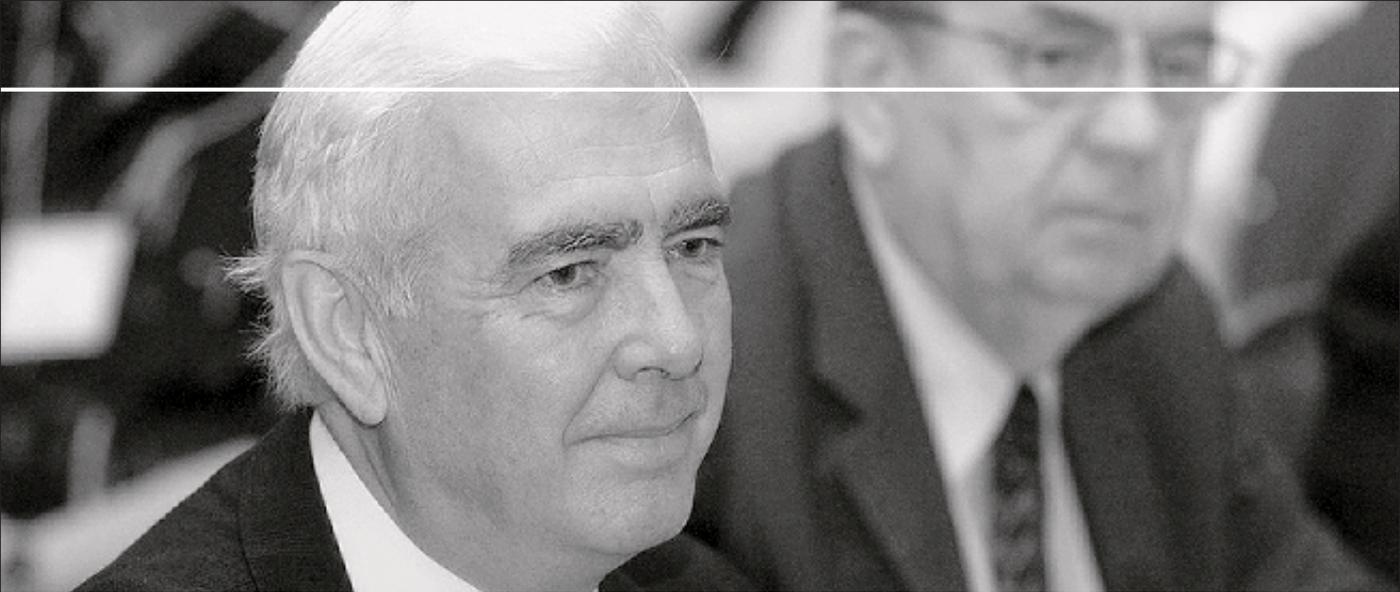


▼

Working towards long-term solutions



HEABC: The Organization and its Services

► THE HEALTH EMPLOYERS ASSOCIATION OF BC (HEABC) represents a diverse group of more than 300 publicly funded healthcare employers. HEABC was formed under the Public Sector Employers' Act in response to the Korbin Commission of Inquiry into the Public Service and Private Sector in British Columbia. The Commission outlined a process for creating a single organization to coordinate the human resource and labour relations interests of healthcare employers in the province. On December 1, 1993, HEABC took on this coordinating role through the amalgamation of the Continuing Care Employee Relations Association (CCERA), the Health Labour Relations Association (HLRA) and the labour relations division of the BC Association of Private Care (BC Pricare).

Since its formation, HEABC has continued to provide general and specific services in human resources and labour relations set out in the legislation:

- Contract Negotiations;
- Research and Strategic Planning for Healthcare Reform;
- Consultation, Coordination and Communication;
- Essential Services Designations, Labour Adjustment and Non-Contract / Executive Compensation; and,
- Human Resource Initiatives.

HEABC continues to progress, as changes and new challenges occur in the provincial health system with the organization focusing on:

- Working in partnership with other agencies and organizations in healthcare, government and the broader business community to further the interests of the HEABC membership. Staff or Board members presently sit on the Boards or relevant committees of more than 25 organizations;
- Providing services and advice on issues relating to human resources, research, compensation and bargaining, and working to ensure a consistent employer approach in these areas;
- Ensuring fiscal accountability;
- Providing effective management of human resources for both unionized and non-unionized staff;
- Physician, nurse, pharmacist and allied healthcare worker recruitment;
- Providing education seminars on issues relating to discipline, selection, grievances, attendance management, and occupational health & safety; and,
- Facilitating effective communication and coordination between employers and the various public sectors, and achieving a better balance of union/management and employer/employee interests.

HEABC has over 90 professional staff members working out of two offices in Vancouver and Victoria, who are dedicated to meeting the needs of its membership.

HEABC began the year with the responsibility to achieve successful long-term collective agreements with the five union bargaining associations before the March 31 deadline. Attaining this goal would provide for long-term stability and a sustainable healthcare system for employers, employees, and all British Columbians.

SUMMER 2005

Work begins to establish bargaining strategy and objectives. Five healthcare collective agreements will expire March 31, 2006: Community, Facilities, Nurses, Paramedicals, and Residents. These Five Collective Agreements represent over 103,000 healthcare employees working for 315 publicly funded BC health employers.

Message from the Board Chair

► MY FIRST YEAR AS HEABC BOARD CHAIR HAS CERTAINLY been a rewarding year of achievements, focusing of course on our successful round of bargaining at the five health sector tables.

It was an extremely busy time for HEABC staff and our members, as HEABC immediately began the preparation process for bargaining after our Annual General Meeting and Conference last June. HEABC consulted with members, established key goals to align with the Ministry of Health's goals, and outlined common table objectives as part of the bargaining preparation process.

On November 30, 2005, the Minister of Finance announced a new Negotiating Framework for public sector collective bargaining. A significant funding envelope was made available for the public sector that enabled us to engage the unions in a discussion about achieving collective agreements to ensure long-term stability. One of the challenges under this framework, however, was to bring together agreements before the March 31, 2006 deadline, allowing health sector employees to benefit from \$1 billion set aside for a one-time lump sum payment.

Even with these expedited and condensed timelines, HEABC successfully negotiated collective agreements with all five of its bargaining groups before the March 31 deadline. Bargaining took place over a short time period with negotiators spending long and intense hours at the bargaining table. It was a rewarding moment for myself and fellow board members when we received news of another signed tentative agreement.

On behalf of the Board, I would like to acknowledge and thank all members who volunteered their time and expertise to be on one of the Employer bargaining teams, as well as express our sincere thanks to HEABC negotiators and staff.

Another achievement last fall, stemming from last year's Annual General Meeting, was the establishment of an Ad-Hoc Affiliate Committee. This Committee was struck to consult with members regarding issues that directly affect our affiliate members. The Committee invited feedback from affiliates and the findings and its recommendations were released this spring. I am pleased to report that work has already begun on many initiatives and I want to thank all who participated in this process, as we received excellent feedback from many different members during the consultation process.

