

# OUR BEST LINE OF DEFENCE

**TAKING ON PRIVATIZATION  
AT THE BARGAINING TABLE**

Second edition

**CUPE** / Canadian Union  
of Public Employees



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# OUR BEST LINE OF DEFENCE: TAKING ON PRIVATIZATION AT THE BARGAINING TABLE

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## INTRODUCTION

For decades, corporations and some governments have pressured public sector employers to privatize services through contracting out, public-private partnerships (P3s), competitive bidding, or all-out selloffs.

Privatizing jobs and services hurts members and the community, as workers' living standards decline and well-paying jobs disappear. Our first line of defence against privatization is our union contract, negotiated through collective bargaining. Negotiations to stop privatization typically involve language about contracting out and contracting in. These articles are a cornerstone of union and job security in a collective agreement.

Employers often target contract language that's a barrier to privatization, in a short-sighted pursuit of false savings. With each round of bargaining, locals must be ready to mobilize to defend and improve this language. It's equally important to negotiate proactive language that anticipates new forms of privatization (like P3s or Alternative Service Delivery), and to table contracting-in provisions.

This guide gives an overview of the privatization, contracting out and contracting in issues CUPE members face – along with sample collective agreement language for local bargaining committees, bargaining councils and staff representatives. For collective bargaining courses and resources to take on privatization, contact CUPE's union education staff in your area, and check out our online member resources at [cupe.ca](http://cupe.ca).

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There are four major areas to look at when drafting and reviewing collective agreement language:

1. Getting ahead of privatization: notice, disclosure and consultation
2. Preventing privatization: language on contracting out
3. Reversing privatization: language on contracting in
4. Protecting benefits from privatization or delisting

Each section of this guide includes a brief overview and a list of issues for negotiations, as well as sample CUPE collective agreement language from a variety of sectors and regions.

Articles dealing with contracting out are strongest when they are clauses within the body of the collective agreement, as they roll over into future agreements unless they are changed during bargaining.

Letters of intent can be useful when dealing with a particular or one-time event like contracting back in a specific service, shift or classification. Letters of intent covering a new practice or procedure (such as disclosure and meetings regarding privatization issues) can also be useful on a trial basis for the duration of the collective agreement. Letters of intent can be reviewed for renewal in a subsequent round of bargaining for their effectiveness, fine tuned and brought into the body of the collective agreement.

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*Note regarding translation:* This document is available in English and French. The narrative sections have been translated. However, to ensure authenticity as much as possible, the collective agreement articles included in the English document are taken from English agreements and the French document contains articles taken from French collective agreements – except for the section on protecting benefits from privatization, where the French document uses collective agreement language that has been translated from the English.



## **GETTING AHEAD OF PRIVATIZATION: NOTICE, DISCLOSURE AND CONSULTATION**

Members are best prepared to defend public services when they bargain and enforce contract language that gives the union warning about any employer plans to privatize.

With plenty of notice, members can build a case showing the employer why services should stay in house. A lengthy notice period also gives the union and community time to organize a challenge to any privatization. The longer the notice period, the longer a local has to conduct corporate research, build coalitions, lobby and make presentations – all part of a winning campaign to keep services public.

Provisions dealing with notice and disclosure are ideally included in clauses covering job security or contracting out. They can also be negotiated as a letter of intent or memorandum of understanding that is appended to the collective agreement.

Contract language covering notice of privatization plans and disclosure of information can include:

- All information about a service members currently provide that is under review for potential privatization.
- All information about a new service or facility that would normally be included in the range of services provided by the organization (e.g. municipality, school board or hospital) and by CUPE members.
- An obligation for the employer to consult with the union and fully consider options other than privatization through contracting out, P3s or alternative service delivery.
- Disclosure of all existing contracts for work that could be covered under the local's collective agreement. This should include information about the contractor, the length and cost of the contract, as well as the cost of negotiating, administering and supervising the contract.

