



Labour

Workplace Bulletin

Collective bargaining monthly update

January 2014

Key Negotiation Activities

In January, interesting developments in major¹ negotiations happened between:

- The Government of Alberta and the Alberta Union of Provincial Employees (AUPE): Progress has been slow since the expiration of the collective agreement in March 2013. After the province passed Bill 46 in early December, the AUPE filed a Charter challenge with the court. On January 28, 2014, the court issued a temporary stay to Bill 46 until a decision is issued in mid-February. The evolution of this case (and its appeals) is being closely watched because of its potential precedent. Negotiations have made no significant progress since Bill 46 was passed.
- The Canadian National Railway Company and Teamsters Canada: The parties are negotiating five collective agreements which expired in July 2013. After rounds of conciliation and mediation in August and October, the parties reached a tentative agreement on October 31. On January 31, 2014, the union announced that its members rejected the tentative agreement and voted for strike action.
- The Canadian Food Inspection Agency and the Professional Institute of the Public Service of Canada (PIPSC): Bargaining started in February 2012 after the collective agreement expired in September 2011. The parties had reached a tentative agreement in January before Treasury Board declined ratification in July 2013. The parties reached another tentative agreement in December 2013. PIPSC ratified the tentative agreement and expects employer ratification in early spring, pending Treasury Board review.

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

Settlements Reached

- Five major agreements were ratified in January, covering a total of 36,880 employees. Four agreements were concluded through direct bargaining and the remaining one, between the Prince Edward Island Department of Health and 1,080 employees, was settled through conciliation. All of these five agreements were in the public sector.
- There was a single agreement ratified in the federal jurisdiction, covering 4,600 employees.
- Almost two-thirds of employees (63.5%) covered by the January agreements were from British Columbia.

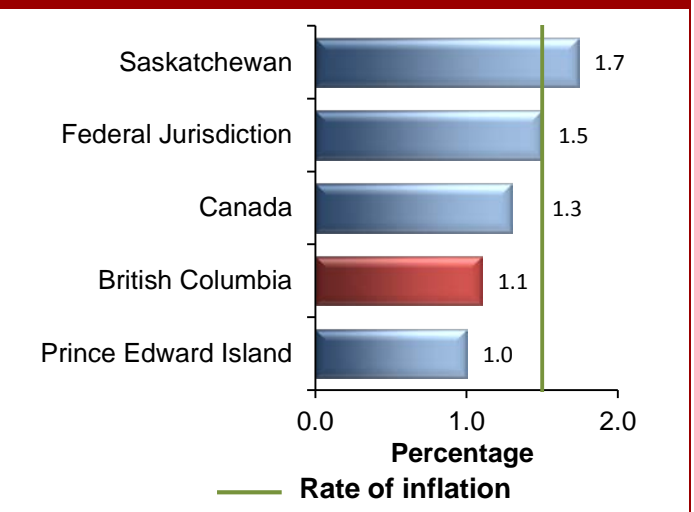
The texts of collective agreements can be accessed through the [Negotech](#) while the list of [ratified settlements](#) in 2014 can be accessed under the [Resources](#) tab the Labour Program website.

Settlement Outcomes

Wages

- Major collective bargaining settlements in January provided base-rate² wage adjustments averaging 1.3%³ annually, a decrease from 1.6% in December.
- The last time these same parties negotiated their agreements, the wage adjustments averaged 2.0%.
- For the first time in the last 12 months, the average wage adjustment fell below the inflation rate that prevailed during that same month. The inflation rate recorded in January was 1.5%⁴, and as inflation is expected to gradually rise to the Bank of Canada's target rate of 2.0% in 2016⁵, the employees covered by January agreements may find their wage increases remain below the inflation rate throughout the duration of their contract.
- In the federal jurisdiction, a single collective agreement covering 4,600 employees of the Canadian Broadcasting Corporation was concluded with an average wage adjustment of 1.5%.
- Two agreements, covering 23,430 public servants, were concluded in British Columbia with wage increases averaging 1.1%.
- By industry, employees in education, health, and social services had the highest average wage adjustment this month with 1.6% (two agreements covering 8,850 health workers).
- Amongst all jurisdictions, Saskatchewan recorded the highest wage adjustment (1.7%) in a single agreement involving the Saskatchewan Association of Health Organizations and 7,770 health workers.

Wage adjustments by jurisdiction and rate of inflation, January 2014



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

Duration

- The average duration of agreements concluded in January was 54.5 months. This is the longest monthly average in over two years, although the result is derived from a relatively small number (five) of ratified agreements.
- When these parties negotiated their previous agreements, the average duration was almost two years shorter at 31.4 months.
- Three agreements, covering 31,200 employees, tied for the longest agreements of the month, each with duration of 60 months.

Working conditions

- TbayTel and the International Brotherhood of Electrical Workers have negotiated a new incentive program. This program, called Short Term Incentive Plan would provide workers with an annual bonus of 0.5% to 1.5% of regular earnings and overtime. The exact amount of the bonus will be determined by an audit committee and will be based on the company's performance against several criteria, developed exclusively by the employer.
- The Saskatchewan Association of Health Organizations and the Service Employees International Union have negotiated a new clause that will allow the union to provide input into the development of any mentorship program. Paid orientation sessions and joint employer-employee curriculum development will create the opportunity for active engagement in training by the union. If a mentorship program already exists, the parties will meet to discuss various aspects of that program.

Major Work Stoppages

- There were two major⁶ work stoppages in January, involving 1,130 employees, that resulted in 10,130 person-days not worked (PDNW). By comparison, in January 2013, one major work stoppage by 627 employees resulted in a total of 1,880 PDNW.
- A strike, starting on January 10, 2014 and involving 600 members of the Association of University of New Brunswick Teachers resulted in 9,600 PDNW. The parties reached a tentative agreement on January 30, 2014.
- A one-day work stoppage involving 530 Nova Scotia school board employees, represented by the Canadian Union of Public Employees, resulted in 530 PDNW.

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 Frontier Centre for Public Policy discusses strategies for improved labour market outcomes for Aboriginal individuals in a new report titled [Tapping Into Our Potential](#). The Aboriginal population of Canada is expected to grow considerably in coming years, and many Aboriginal communities are close to natural resource development projects, which require skilled tradespeople for development. A key recommendation of the report is that provinces relax journeyman-apprenticeship ratios to encourage the transmission of skilled-trades within Aboriginal communities.
- The Public Policy Forum's recent report, [Canada's Evolving Internal Market](#), develops a host of policy prescriptions to improve inter-provincial trade and labour mobility. Differences and duplication in regulation across Canadian jurisdictions can limit trade and hamper inter-provincial business investment. The report suggests that strengthening the Committee on Internal Trade and limiting regulatory inconsistencies would provide a "compelling basis" to improve trade and labour flow across Canadian borders.

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 January data/information, which is collected as of February 15, 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 data are employee-weighted.
- 4 Statistics Canada, [The Daily](#).
- 5 The Bank of Canada forecasts inflation to return to the 2.0% target in about two years. [Bank of Canada press release \(January 22, 2014\)](#).
- 6 Major work stoppages involve 500 employees or more.