



*Fair, safe and productive workplaces*

# Labour

## Workplace Bulletin

### Collective bargaining monthly update December 2013

#### Key Negotiation Activities

Amongst the major<sup>1</sup> negotiations that took place in December, the most notable ones were between:

- Canada Revenue Agency and the bargaining teams of Public Service Alliance of Canada and Union of Taxation Employees: In an effort to advance negotiations, which started in September 2012, the parties agreed to mediation through the Public Service Labour Relations Board. Mediation started in late January 2014 and issues related to sick-leave and compensation levels are expected to be at the centre of it.
- Health Employers Association of British Columbia (HEABC) and four unions<sup>2</sup>: Negotiations between the HEABC and unions, representing over 100,000 health professionals in the province, are ongoing as the current agreements are set to expire at the end of March 2014. Parties started negotiating in September and a vote took place on a tentative agreement in December. As members have not accepted the tentative agreement, bargaining is still ongoing.
- DHL Express Ltd. and five Unifor locals: The parties started to negotiate after collective agreements expired in March 2013, covering 580 owner-operators and hourly employees. The Labour Program appointed conciliation officers in September and mediators in November. After a strike-vote in November, Unifor gave notice on December 1<sup>st</sup> that strike action would commence on December 5<sup>th</sup> – the same day the parties reached a tentative agreement with the mediators' assistance. By Christmas Eve, it had been confirmed that the agreements had been ratified by all five Unifor locals.

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

## Settlements Reached

- In December, 17 agreements were ratified, covering a total of 43,960 employees. Fifteen of these agreements were concluded through bargaining: 11 through direct bargaining, three involved bargaining after a work stoppage, and one was settled through post-conciliation bargaining. The remaining two agreements were settled through a conciliation and mediation.
- Six agreements, covering 29,930 employees, were concluded in the public sector. A total of 11 private-sector agreements were ratified for 14,030 employees across several industries.
- There were five agreements concluded in the federal jurisdiction, three in the private sector (2,010 employees) and two in the public sector (10,630 employees).
- The highest concentration of employees who ratified their agreement was in the education, health, and social services industry (37.8%).

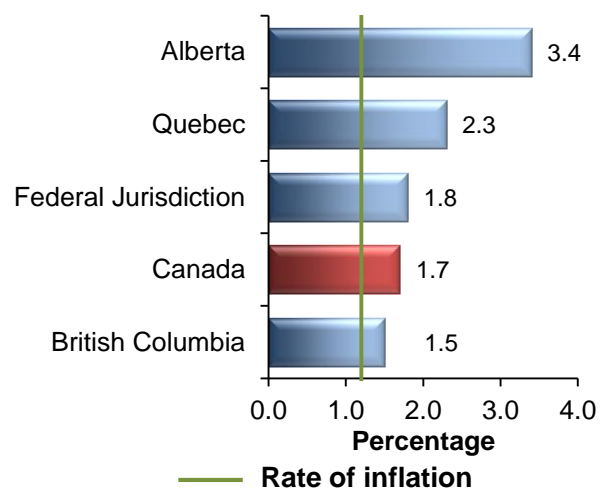
The texts of collective agreements can be accessed through the [Negotech](#) while the list of [ratified settlements](#) in 2013 can be accessed under the [Resources](#) tab the Labour Program website.

## Settlement Outcomes

### Wages

- Major collective bargaining settlements in December provided base-rate<sup>3</sup> wage adjustments averaging 1.7%<sup>4</sup> annually, a decrease from 2.1% in November.
- This average increase was higher than the annual inflation rate (1.2%) in December.<sup>5</sup> However, the Bank of Canada forecasts that inflation will be higher than this average wage increase over the coming years.<sup>6</sup>
- The last time the same parties to these agreements negotiated, settlements resulted in an average wage adjustment of 1.9%.
- Five agreements in the federal jurisdiction were concluded with an average wage adjustment of 1.8%. The highest adjustment (2.9%) was negotiated between the Société en commandite Garda and 800 finance and professional services employees represented by the Canadian Union of Public Employees.
- Alberta recorded the highest wage adjustment (3.4%) amongst all jurisdictions in a single agreement between Finning and 1,700 wholesale and retail trade employees.
- The average wage increase in the private sector (2.6%) was almost double the one in the public sector (1.4%). This is the fifth consecutive month where adjustments in the private sector outpace those in the public sector.

**Wage adjustments by jurisdiction and rate of inflation, December 2013**



- Amongst all industries, wholesale and retail trade recorded the highest average adjustment (2.9%), whereas the lowest (1.1%) was in the education, health, and social services.

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

### Duration

- December’s ratified agreements had an average duration of 49.9 months. Agreements in the public sector were longer than in the private sector with average durations of 51.8 months and 45.9 months, respectively.
- The previous round of negotiations between these bargaining parties led to an average contract duration of 38.4 months.
- The longest agreement (72 months) was negotiated between the Société des alcools du Québec and 700 wholesale and retail trade workers.

### Working conditions

- The Health Employers Association of BC and the Health Science Professionals Bargaining Association of BC negotiated a new ‘Economic Stability Dividend’. Employees will receive a general wage increase equal to one-half of any percentage increase in provincial real GDP in excess of the forecasted GDP growth for that year. The dividend will be calculated annually for each year of the collective agreement.

