



# Labour

## Workplace Bulletin

### Collective bargaining monthly update

### April 2015

#### Key negotiation activities

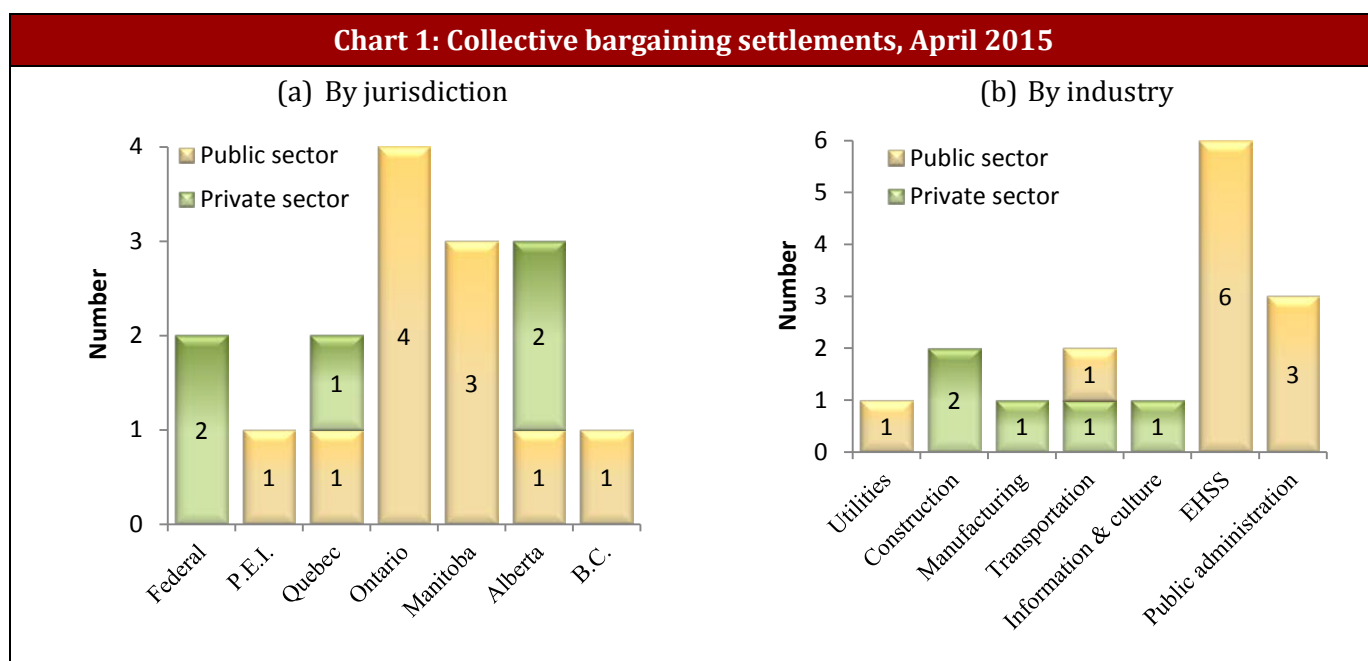
In April, several major<sup>1</sup> negotiations were ongoing. The two most prominent negotiations were the following:

- **Ontario Public School Boards' Association (OPSBA) and Ontario Secondary School Teachers' Federation (OSSTF):** The contract covering secondary school teachers in Ontario's public school boards expired on August 31, 2014. OSSTF—which represents approximately 60,000 teachers and other educational professionals—negotiates local working conditions with individual school boards, while broader issues, including wages and class size, are negotiated centrally between OSSTF and the OPSBA. Wages, classroom size, and planning and preparation time have been at the centre of the current round of negotiations between the parties. Teachers of the Durham District School Board and the Rainbow District School Board (Sudbury) began strikes during the month. At the end of April, teachers of several other boards were threatening strikes. Further negotiation sessions were planned for the month of May.
- **City of Winnipeg and Amalgamated Transit Union (ATU), Local 1505:** On January 17, 2015, the contract covering approximately 1,100 bus drivers and 250 maintenance staff expired. On April 17, ATU rejected a settlement offer from the city, putting the drivers and maintenance staff in a legal strike position. Also during the month, members withdrew voluntary overtime work. ATU agreed to enter into conciliation at the request of the city. The main issue for the union is wages.

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

## Settlements reached

- Sixteen major collective bargaining negotiations were settled in April for 35,760 employees. Eleven of these were reached through direct bargaining, two through conciliation, two through mediation and one through arbitration.
- The majority of the agreements were settled in the public sector (11) and covered 27,800 employees. In the private sector, five agreements were reached for 7,960 employees [Chart 1, (a)].
- In the federal jurisdiction, two settlements were concluded (both in the private sector), covering 4,670 employees.
- Amongst the provincial jurisdictions, four agreements were reached in Ontario, three each in Manitoba and Alberta, two in Quebec, and one each in Prince Edward Island and British Columbia.
- The largest proportion of employees (51.8%) covered by agreements reached in April were in the education, health, and social services (EHSS) industry. The second largest proportion (21.9%) was in the public administration industry (Chart 1, [b]).



