



# Facts on Transit Contract Negotiations

**Update: November 13, 2016**

We want to provide our employees and residents with the facts about ongoing Transit contract negotiations.

## Wage and Pensions FAQs

### **There is back pay or retroactive pay to 2012. How do I know what my back pay will be?**

The City is offering back pay as part of the current offer for the term of the agreement if this offer is ratified by the ATU membership. Each employee's situation may be different but the following table provides an estimate of the amount of retroactive pay that would be available to full time employees that have been on the job since January 1, 2012. The amount of back pay **increases** if an employee has worked overtime during this period.

<b>Estimated Retroactive Gross Wages (Based on FT employee - 2080 hours/year)</b>			
<b>(less statutory and usual deductions) (E.&amp; O.E)</b>			
<b>Position Title</b>	<b>2012 Annualized Rate</b>	<b>2016 Annualized Rate</b>	<b>Estimated Retro to Oct. 31, 2016</b>
Accounting Assistant	\$61,853	\$68,274	\$14,311
Accounting Clerk	\$46,549	\$51,381	\$10,770
Assistant Coordinator, Payroll Services	\$46,549	\$51,381	\$10,770
Charter Coordinator	\$51,438	\$56,778	\$11,901
Clerk-Steno	\$40,199	\$44,372	\$ 9,301
Coordinator, Payroll Services	\$51,438	\$56,778	\$11,901
Customer Service Representative	\$43,467	\$47,979	\$10,057
Revenue Clerk	\$46,549	\$51,381	\$10,770
Schedules Planner I	\$54,100	\$59,716	\$12,517
Schedules Planner II	\$60,817	\$67,130	\$14,071
Access Transit Operator	\$42,829	\$49,438	\$ 9,909
Apprentice Body Repairman	\$53,493	\$59,046	\$12,376
Apprentice Mechanic	\$62,545	\$69,038	\$14,471

<b>Estimated Retroactive Gross Wages (Based on FT employee - 2080 hours/year)</b>			
<b>(less statutory and usual deductions) (E.&amp; O.E)</b>			
Body Repairman (Journeyman)	\$58,394	\$64,456	\$13,510
Machinist (Journeyman)	\$58,394	\$64,456	\$13,510
Mechanic (Journeyman)	\$69,546	\$76,765	\$16,091
Operator	\$49,614	\$54,764	\$11,479
Parts/Storesman	\$46,310	\$51,117	\$10,715
Relief Shop Supervisor	\$72,856	\$80,419	\$16,856
Scheduling and Booking Clerk	\$43,838	\$50,552	\$10,143
Service	\$46,310	\$51,117	\$10,715
Service Writer	\$51,383	\$56,717	\$11,888
Shop Assistant	\$30,137	\$33,265	\$ 6,973
Stores Supervisor	\$56,105	\$61,929	\$12,981
Time Clerk	\$52,266	\$57,692	\$12,093
Utility	\$43,180	\$47,662	\$ 9,990
Utility Shift Supervisor	\$53,120	\$58,634	\$12,290

**If the Transit union accepts the City's deal, will employees get back pay dating back to 2012?**

Yes. Back pay is included in the agreement if the Transit union membership agrees to the City's latest offer.

**Will I get this back pay all at once, or will it be spread out?**

If you have worked full time since January 1, 2012, you will receive your back pay all at once.

**I heard the City decided to not pay workers for the last two weeks of the lockout?**

This matter is before the courts (a judicial review). The judicial review was heard in October 2016 and we are waiting on the decision.

**What would the Transit union be voting on?**

[Final Offer - Summary \(/sites/default/files/documents/transportation-utilities/saskatoon-transit/summary\\_of\\_offer\\_-\\_november\\_10\\_2016\\_b.pdf\)](/sites/default/files/documents/transportation-utilities/saskatoon-transit/summary_of_offer_-_november_10_2016_b.pdf)

[Final Offer - Detail \(/sites/default/files/documents/transportation-utilities/saskatoon-transit/city\\_offer\\_-\\_detailed\\_.pdf\)](/sites/default/files/documents/transportation-utilities/saskatoon-transit/city_offer_-_detailed_.pdf)

**If the Transit union accepts our offer here are some highlights of what it means:**

- All Transit employees, including Transit operators would see an increase of 10% on their current wage today.

### Isn't the City responsible for the Pension Plans?

The City is the sponsor of the employee's pension plan but it is administered and managed by an independent Board of Trustees. The board of Trustees are people that represent a few different areas – unions have representatives, the City has representatives, and there are people from the general public. The Pension Board hired Aon to review the plan. Aon reviewed the pension plan and said there was a shortfall of \$63 million.

In Saskatchewan, there is a law that regulates pension plans, and the province's Superintendent of Pensions is responsible to make sure the law is followed.

The changes that were made two years ago addressed the pension shortfall. The Superintendent of Pensions agreed with the changes that were made.

### I've heard that the Pension plan will change and it will not be a defined benefit plan. Is this true?

This is not true, the pension plan is and will remain a defined benefit plan. Defined benefit plans are increasingly uncommon and there are many, taxpayers who don't have any pension plan. So we need to be sure we are reasonable when asking taxpayers to put their tax dollars into our pension plan when they themselves don't have a pension when they retire from their jobs.

