



Fair, safe and productive workplaces

Labour

Workplace Bulletin

Collective bargaining monthly update February 2015

Key negotiation activities

A number of major¹ negotiations were underway in February. Among those, the following two were prominent:

- **Canada Revenue Agency (CRA) and the Professional Institute of the Public Service of Canada (PIPSC):** The collective agreement of almost 11,400 auditors expired on December 21, 2014. Three bargaining sessions between the union and the employer occurred during the month of February. The union proposed to renew the collective agreement in its entirety for a period of one year. CRA declined this offer and further bargaining sessions are to be held in the months of March and April 2015.
- **Canadian Pacific Railway Ltd. (CP) and Teamsters Canada:** The collective agreement between the two parties expired in December 2014. Negotiations involving 3,800 conductors and locomotive engineers broke down, resulting in a strike on February 15. After one day of the work stoppage, the parties agreed to submit their points of contention (including scheduling and rest periods) to the arbitration process. Employees got back to work on February 16 and are awaiting further developments from the process.

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

Settlements reached

- In February, three collective bargaining negotiations were settled, covering 15,690 employees. One agreement was concluded through direct bargaining, one through conciliation, and one through conciliation after a work stoppage.
- Two of these agreements were concluded in the public sector, covering 14,960 employees, and the other one was concluded in the private sector, covering 730 employees.
- Two settlements occurred in Quebec (2,890 employees) and the other was in Saskatchewan (12,800 employees).
- The one agreement in the education, health, and social services industry represented the largest proportion of employees (81.6%) covered by agreements reached in February. Of the remaining two, one agreement was reached in the manufacturing industry, while the other one was in the utilities industry.

The texts of collective agreements can be accessed through the [Negotech](#), while the list of [Ratified settlements in 2015](#) can be accessed under the [Resources](#) tab on the Labour Program website.

Settlement outcomes

Wages

- Among major collective bargaining settlements in February, the average annual base-rate² wage adjustment (over the duration of the contracts) was 2.0%.
- At 2.0%, this average wage increase is lower than the one recorded in the previous round of negotiations between the same parties (2.9%).
- The average wage adjustment obtained by the February settlements is higher than the inflation rate (1.0%) recorded during the month. The inflation rate is expected to remain lower than the average wage adjustment, at least for the first year of the contract, according to the Bank of Canada's forecast.³
- The highest wage increase negotiated during February was 2.5%, which was received by 2,160 employees of Hydro-Québec and 730 employees of Domtar Inc., both in the province of Quebec. The lowest wage gain (1.9%) was obtained by the 12,800 members of the Saskatchewan Teachers' Federation.
- The two public-sector agreements recorded an average wage adjustment of 2.0%, which is lower than the 2.5% negotiated in the sole private-sector agreement.
- The agreements reached in the manufacturing and utilities industries both attained average adjustments of 2.5%. The single agreement in education, health, and social services secured an average increase of 1.9%.

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

Duration

- The three agreements reached in February had an average duration of 50.2 months. The duration of the sole private-sector agreement was longer (60.0 months) than the average of the two agreements in the public sector (49.7 months).
- When these same bargaining parties settled in their previous round of negotiations, the average contract duration was 39.9 months.

- The agreement with the shortest duration (48.0 months) was negotiated between the Government of Saskatchewan and the Saskatchewan Teachers' Federation (12,800 employees), in the education, health and social services industry.
- The two Quebec settlements reached this month in the manufacturing and utilities industries had the longest duration (60.0 months).

Major work stoppages

- Two major⁴ work stoppages were reported in February. These stoppages involved 3,908 employees and resulted in 7,690 person days not worked (PDNW).
- The one stoppage in February in the public sector was a continuation of the stoppage that began at the end of January between the Central Community Care Access Centre and the Ontario Nurses' Association (ONA)⁵ and involved 608 employees.
- The other work stoppage took place in the federal jurisdiction private sector, between Canadian Pacific Railway Ltd. (CP) and Teamsters Canada. It involved a total of 3,300 employees and recorded 6,600 PDNW.

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

Features

Literature scan

- In its report [Ascent of Giants NAFTA, Corporate Power and the Growing Income Gap](#), Canadian Centre for Policy Alternatives argues that the North American Free Trade Agreement (NAFTA) has enabled intense merger and acquisition (M&A) activity which in turn has increased income inequality in Canada. The report notes that M&A activity increased significantly after the implementation of NAFTA and contends that amalgamation has allowed firms to increase their earnings margins and drive up executive compensation. The report concludes by describing how strategic trade and investment regimes that promote domestic investment and foster wage-led growth (involving a strong labour movement) could reduce income inequality in Canada.
- The IBM Institute for Business Value recently completed a multigenerational survey of 1,784 employees across multiple organizations, countries, and industries to compare the workplace preferences and behaviours of members of the Millennial, Generation X, and Baby Boomer generations. The results, published in [Myths, Exaggerations and Uncomfortable Truths](#), demonstrate that, besides a high level of comfort with technology among Millennials, there are actually few significant differences between the generations. The publication also provides five recommendations for employers to engage their entire workforce: focus on individuals; foster a collaborative work culture; prioritize customer satisfaction; assess and improve leadership capacity; and improve the understanding of business strategy.
- According to the International Labour Organization in its report [World Employment Social Outlook: Trends 2015](#), there were 61 million fewer jobs in 2014 than would have been had the 2008-2009 global recession not occurred. The global unemployment rate in 2014 was 5.9% and is expected to remain at that level over the next few years, while youth (15-24 years of age) continue to disproportionately experience unemployment. Job growth over the next several years will be concentrated in the service sector and high skilled jobs will make up an increasing share of total employment. In addition, the report notes that wage growth has not returned to its pre-recession levels and discusses several challenges facing economic recovery.

Contact

For more information, please contact the [Workplace Information and Research Division](#) or call at 1-877-259-8828. If you have a business unit either federally registered (with 100 or more employees) or provincially registered (with 500 or more employees), using the above link please send us the memorandum of understanding or other documentation if a collective bargaining agreement is reached.

Note: This bulletin is based on February 2015 data/information, which was collected on March 17, 2015. Work stoppage data was collected on March 20, 2015.

- 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 [Monetary Policy Report Summary](#), Bank of Canada, January 2015.
- 4 Major work stoppages involve 500 employees or more. Work stoppage data for February includes preliminary data only from the province of Ontario.
- 5 The work stoppage between the Central Community Care Access Centre and ONA is part of a larger job action. On January 30, 2015, 2,760 employees represented by ONA—working in nine Community Care Access Centres (CCACs)—went on strike after talks broke down during the month. Only the individual agreement between Central CCAC and ONA covers more than 500 employees, and hence is reported as a “major work stoppage.”