RE: DM Briefing: Management Compensation & ONTC (Mar 20 TB/MBC Subs)

From:	"Liu, Mary (TBS)" <mary.liu@ontario.ca>
To:	"Angus, Helen (TBS)" <helen.angus@ontario.ca>
Cc:	"Skoberne, Vivienne (TBS)" <vivienne.skoberne@ontario.ca>, "Ue, Allison (TBS)" <allison.ue@ontario.ca>, "Hartog, Erika (TBS)" <erika.hartog@ontario.ca>
Date:	Tue, 13 Feb 2018 19:55:12 -0500
Attachments:	2 - TBMBC Submission Deck - March 20 2018 - 02122018 v18.pptx (254.4 kB); 2 - Submission Deck - ONTC Asset Transfer Designation in PSPP Feb 8.pptx (211.58 kB); BN - ONTC Risk Mitigation V2.doc (111.62 kB); DM Letter of Agreement.doc (202.24 kB)

Hi Helen,

Attached are the materials for the briefing tomorrow on two TB/MBC submissions that we have tracking to the March 20th date:

Non-Bargaining Employees Compensation

- This submission includes:
  - o Salary adjustments for Senior Actuaries to address market competitiveness. The compensation-related concerns for these positions were not addressed through MJEP because the salary range maximums for these positions already exceed those established for managers.
  - o Extending time-banking entitlements for SMG/ITX1 employees. The proposal is consistent with the direction received to extend the period in which a former SMG/ITX1 employee can time-bank to 2021, and to remove the 10 day annual cap in 2021.
  - o Reinstating short-term sickness plan (STSP) provisions to 26 weeks (from 17 weeks). The reduction in STSP weeks for non-bargaining employees has not generating the cost-savings that were anticipated, and has increased the employer costs under the federal EI premium rate program. The proposal is to reinstate the number of STSP weeks to 26 weeks, which would be consistent with other OPS employees, however would be contrary to the public messaging in 2014 about the cost-saving achieved as a result of the benefit changes.

ONTC Designation in the PSPP

- MNDM has requested that the ONTC pension plan be transferred to the PSPP to address the sustainability issues with their plan.
- Unlike the recent TVO pension submission, where they entered into a memorandum of settlement (MOS) with their unions to relinquish bargaining rights on pensions. ONTC has indicated that they are unwilling to approach their unions as it might jeopardize their support in joining the PSPP.
- MAG has flagged that there is significant constitutional risk that the ONTC unions will their rights to bargain pensions. To mitigate the risk, CPSLRC proposes that the DM, TBS enter into an agreement with DM, MNDM & CEO of ONTC to have them provide assurances to the Crown as an alternative to requesting an MOS from the unions. The letter with the terms of the 'agreement' is attached.
- I have flagged to CPSLRC that we have some concerns with this approach (i.e. can we enforce this DM-DM-CEO agreement, does this actually offer any protection), and have suggested that this be added to your 1:1 agenda with Reg tomorrow morning.

Please let me know if you have any questions.

Thanks,

Mary

-----Original Appointment-----
From: Hartog, Erika (TBS) **On Behalf Of** Angus, Helen (TBS)
Sent: February 12, 2018 11:53 AM
To: Angus, Helen (TBS); Pearson, Reg (TBS); Rondeau, Marc (TBS); Tsirtsimpis, Katerina (TBS); Lin, Kim (TBS); Skoberne, Vivienne (TBS); Ue, Allison (TBS); Liu, Mary (TBS); DiMuzio, Sofie (TBS); Miller, Amanda (TBS)
Cc: Vannelli, Michael (TBS); Marostica, Colleen (TBS); Harrigan, Edwin (TBS); Elstone, Karen (TBS)
Subject: DM Briefing: Management Compensation & ONTC (Mar 20 TB/MBC Subs)
When: February 14, 2018 1:00 PM-1:30 PM (UTC-05:00) Eastern Time (US & Canada).
Where: DM Boardroom, 5th Floor, Whitney Block, Room 5320