## **SAMPLE LANGUAGE – NOTICE AND DISCLOSURE TO THE UNION**

### **MUNICIPAL SECTOR**

#### **CUPE 1839, Town of Bonavista – NL 2010-2013**

##### **26.01 Contracting out**

- (a) The Employer will give the Union at least three (3) months notice of its intention to contract out any work or service normally performed by members of the bargaining unit.
- (b) If at any time the potential for contracting out arises the Employer agrees to a three (3) month period of notification to actively explore through discussion with the bargaining unit, the options available to forego such a need to contract out such work.

#### **CUPE 108-01, Halifax Regional Municipality – NS 2012-2015**

- 17.03 In order to provide job security for the members of the bargaining unit, the Employer agrees to provide the Union with reasons and with a minimum of thirty (30) days' notice prior to contracting out work or services performed by members of the bargaining unit if such contracting out will cause the layoff or termination of permanent, full-time employees.

#### **CUPE 109, City of Kingston – ON 2011-2013**

##### **Memorandum of understanding**

The Employer and the Union agree to the following:

1. Except in case of an emergency, the Employer agrees to notify the Union in writing ninety (90) calendar days in advance of any additional contracting-out of work normally performed by



the Employees of the Bargaining Unit other than Work that is presently contracted out.

2. The Employer shall set up a meeting with the Union within five (5) working days of delivery of written notification to the Union of its intention to contract out or privatize the Work. At that meeting, the Employer shall identify the Work to be contracted out and the reasons that have led to the decision to recommend the contracting out of the Work.
3. During the meeting, the Employer agrees to provide all information to the Union including costs, and any other relevant information. The Union acknowledges that information provided by the Employer may be confidential and the Union agrees that it will maintain the confidentiality of that information and not disclose it to any person other than a member of the Union Executive. Following receipt of the information, the Union may make a submission or provide comments on the Employer's plan to the appropriate Commissioner within forty-five (45) days of delivery of the Employer's information. The Commissioner will give due consideration to the Union's submission before making a final decision as to whether or not such work will be contracted out.
4. If the contracting out of work normally performed by Employees of the Bargaining Unit would result in the reduction of full time employees in the Bargaining Unit, the final decision as to whether or not such work will be contracted out shall be made by the Employer's City Council.

## POST-SECONDARY SECTOR

### CUPE 1356, York University, Custodial/Trades – ON 2011-2014

- 25.08 The parties recognize that the University contracts out bargaining unit work on occasion. It is agreed that no current bargaining unit member shall be placed on layoff or have their classification reduced as a result of such practise. Further, it is not the intent of the University to use this practise to limit increases to the bargaining unit when such increase is appropriate and economically and operationally feasible. The

University agrees to notify the Union at least two (2) weeks in advance of contracting out work normally performed by bargaining members except in cases of emergency where such notice would not be possible.

**CUPE 917, University of Victoria – BC  
2010-2014**

31.02 The University shall annually notify the Union of contracted out services which are within the scope of the jobs performed in University service departments by regular members of the bargaining unit and provide the Union with the opportunity to present alternatives. The University shall meet quarterly with the Union to review contracting out decisions and shall review contracting in issues pursuant to the Letter of Agreement.

**Letter of Agreement #15**

Contracting in

January 27, 1998

Minor capital work is funded on an annual basis by the Provincial Government. Provided the Government continues to fund this work at its current level, commencing with the 1998/99 fiscal year, and for the duration of this agreement, the University agrees to establish a minimum of one (1) additional FTE (annualized) of bargaining unit work over and above the regular staff complement that would otherwise exist at that time in Facilities Management. The justification for the position, and its primary focus will be minor capital work.

The one (1) FTE may take the form of one or several positions, and may be compressed or distributed evenly over the fiscal year. The one (1) FTE may be filled as a temporary with appointment, a temporary without appointment or combination of the two (2) types of appointment.

This Letter of Agreement shall not be used by either party to interpret or define what constitutes bargaining unit work.

## SCHOOL BOARD SECTOR

### CUPE 1571, York Catholic District School Board – ON 2012-2014

#### Letter of Understanding Contracting out

The parties agree to the following understandings regarding contracting out:

YCDSB is committed to open communication and a transparent process in regards to the contracting out of work that may be considered bargaining unit work. No bargaining unit work shall be contracted out without prior notice given to the union unless it is an emergency situation.

The use of contracted service providers shall be discussed with the union at the regular joint workload committee meetings during the term of the 2008-2012 collective agreement.

