <http://www.edu.gov.on.ca/eng/studentFirst.html>.

As the MOUs specify, the provisions of the MOU are to be appended to, and form part of, the local collective agreements. We would note that, under the *Labour Relations Act, 1995*, revisions to collective agreements are made upon mutual consent of the parties, and so appending terms means that mutual consent has been given by the board and respective union or federation.

Aside from the 2013 MOUs themselves, the following B: memoranda about each of the 2013 MOUs reiterate details about the specific items requiring appending:

- (i) 2013:B9 for OSSTF;
- (ii) 2013:B11 for CUPE,
- (iii) 2013:B12 for OECTA;
- (iv) 2013:B14 for AEFO;
- (v) 2013:B17 for ETFO; and,
- (vi) 2013:B19 for CESS.

The B:memoranda can be found at <http://faab.edu.gov.on.ca/Memos.htm>.

For all unions, it is also required that, in addition to the specifically listed items, and as set out in the specific MOUs, locally bargained and agreed to items are likewise to be included in the 2012-2014 collective agreement, and local discussions are to occur.

B. ADDITIONAL FUNDING

The government has committed to provide school boards with the support that might be required to implement the MOUs and supporting regulations. The Ministry has worked collaboratively with school boards, through the Implementation Cost Estimate (ICE) Working Group, to identify and respond to board concerns about potential costs. Available funding that has been announced to date is:

- \$10M announced December 2012 to implement sick leave benefit plan reforms;
- \$30M per year, effective 2012–13, announced in March 2013, for a potential increase in supply teacher costs. For 2012–13, a table amount was provided in the GSN regulation. In 2013–14 and subsequent years, the supply teacher benchmark will be adjusted. Over the two-year life of the current contracts, this totals \$60M in additional funding. The government's position is that this funding is intended to support boards as they adopt the new sick leave plan set out in regulation;

- Support for sick leave top-up banks announced in March 2013. The government is currently working with board actuaries and will be providing the funding necessary to establish the closing liability for the implementation of the sick-leave rolling top-up bank;
- Support for the pay-out of non-vested retirement gratuities announced in March 2013. The government has provided the funding necessary for the wind-up payment to employees;
- \$3M announced in May 2013 to offset the cost of extending eligibility for sick leave and short-term leave and disability plan benefits to a wider group of employees;
- \$15M announced in May 2013 for payroll system and training to support implementation of new benefit plan provisions;
- Up to \$60M announced in May 2013 to support any residual costs of an unpaid day;
- And approximately \$10M that represents the efficiencies in Professional Development that will account for 16% of the total cost of the October 11, 2013 unpaid day.

As has been previously communicated to boards, the last four items are contingent on boards fulfilling the MOU requirements, including appending the applicable terms of all relevant MOUs to local collective agreements. The Ministry provided each school board with a detailed projection of its allocation from these conditional supports on August 12, 2013.

As a result of ongoing discussions with the ICE Working Group, we can also now confirm the following additional supports, which will be conditional on boards complying with the MOU requirements:

1. Maternity Leave – the Ministry will provide up to approximately \$25M provincially per school year, and on an ongoing basis, to reflect the expanded maternity leave benefits which increase the minimum benefit period from 6 to 8 weeks.
2. Attendance Recognition – the Ministry will provide up to approximately \$30M provincially in 2013-14, on a one-time basis, to cover any incremental costs relating to payments made to eligible staff that use less than 6 sick days. This figure, and any funding considered, will need to be reconciled with actual experience – particularly if the average number of sick days taken drops as a result of this incentive, which would create additional savings.

We trust that these clarifications are of use to school boards. We appreciate your ongoing support for completion of your part of the process of giving full effect to the terms of the 2013 MOUs.

Original signed by

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