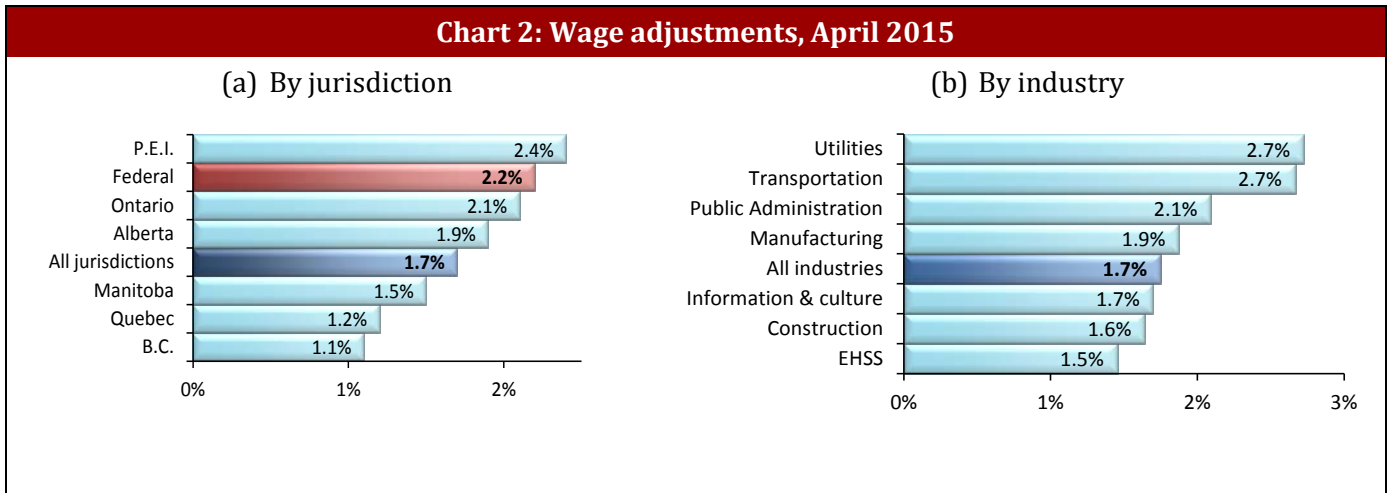
The texts of collective agreements can be accessed through the [Negotech](#), while the list of [Ratified settlements in 2015](#) can be accessed under the [Resources](#) tab on the Labour Program website.

## Settlement outcomes

### Wages

- The average annual base-rate<sup>2</sup> wage adjustment (over the duration of the contracts) among major collective bargaining settlements reached in April was 1.7% (Chart 2 [a]).
- The Bank of Canada forecasts that inflation will grow by 1.9% in 2015, 2.5% in 2016, and by 2.0% in 2017.<sup>3</sup> Many employees covered by settlements reached in April could therefore find their real wage shrinking over the duration of their contracts.
- The average wage increase in the previous round of negotiations between the same parties was more than a percentage point higher (2.8%) than the average increase negotiated in April (1.7%).

- The highest average wage increase (3.0%) was negotiated between the Canadian National Railway Company and Teamsters Canada.
- The average wage adjustment in the public sector (1.7%) was lower than the average in the private sector (2.0%).
- Among all jurisdictions, Prince Edward Island recorded the highest average wage adjustment (2.4%). This was negotiated in a single agreement between the Prince Edward Island Department of Health and the Prince Edward Island Nurses' Union, covering 1,210 employees.
- Amongst all industries, utilities and transportation each received the highest average wage gain (2.7%). Employees in the EHSS industry received the lowest average adjustment (1.5%) (Chart 2 [b]).