### CUPE 1011, Halton District School Board – ON 2012-2014

#### Letter of Agreement Contracting out

In conjunction with Article 7, Clause 7.06 the undersigned representatives of both the Board and the Union agree to the following:

The Board agrees that it will discuss with the Union, any future changes to the current practice of contracting out that would affect CUPE Local 1011 members before any final decision is made by the Board. These discussions will take place through a joint committee comprised of three (3) representatives of the Board and three (3) representatives of the Union, plus appropriate resources. Both parties agree that they will evaluate the viability of any suggestions made by the committee. The suggestions of this committee will be considered by the Board before any final decision is made by the Board.



## **PREVENTING PRIVATIZATION: LANGUAGE ON CONTRACTING OUT**

Contracting out language can range from placing obstacles in the way of privatization to an all-out ban. Bargaining committees should review their current language, analyze any grievances lost due to weak contracting out language and develop proposals to strengthen the language.

Language on contracting out tends to be defensive, placing restrictions on the employer – such as protecting members against layoff due to contracting out. However, bargaining units can also shrink through attrition if the local's work and number of bargaining unit positions are not protected. Contract language should require that employers hire new workers instead of contracting out when members resign or retire. When contracting out goes ahead, the contractor should be obliged to observe the same terms and conditions as the collective agreement that covered the workers before privatization. Contracting out language can include:

- A total prohibition against contracting out under any circumstances.
- Restrictions or conditions on contracting out work normally performed by CUPE members. The following list ranks contracting out restrictions from most to least effective:
  - a) No contracting out except in an emergency situation where no members are available to perform the work.
  - b) No contracting out if it reduces the hours of any bargaining unit position
  - c) No contracting out if it reduces the number of bargaining unit positions
  - d) No contracting out if it results in a layoff of any members
  - e) No contracting out if it results in a layoff of members who were employed as of a certain date or with a certain amount of seniority. (For example, no contracting out if it results in the layoff of a member with five years or more seniority).
  - f) No contracting out if there are members on a layoff recall list who can perform the work.
- Provisions requiring a successor employer or contractor to honour existing collective agreements ("successor rights").
- Provisions that there will be no contracting out beyond the current practice.
- Provisions that require union agreement for the use of volunteers, co-op students or people on work-for-welfare placements doing work of the bargaining unit.

## **SAMPLE LANGUAGE – CONTRACTING OUT**

### **HEALTH SECTOR**

#### **CUPE 1252, New Brunswick Council of Hospital Unions – NB 2013-2015**

- 12.01 No employee as described in Article 2.02 shall be laid off or suffer a reduction in pay or have his hours of work reduced as a result of the Employer contracting out, subcontracting, transferring, leasing or assigning any work or services of the bargaining unit, except in emergency situations.

#### **Ontario Council of Hospital Unions Full Time Agreement 2013-2017**

- 10.01 The Hospital shall not contract out any work usually performed by members of the bargaining unit if, as a result of such contracting out, a layoff of any employees other than casual part-time employees results from such contracting out.
- 10.02 Notwithstanding the foregoing, the hospital may contract out work usually performed by members of the bargaining unit without such contracting out constituting a breach of this provision if the hospital provides in its commercial arrangement contracting out the work that the contractor to whom the work is being contracted, and that any subsequent such contractor, agrees:
  - (1) to employ the employees thus displaced from the hospital; and
  - (2) in doing so to stand, with respect to that work, in the place of the hospital's collective agreement with the union, and to execute into an agreement with the Union to that effect. In order to ensure compliance with this provision, the hospital agrees that it will withdraw the work from any contractor who has failed to meet the aforesaid terms of the contracting-out arrangement.

**CUPE 3564, Robertson House Retirement Living (Revera) – ON  
2011-2013**

- 3.06 The Employer shall not contract out any work regularly performed by members of the bargaining unit which shall cause a layoff or reduction of hours of any bargaining unit employee.