Looking forward and building further upon our organizational commitments and achievements, the HEABC Board annually determines key goals for the organization. These goals reflect HEABC's mission and values and outlines how the organization will continue to deliver outstanding member services. HEABC's Board of Directors has set out the following goals for 2006 – 2007:

GOAL 1

Excellence in labour relations

Priorities:

- Align all labour relations activities to support sustainable healthcare and improved health outcomes.
- Enhance LR relationships with unions and partners.
- Utilize collective bargaining to help control benefit costs.

GOAL 2

Contribute to sustainable human resources in healthcare

Priorities:

- ▶ Provide provincial coordination where needed and at the request of a stakeholder and overcome obstacles that prevent implementation of an updated management compensation plan that enables the health sector to attract and retain key personnel.
- ▶ Meet members' education needs as our resources permit and members require.
- ▶ Work to control benefit costs in collaboration with HBT, PSEC, health authorities and other agencies.

GOAL 3

Constructive relationships with members, government, unions and the public

Priorities:

- ▶ Continue a collaborative approach to bargaining (where appropriate) and evaluate its effectiveness.
- ▶ Develop appropriate strategies to address Affiliate concerns.
- ▶ Work with members to identify challenges and solutions in HR/LR and communicate with government and key audiences about these challenges and solutions.

GOAL 4

Operational excellence

Priorities:

- ▶ Update and revise (if necessary) HEABC's functions and organizational design.
- ▶ Ensure appropriate allocation of resources in alignment with HEABC's functions and organizational design.
- ▶ Operate within available funding.
- ▶ Effectively utilize staff and emphasize continuous development of staff and Board.
- ▶ Maximize data-driven decision making throughout the organization.
- ▶ Continue development of HR plan to improve recruitment, retention and succession, and maintain a positive work environment.

These goals are significant, and as I look forward to 2006/2007, I know both the Board of Directors and HEABC Staff will continue to engage members to deliver and accomplish these goals. Your continued support, illustrated by your participation in our AGM and Conferences, as well as our new electronic ratification process earlier this year is indicative of your continuous commitment to HEABC.



A handwritten signature in black ink that reads "Linda A. Petch". The signature is written in a cursive style.

Linda Petch
Board Chair

Message from the CEO

► 2005/2006 WAS A PRECEDENT SETTING YEAR IN LABOUR relations in the health sector and, indeed, throughout the entire public sector in British Columbia.

In late November 2005, the Minister of Finance released a new public sector negotiating framework which challenged us to achieve healthcare collective agreements for approximately 103,000 of the province's healthcare employees by March 31, 2006. For the first time in many years, all five of the healthcare collective agreements were delivered and tentatively signed by both parties in advance of the March 31, 2006 midnight deadline.

This successful end result was due to the following factors:

- ▶ The new public sector negotiating framework which provided for flexibility and stability for long-term agreements.
- ▶ The one-time lump sum signing bonus for tentative agreement contracts signed in advance of the March 31, 2006 midnight deadline.
- ▶ The very fact that there was a set deadline was helpful; and, not to be understated.
- ▶ The hard work, dedication and creativity of our employer negotiation teams and the relationships they had established over the last two years with their union counterparts.
- ▶ Extensive employer participation, both in advance of bargaining and during the bargaining process.

Over the last two years, close relationships have been established, and where trust did not exist, it began to develop between union and employer as we moved into this round of negotiations. This allowed frank and open discussions in advance and outside of the bargaining process and it culminated in a negotiated collective agreement with all five bargaining associations, with Paramedical Professionals signing the first tentative agreement on March 14, closely followed by the Facilities table on March 16. Community followed on March 25, with Nurses and Residents signing tentative agreements on March 31.

One tool in developing good relationships with our union counterparts was the policy discussions led by the Ministry of Health and in which HEABC participated. These discussions generated a number of neutral solutions to common problems.

Member support was also integral to the success of the ratification process. Initially all contracts had to be ratified in advance of March 31, and this unique situation made it necessary for the HEABC Board to call a special General Meeting to adopt an electronic voting process for contract ratification. This motion was overwhelmingly supported by members, and this support was reflected in member participation in the e-voting ratification process.

NOVEMBER 30, 2005

*Negotiating Framework
announced by Minister of
Finance, Hon. Carole Taylor,
outlining \$5.7 billion for
public sector agreements,
and introducing one-time
lump sum payment concept.*

Furthermore, Employer participation both in advance of bargaining and during the bargaining process allowed us to consolidate member feedback and focus on three overall objectives that reflect where we want to be heading in our health system, while aligning them with overall Ministry of Health goals. Simply put, these goals were:

- ▶ Making health workplaces desirable places to work;
- ▶ Contributing to sustainability of the health system; and,
- ▶ Targeting Compensation increases on solutions to HR challenges.

We were able to deliver on these goals at all of our tables, while continuing to provide affordable and sustainable collective agreements with our healthcare unions.

Looking back, it was certainly a whirlwind of negotiations for the first three months of 2006, resulting in all five agreements signed before the March 31 deadline. The success of these negotiations obviously originates with many of you who provided us with feedback on bargaining during our “Countdown to Negotiations” meetings last fall, working to prepare for essential services, as well as many of you who left family, friends and work responsibilities, to dedicate long hours to the bargaining process, participating on negotiation teams at the five tables.

In coming months, our HEABC team will be focused on the implementation of the five collective agreements, working closely with employers to ensure successful implementation.

I would like to take this opportunity to thank you for your ongoing support and commitment to HEABC. Our successful results this year would not have been realized without your support and participation in the bargaining process.

I would also like to take this time to thank the Board, my management team and all of HEABC’s staff who continue to provide me with outstanding support. I am looking forward to working with you over the next year to continue to provide excellence and leadership in healthcare labour relations and human resources.



A handwritten signature in cursive script, reading "Louise Simard".

Louise Simard
Chief Executive Officer

Member Services: Human Resources

EDUCATION

HEABC continues to provide industry education courses on topics related to human resources and labour relations with BC's health sector. In 2005, 538 participants attended 27 education courses. Topics included Discipline, Managing Grievances, Occupational Health & Safety, and others. Workshops and education courses were provided to members in various locations throughout the province.

Number of participants in each workshop:

▶ Intro to Labour Relations (on-line)	20
▶ Discipline	258
▶ Selection	91
▶ Grievance	42
▶ Attendance Management	44
▶ Managing Leaves	40
▶ OH&S	18
▶ Claims Management	25

EXECUTIVE, MANAGEMENT AND NON-CONTRACT COMPENSATION

Over the past year, HEABC has prepared and presented to stakeholders and government a number of proposals designed to maintain competitive compensation practices for non-contract employees. On May 30, 2006 government approved HEABC's proposal that was submitted under the mandate framework for public sector wage increases. HEABC continues to work with government to develop a long-term competitive pay strategy for non-contract employees in the health sector.

UNION COMPENSATION AND CLASSIFICATION

HEABC has committed during bargaining to a number of compensation and classification initiatives. These commitments provide opportunities to improve existing relationships through cooperative and collaborative exchanges and enable both the employer and unions to find creative solutions to issues over the term of the Collective Agreement.

