



Fair, safe and productive workplaces

Labour

Workplace Bulletin

Collective bargaining monthly update July 2014

Key negotiation activities

In July, aside from the major¹ negotiations that reached settlements, several others were still ongoing. The most prominent ones were between:

- **Hydro-Québec and Canadian Union of Public Employees (CUPE):** With a four-month lapse since the expiration of their collective agreement in December 2013, the parties initiated negotiations in April 2014. However, with no significant progress until July, 95% of 2,160 employees voted in favour of a strike. The key bargaining issues are pensions, work organization, labor and subcontracting.
- **The British Columbia Public School Employers' Association and the British Columbia Teachers' Federation (BCTF):** Following 16 months of bargaining that included rotating strikes for three weeks in May and a full-scale strike in June 2014, the parties were unable to reach an agreement and consequently, negotiations continued throughout July. While the government of BC is seeking efficiencies to improve class size and composition, the 39,000 teachers are demanding new resources to help address those concerns. The situation has led to brewing disputes between the parties.
- **Regional Health Authorities of Manitoba (RHAM) and Manitoba Government and General Employees' union (MGEU):** 26,440 RHAM employees have been without a contract since March 2012. In January 2014, MGEU accepted proposals from RHAM, but postponed the ratification of the agreement as long as the Canadian Union of Public Employees (CUPE) would conclude their negotiations with the same employer. However, the bargaining between RHAM and CUPE remained contentious as the parties went through conciliation, mediation, as well as interest arbitration. The parties were unable to reach an agreement by the end of July.

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

Settlements reached

- In July, ten major collective bargaining agreements were reached, covering a total of 11,420 employees. Five of these agreements were settled through direct bargaining, two through post-mediation bargaining, one through post-conciliation bargaining, one through mediation, and the remaining one required mediation after a work stoppage.
- Seven of these ten agreements, covering 9,450 employees, were settled in the public sector. The remaining three were concluded in the private sector covering 1,970 employees.
- Two agreements were reached in the federal jurisdiction; one in the public sector (covering 530 employees) and the other one in the private sector (covering 570 employees).
- Amongst jurisdictions, Quebec recorded the most settlements (four) with the highest concentration of employees (38.3%, 4730 employees). In contrast, British Columbia had the lowest concentration of employees (21.8%, 2,490 employees) in two agreements.
- By industry, the public administration represented the highest concentration (30.4%) of all employees covered by the agreements settled in July; followed by transportation (21.3%), and utilities (15.0%).

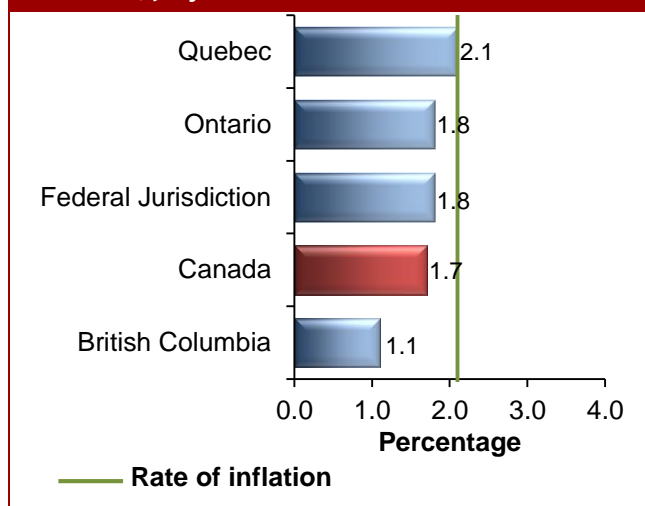
The texts of collective agreements can be accessed through the [Negotech](#) while the list of [Ratified settlements](#) in 2014 can be accessed under the [Resources](#) tab on the Labour Program website.

Settlement outcomes

Wages

- Major collective bargaining settlements in July provided base-rate² wage adjustments averaging 1.7%³ annually, a slight increase when compared to June (1.6%)⁴.
- This average wage adjustment (1.7%) is lower than the one (1.9%) recorded in the previous round of negotiations between these same parties.
- It was also lower than the inflation rate (2.1%)⁵ that prevailed in July, the fourth consecutive month in which the average increase in wages was lower than the inflation rate. As long as inflation remains around the Bank of Canada's target of 2%, most employees, who had their agreements concluded in July, will find their real wage declining annually over the length of their contracts.
- Two agreements, covering 1,100 employees, were settled in the federal jurisdiction, and recorded an average wage-increase of 1.8%. While Quebec had the highest average wage-increase (2.1%) amongst all jurisdictions, British Columbia recorded the lowest (1.1%).
- By industry, for the first time since December 2013, employees in the wholesale and retail sector received the highest average wage gains (2.5%) in a single agreement between the Automobile Industry Employers' Association Inc. and its 900 employees.