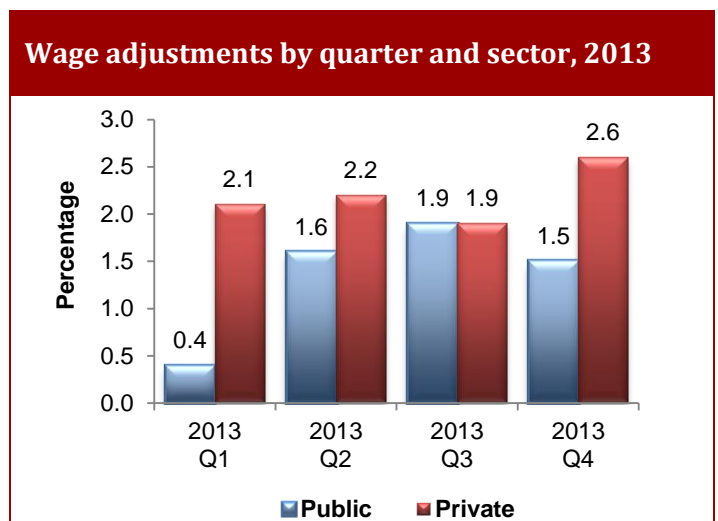
### Major Work Stoppages

- There were three major<sup>7</sup> work stoppages in December, involving 5,634 employees, that resulted in 69,540 person days not worked (PDNW).
- Throughout 2013, 17 major work stoppages, involving 198,301 employees, resulted in a total of 954,340 PDNW. In comparison, there were a total of 43 work stoppages that involved 113,988 employees and accounted for 468,565 PDNW, in 2012.

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

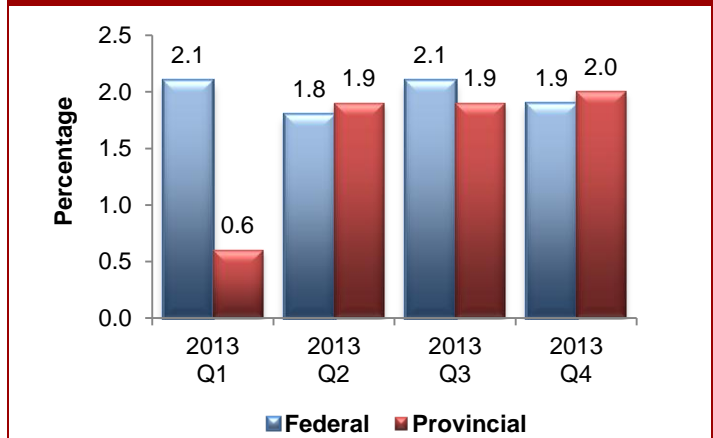
### Fourth Quarter 2013

- Major settlements in the fourth quarter recorded annual base-rate wage adjustments averaging 1.9%, which is on par with the two previous quarters. This result is derived from a review of 58 major agreements concluded in the fourth quarter, covering a total of 150,080 employees.
- The average wage adjustment in the private sector (2.6%) was higher than that in the public sector (1.5%). Governments’ fiscal conditions have continued to keep the public-sector wage growth below the private-sector one.



- Seven agreements, covering 13,890 employees, were concluded in the federal jurisdiction with an average wage adjustment of 1.9%, very close to the increases registered in the first three quarters.
- Construction workers received the highest average wage increase (2.9%) amongst all unionized workers in the last quarter. Health, education, and social service workers, on the other hand, obtained the lowest (1.2%).
- Agreements ratified in the fourth quarter had an average duration of 50.2 months, higher than the average in the first three quarters.
- Five major work stoppages took place during the fourth quarter, adding 76,550 PDNW to a total of 858,070 PDNW recorded over the previous three quarters.

### Wage adjustments by aggregated jurisdiction and quarter, 2013



## Features

### Literature Scan

- The Canadian Centre for Policy Alternatives recently released a study titled [All in a Day's Work: CEO Pay in Canada](#), which details executive compensation for CEOs of TSX Index-listed companies. The article claims that the highest paid 100 CEOs now make 171 times more than the average Canadian worker, up from 105 times the average in 1998.
- The Conference Board of Canada discussed the topic of unconscious bias in human resource management in a recent publication [Overcoming Barriers to Leadership for Young Women](#). The study suggests that unconscious bias may influence the abilities of young women to assume leadership roles. It recommends that human resource practices be modified to ensure that the best talent is identified and developed, regardless of stereotypes.

## Contact

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

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- 1 All data reported in this bulletin relates to major collective agreements covering 500 or more employees across Canada.
  - 2 The four unions are the Canadian Union of Public Employees, British Columbia Nurses' Union, British Columbia Government and Service Employees' Union, and the Professional Association of Residents of British Columbia.
  - 3 The base wage rate is the lowest paid classification used for qualified employees in the bargaining unit.
  - 4 The wage data are employee-weighted.
  - 5 Statistics Canada, [The Daily](#).
  - 6 The Bank of Canada forecasts inflation to return to the 2.0% target in about two years. [Bank of Canada press release \(January 22, 2014\)](#).
  - 7 Major work stoppages involve 500 employees or more.
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