At the Facilities table, HEABC and the Facilities Bargaining Association have committed to address a number of benchmark reviews, and have set aside funds to offset the cost that may result from these reviews.

At the Paramedical table, agreement was reached to review and update a sixteen-year old memorandum that sets out the list of Special and Additional Procedures/Functions and Techniques that are used to determine how Medical Technologists are compensated. In addition, an agreement was reached to establish a Solutions Group to examine a range of retention and recruitment issues, including the classification system, to identify areas that serve to improve the competitive advantages for BC's health employers.



PHYSICIANS

HEABC staff provides support in the area of physician compensation, negotiations and contract administration to the Ministry of Health and Health Authorities through the Health Policy Secretariat. In 2005/2006, staff were actively involved in the Government/British Columbia Medical Association negotiations which resulted in a comprehensive long-term agreement. HEABC will provide continuing support in the implementation of this agreement. To support the mandate of the Physician Contract Administration Committee, the Secretariat developed and implemented a comprehensive database of physician contracts.

OCCUPATIONAL HEALTH AND SAFETY AND WORKSAFEBC

HEABC continues to assist its members with all matters pertaining to the Workers' Compensation system including issues relating to claims management, assessments, and prevention issues. HEABC provides services in advocacy, consultation, education, and coordination. For example, in 2005, HEABC represented its members at 206 WorkSafeBC appeals, with a success rate of over 80%.

HEABC provides leadership on various provincial health sector initiatives and programs. HEABC is an active member of the Occupational Health and Safety Agency for Healthcare (OHSAH) and represents its members on all OHSAH Board Subcommittees. HEABC is also an active member of the Employers WorkSafeBC Forum through the BC Business Council which works with all provincial industries to promote its interests with WorkSafeBC.

HEABC successfully coordinated applications for funding through Health Canada and is active in assuring the appropriate disbursement of funds and the submission of progress reports. HEABC is promoting and coordinating funding opportunities through WorkSafeBC as well.

Injury costs in healthcare have been on the decrease. This can be attributed to the comprehensive occupational health and safety, disability prevention and workplace wellness programs which have been implemented by healthcare employers over the past several years. Improvements have also resulted in the high level of cooperation between the Health Authorities and their partnerships with WorkSafeBC, HEABC, OHSAH, HBT, Health Canada, and MOH.

There has been a direct financial benefit to the industry from reduced WorkSafeBC premiums. For example, in 2006, WorkSafeBC base rates in several classification units decreased an average of 30% over 2005. This resulted in an approximate \$20 million reduction in premiums for 2006. These savings can be used for patient, client, and resident care.

The challenge for 2006 and beyond is to continue to promote and implement the initiatives which have decreased costs and HEABC is committed to working with its industry stakeholders to achieve this goal.



Member Services: Labour Relations

BARGAINING 2006

Establishing Employer objectives:

Work began in summer 2005 as HEABC Negotiating teams set out to determine bargaining objectives and strategies in preparation for 2006 bargaining. All healthcare collective agreements for approximately 103,000 of the province's healthcare employees were set to expire on the very same day – March 31, 2006.

Moving forward in its Countdown to Negotiations plan, work continued on developing objectives, listening and consulting with employers, and preparations began both at HEABC and employer work sites to prepare for essential services should a health sector strike occur.

To determine specific member objectives, HEABC consulted with members in a series of meetings throughout the province in September and October 2005 to identify key bargaining issues to be addressed during upcoming negotiations. HEABC consolidated member feedback and focused on three overall objectives to reflect the future direction of BC's health system, while aligning with overall Ministry of Health goals.

- ▶ Making health workplaces desirable places to work;
- ▶ Contributing to sustainability of the health system; and,
- ▶ Targeting Compensation increases on solutions to HR challenges.

HEABC was able to deliver on these goals at all tables.

Introduction of Negotiating Framework:

The overall framework in which bargaining was to take place in 2006 for all of the public sector was introduced by the Minister of Finance, the Honourable Carole Taylor, in late November 2005.

With an economic surplus in the provincial budget, the Negotiating Framework was designed to foster long-term stability for the public sector. It included a \$4.7 billion funding envelope for reasonable wage increases and a unique feature – \$1 billion to support one-time lump sum bonuses for those employed in the public service, if collective agreements were finalized by March 31, 2006.

The Negotiating Framework also included a 2010 Dividend Fund that would allow employees to share in the budget surplus if it exceeds \$150 million in 2010.

The March 31 deadline provided incentive for parties to expedite the negotiation process. Policy Discussions and collective bargaining began for most tables by mid to late January 2006, and tentative collective agreements were achieved by the end of March, after two and a half months of bargaining.

▼
JANUARY 16, 2006

Nurse Policy Discussions commence involving the Ministry of Health, HEABC, and the Nurses' Bargaining Association. Discussions focus on retention, recruitment, and occupational health & safety.

Meeting the ratification deadline: Introduction of E-voting

After the announcement of the new Negotiating Framework and the March 31, 2006 deadline for achieving signed agreements, HEABC's Board of Directors determined that an expedited ratification process needed to be available. To support this, it would be necessary to amend HEABC's bylaws, which provides for a mail-in voting process taking three weeks to complete.

HEABC's Board of Directors called a Special General Meeting for February 8, 2006 to allow members to consider amendments to HEABC's bylaws, which would allow for the introduction of electronic voting for collective agreement ratification.

The amendments were passed unanimously by the membership.

THE MARCH 31 CHALLENGE

Five tentative agreements signed before deadline

By 11:35 pm on March 31, 2006, after long hours of negotiations at all tables, all five of BC's healthcare collective agreements were settled.

Paramedical Professionals signed the first tentative agreement with HEABC on Tuesday, March 14, and were quickly followed by the Facilities table signing in the early hours of Thursday, March 16. The Community table soon followed on Saturday, March 25, with the final two remaining groups, Nurses and Residents, signing close to the deadline, late Friday evening, March 31, 2006.

The success of these negotiations was due in part to the flexibility and creativity outlined by the Negotiating Framework; the one-time lump sum signing bonus; the March 31, 2006 deadline, and the professionalism, expertise and skills at the table found within with the Employer Bargaining Committees.

HEABC's bargaining committees, consisting of employers from across BC, shone at the bargaining table, striking the right balance, working collaboratively with the union bargaining associations to deliver agreements that improves both healthcare service delivery and long-term labour stability.

The success of these agreements is illustrated best with the ratification results, where all of the five tentative agreements were strongly supported by HEABC members and by union employees.

► Member Services: Labour Relations

PARAMEDICALS

Tentative Agreement signed: March 14 – 9:30 pm

It took 21 days and many long hours of determination and hard work by both parties, but at 9:30 pm on Tuesday, March 14, 2006, HEABC's negotiators had the first deal in this round of bargaining. The four-year agreement between HEABC and the Health Science Professionals Bargaining Association (HSPBA), formerly known as the Paramedical Professional Bargaining Association (PPBA) specifically addresses wages, labour market issues, the Long Term Disability Plan and other items for the associations 14,000 employees.