**SOCIAL SERVICES SECTOR**

**CUPE 523, 1936 and 3999 – Community Social Services Employers Association (CSSEA) – BC  
2014-2019**

- 28.6 The Employer shall not contract out bargaining unit work that will result in the layoff of employees

**CUPE 2484, Toronto-area child care workers – ON  
2012-2013**

- 27.01 In order to provide job security for the members of the bargaining unit, the Employer agrees that all work or services performed by the employees shall not be subcontracted, leased, assigned or conveyed, in whole or in part, to any other person, company or non-unit employee, including workfare participants.

**CUPE 3223, Durham Region Children's Aid Society – ON  
2011-2015**

Article 32 Technological Change and Contracting Out

- 32.01 For the purposes of this article "Technological Change" means the introduction of computer equipment different in nature or type from that currently utilized, a change, related to the introduction of this equipment, in the manner in which the employer carries on his operations affecting one or more employees.

The Society shall retain the responsibility and the right to determine the methods through which services are provided. The Employer will undertake to keep the Union apprised of any technological changes and to consult with the Union regarding the potential impact of such technological changes.

In the event that an employee with three (3) or more years service is displaced from his/her job by technological change and/or contracting out, the Society will take one or a combination of the following actions:

- a) Relocate the employee in another job in his/her area of competency, if such is available within the Society. Such relocation will be pursuant to Article 17.
- b)
  - (i) For Employees with three (3) years of service and less than ten (10) years of service, if (a) is not possible, but a position is available for which the employee could be retrained within a period of six (6) months, assume responsibility for the retraining of the employee. Such time spent in retraining shall be considered time worked. The employee shall not be paid for retraining in excess of his/her normal hours of work.
  - (ii) For Employees with ten (10) or more years of service, if (a) is not possible, but a position is available for which the employee could be retrained within a period of twelve (12) months, assume responsibility for the retraining of the employee. Such time spent in retraining shall be considered time worked. The employee shall not be paid for retraining in excess of his/her normal hours of work.
- c) If one of the foregoing actions is unattainable, and it is necessary to terminate the employment of the employee, provide him/her with six (6) months' notice of termination and provide him/her with a separation settlement of one (1) week's salary per year of service.

32.02 The Society shall provide all affected employees with the necessary skill training if computers or other technological equipment becomes a requirement of his/her job.

32.03 Any position(s) created as a result of technological change shall not be posted or filled until such time as the Employer has explored with the displaced employee(s) referred to in article 32.01 whether the displaced employee could be retrained for the newly created position in accordance with Article 32.01.

## MUNICIPAL SECTOR

### CUPE 745, Town of the Pas – MB 2011-2014

#### 28.01 Restrictions on Contracting Out

The Employer agrees that it is preferable to have bargaining unit work performed by Employees in permanent jobs. The Employer therefore agrees that it will not contract out work without considering the following and will notify the Union, in writing, prior to any contracting out taking place.

Contracting out will not take place when the following conditions can be satisfied:

- a) In the opinion of the Employer, the skills and equipment required to perform the work are available within the organization in sufficient quantity and quality to meet the time and cost parameters offered by a Contractor, and
- b) The skills and equipment available within the organization can be so re-allocated without undue interruption to other regularly required or scheduled work.

No employee, within the bargaining unit, shall be terminated or laid off as a result of any work being contracted out.

### CUPE 1002, City of Portage La Prairie – MB 2011-2013

- 23.01 Should the Employer contract out work, no permanent or temporary employee will be terminated, laid-off, or have their work day or work week reduced as a result of contracting out.



**CUPE 5167, City of Hamilton – ON  
2011-2014**

- 22.1 No Bargaining Unit Employee shall be laid off or terminated as a result of the Employer contracting out any of its work or services.
- 22.2 Prior to contracting out work now performed by the bargaining unit, or where the Employer introduces technological change which affects the wages or employment status of an Employee, not less than ninety (90) days prior to the introduction of the change, the Employer shall, by written notice, furnish the Union with all information in its possession of the planned change or changes. Such notice shall contain the information known to the Employer respecting the nature and degree of change, date or dates on which the Employer plans to effect the change, and location or locations involved. This is to allow the union to make any representations it wishes.

Following the said disclosure, representatives of the parties will meet for the purpose of engaging in discussions with a view to resolving any issue that may relate to the adverse affects noted above.

