

ETFO SPECIAL BARGAINING BULLETIN

BENEFITS: A KEY BARGAINING ISSUE

A QUICK HISTORY OF THE ETFO ELHT

Prior to 2014, ETFO members received benefits either through their school board or, in a few cases, through their ETFO local. As a result of provincial negotiations, the responsibility of managing benefits for ETFO members was eventually transferred from individual school boards to the ETFO Employee Life and Health Trust (ELHT). Other education sector unions (OSSTF, CUPE, OECTA, AEFO, etc.) also negotiated their own ELHTs in 2014.

So - what is the ETFO ELHT? Essentially, it's the entity that oversees benefits and administers the pool of money negotiated by ETFO for the sole purpose of providing eligible members with benefits. The government provides the negotiated amount of money to individual school boards each year. The school boards, in turn, are to contribute that money to the ELHT to fund benefits for eligible members.

There are two separate "plans" in the ELHT: one contains benefits funding for eligible ETFO teacher and occasional teacher members and the other holds the benefits funding for eligible ETFO education worker members.

The ETFO ELHT is managed by a Board of Trustees that includes representatives from ETFO, the Ontario Public School Boards' Association and the government. The Board of Trustees analyzes trends in benefits usage, thinks ahead and ensures there is adequate funding available for your benefits today, next year or ten years from now. This may sometimes mean that difficult decisions need to be made by the Board of Trustees to maintain the sustained health of the ELHT.

HOW THE ELHT IS FUNDED

When ETFO sits down with the government to talk about benefits, it **does not** negotiate what type of benefits will be provided – the ELHT determines the components of the benefits plan. Instead, ETFO negotiates the funding that will be received by the ELHT to provide benefits to eligible members.

The initial amount of money negotiated by ETFO in 2014 provided enough funding for the ELHT up to 2019-2020. That negotiated amount included built-in annual inflationary increases. Negotiated funding for benefits was based on: 1) the number of eligible permanent members that were entitled to benefits coverage; and 2) the employment status of those eligible members, i.e., whether they occupied full-time permanent or part-time permanent positions.

Benefits funding for eligible part-time members is pro-rated, which means that the funding the government provides is increased or reduced proportionally based on the full-time equivalent status (FTE) of the member.

Currently, the ELHT receives:

- \$5,100 to pay for benefits for a full-time permanent ETFO member;
- \$2,550 to pay for benefits for a half-time (0.5) permanent ETFO member.

FINANCIAL PRESSURES ON THE ELHT

When it negotiated funding for the ELHT, ETFO's primary objective was to have a standardized benefits plan that would offer sufficient coverage to meet most eligible members' needs. After that funding was negotiated, decisions were made to expand access to benefits and address existing coverage issues, while maintaining the long-term sustainability of the plan. Attempting to meet these multiple (and sometimes competing) objectives has put some financial pressures on the ELHT.

In some ETFO locals, past agreements between the local and the school board provided part-time teachers with the ability to access full-time benefits without making premium contributions. A decision was made that those members could continue to receive full-time benefits from the ELHT, without making premium contributions, until August 31, 2020. The ETFO ELHT also provides occasional teachers with long-term occasional (LTO) assignments greater than 90 days (or shorter in some locals, depending on local collective agreement language) with access to paid benefits. This is the case even though the terms negotiated during the 2014 round of bargaining do not provide benefits for LTO assignments.

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A long-standing goal for ETFO has been to strive to improve entitlements for occasional teacher members, who represent some of the lowest paid members in our Union. To move forward on that goal, a decision was made in 2015 to expand benefits eligibility, which meant that more LTO teachers are able to access benefits through the ELHT. Benefits were also made available to some occasional teacher local leaders to ensure they had coverage over the summer period.

Additional funding pressures on the ELHT occur when a permanent member takes a pregnancy/parental leave.

Members on a pregnancy/parental leave are entitled to continue to receive full benefits during their statutory leave. When a member on pregnancy/parental leave is replaced by an LTO member, that LTO member is also entitled to receive benefits under the terms of the ELHT. In some cases, the LTO member may also take a pregnancy/parental leave and would be replaced by another LTO member. That means *two members* -- and sometimes *three members* -- are eligible to receive benefits, but the ELHT only receives funding to provide benefits for one member.

This can create an additional strain on the ELHT, given the size of our membership and the number of statutory leaves that occur.

Lastly, inflation, increasing drug costs, the introduction of new drugs and technologies, etc., also contribute additional financial pressure on the ELHT.

NEGOTIATING FAIR FUNDING FOR BENEFITS RESTS ON MEMBER SOLIDARITY

During the 2019 round of central bargaining, the rising costs of benefits and the long-term well-being of the ETFO ELHT will need to be addressed for the teacher/occasional teacher plan and the education worker plan. This will require ETFO to:

- negotiate an increase in per member benefits funding; and/or
- negotiate an increase to the total number of members who are funded for benefits.

Insured benefits are a critical component to your overall compensation package. Negotiating anything less than sustainable benefits funding in the next collective agreement would be a major concession with a significant financial impact on you and your colleagues.

In local strike vote meetings across the province, ETFO members have stated very clearly that their insured benefits are important to them and are worth fighting for. During this round of central bargaining, member solidarity and strength will be key to ensuring that the benefits you and your family rely on are appropriately funded, now and in the future.