The Paramedical sector is very diverse, with 17 major classifications ranging from Medical Technologists to Pharmacists. Along with this diversity comes a wide range of competitive market pressures and issues. This agreement allows for differentiating compounded wage increases that range from 6.9% to 13.1%. The average wage increase for Health Science Professionals is 10.3% (compounded). Further increases are allocated to classifications with labour market issues such as Pharmacists, Perfusionists, Occupational Therapists, and Physiotherapists.

During negotiations, the HSPBA indicated that the Long Term Disability plan was a significant issue to address. The employer negotiating team was able to meet this request, and eliminate the multi-million dollar unfunded liability in the Health Sciences Association (HSA) Long Term Disability (LTD) plan. Within the agreement, both parties agreed to a new Employer/Employee cost-shared LTD plan for its members. Employers will contribute 70% of premiums, while HSA members will contribute the remaining 30%.

This agreement also provided the inclusion of an Early Intervention Program to complement existing disability plans by

facilitating a proactive and customized service for ill and injured employees to enable Health Science Professionals to effectively return to work in a safe and timely manner. Further benefit initiatives were the increase of yearly deductibles for extended health benefits, from \$25/year to \$100/year per employee and the replacement of the BlueNet card with a claims based reimbursement process.

Members of the HSPBA also received a signing bonus, of up to \$3,670 per FTE. However, HSA members received a smaller signing bonus of up to \$2,382, which was due to the fact that a portion of the bonus available was utilized to eliminate the unfunded liability in the employee-funded LTD plan.

Details of the Paramedical Professionals Collective Agreement

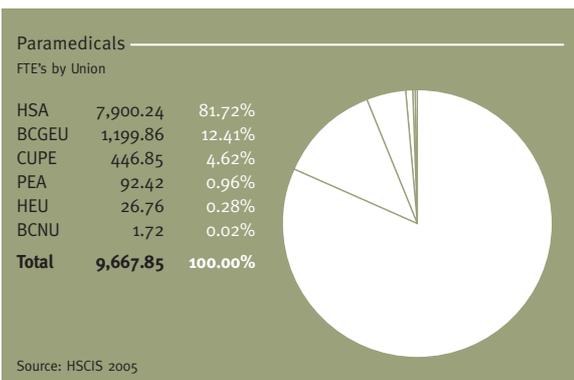
YEAR ►	06/07	07/08	08/09	09/10
Signing Bonus (one-time payment per FTE)	Up to \$3,670	—	—	—
General Wage Increase (For all Paramedical Professionals)	1.50%	1.75%	1.75%	1.75%
*Special adjustments (all employees on Schedule A plus Pharmacists, Occupational Therapists, Physiotherapists and Perfusionists)	0.75%	0.75%	1.25%	1.25%
Supplemental Adjustment (Pharmacists, Occupational Therapists and Physiotherapists)	1.75%	—	—	—
On-Call Premiums	—	\$3.25 (1st 72 hrs) \$4.25 (72+ hrs)	\$3.50 (1st 72 hrs) \$4.25 (72+ hrs)	\$4.25 (all hrs)
Other provisions – Effective April 1, 2006:				
Education Fund	Increase education expense allowance from \$400 to \$600			
Mileage Rate	Increasing from \$0.46 to \$0.50 per km			
Meal Allowance	Increasing from \$5 to \$10			

JANUARY 24, 2006

Community negotiations begin with the key issues of wages, scheduling, and job security.

JANUARY 26, 2006

Wages, and job security highlight day one of the Facilities negotiations.



wage increases ranging from 28 to 32%. In addition, special adjustments were also provided to those classifications with greater complexity and/or recognition of expanded scope of practice. All employees in the Facilities subsector received a one-time payment of \$4,200 per FTE (Full-Time Equivalent).

Other items of note include:

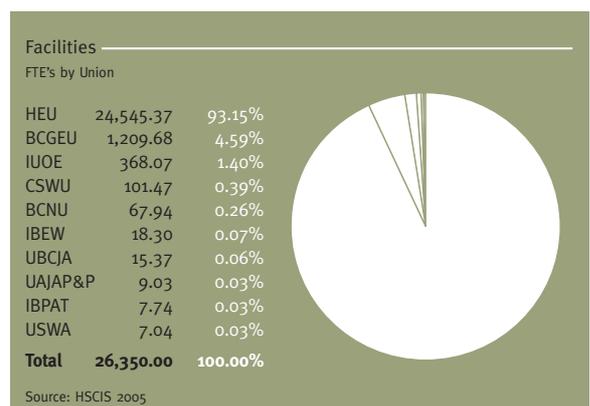
- ▶ Professional Responsibility process for Licensed Practical Nurses;
- ▶ Trades Apprenticeship Program;
- ▶ Early Intervention Program to be implemented by December 1, 2006;
- ▶ Revised Bumping Process;
- ▶ Removal of WorkSafeBC Injury on Duty Leave and replacement with the "Net Pay" concept similar to Nurses and Paramedicals; and,
- ▶ \$5 million Education Allowance Fund for FBA members;

FACILITIES

Tentative Agreement signed: March 16 – 1 am

Wages, job security, and the recognition of diverse skills and changing roles were the key bargaining themes for the unions comprising the Facilities Bargaining Association (FBA) which represents 45,000 employees who work in BC's healthcare facilities. After two initial days of Policy Discussions, negotiations between HEABC and the FBA began on January 26, 2006. After 26 days of negotiations, the parties signed a tentative four-year agreement in the early hours of the morning on Thursday, March 16. This agreement specifically addresses wages, labour market issues for Trades and IT, recognition of scope of practice changes for Licensed Practical Nurses, recognition of changes in job complexity for some employees, shift premiums and, pay equity for 35 job classifications.

This agreement outlined an average wage increase of 10.8%. To address labour market issues, jobs in the Trades, Maintenance, Power Engineers and some Information Technology classifications, received wage adjustments which resulted in



FEBRUARY 8, 2006

HEABC Special General Meeting held to allow for electronic voting for the collective agreement ratification process. HEABC members vote overwhelmingly to adopt this new process.

FEBRUARY 13, 2006

Negotiations begin with the Paramedical Professionals Bargaining Association, representing 14,000 employees.