**CUPE 2012, City of Terrace – BC  
2010-2012**

16.01 Restrictions on Contracting Out

In order to provide job security for the members of the bargaining unit, the City agrees that all work or services normally performed by the employees shall not be sub contracted, transferred, leased or conveyed, subject to the following:

1. The employees are qualified to perform the work.
2. The equipment necessary to perform the work is available.
3. The work can be completed in the time available as governed by seasonal conditions.
4. The work can be performed by the City to the economic advantage of the City.

## POST-SECONDARY SECTOR

### CUPE 116, University of British Columbia – BC 2010-2014

#### 24.03 Contracting Out

It is agreed between the parties that this Article shall prevail over other provisions or articles of the Collective Agreement, Letters of Understanding, any other ancillary documents, or practices.

The University shall not contract out services or work where the University has employees that normally provide the work or services, except in the following circumstances:

1. The University does not have the equipment necessary to provide the required work.
2. The University does not have employees who regularly perform such work or are skilled in such work and where such jobs will not be required on a continuing basis in the future.
3. Emergency situations.

In the above noted circumstances, no employee shall be laid off, suffer a reduction in classification, or have recall withheld because of contracting out.

Where the University is considering contracting out work or services, the University will consult with the Union before calling for tenders or awarding contracts. The consultation process shall be governed by the Letter of Understanding: Contracting out of the Collective Agreement.

The university shall provide the union with a copy of the Notification of Project form for all projects undertaken by Project Services or the Construction Office

Notwithstanding the above, the University may contract out renovation, maintenance, repair or construction project work valued at fifty thousand dollars (\$50,000.00) or more. For the purposes of determining total project value, the costs of material, labour, and

administrative costs will be included in the total. Employees affected by this provision shall be assigned other work in their current classification at their current rate of pay. Once these assignments have taken place, priority may be given to filling future vacancies in the same classifications with individuals affected by this provision.

Any posting or seniority requirements under the Collective Agreement may be waived in order to place an employee into a vacancy. It is also understood by the parties that the positions affected by this provision shall be reduced through attrition.

**CUPE 1356, York University, Custodial/Trades – ON  
2011-2014**

25.08 The parties recognize that the University contracts out bargaining unit work on occasion. It is agreed that no current bargaining unit member shall be placed on layoff or have their classification reduced as a result of such practise. Further, it is not the intent of the University to use this practise to limit increases to the bargaining unit when such increase is appropriate and economically and operationally feasible. The University agrees to notify the Union at least two (2) weeks in advance of contracting-out work normally performed by bargaining members except in cases of emergency where such notice would not be possible.

**SCHOOL BOARD SECTOR**

**CUPE 801, Sunshine Coast School District #46 – BC  
2014-2019**

- 4.03 (d) No employee in the bargaining unit shall be laid off or suffer a loss of hours of work or pay as a result of the contracting out of bargaining unit work.
- (e) In order to provide job security for the members of the bargaining unit, the employer agrees that all work or services performed by the employees shall not be subcontracted, transferred, leased, assigned, or conveyed, in whole or in part, to any other plant, person, company or non-unit employee, unless mutually agreed to.

6.05 Lease-back Schools

The Board agrees that it will not enter into any lease agreement to construct a new school that would include, as part of the lease arrangement, the performance of services of the nature currently performed by employees in the classifications covered by this agreement in any of the Board's schools or buildings.

6.06 In order to provide job security for the current members of the bargaining unit, the Board agrees that all work or services which are currently performed by bargaining unit employees shall not be subcontracted, transferred, leased, assigned, conveyed, privatized, in whole or in part, to any other plant, person, company, or non-bargaining unit employee. This paragraph will not operate so as to prohibit the contracting out of work or services of the same type performed by the current bargaining unit employees provided:

- (a) That such contracting out is in addition to the continued work of bargaining unit members;
- (b) That such contracting out is restricted to periods of peak demands.

Notwithstanding the provisions above the Board may contract out any construction, alteration repair, or demolition of buildings, structures, or other facilities of the Board where a General Contractor is engaged or where the work to be performed is beyond the capability of the Board's internal resources in terms of tools, equipment, and human resources, etc.

