



Fair, safe and productive workplaces

Labour

Workplace Bulletin

Collective bargaining monthly update

August 2014

Key negotiation activities

Several major¹ negotiations were underway in August. Some of the notable ones were between:

- **The University of Quebec at Montreal (UQAM) and the Canadian Union of Public Employees (CUPE):** Having no contract since May 31, 2012, UQAM's approximately 2,000 employees have been negotiating with the university administration, mostly on pay equity issues, since March 2013. With no fruitful solution coming out of several bargaining sessions held, in August 2014, 93% of these employees voted for up to five days of strike in the month of September. Employees from the following four different groups are involved in such action: trades and services, clerical, technical, and professional.
- **Canada Safeway Limited and United Food and Commercial Workers (UFCW):** Negotiations had been ongoing in August between Canada Safeway Limited and its 7,700 retail, deli and meat members represented by UFCW since the expiry of their previous agreement in March this year. While about half of the proposals from the union were accepted in July and August, almost all the ones from the employer were outstanding. Key issues of negotiations were collective agreements duration, wage progression, start rates, and worker rights.
- **The Government of Saskatchewan and the Saskatchewan Teachers' Federation (STF):** Saskatchewan's 12,800 teachers headed to conciliation in August after two of their demands were rejected. In the first one, made in October 2013, teachers asked for a 5.5 per cent pay rise over four years, plus a one-time payment in the first two years of the contract. In the second one, made in June 2014, teachers asked for a 7.3 per cent pay rise over four years, plus a \$700 pro-rated bonus in the contract's first year. In August, the Educational Relations Board approved a request from teachers to form a conciliation board. This board would work with the parties to help reach a tentative agreement. At any time, the parties could go back to the bargaining table, or apply for an arbitrator.

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

Settlements reached

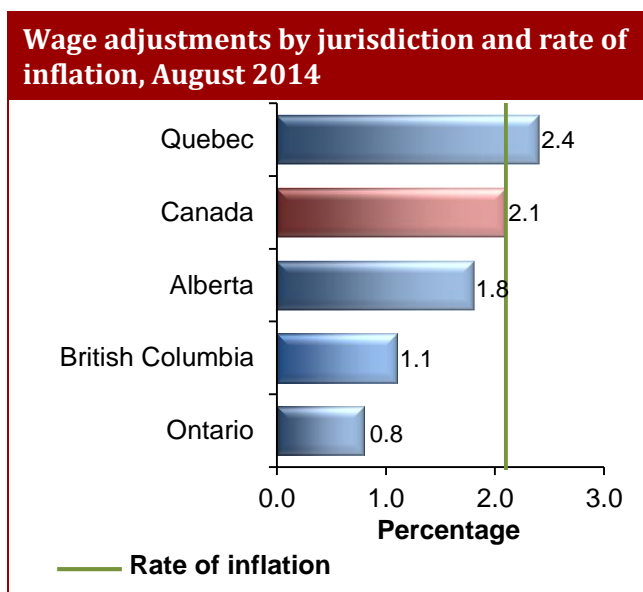
- Six major collective bargaining negotiations were settled in August, covering a total of 115,170 employees. Three of these agreements were reached through direct bargaining, two through post-mediation bargaining, and the remaining one through direct mediation.
- Three agreements, covering 37,880 employees, were settled in the public sector. The remaining three were in the private sector, covering 77,290 employees.
- No agreements were settled in the federal jurisdiction. Among provincial and territorial jurisdictions, Quebec had the highest concentration (66.6%) of employees with two agreements, followed by Alberta (22.6%, one agreement), Ontario (9.8%, two agreements), and British Columbia (1.0%, one agreement).
- Of the settlements reached in August, a majority of employees (76,690 employees, two agreements) belonged to the construction industry.

The texts of collective agreements can be accessed through the [Negotech](#) while the list of [Ratified settlements](#) in 2014 can be accessed under the [Resources](#) tab on the Labour Program website.