► Member Services: Labour Relations

Details of the Facilities Collective Agreement				
YEAR ►	06/07	07/08	08/09	09/10
Signing Bonus (one-time payment per FTE)	\$3,700 plus \$500 <small>(skills upgrading)</small>	—	—	—
General Wage Increase (for all Facilities employees)	1.50%	2%	2%	2.7%
Market Adjustments Trades, IT, Power Engineers	\$4.00/hr	\$4.50/hr	\$4.50/hr	\$4.50/hr
Special Adjustments LPN/OR LPN, Nursing Assistant III (Supervisor), Orthopaedic Technicians	1.5%	1.5%	1.5%	1.5%
Buyers, Lab Assistants, Pharmacy Technicians, Nursing Unit Assistants	—	1.0%	1.0%	1.0%
One-time lump-sum payment (in addition to Signing Bonus) Buyers, Lab Assistants, Pharmacy Techs, Nursing Unit Assistants	1.0%	—	—	—
Shift Differential - new rates				
Night Shift	\$1.35/hr	\$1.50/hr	\$1.60/hr	\$1.75/hr
Weekend Shift	\$0.85/hr	\$0.90/hr	\$0.95/hr	\$1.00/hr
Other provisions – Effective April 1, 2006				
Mileage Allowance	Increasing to \$0.46 per km			
Meal Allowance	Increasing from \$7 to \$12			
Education Fund	\$5 Million			

COMMUNITY

Tentative Agreement signed: March 25 – 12 noon

Wages, job security, and scheduling were the main issues of concern for 15,000 employees in the Community Bargaining Association (CBA). Talks began at the Community table on January 24, 2006 and after 40 days of bargaining a tentative agreement was signed.

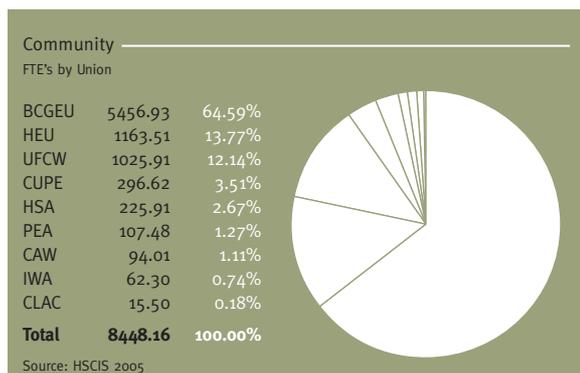
Employees in the Community subsector will receive approximately 11.4% in wage increases (compounded) over four years. As well, select classifications will receive further adjustments. Schedulers and Audiometric Technicians will receive a grid lift adjustment so that these jobs are more appropriately placed within the classification system. Practical Nursing Care Workers will be paid under a new Grid which will be equal to the current Facilities rates. In addition, Community employees will receive a one-time payment of up to \$4,200 per FTE.

On the issue of job security, the parties came to an agreement regarding contracting out or health authority re-tendering of service contracts. The parties have agreed that should any more than 700 FTEs be laid off as a result of contracting or re-tendering initiatives, then enhanced severance allowances will be paid – up to 20 weeks pay. As well, there will be employment opportunities available where service contracts are re-tendered. Employees not hired upon re-tendering will have opportunities to apply for work on casual lists of the Health Authority which is re-tendering the contract for service.



This agreement also outlines an improved home support scheduling system that will enhance employees' ability to be scheduled more consistent hours.

Details of the Community Collective Agreement				
YEAR ▶	06/07	07/08	08/09	09/10
Signing Bonus (one-time payment per FTE)	\$3,700 plus \$500 (skills upgrading)	—	—	—
General Wage Increase (for all Community employees)	1.5%	2%	2%	2%
Special Adjustment For all classifications – to narrow wage differential with Facilities Collective Agreement	3.5%	—	—	—
Mileage Allowance	\$0.46/km	\$0.48/km	\$0.50/km	\$0.50/km



NURSES

Tentative Agreement signed: March 31 – 9:30 pm

In the last round of bargaining with the Nurses Bargaining Association (NBA) in 2004, there were two phases to the negotiation process – policy discussions and collective agreement bargaining. The same successful model was used once again during this round of negotiations. Policy discussions between HEABC, the Ministry of Health, and the NBA began on January 16, 2006 and concluded on February 24.

Policy discussions allow the parties to come together to share information and concerns in a more informal forum than found at the bargaining table. Three key areas for discussion were: retention, recruitment, and occupational health and safety. Resulting from these discussions, the Ministry of Health, through the leadership of the Chief Nurse Executive, has committed to a number of strategic policy initiatives.

With the conclusion of the Nurse Policy Discussions, bargaining began with the NBA on March 6, 2006. After 20 days of bargaining, the parties came to an agreement on a four-year deal on March 31, 2006. The new collective agreement addresses wages, workload, and recruitment & retention issues for BC's 29,000 nurses.

This agreement comes about as a result of months of intense discussions and provides for a close working relationship with nurses, government and employers. It sets out key steps to improve healthcare service delivery, such as financial encouragement for nurses to work nights and weekends, initiatives to attract nurses to work in difficult to fill positions, as well as allowing employers and government to work closely with nurses on workload issues.

Over the term of the four-year agreement, BC Nurses will receive 14.2% in wage increases, along with a \$3150 signing

FEBRUARY 20, 2006

HEABC meets with the Professional Association of Residents of BC to begin negotiations for 631 medical residents.

MARCH 6, 2006

After four weeks of Nurse Policy Discussions, collective bargaining begins with the NBA.

► **Member Services: Labour Relations**

bonus. To deal with staffing issues and difficult to fill shifts, there are significant increases to the night shift and weekend shift premiums. Furthermore, the agreement outlines an initiative to manage staffing challenges where regular employees who work in Operating Room and Post Anaesthetic Room (OR/PAR), Emergency Room (ER), and Intensive Care/Critical Care Units (ICU/CCU) departments will receive an additional \$50 per month.

To address the issue of recruitment & retention, HEABC has provided a wide range of options, making it even more attractive for nurses to work in BC. Employers are allowing the portability of seniority for regular employees moving between collective agreement employers. For job postings, level 1 positions will now be posted without the requirement of a BSCN, and equivalency of education, training, experience will be considered where a BSCN is required for a level 2 position. Responsive shift scheduling is an initiative which facilitates the creation of more effective schedules for both employers and employees.

On the workload issue, employers and government are committed to work with nurses to move ahead with a massive province-wide undertaking to set standards for a provincial workload measurement tool.

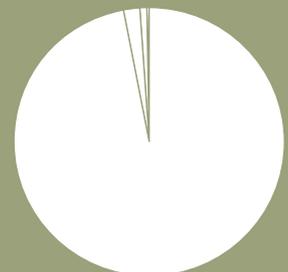
Details of the Nurses Provincial Collective Agreement

YEAR ►	06/07	07/08	08/09	09/10
Signing Bonus (one-time payment per FTE)	\$3,150	—	—	—
General Wage Increase (for all Nurses)	2.0%	2.5%	2.5%	3.2%
Special Market Adjustments	1.0%	1.0%	1.0%	1.0%
Other provisions – Effective April 1, 2006				
Shift Premiums (Hourly Increases for nights and weekends)				
Nights	\$3.50 per hour			
Weekends	\$2.00 per hour			
Incentive for nurses working in Difficult to Fill Units OR/PAR, ER, ICU/CCU	An additional \$50 per month (prorated for part-time nurses)			
Incentive Payment for Pre and Post Retirees who have maximized their pensionable service	A payment equal to the employer contribution to the pension plan			
Annuity to off set liability from previous LTD plan	\$21.8 Million	—	—	—
Mileage Allowance	Increased to \$0.50/km Regular employees who deliver community-based services using their own vehicles receive \$50/month			