Wage adjustments by jurisdiction and rate of inflation, July 2014

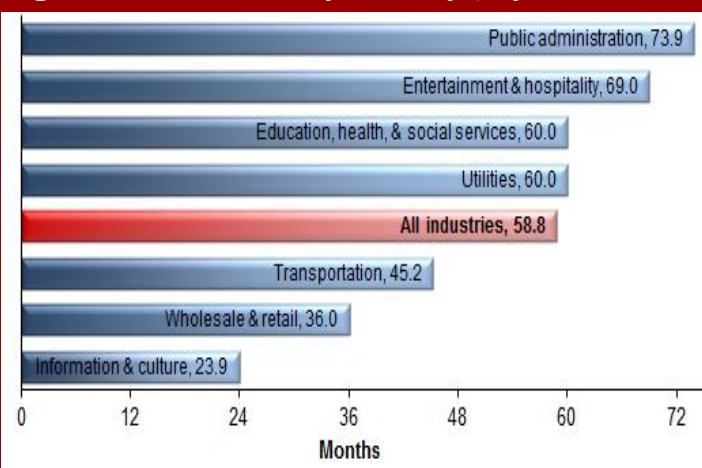


More information on [Wage settlements](#) can be accessed under the [Resources](#) tab on the Labour Program website.

Duration

- Major agreements reached in July had an average duration of 58.8 months, almost 20 months longer than the average duration (39.1 months) these same parties had negotiated previously.
- On average, public-sector agreements were longer (63.5 months) than those concluded in the private sector (36.0 months). The agreement with the longest term (96 months) was settled between the City of Quebec and its 1,870 municipal employees.
- Agreements in the public administration had the longest average duration (73.9 months) amongst industries.

Agreement durations by industry, July 2014



Working conditions

No major working condition of interest was noticed by the Labour Program in July.

Major work stoppages

- In July, four major⁶ work stoppages, involving 45,649 employees, resulted in 28,220 person-days-not-worked (PDNW). PDNW decreased by nearly 95% from June during which only two stoppages, involving 44,050 employees, were recorded.
- Since the beginning of this year, eight major work stoppages have been recorded in the public sector and two in the private sector. These 10 work stoppages have resulted in 603,640 PDNW, which is lower than the 837,280 PDNW recorded in 19 work stoppages over the same period last year. Although the number of work stoppages dropped significantly from last year, this could not be fully reflected in the reduction of PDNW since 2014-wage-stoppages involved more employees and recorded longer duration.

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

Features

Literature Scan

- Student employment in government received attention in a recent report by The Canadian Centre for Policy Alternatives. The report, titled [Help Not Wanted](#), highlights that summer and non-summer hiring of students in the federal public service has declined by nearly a third (36%) and a fifth (23%), respectively since 2009. The report suggests that the government should be expanding, not reducing, the number of student-placements in the public service to address elevated levels of youth-unemployment in Canada.

- The Institute for the Study of Labor released a discussion paper, titled [*Spillover Effects of Unionisation on Non-members' Well-being*](#). The paper examines the extent to which unionization has a spillover effect on employee well-being. By comparing non-members in union and non-union workplaces, the paper emphasizes that unionization has a spillover effect that lowers non-members' job satisfaction.
- In its July TD Economics Series, TD Bank highlighted that Canada's higher employment rate appeared to have less to do with cyclical developments and more to do with longer-term structural trends. TD's study, titled [*Canada's Job Market No Longer Leading America's*](#) (published on July 14, 2014), indicates that Canada has a higher share of people working than the United States (US), and particularly, female labour force participation has been higher in Canada than in the US for the past 15 years.

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 July 2014 data/information, which was collected as of August 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 adjustment averages are employee-weighted.
- 4 Any discrepancy between this figure and the one reported on the last bulletin is due to the fact that new information became available after the bulletin had been in production.

5 Statistics Canada, [The Daily](#).

6 Major work stoppages involve 500 employees or more.