#### Wages:

Our wage offer of 10% over four years is fair. The City believes this is competitive to what is paid elsewhere for a full time Transit operator. For example, the following information shows what a Transit operator is being offered in 2016 in Saskatoon compared to what a Transit operator is being paid in Regina and Winnipeg:

<b>Increments</b>	<b>Saskatoon Transit 2016 Hourly Rate (Rates Offered by the City)</b>	<b>Regina Transit 2016 Hourly Rate</b>	<b>Winnipeg Transit 2016 Hourly Rate</b>
1 <sup>st</sup> Year of Service	\$ 22.17	\$ 22.45	\$ 19.17
2 <sup>nd</sup> Year of Service	\$ 24.00	\$ 24.27	\$ 20.72
3 <sup>rd</sup> Year of Service	\$ 26.33	\$ 26.39	\$ 22.29
4 <sup>th</sup> Year of Service	\$ 26.33	\$ 26.39	\$ 24.11
After 4 years of service	\$ 26.33	\$ 26.39	\$ 26.67

- Access Transit requires special care and consideration for our customers so all employees working at Access Transit would see an increase of 10% plus receive an additional \$1.00 per hour increase -- resulting in a total increase of approximately 15% on their current wage today, and wage parity with conventional transit by 2019.
- The pension deal would be the same for all our employees in the General Pension Plan

### **Can the City force a vote on its latest offer?**

No. The City has already exercised its right to force a vote. However, the Union, the employees themselves or the Minister may require a last offer vote, which would be supervised by the Saskatchewan Labour Relations Board [section 6-35 of *The Saskatchewan Employment Act*].

### **I have heard that the City is making wholesale changes to the pension plan. Does this mean I am going to lose my pension?**

This is simply not true. Transit employees are part of the City of Saskatoon General Pension Plan. You still have your pension.

### **I have also heard that retired Transit employees will lose their pensions.**

Not true, the discussions around the pension plan do not affect retired employees. They will continue to receive their pension every month just as they always have.

### **So what is in the pension deal?**

The pension deal that the City has offered ATU has two main points:

The first point is to decide what we will do IF the pension plan even has another shortfall. This is a big IF and it may never happen. But if it does happen, the agreement in principle says that the City and all of the unions will sit down together and decide what we do.

The second point is that IF the pension goes into a shortfall, the taxpayers will contribute up to an additional 0.7%. That also means that we as employees would put in the same amount. If the shortfall is not fully covered by this additional money, the parties would discuss other options to ensure the plan is sustainable.

### **I've heard that the Pension plan was already in good shape and the changes that happened two years ago were not necessary. What's going on?**

We've heard the same thing too. However, the reason the plan is doing better now is because eight of the other unions and associations in the General Pension plan agreed with the City to make the necessary changes to keep the plan healthy and eliminate the financial trouble the plan was in at the time. These changes were made two years ago.

In addition, the City proposes to pay employees that obtain the Professional Bus Operators Certification an additional \$0.45/hour effective the first month after ratification. This would mean those operators would be the highest paid of Regina and Winnipeg at \$26.78 per hour. Based on 40 hours per week this works out to \$55,702.40 per year.

### Pension:

No one will lose their pension.

The City of Saskatoon continues to offer a Defined Benefit (DB) Pension Plan. The City's defined benefit pension plans provides its members with a predictable monthly pension at retirement based on a combination of their service, age and average earnings at retirement.

The City has worked with 8 other unions and associations to develop a plan to secure and sustain the City's General Pension Plan into the future. This plan has a shared responsibility and does not leave taxpayers on the hook for current and future pension liabilities.

The City has offered the same pension package to the Transit union as it has offered to the other unions and associations that participate in the City's General Pension Plan.

There have been allegations that the true financial picture of the pension plan was not accurately portrayed.

This is simply not true and here are some facts:

- The City of Saskatoon has **no role** in preparing or approving the financial picture of the pension plan.
- Both provincial and federal governments require that an assessment of the financial health of the Plan be conducted at least every three years. The last such pension valuation prepared for the City's General Pension Plan was December 31, 2009 so the next valuation had to be prepared for December 31, 2012 and then filed with provincial authorities.
- Prior to changes being made the Pension Plan Board of Trustees own independent pension expert reviewed the financial health and sustainability of the plan and found that it had a large deficit that would need to be addressed.
- The provincial regulator reviewed this result and approved the assessment and accepted the plan changes.
- 8 of the City's unions and associations understood and did not disagree on the state of the plan and, together with the City, took the necessary action to address this large deficit.
- Only the Transit union has made allegations that the City has somehow misled everyone.

The facts simply do not support ATU's allegations. The City needed to take action to protect the future of our pension plan and protect the financial risk our taxpayers were exposed to.

Read more information on the independent “triple check” for assessing the health of pension plans.

► Independent “Triple Check” for Assessing the Health of Pension Plans

The transit union served the City with a 48 hour strike notice late on Friday, September 16, 2016. Although progress towards a collective agreement has been made the transit union has refused the City’s latest offer dated November 10, 2016. The transit union has advised the City they will take job action in the form of refusal of overtime and work to rule effective Saturday, November 12, 2016. We want to continue working with the union leadership to get a contract that is fair for everyone, especially all of our employees, and keep Saskatoon moving. See the latest news release [here \(/news-releases/city-remains-firm-after-atu-executive-pulls-away-promises\)](/news-releases/city-remains-firm-after-atu-executive-pulls-away-promises).