Nurses

FTE's by Union

BCNU	19,347.68	97.20%
UPN	348.21	1.75%
HSA	203.13	1.02%
HEU	2.95	0.01%
BCGEU	2.08	0.01%
Total	19,904.05	100.00%



Source: HSCIS 2005



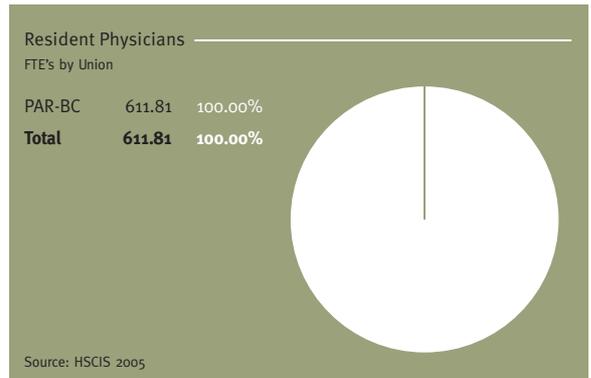
RESIDENT PHYSICIANS

Tentative Agreement signed: March 31 – 11:35 pm

At 11:35 pm on March 31, 2006 a tentative four-year agreement was reached between HEABC and the Professional Association of Residents of BC (PAR-BC). The agreement gives 631 Resident Physicians who learn in one of 56 different specialty practice disciplines in BC, 10.7% in wage increases over the term of the agreement, plus a \$4200 per FTE signing bonus.

One of the main issues for PAR-BC during this round of bargaining was addressing on-call premiums for residents. Employers responded to this concern by increasing the monthly on-call premium by 25% in each year of the agreement. Other highlights of the agreement include increases to the Administration Allowance, Mileage Allowance, and Meal Allowance.

Details of the Resident Physicians Collective Agreement				
YEAR ▶	06/07	07/08	08/09	09/10
Signing Bonus (one-time payment per FTE)	\$3,700 plus \$500 (Past Educational Upgrading)	—	—	—
General Wage Increase (for all Resident Physicians)	2%	2%	2%	2%
Special Adjustments	0.45%	0.45%	0.85%	0.55%
Increase in Monthly Stipend for On-Call Service	25% (\$205.26 per month)	25% (\$256.58 per month)	25% (\$320.72 per month)	25% (\$400.90 per month)
Administrative Allowance	2%	2%	2%	2%
Meal Allowance	\$11.94 (per day)	\$12.18 (per day)	\$12.43 (per day)	\$12.76 (per day)
Mileage Allowance	Increasing to \$0.50/km			



MOVING FORWARD

HEABC will play an integral role in the interpretation and implementation of key commitments outlined in the five health sector agreements for BC's health employers. HEABC will be leading discussions and their implementation in approximately 34 different commitments outlined within the five agreements.



Actions and Outcomes

CASES OF NOTE: DUTY TO ACCOMMODATE

In a landmark decision concerning an employer's duty to accommodate disabled employees, the B.C. Court of Appeal recently issued a decision overturning Arbitrator Marguerite Jackson's award to reinstate a nurse who had a second relapse in his recovery from drug addiction. In the circumstances of this particular case, the Court of Appeal ruled that the Employer had met its duty to accommodate the nurse and restored the Employer's decision to terminate him.

The Court's decision reinforces the principle that in the accommodation process, any employee looking for an accommodation has obligations to fulfill. In this case, the Court found that the grievor did not stick to his recovery program and this ended the employer's duty to accommodate his drug addiction. In addition to this, the Court's ruling also stands for the proposition that if an employee is seeking an accommodation, past accommodative efforts, even with another employer, may be relevant information to consider.

THIRD PARTY HEARING ACTIVITY

During the 2005 calendar year, HEABC was involved in over 560 referrals to third party hearings. The following is a breakdown of third party statistics covering the period of January 1, 2005 to December 31, 2005.

Third Party Statistics: January 1, 2005 – December 31, 2005

Number of Referrals to Hearing:

Arbitration	153	27.18%
Expedited Arbitration	113	20.07%
Human Rights Tribunal	4	0.71%
Troubleshooter	96	17.05%
LRB Cases	40	7.10%
WorkSafeBC	157	27.89%
Total	563	100.00%

Percentage of Referrals by Union:

BCGEU	8.19%
BCNU	34.86%
CAW	0.76%
Employee Association	0.19%
HEU	43.24%
HSA	8.00%
HSPBA	0.19%
IBEW	0.57%
IUOE	0.38%
NBA	0.19%
Not Specified	0.19%
PAR	0.19%
UFCW	3.05%
Total	100.00%

Number of Decisions Rendered by Issue:

Benefits	4	4.21%
Classification	5	5.26%
Discipline/Termination of Employment	17	17.89%
Duty To Accommodate	7	7.37%
Job Posting/Selection	12	12.63%
Layoff/Bumping	5	5.26%
Not Specified	2	2.11%
OH&S/WorkSafeBC/LTD	1	1.05%
Other	10	10.53%
Paid/Unpaid Leaves	10	10.53%
Premiums/Differentials/Allowances	5	5.26%
Rate of Pay/Seniority	4	4.21%
Scheduling/Management Rights	8	8.42%
Union Recognition/Rights/Security	5	5.26%
Total	95	100.00%

▼

MARCH 14, 2006

*Paramedical Professionals
Tentative Agreement reached
at 9:30 pm*

▼

MARCH 16, 2006

*Facilities Tentative Agreement
reached at 1:00 am*

▼

MARCH 25, 2006

*Community Tentative Agreement
reached at 12 noon*

Health Match BC

► WITH THE EVER-PRESENT DEMAND FOR HEALTHCARE professionals in our province, Health Match BC continues to play a vital role in raising awareness of British Columbia as a “location of choice” among candidates and facilitating placements.

PHYSICIAN RECRUITMENT

Health Match BC’s continuing focus on the recruitment of difficult-to-fill family practitioner and specialist positions primarily in rural areas resulted in the screening of 1542 applications and filling of 141 vacancies this year. 2005–2006 also saw Health Match BC represent British Columbia, sourcing candidates at an increasing number of medical conferences and events including among others, the American College of Physicians – Internal Medicine Annual Session in San Francisco, Radiological Society of North America Conference in Chicago, Canadian Psychiatric Association Conference in Vancouver, Family Medicine Forum in Vancouver, American Academy of Pediatrics Conference in Washington DC and the BMJ Career Fair in Edinburgh and London.

As well, Health Match BC was instrumental in launching a Provincial Nominee Program for physicians which expedites, for qualified candidates, the process of obtaining permanent residency status. Community outreach efforts continued as Health Match BC consultants conducted educational sessions to build recruitment capacity in rural and remote communities.