6.07 The Board and the Union agree that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review to determine which work and services might be performed by members of the bargaining unit (contracting in).

6.05 Lease-back Schools

The Board agrees that it will not enter into any lease agreement to construct a new school that would include, as part of the lease arrangement, the performance of services of the nature currently performed by employees in the classifications covered by this agreement in any of the Board's schools or buildings.

6.06 The Board agrees that no employee in the bargaining unit shall be laid off or have their regular hours of work reduced as a result of bargaining unit work being performed by persons whose regular job is not in the bargaining unit, as a result of contracting out, or as a result of the use of volunteers.

The regular hours of work for a position occupied by an employee referred to above shall be the hours in effect as at the ratification date of this Agreement. Regular hours for positions created during the term of this Agreement shall be those established on the posting.

6.07 In order to provide job security for the current members of the bargaining unit, the Employer agrees that all work or services which are currently performed by bargaining unit employees shall not be subcontracted, transferred, leased, assigned, or conveyed, privatized, in whole or in part to any other plant, person, company, or non-bargaining unit employee. The foregoing will not operate so as to prohibit the contracting out of work or services of the same type performed by the bargaining unit members, provided that such contracting out is in addition to the continued work of the bargaining unit members or is restricted to periods of peak demands.

The Employer agrees that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review to determine which work and services might be performed by members of the bargaining unit (contracting in).

6.08 Both Parties recognize the value and contributions of volunteers and co-op students and the desirability of their participation in appropriate activities.

Both Parties agree that co-op students may perform bargaining unit work when their assignment is in addition to the members of the bargaining unit from the classification to which the work normally belongs.

Both Parties agree that volunteers may be utilized in accordance with historical practices. Concerns relating to the use of volunteers will be promptly examined by the Parties whom shall attempt to resolve the issue by consensus prior to referral to the grievance procedure.

No other persons not in the bargaining unit shall work on any jobs in the bargaining unit except in cases agreed to by the Union.

The Board and the Union agree that the Board shall not enter into any formal or informal agreements with any level of government or agency thereof that provide additional human resources, without the consent of the Union, which will not be unreasonably withheld.

- 6.09 No bargaining unit work shall be done under the auspices of an "Ontario Works" (Workfare) or similar program without the written consent of the Union.



## **REVERSING PRIVATIZATION: LANGUAGE ON CONTRACTING IN**

Contracting work back in house is as important as fighting privatization. There are several ways of tackling this through collective bargaining. The most common approach is to get the employer's commitment to meet with the union, review current services that are contracted out, and contract them back in. This language can be negotiated:

- as a subsection to expand the scope (or bargaining unit recognition) clause to include a new or expanded facility or service;
- as part of a job security or contracting out clause;
- as a letter of intent or understanding that brings work in house; or
- by introducing a new shift, classification or an additional number of members who will perform contracted in work.

### **SAMPLE LANGUAGE – CONTRACTING IN PROVISIONS**

#### **MUNICIPAL SECTOR**

**CUPE 4705-02, City of Sudbury – ON  
2010-2013**

##### **Letter of Commitment**

LC:17 Contracting in Process

The Parties are committed to creating the conditions for reducing the amount of operating work in the scope of positions in the bargaining unit currently performed by outside contractors. It is agreed that there are circumstances where work is currently being performed by contractors that could be performed more effectively and at a lower cost by CGS [City of Greater Sudbury] Employees.

The Parties will meet, not later than December 31st, 2010 to evaluate priority operating projects currently being performed by contractors which could result in increased efficiency and decreased cost to the Employer. The Employer will notify the Union of the expiry of these priority contracts no later than two (2)

months prior to their expiry. The Parties will meet to evaluate the potential for CGS Employees to perform the work of these priority contracts and set targets for the amounts of work that could be contracted in.

It is agreed that a current priority is to displace outside contractors performing the work of excavation for system repair in the Distribution Collection area (e.g. water/sewer main repair). The Employer will provide information about the scope and costs of this work for comparative purposes to aid in this discussion. Representatives of the Local Union and the Employer will meet to discuss measures aimed at reducing the percentage of work performed by external contractors. One of these measures will be increasing the amount of work performed on shifts other than dayshift, subject to mutual agreement of the Parties. The target for implementation of these measures is December 31st, 2010.