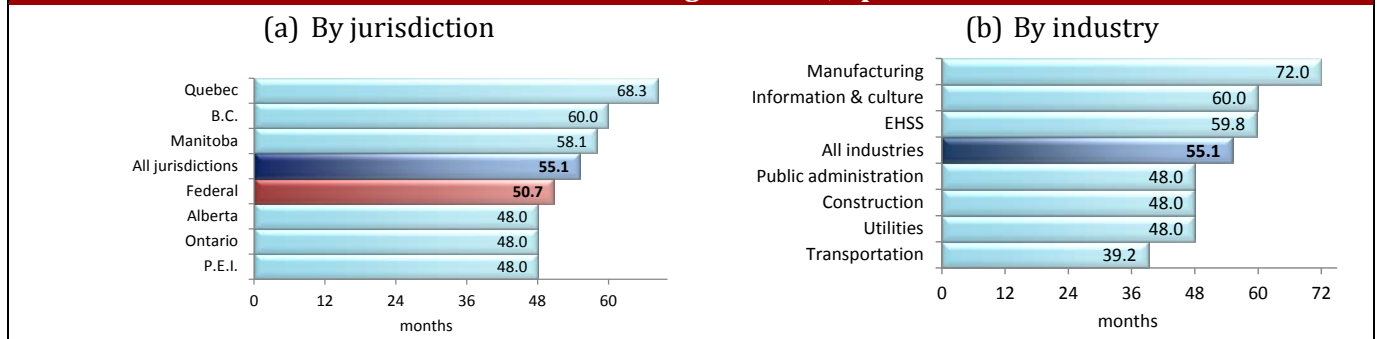


More information on [Wage settlements](#) can be accessed under the [Resources](#) tab on the Labour Program website.

### Duration

- The overall average duration of agreements reached in April was 55.1 months [Chart 3, (a)]. For the second month in a row, the average contract duration was longer in the public sector (55.9 months) than in the private sector (52.4 months).
- The average duration of agreements reached in the previous round of negotiations between these same bargaining parties was shorter (47.0 months) than the average recorded in April (55.1 months).
- The contract with the shortest duration (36 months) was negotiated between the Canadian National Railway Company and Teamsters Canada.
- Olymel, Société en commandite and Fédération du commerce inc. negotiated the longest contract (72 months) in April.

**Chart 3: Duration of agreements, April 2015**



## Major work stoppages

- Two major<sup>4</sup> work stoppages occurred in April, involving 3,030 employees and resulting in 23,420 person days not worked (PDNW). Both of the stoppages occurred in the public sector in the EHSS industry.
- One stoppage involved 770 employees of Capilano University, represented by the Federation of Post-Secondary Educators of BC.
- The second stoppage involved 2,260 secondary school teachers at Durham District School Board and resulted in 20,340 PDNW.<sup>5</sup>
- By the end of April 2015, eight work stoppages have occurred, involving 15,767 employees and resulting in 114,620 PDNW. These numbers represent a significant increase from the same time period last year. At end of April 2014, two major work stoppages had occurred, resulting in 10,140 PDNW.

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

## Features

### Literature scan

- On April 21, the Government of Canada released its budget: [Strong Leadership: A balanced budget, low tax plan for jobs, growth and security](#). In addition to reiterating the government's commitment to balancing the federal budget and describing its tax plan, under its "Economic Action Plan 2015," the government outlines several proposed actions relating to the labour market and industrial relations in Canada. Proposals from the plan include: confirmation of new investments in enhanced Labour Market Information; plans to strengthen *Canada Labour Code* protections for all employees and interns under federal jurisdiction; investment of funds to increase compliance with the health and safety provisions of the *Canada Labour Code*; and reforms to disability and sick leave management in the federal public service.
- In the March issue of the *Industrial and Labor Relations Review* (Vol. 68, Issue 2), Professor Katharine G. Abraham explores whether a "skills mismatch" is hindering economic growth in the U.S. In her article "Is Skill Mismatch Impeding U.S. Economic Recovery?" Abraham notes that in periods of high unemployment, there are often reports that unemployment is due to a skills mismatch. The author

counters this argument by providing a statistical analysis of such factors as the dispersion of employment growth rates and the relationship between unemployment and vacancies. Abraham also discusses wage growth and employer recruiting behaviour. The article concludes that the empirical evidence does not support the hypothesis that a skills mismatch is impeding U.S. economic recovery. Based on this conclusion, the author also provides implications for policy-making.

- Authors Sajid Anwar and Sizhong Sun examine the link between unionisation and performance in China in their article “Unionisation and Firm Performance in China’s Manufacturing Industries,” published in the March issue of the *Journal of Labor Research* (Vol. 36 Issue 1). For the purposes of their study, sales, profitability, and average wage were used as indicators of firm productivity. The article describes the authors’ statistical methodology and provides an analysis of wages and productivity for both domestic and foreign invested firms. The study found that firm performance varied across and within manufacturing industries. For example, in the textile industry, workers in unionised domestic firms were less productive and firm profitability was lower. However, the sales of unionised domestic textile firms were higher.

## Contact

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

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Note: This bulletin is based on April 2015 data/information, which was collected up to May 15, 2015. Work stoppage data was collected up to May 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 Bank of Canada, [Monetary Policy Report](#) (April 2015).
- 4 Major work stoppages involve 500 employees or more. Work stoppage data for April includes preliminary data only from the province of Ontario.
- 5 The work stoppage between the Durham District School Board and the Ontario Secondary School Teachers’ Federation (OSSTF) is part of a larger job action across the province of Ontario. In April, the Rainbow District School Board also experienced a work stoppage after talks with OSSTF broke down. However, this stoppage did not involve more than 500 employees, and hence is not reported as a “major work stoppage.”