NURSE RECRUITMENT

This year, in an effort to improve productivity, complement the efforts of the Health Authorities and minimize duplication of work, Health Match BC narrowed its focus to recruiting internationally educated “high need” specialty nurses. Health

Match BC recruitment consultants represented British Columbia and sourced leads by attending a wide range of conferences and special events including the Nurseweek Job Fair in Los Angeles and the Leadership Emergency Nurses Association Meeting in Fort Lauderdale as well as Nursing Times Live 06 in Manchester where onsite recruitment efforts were given added support through advertising. A total of 1374 applications were screened with 72 confirmed placements to date.

Particularly noteworthy in 2005–2006 were significant immigration policy changes achieved through discussions with Human Resource Skills Development Canada regarding the processing of Registered Nurse and Registered Psychiatric Nurse foreign worker applications which will significantly reduce employers’ administrative workload and time spent.

HOSPITAL PHARMACIST RECRUITMENT

With the recruitment of hospital pharmacists as a recent addition to its mandate, Health Match BC continued to develop and ramp up its recruitment strategies resulting in 112 applications with four placements successfully completed. Outreach efforts included attendance at pharmacy conferences both within and outside of Canada. Two advertising campaigns recently developed targeted both community and student pharmacists within the province and separately, hospital pharmacists from elsewhere in Canada. An innovative Health Authority job-shadowing program was developed to attract ubc pharmacy graduates into the hospital stream.



PARTNERS IN HEALTHCARE- 2005/2006

Recognizing that being a part of the larger labour relations and human resource community enables HEABC to more fully represent its membership, staff and board members participate on numerous committees devoted to healthcare.

HEABC is represented on the following committees/task forces/
Boards:

- ▶ Benefits Working Group
- ▶ BC Academic Health Council Health Professions Education Committee
- ▶ Business Council of British Columbia
- ▶ Canadian Healthcare Association
- ▶ CHA Task Force on Health Human Resource Issues
- ▶ Health Human Resource Development Standing Committee
- ▶ Health Match BC Nurse Recruitment Committee
- ▶ Health Sector Compensation Information System (HSCIS) Advisory Committee
- ▶ Healthcare Benefit Trust (HBT) Board of Trustees
- ▶ Healthcare Advisory Council on OH&S
- ▶ Integrated Disability Management Committee
- ▶ Interprofessional Education for Collaborative Patient-Centred Practice (IEPCP)
- ▶ Labour Relations Advisory Group (LRAG)
- ▶ Ministry of Health, Nurse Advisory Committee
- ▶ Ministry of Health, CNAC Review Committee
- ▶ Municipal Pension Board
- ▶ Occupational Health and Safety Agency for Healthcare Board
- ▶ OH&S Leaders Group
- ▶ Organizational Development Leaders Collaborative
- ▶ Physician Contract Administration Committee
- ▶ Practice Education Committee
- ▶ Public Sector Employers' Council
- ▶ Senior Human Resource Practitioners' Group (SHRP)
- ▶ WorkSafeBC Employers' Forum
- ▶ WorkSafeBC Health & Safety Committee
- ▶ WorkSafeBC Occupational Disease Advisory Committee (ODAC)

▼

MARCH 31, 2006

*Nurses Tentative Agreement
reached at 9:30 pm*

▼

MARCH 31, 2006

*Residents Tentative Agreement
reached at 11:35 pm*

▼

APRIL/MAY, 2006

*All agreements are now
ratified and have
overwhelming support
from both employers
and unions*

HEABC PUBLICATIONS FOR MEMBERS

- ▶ British Columbia Health Employer Report 2005
- ▶ Assess and Intervene: A Report to the Minister of Health on the Recruitment and Retention of Registered Nurses and Registered Psychiatric Nurses in British Columbia
- ▶ Contract Interpretation Manual for the HEABC/Facilities Subsector Collective Agreement
- ▶ Contract Interpretation Manual for the HEABC/Nurses' Provincial Collective Agreement
- ▶ Contract Interpretation Manual for the HEABC/Paramedical Professionals Collective Agreement
- ▶ Contract Interpretation Manual for the HEABC/Community Subsector Collective Agreement
- ▶ Contract Interpretation Update Bulletins
- ▶ General Information Update Bulletins
- ▶ Guide to an Effective wcb Health and Safety Program
- ▶ Guide to An Effective wcb Health & Safety Program — Frequently Asked Questions
- ▶ HEABC News – Member Newsletter
- ▶ Guide to using the Compensation Reference Plan
- ▶ Guide to wcb Claims Management
- ▶ Guide to wcb Claims Management – Frequently Asked Questions
- ▶ Guide to Writing and Evaluating Job Descriptions Guidelines for Employers on Service, Seniority, and Benefits for Employees on Unpaid Leaves of Absence in Excess of 20 Workdays
- ▶ HEABC 2006 Essential Services Designation and Strike Response Handbook
- ▶ HEABC Roadmaps (explaining how to deal with key human resource challenges)
- ▶ HEABC Services Update
- ▶ Human Resource Policies and Procedures
- ▶ Mergers and Amalgamations
- ▶ BC Health Authorities Personnel Policies & Procedures for Executives
- ▶ BC Health Employers Personnel Policies & Procedures for Non-Contract Employees
- ▶ Senior Executive Compensation in the Health Sector
- ▶ Shift Rotation Manual
- ▶ The Principles and Practice of Attendance Management
- ▶ Licensed Practical Nurses and Care Aides in BC – Research on Roles and Utilization

Despite a condensed timeline, HEABC successfully negotiated long-term collective agreements with all five union bargaining associations before the March 31 deadline. Furthermore, all five agreements have been ratified and received unprecedented support by both Employers and Unions.

HEABC Board of Directors 2005 – 2006

HEALTH AUTHORITY REPRESENTATIVES



FRASER HEALTH AUTHORITY
Palbinder Shergill,
Director



INTERIOR HEALTH AUTHORITY
Roger Sharman,
Director



PROVINCIAL HEALTH SERVICES AUTHORITY
Lynda Cranston,
President and Chief Executive Officer



NORTHERN HEALTH AUTHORITY
Alice Downing,
Director



VANCOUVER COASTAL HEALTH AUTHORITY
Andrew Smith,
Director



VANCOUVER ISLAND HEALTH AUTHORITY
Linda Petch,
Director
HEABC Board Chair

PROVINCIAL REPRESENTATIVES



AFFILIATE CARE PROVIDER
Darrell Burnham,
Executive Director, Coast Foundation Society (1974)
HEABC Vice-Chair



DENOMINATIONAL CARE PROVIDER
Carl Roy,
CEO & President, Providence Health Care Society



PROPRIETARY CARE PROVIDER
Neil Stuart,
Owner/Administrator, Acacia Ty Mawr Holdings Ltd.
HEABC Honorary Secretary-Treasurer

GOVERNMENT REPRESENTATIVE



Bob de Faye,
Associate Deputy Minister and Chief Executive Officer, Public Sector Employers' Council Secretariat, Ministry of Finance

