



July 12, 2010

CEU prepares for 2010 Wage and Benefit re-opener

Government mandate constrains bargaining as union prepares to explore gainsharing options with the employer

Your bargaining team met with the employer for the first time on June 28th to begin the process of negotiating the 2010 Wage and Benefit re-opener. During this meeting, several issues were clarified. On the positive side, the employer confirmed that SEC is prepared to provide increases that are available through the BC government PSEC guidelines.

Unfortunately, we also confirmed the government's bargaining mandate for the public sector is still a net "O" mandate. As we have outlined in previous communications, the net "O" mandate means there can be no wage or benefit increased unless money is removed from another part of the Collective Agreement. For the government, that means they can tell the public they have held the line on spending.

During the 2008 renewal of the Collective Agreement, the parties agreed to explore gainsharing as a potential option to achieve some money during the term of the agreement. In the June 28 meeting, the parties confirmed the government's current mandate does allow for lump sum payment based on a gainsharing model. Gainsharing is a concept where the parties agree to some process or goal that results in financial savings. Once those savings are realized, 50% of those savings can be converted to a lump sum payment for CEU members. The employer uses the remaining 50% for cost savings.

At the end of the June 28th meeting, both sides agreed to explore options that might lead to a successful gainsharing agreement. The bargaining committee is committed to exploring every avenue possible to try and achieve some form of payment for you, the members. If we cannot come up with an agreed to proposal, your bargaining committee will request intervention from Judy Korbin, the named Arbitrator for the Wage and Benefit re-opener, to try and assist us to find a resolution.

At this point, no additional meeting dates have been set. Your bargaining committee is made up of the current Executive, members at large that were elected for the 2008 bargaining renewal and staff. The members at large are Jose Peroni, Michael Vuorensivu and Bill Brewer. If you have any questions please feel free to contact any member of the bargaining committee.

Watch for bargaining updates from the committee.