## HEALTH SECTOR

### Ontario Council of Hospital Unions Full-Time Agreement 2013-2017

#### 10.03 Contracting In

Further to Article 9.08(d) (i) (1) the parties agree that the Redeployment Committee will immediately undertake a review of any existing sub-contract work which would otherwise be bargaining unit work and which may be subject to expiry and open for renegotiation within six (6) months with a view to assessing the practicality and cost-effectiveness of having such work performed within the Hospital by members of the bargaining unit

## POST-SECONDARY SECTOR

### CUPE 917, University of Victoria – BC 2010-2014

31.01 The University will not contract out bargaining unit work, presently performed by members of the bargaining unit, which will result in the layoff or termination of any regular employee.

31.02 (a) The University shall annually notify the Union of contracted-out services which are within the scope of the jobs performed



in University service departments by regular members of the bargaining unit and provide the Union with the opportunity to present alternatives. The University shall meet quarterly with the Union to review contracting out decisions and shall review contracting in issues pursuant to the Letter of Agreement.

**Letter of Agreement #15**  
Contracting in

January 27, 1998

Minor capital work is funded on an annual basis by the Provincial Government. Provided the Government continues to fund this work at its current level, commencing with the 1998/99 fiscal year, and for the duration of this agreement, the University agrees to establish a minimum of one (1) additional FTE (annualized) of bargaining unit work over and above the regular staff complement that would otherwise exist at that time in Facilities Management. The justification for the position, and its primary focus will be minor capital work.

The one (1) FTE may take the form of one or several positions, and may be compressed or distributed evenly over the fiscal year. The one (1) FTE may be filled as a temporary with appointment, a temporary without appointment or combination of the two (2) types of appointment.

This Letter of Agreement shall not be used by either party to interpret or define what constitutes bargaining unit work.

**CUPE 1356, York University, Custodial/Trades – ON**  
**2011-2014**

**Letter of Understanding**  
Staffing of Newly Owned University Buildings

The University agrees that newly owned University buildings for which an occupancy permit has been received during the term of the collective agreement ("new buildings") will be covered by the certificates issued by the Ontario Labour Relations Board dated March 1, 1971 and August 19, 1998.

The Union agrees that, in staffing the new buildings, new classifications may be created for bargaining unit positions. Wages for these new classifications may be different than the wages for any classifications outside of the new buildings in accordance with Article 23.04.

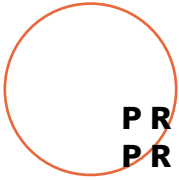
The Union agrees that the University has the right to contract with outside firms to manage University facilities and that these firms will have all the rights of the University under the terms of the Collective Agreement to manage.

## SCHOOL BOARD SECTOR

### CUPE 1022, Hastings and Prince Edward District School Board No. 29 – ON 2012-2014

6.07 In order to provide job security for the current members of the bargaining unit, the Employer agrees that all work or services which are currently performed by bargaining unit employees shall not be sub-contracted, transferred, leased, assigned, or conveyed, privatized, in whole or in part to any other plant, person, company, or non-bargaining unit employee. The foregoing will not operate so as to prohibit the contracting out of work or services of the same type performed by the bargaining unit members, provided that such contracting out is in addition to the continued work of the bargaining unit members or is restricted to periods of peak demands.

The Employer agrees that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review to determine which work and services might be performed by members of the bargaining unit (contracting in).



## **PROTECTING BENEFITS FROM PRIVATIZATION OR DELISTING**

Locals preparing for collective bargaining should review benefit coverage for services that have been privatized or delisted. This includes government-provided services such as workers' compensation, and extended health benefits such as vision or PSA tests, physiotherapy and chiropractic care.

As public benefits are eroded, benefit coverage reverts to becoming a collective bargaining issue for employer-paid or co-paid insurance coverage that can be costly for employers and members. For example, in 2007 U.S. employers were paying 18.7 per cent of payroll on health, dental, short-term and long-term disability coverage. In comparison, Canadian employers were paying 11 per cent for the same level of coverage.