Settlement outcomes

Wages

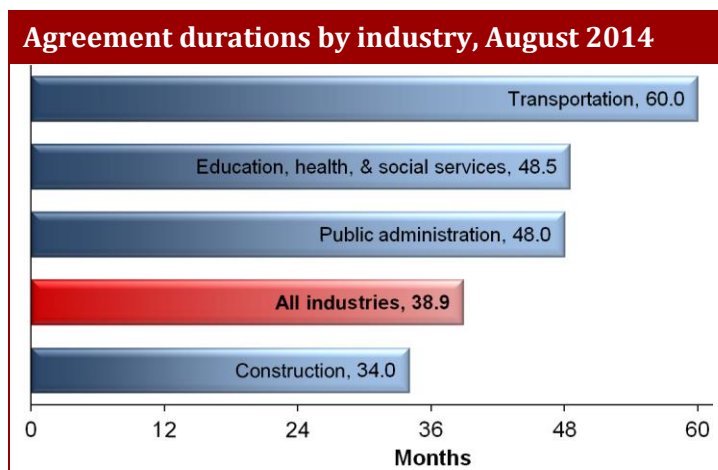
- Major collective bargaining settlements in August recorded base-rate² wage adjustments averaging 2.1%³ annually, an increase from 1.7% in July.
- The last time the same parties to these agreements negotiated, settlements resulted in an average wage adjustment of 1.6%.
- The average wage-increase was at par with the inflation rate (2.1%) that prevailed during the month.
- The average wage adjustment in the public sector (1.5%) was lower than that in the private sector (2.4%).
- Quebec recorded the highest average wage gains of 2.4%. In contrast, Ontario recorded the lowest (0.8%).
- By industry, employees in construction received the highest wage increase (2.4%); whereas, those in the public administration received the lowest (0.7%).



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

Duration

- Major agreements reached in August had an average duration of 38.9 months, almost 19 months longer than the average duration (20.0 months) these same parties had negotiated previously.
- On average, settlements in the public-sector signed for longer terms (48.4 months) than those in the private sector (34.2 months).
- Two agreements, one in Ontario and the other one in British Columbia, recorded the longest contract-duration (60 months) and both were in the transportation industry. In contrast, two agreements in Quebec's construction industry registered the shortest duration (34 months).



Working conditions

The Manitoba Teachers' Society and the St. James-Assiniboia School Division negotiated a new clause on bereavement leave. This would allow 630 elementary and secondary school-teachers to have an additional day of leave-with-pay annually on the event of a death among friends and neighbours.

Major work stoppages

- There were two major⁴ work stoppages in August, involving 43,513 employees, and resulting in 23,390 person-days-not-worked (PDNW) in the manufacturing industry.
- Since the beginning of this year, 11 major work stoppages have been recorded in the public sector and three in the private sector. These 14 work stoppages have resulted in 652,630 PDNW, which is lower than the 855,920 PDNW recorded in 20 work stoppages over the same period last year.

More information on [Work stoppages in Canada](#) can be accessed under the [Resources](#) tab on the [Labour Program website](#).

Features

Literature Scan

- A recent report, titled [Labour Relations Laws in Canada and the United States](#), by Vancouver-based Fraser Institute examines private-sector labour relations legislation in Canada and the US. The Institute constructed an index that attempts to capture jurisdictional differences in the regulation of the union certification/decertification process, the payment of union dues, the use of replacement workers during a work stoppage, third party picketing, and other aspects of labour relations law. All 10 provinces and 50 US States are compared.

- The European Association of Labour Economists recently published a paper investigating the relationship among firm productivity, the decision to export and the choice of the bargaining regime. The paper, titled [*Trade and unions: Can exporters benefit from collective bargaining?*](#), suggests that there exists a positive correlation between export status and collective bargaining. The authors, by using a partial equilibrium model, argue that this positive correlation can be explained by the size of the firms. They conclude that larger exporters tend to do collective bargaining to benefit from additional external economies of scale due to lower bargaining costs, whereas smaller exporters tend to refrain from collective bargaining.

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 August 2014 data/information, which was collected as of September 17, 2014.

- 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 adjustment averages are employee-weighted.
- 4 Major work stoppages involve 500 employees or more.