



Fair, safe and productive workplaces

Labour

Workplace Bulletin

Collective bargaining monthly update

November 2013

Key Negotiation Activities

In November, notable major¹ negotiations occurred between:

- The Government of Alberta and the Alberta Union of Provincial Employees (AUPE): Following the expiration of the collective agreement in March 2013, and unfruitful mediation from May to July, the province and the AUPE scheduled arbitration for February 2014. In the meantime, the provincial government expressed its intention to table two bills which, if they became law, would eliminate compulsory arbitration for public-sector negotiations which had reached an impasse.
- The Canada Post Corporation (CPC) and the Public Service Alliance of Canada (PSAC): The collective agreement covering a unit of approximately 2,100 clerical and office employees expired on August 31, 2012. After prolonged negotiations that started in September 2012, a federal mediator was appointed on September 27, 2013, and PSAC agreed to put CPC's final offer to a membership vote. The vote is expected to take place in January 2014.

An updated monthly list of [Key Negotiations](#) is available under the [Resources](#) tab on the Labour Program website.

Settlements Reached

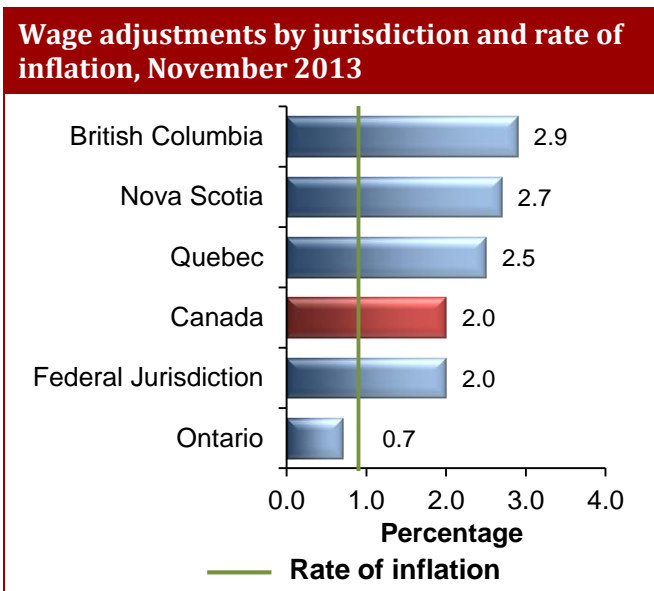
- A total of 20 agreements, covering 65,150 employees, were settled in November. Eighteen of these agreements were concluded through direct bargaining (63,330 employees) and the remaining two were settled through arbitration.
- In the public sector, eight agreements were concluded for 42,750 employees. One of these agreements was between the Ontario Hospital Association and the Canadian Union of Public Employees, which covered almost half of the public-sector employees (20,130).
- All but one agreement fell within provincial jurisdictions (98.9% of employees).
- Twelve private-sector agreements, covering 22,400 employees, were ratified. Nine of them were negotiated by the Construction Labour Relations Association of British Columbia, involving 19,610 skilled tradespeople and construction workers.

The texts of collective agreements can be accessed through the [Negotech](#) while the year-to-date list of [ratified settlements](#) in 2013 can be accessed under the [Resources](#) tab on the Labour Program website.

Settlement Outcomes

Wages

- Major collective bargaining settlements in November provided base-rate² wage adjustments averaging 2.0%³ annually, a slight increase from 1.8% in October. This average increase was higher than the annual inflation rate (0.9%) in November.⁴ However, the Bank of Canada forecasts inflation to be on par with this wage increase (2.0%) by the end of 2015.
- When the parties to these agreements previously negotiated, they had settled for an average wage adjustment of 2.5%.
- In the Federal jurisdiction, only one agreement, between NAV CANADA and 700 electronic technologists, was concluded for a wage increase of 2.0%.
- Agreements in British Columbia, Nova Scotia, and Quebec all exceeded the national average with wage adjustments of 2.9%, 2.7%, and 2.5%, respectively. Ontario, with 0.7%, was the only jurisdiction where the adjustment was lower than the national average.
- For the fourth consecutive month, private-sector average wage adjustment (2.7%) outpaced the public-sector's (1.7%).
- Construction workers received the highest wage increase (2.9%) amongst all industries, whereas one agreement in the manufacturing industry, covering 750 employees, had a wage freeze (0.0%).
- The education, health, and social services industry had the highest concentration of employees (41.3%), where 26,930 employees received an average wage increase of 1.2%.



More information on [wage settlements](#) can be accessed under the [Resources](#) tab on the Labour Program website.

Duration

- The agreements ratified in November had an average contract duration of 48 months. Public and private-sector agreements had average durations of 48 and 47 months, respectively.
- The last time these same parties negotiated an agreement, the average contract duration was 55 months.
- The longest average contract duration (60 months) was recorded by four agreements in the utilities industry, whereas the shortest (24 months) was concluded between the City of Ottawa and the International Association of Fire Fighters, which was the only public administration agreement.

Working conditions

- Yukon College and the Public Service Alliance of Canada negotiated a new provision which allows workers to confidentially transfer unused vacation time to other employees.

Major Work Stoppages

- There were no active major⁵ work stoppages reported in the month of November. However, from January to November 2013, a total of 884,800 person-days not worked (PDNW) have been registered. This is more than double the 413,115 PDNW recorded over the same period last year.

The listing of the weekly [major work stoppages](#) in Canada can be accessed under the [Resources](#) tab on the Labour Program website.

Features

Literature Scan

- The Conference Board of Canada released its [Industrial Relations Outlook 2014](#) which predicts intense bargaining in 2014. While governments are trying to reduce public service labour costs to address budget deficits, new legislation could affect union relevance in both sectors. The report suggests that unions will need to adapt to changing circumstances if they are to remain relevant into the future.
- Two studies were released recently that discuss waning labour productivity in Canada. The Centre for the Study of Living Standards' lead article for Fall 2013, [Explaining Slower Productivity Growth: The Role of Weak Demand Growth](#), examined demand-side drivers to explain lagging productivity growth. To stimulate labour productivity the study recommends a more gradual approach to government deficit reduction, investment in capital, and research and development. Another study, [Equipping Canadian Workers: Business Investment Loses a Step against Competitors Abroad](#), released by the C.D. Howe Institute, identifies both regulatory and tax reform as mechanisms to stimulate businesses' investment in both capital and Canadian workers.

Contact

For more information, please contact the [Workplace Information and Research Division](#) or call us at 1-877-259-8828.

Note: This bulletin is based on November data/information, which is collected as of December 15, 2013.

- ¹ All data reported in this bulletin relates to major collective agreements covering 500 or more employees across Canada.
- ² The base wage rate is the lowest paid classification used for qualified employees in the bargaining unit.
- ³ The wage data are employee-weighted.
- ⁴ Statistics Canada, [The Daily](#).
- ⁵ Major work stoppages involve 500 employees or more.