HEABC Balance Sheet

► March 31, 2006

	2006	2005
ASSETS		
CURRENT		
Cash	\$ 415,397	\$ 914,626
Restricted cash / Short-term investments (Note 5)	2,174,677	1,844,425
Short-term investments	5,891,402	4,920,777
Accounts receivable	445,753	191,571
Prepaid expenses	83,237	59,968
	9,010,466	7,931,367
PROPERTY AND EQUIPMENT (Note 3)	309,304	319,035
	\$ 9,319,770	\$ 8,250,402
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,585,000	\$ 941,182
Deferred contributions		
Operations (Note 4)	1,948,922	2,402,585
Administrative (Note 5)	2,174,677	1,844,425
	5,708,599	5,188,192
DEFERRED REFURBISHMENT ALLOWANCE	59,938	89,907
ACCRUED RETIREMENT LIABILITY	249,973	223,140
	6,018,510	5,501,239
NET ASSETS		
Net assets invested in property and equipment	309,304	319,035
Restricted net assets (note 6)	1,178,087	–
Unrestricted net assets	1,813,869	2,430,128
	3,301,260	2,749,163
	\$ 9,319,770	\$ 8,250,402

Note ► The above is an excerpt from the financial statements which includes Notes to the Financial Statements, which form an integral part of the statement. Complete Audited Financial Statements are available at the offices of HEABC.

COMMITMENTS AND CONTINGENCIES (Note 10)

APPROVED BY THE DIRECTORS:


Director


Director

HEABC Statement of Revenues and Expenses

► Year ended March 31, 2006

	2006	2005
REVENUES		
Government funding	\$10,557,190	\$ 9,950,000
Member assessment	144,098	140,248
Fee for service	1,278	9,581
Benefits and administration fees (Note 7)	250,836	278,212
Annual general meeting / conference fees	39,857	14,509
Member training fees	24,953	22,546
Interest and other revenue	236,464	145,069
	11,254,676	10,560,165
Funding from deferred contributions - operations (Note 4)	848,663	852,262
	12,103,339	11,412,427
EXPENSES		
Salaries and benefits	6,553,398	5,687,943
Recruiting and relocation	138,483	58,506
Staff training – research and memberships	115,716	108,571
Travel and meetings	449,375	210,927
Rental – office and equipment	1,272,729	1,259,200
Office, printing and reproduction	359,373	306,907
Legal and professional	709,945	882,030
Arbitration and hearing costs	52,581	80,811
Strategic planning initiatives	5,167	54,188
Annual general meeting / conference	39,857	14,455
Member training	12,208	13,295
GST – unrecoverable	109,832	100,684
Amortization	126,818	123,251
Leadership development	9,000	–
Recruitment services – Health Match BC	1,596,760	1,407,412
TOTAL EXPENSES FROM OPERATIONS	11,551,242	10,308,180
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	552,097	1,104,247
FUNDING FROM DEFERRED CONTRIBUTIONS –		
Administrative (Note 5)		
Revenues	848,873	1,324,308
Expenses	848,873	1,324,308
	–	–
EXCESS OF REVENUES OVER EXPENSES	\$ 552,097	\$ 1,104,247

Note ► The above is an excerpt from the financial statements which includes Notes to the Financial Statements, which form an integral part of the statement. Complete Audited Financial Statements are available at the offices of HEABC.

MISSION STATEMENT

The Health Employers Association of British Columbia provides professional, accountable labour relations and human resources and related services that contribute to:

- ▶ Sustainability, innovation and service excellence in healthcare;
- ▶ Consistent practices that contribute to quality care;
- ▶ Constructive labour-management environment;
- ▶ Effective employer representation at the bargaining table.

VALUES

As HEABC, we believe in:

- ▶ An honest, accountable organization which conducts its affairs with integrity in an environment of mutual respect;
- ▶ The highest possible quality healthcare guided by the needs of members within a context of democratically mandated financial priorities;
- ▶ Working cooperatively, and in partnership with, healthcare employers and government.

VISION

Leadership in health system labour relations and human resource practices.

Union Acronyms

BCGEU	BC Government and Service Employee's Union	PAR-BC	Professional Association of Residents in BC
BCNU	BC Nurses' Union	PEA	Professional Employees Association
CAW	Canadian Auto Workers – Canada	PPWC	Pulp, Paper and Woodworkers of Canada
CLAC	Christian Labour Association of Canada	UAJAP&P	United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinklerfitting Industry of the US and Canada
CSWU	Construction and Specialized Workers' Union	UBCJA	United Brotherhood of Carpenters and Joiners
CUPE	Canadian Union of Public Employees	UFCW	United Food and Commercial Workers Union
HEU	Hospital Employees' Union	UPN	Union of Psychiatric Nurses
HSA	Health Sciences Association	USWA	United Steelworkers of America
IBEW	International Brotherhood of Electrical Workers		
IBPAT	International Brotherhood of Painters and Allied Trades		
IUOE	International Union of Operating Engineers		

HEABC Strategic Goals 2006-2007

GOAL 1

Excellence in labour relations

Priorities:

- ▶ Align all labour relations activities to support sustainable healthcare and improved health outcomes.
- ▶ Enhance LR relationships with unions and partners.
- ▶ Clarify and strengthen HEABC's role as the accredited bargaining agent to support member organizations.
- ▶ Structure data systems to inform strategic decisions.
- ▶ Use collective bargaining to help control benefit costs.

GOAL 2

Contribute to sustainable human resources in healthcare

Priorities:

- ▶ Collaborate with health authorities and government to better define HEABC's role in improving human resource planning.
- ▶ Provide provincial coordination where needed and at the request of a stakeholder.
- ▶ Overcome obstacles that prevent implementation of an updated management compensation plan that enables the health sector to attract and retain key personnel.
- ▶ Meet members' education needs as our resources permit and members require.
- ▶ Work to control benefit costs in collaboration with HBT, PSEC, health authorities and other agencies.

GOAL 3

Constructive relationships with members, government, unions and the public

Priorities:

- ▶ Continue a collaborative approach to bargaining (where appropriate) – evaluate its effectiveness.
- ▶ Develop appropriate strategies to address affiliate concerns.
- ▶ Work with members to identify challenges and solutions in HR/LR and communicate with government and key audiences about these challenges and solutions.
- ▶ Clarify HEABC's role vis-à-vis government's in the collective bargaining process to improve outcomes.

GOAL 4

Operational excellence

Priorities:

- ▶ Update and revise (if necessary) HEABC's functions and organizational design.
- ▶ Ensure appropriate allocation of resources in alignment with HEABC's functions and organizational design.
- ▶ Operate within available funding.
- ▶ Effectively utilize staff and emphasize continuous development of staff and Board.
- ▶ Maximize data-driven decision making throughout the organization.
- ▶ Continue development of HR plan to improve recruitment, retention and succession, and maintain a positive work environment.

▼

HEAD OFFICE

200 – 1333 West Broadway
Vancouver, BC V6H 4C6
T: 604.736.5909
F: 604.736.2715

▼

REGIONAL OFFICE

405 – 3960 Quadra Street
Victoria, BC V8X 4A3
T: 250.479.4088
F: 250.479.4038

▼

WEB

www.heabc.bc.ca

HEABC

Health Employers
Association of BC