



LRB File No. 001-20

FORM 18
[Section 20]

REPLY

RE APPLICATION BY SASKATCHEWAN POLYTECHNIC FACULTY ASSOCIATION (SPFA)
(state here name of applicant)DATED THE 7th DAY OF JANUARY, 20 20 TO THE LABOUR RELATIONS BOARDFOR AN ORDER determining whether a contravention of The Saskatchewan Employment Act is being and/or has been engaged in by the union designated in paragraph 2 of this application and requiring the union to comply with its obligations contained in The Saskatchewan Employment Act
(here state briefly as to order applied for e.g. "for certification")1. This reply is made by SASKATCHEWAN POLYTECHNIC

(name; if partnership, give names and addresses of all partners)

of <u>400 – 119 4th Avenue South</u>	<u>Saskatoon SK</u>	<u>S7K 5X2</u>	<u>306-659-3816</u>	<u>306-659-3928</u>
<i>no. street</i>	<i>city/town province</i>	<i>postal code</i>	<i>telephone</i>	<i>fax</i>

Email Address: soanesd@saskpolytech.ca

2. With respect to the application, the following statements are specifically admitted:

4(a), 4(b)

3. The following statements are specifically denied:

All statements in the Application are specifically denied except as expressly admitted herein.

4. The following statements are specifically commented on:

The Employer has the following comments on section 4 of the application generally:(i) The Employer considers this to be a dispute between the two bargaining units and takes no position as to the applicability of section 6-104 of The Saskatchewan Employment Act;(ii) The Employer is not claiming any portion of the surplus; and(iii) If the Board decides to divide the Plan, the Employer makes the following specific comments:

4(g): The Plan and its contribution levels are the result of collective bargaining, therefore any award providing for the division of the plan and its surplus should be consistent with the bargained terms, including contribution rates.

5(b): The Employer does not claim any part of the Plan surplus.

5(c): Any division of the Plan assets and surplus should not leave either bargaining units' employees in a deficit position and should allocate sufficient resources to both plans to allow time for the Employer and the bargaining units to individually negotiate over the appropriate contribution rates and terms for the separated plans.

5. The following is a concise statement of the material facts which are intended to be relied upon in support of this reply:

See Appendix "A".


I, the undersigned, solemnly declare that the submissions set forth above, are, in so far as they are matters of fact, true to the best of my information, knowledge and belief, and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

DECLARED before me at Saskatoon

Saskatchewan, this 21st

day of January, 20 20



Notary Public, Justice of the Peace or Commissioner for
Oaths for Saskatchewan

~~My Commission Expires:~~

Being a Solicitor



(signature)

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the reply is made by a union, labour organization or employer, please indicate the name, address and contact information of the individual swearing the document.

Name: Don Soanes

Position Held: Director, Employee Relations

Address: 400 – 119 4th Avenue South Saskatoon SK S7K 5X2
no. street city/town province postal code

Telephone: 306-659-3816

Email address: soanesd@saskpolytech.ca

If the applicant is represented by legal counsel, please also indicate the name and address for service of your lawyer.

Lawyer: McKercher LLP Attention: David M.A. Stack, Q.C.

Address: 374 3rd Avenue South Saskatoon SK S7K 1M5
no. street city/town province postal code

Telephone: 306-664-1277

Email address: d.stack@mckercher.ca

APPENDIX "A"

1. Prior to 2012, in-scope employees of Saskatchewan Polytechnic ("SaskPoly") were represented by two bargaining units: the Academic Bargaining Unit and the Professional Services Bargaining Unit.
2. In the collective agreements reached for 1997-2000, SaskPoly (formerly, SIAST) and SGEU agreed to include an extended health benefits plan for employees as part of the collective agreements. A letter of understanding attached to the collective agreements specified that SaskPoly would annually contribute 1% of straight-time payroll to implement an extended health plan and costs in excess of this amount would be contributed through employee premiums.
3. In the round of bargaining for the 2000-2003 collective agreements, SaskPoly advised SGEU that the surplus in the extended health benefits plan was soon to be depleted and consulted with SGEU on how to manage the plan. Following negotiations, employee premiums were introduced on July 1, 2003.
4. During bargaining for the 2003-2006 collective agreements, SaskPoly and SGEU entered further negotiations with respect to the extended health benefits plan, with 2003-2006 agreements including an increase in SaskPoly's contribution to the extended health benefit plan to 1.5% of payroll, which also eliminated premiums directly from employees.
5. In 2012, the Saskatchewan Polytechnic Faculty Association ("SPFA") was certified and became the bargaining agent for SaskPoly employees who were formerly represented by the Saskatchewan Government Employees' Union ("SGEU") as the Academic Bargaining Unit. SaskPoly and the SPFA reached the first SPFA collective agreement on June 23, 2014, which provided that employees in this new bargaining unit would continue to participate in the extended health benefits plan and that any use of the surplus would require negotiation.
6. In 2016, the SPFA advised SaskPoly that it intended to separate from the SGEU Professional Services bargaining unit with respect to the extended health benefits plan. SaskPoly remained explicitly neutral on the matter and requested the SPFA reach an understanding with the SGEU Professional Services bargaining unit regarding their benefits plan independence. As at June 30, 2016, the health benefit plan had a surplus of over \$2.3 million. As such, SaskPoly also requested the SPFA work cooperatively with SGEU to discuss the plan surplus.
7. In October of 2017, the SPFA formally requested that SaskPoly take steps to separate SPFA members from the extended health benefits plan and establish a separate plan for SPFA members. In addition, the SPFA requested the full amount of the plan surplus be transferred to such plan.
8. In February of 2018, SaskPoly requested a meeting with officials of the SPFA and SGEU in order to discuss the extended health benefit plan, including the plan surplus. SaskPoly recommended all three parties meet to discuss the matter and made reference to a provision from both collective agreements: "If there is a surplus or deficit in the plan the parties shall jointly determine the course of action to deal with the situation."
9. A meeting was held in April of 2018 between officials from SaskPoly, SGEU and the SPFA regarding the joint extended health benefits plan. While the SPFA wished to separate from the SGEU plan, SGEU sought to retain the plan and adjust the plan.
10. Negotiations regarding the extended health benefits plan, including the plan surplus of approximately \$3 million, were undertaken in 2019, however the parties did not reach an agreement, as the unions were unable to agree on the division of the plan surplus.