Services such as physiotherapy or occupational therapy that were provided in hospitals are often now in private clinics and require the extended benefit coverage that usually comes with a collective agreement.

Universal coverage is the most efficient, equitable and effective way to provide health care benefits.

Depending on how benefits are referred to in your agreement – either as an article or an appendix – locals should negotiate language requiring the employer to cover or arrange coverage if government-provided services are delisted. If a government resumes coverage of delisted benefits, language can be negotiated to prevent duplication.

While we negotiate good benefit coverage for our members, we also need to participate in the fight for the expansion of our public health care system to cover prescribed drugs. A universal public prescription drug plan would save Canadians up to \$10.7 billion a year, or 43 per cent of our prescription drug bill.

## **SAMPLE LANGUAGE – PROTECTING BENEFITS FROM PRIVATIZATION OR DELISTING**

### **MUNICIPAL/SOCIAL SERVICES SECTOR**

#### **CUPE 3899, Hamilton Wentworth Children's Aid Society – ON 2012-2016**

Workers Safety & Insurance Board

- 18.06 (b) Should W.S.I.B. be privatized, the Employer shall arrange insurance coverage for workplace injuries and occupational diseases at the Employer's expense.

#### **CUPE 1766, Haldimand Norfolk Children's Aid Society – ON 2011-2015**

Benefits (*note: the language below anticipates delisted services being reinstated by government*)

- 25.02 The Employer agrees to pay 100% of the premium costs for the following benefits for each eligible employee and eligible dependents of employees. All benefits will be subject to the terms and conditions of the governing master insurance policy. Eligible employees are those who have been continuously employed by the Employer in a permanent position for 6 months. The parties agree that the reinstatement of any benefit delisted by the government from the provincial health insurance plan will not result in the duplication of coverage for services under the extended health care plan

## MUNICIPAL SECTOR

### CUPE 905, Town of Markham – ON 2010-2013

#### Memorandum of Agreement Health and Welfare benefits

##### 1. Delisted OHIP items

The Parties agree that the Extended Health Care Plan will be amended to reflect that the delisted OHIP items (Physiotherapy, Chiropractic, and Optometrist examinations), delisted in 2004 will be covered by the plan to the extent formerly covered by OHIP before they were delisted.

## POST-SECONDARY SECTOR

### CUPE 1004, Staff of the Faculty Association of the College of New Caledonia – BC 2009-2011

#### Appendix C - Benefits (Excerpt)

##### Extended Health Care

- 80% reimbursement of eligible expenses after a \$25 annual deductible per family
- \$300 Vision Care payable annually
- Hearing Aids to a maximum of \$600 every four years
- Charges for nicotine patch treatment
- Visits to registered psychologists to a maximum of \$500/year or '10 sessions whichever is the greater (Subject to Carrier availability)
- A Blue Net Card
- Coverage for all eligible drugs
- **Coverage for all Medical Services Plan Delisted Services**  
[emphasis added]



## CONCLUSION

Collective bargaining is a powerful tool to fight privatization and protect public services. It truly is the first line of defence against the many forms of privatization that CUPE members face.

Defending and enforcing contracts in between rounds of bargaining is just as important as winning strong collective agreement language. Members must be on the lookout every day, administering their collective agreement to ensure the language in their contract is implemented in their workplace, and filing grievances when there are violations. Stewards play a key role in defending agreements by communicating with local leaders about threats to their contract and ways to strengthen it.

There is growing coordination among employers – with government support – to seek concessions from workers. This calls for a united and strategic response. Coordinating and centralizing bargaining structures are powerful strategies to increase CUPE's bargaining strength to win better contract protections against privatization.

CUPE's new national sector council is an opportunity for members to share their expertise and experience at the bargaining table. The council is a forum to discuss bargaining and share strategies and information within sectors, and nationally. It will also provide more bargaining education and local development to make our members better negotiators. The national sector council, regional sectoral conferences, and bargaining schools are all important events that bring members together to develop common plans for improving their bargaining strength.

Finally, the strongest contract is one that has community support. CUPE members must continue to build a culture of member political engagement, participating in campaigns with community allies to defend and promote public services and building coalitions. This approach builds the solidarity CUPE members need when they mobilize to use their collective agreements to fight privatization.



