

(Translation of the Syndicat des Communications de Radio-Canada release sent to its membership on January 10, 2020)



Misappropriation of our money on the horizon

(Montreal, January 10th, 2020) The Canadian Broadcasting Corporation is preparing to divert millions of dollars in wages belonging to its employees. This is the cumulative 0.1% withdrawn from our wage increases between 2009 and 2019 and used to create a contingency fund (Article 64 of our current Agreement). This fund was meant to reimburse CBC/Radio-Canada for any increases in the cost of health insurance in excess of 4%.

The total sum of the 0.1% conceded over the 10-year period is equivalent to just over 1.1% of our salary in 2020, and represents, according to CBC figures, close to \$8.5 million. That is what all the CBC union members, from the Atlantic to the Pacific, would pay if we were to continue to grow this fund. The CBC is offering us a barter: we accept its requests in exchange for the suspension of the 0.1% contribution retroactively to January 1st, 2020, which equates to \$1.5 million for all unions.

Therefore, we could have a wage increase of 1.5% instead of 1.4% in 2020. But the CBC refuses to add to our pay scales the 0.1% collected over the past ten years; which is equivalent to the \$7 million it is about to divert this year for its benefit and for years to come. Until it gives us our due, the \$7 million will increase the CBC's financial resources.

As a reminder, the Health Care Fund was created following an agreement signed in May 2009 by all unions (except the former SCRC). At the time, the CBC's actuaries were anticipating an explosion in drug prices. The [Memorandum of Agreement relating to surplus sharing under the Canadian Broadcasting Corporation Pension Plan and to cost management under the Canadian Broadcasting Corporation Supplementary Health Care Plan](#) (the MOA) provides for the payment by all employees of 0.1% of their annual wage increase for every year between 2010 and 2019.

As for the members of the former SCRC, this drawdown was negotiated separately, and the accumulated amounts are the subject of separate accounting. For the time being, the employer still refuses to confirm that the SCRC is a recognized signatory of the MOA.

Ten years later, the anticipated catastrophic scenario did not occur. As a result, the CBC never needed the money and we can now count on a contingency fund of more than \$40 million! If the expected scenario had materialized, the fund would now be estimated at \$250,000. We therefore find ourselves in a clearly advantageous situation as scenarios of cost increases are once again on the horizon. The accumulated money is ours. The Canadian Broadcasting Corporation did not invest a penny into the fund. There is no question of using that money for other purposes. This small fortune must be used for its primary objective: to finance cost increases above the 4% inflation rate, if this were to be the case.

The MOA provides for a review every 10 years, beginning in 2019. We have been involved in this process since June 2019: 10 meetings with very little results, except for this announced theft. The CBC claims that the MOA expired on December 31st, 2019, which we dispute. It also states that it does not intend to adjust our pay scales to include the cumulative 0.1% subtracted from our wage increases over the past 10 years.

Shortly before Christmas, we were presented with an ultimatum. We are given until March 31st to comply with the dictates of the CBC. For their part, the Unions believe that the CBC must comply with four conditions as part of the MOA review exercise.

1. Recognition that the MOA signed in 2009 has no expiry date.
2. Suspension of the 0.1% contribution.
3. Adjustment in the pay scales of approximately 1.1% retroactively to January 1st, 2020.
4. Recognition of the SCRC as a recognized signatory of the MOA.

As a matter of fact, despite the 2015 merger of the Unions, the CBC does not recognize the new SCRC as a signatory to the MOA. However, most of its members were past members of two unions that signed the MOA in 2009. This attitude of our employer shows a deep contempt for all parties to the Agreement. This attitude has been condemned by all unions and by the CBC Pensioners National Association.

First and foremost, we must defeat what is shaping up to be an outright diversion from wage increases negotiated with the CBC over time. The Corporation must, retroactively to January 1st, adjust salaries by adding to our pay scales the cumulative 0.1% that was granted and paid between 2009 and 2019 to create the Health Care Fund. Acting like a bad prestidigitator, the CBC is trying to make us believe that the accumulated millions of dollars do not exist. This amount is reported in a chart provided by the employer.

This issue concerns all members of our union who at one point or another are recipients of the benefits negotiated with the CBC. It is a significant part of our overall compensation package and we will not let the CBC dispose of it without our say-so.

Pierre Tousignant, President

Syndicat des communications de Radio-Canada (FNC-CSN)

(Document translated by the PNA)