



Fair, safe and productive workplaces

Labour

Workplace Bulletin

Collective bargaining monthly update July 2015

Key negotiation activities

In July, several major¹ negotiations were ongoing. Notable negotiation activities included the following:

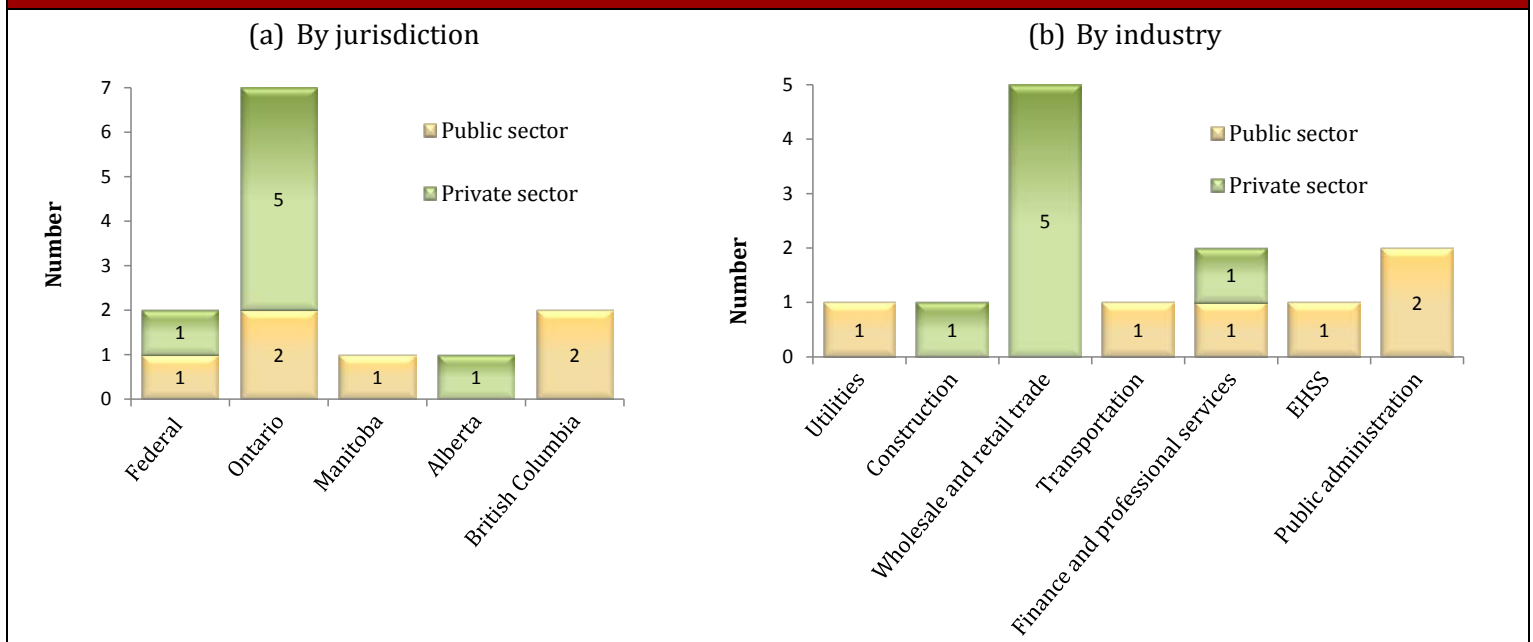
- **Government of Manitoba and Manitoba Government and General Employees Union (MGEU):** The collective agreement covering 14,800 employees of the Manitoba government expired at the end of March 2014. Negotiations over the non-monetary items started between the parties in May 2014, while wages and benefits came into the negotiations in December 2014. Several rounds of negotiations were held until May 2015 without significant results. On July 2, the employer provided a final offer: a four-year agreement with a one percent raise in each of the first two years, and two percent in each of the last two years. The MGEU rejected the offer and filed for arbitration.
- **Ontario Public School Boards' Association (OPSBA) and the Canadian Union of Public Employees (CUPE):** 55,000 education workers represented by CUPE in all four of Ontario's school board systems have been without a contract since September 2014. In its central negotiations with the OPSBA, negotiating on behalf of the Government of Ontario, CUPE was granted four days for bargaining, which the union felt was not enough time to reach an agreement before the start of the school year in September 2015. On July 27, CUPE requested the aid of a conciliator from the Ministry of Labour to help move the talks along.

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

Settlements reached

- Thirteen major collective bargaining negotiations were settled in July, covering 40,110 employees. Five of these agreements were settled through direct bargaining, three through mediation, one through post-mediation bargaining, three through mediation after work stoppage, and one through arbitration.
- Six agreements were settled in the public sector and covered 9,710 employees. The remaining seven were in the private sector, covering 30,400 employees [Chart 1, (a)].
- In the federal jurisdiction, two agreements were settled, covering 1,430 employees.
- Among provincial jurisdictions, Ontario had the highest number of settlements reached (7), covering the majority (80.5%) of all employees who settled an agreement in July.
- Five agreements were settled in wholesale and retail trade, covering 70.5% of all employees who finalized negotiations during the month [Chart 1, (b)].

Chart 1: Collective bargaining settlements, July 2015



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.

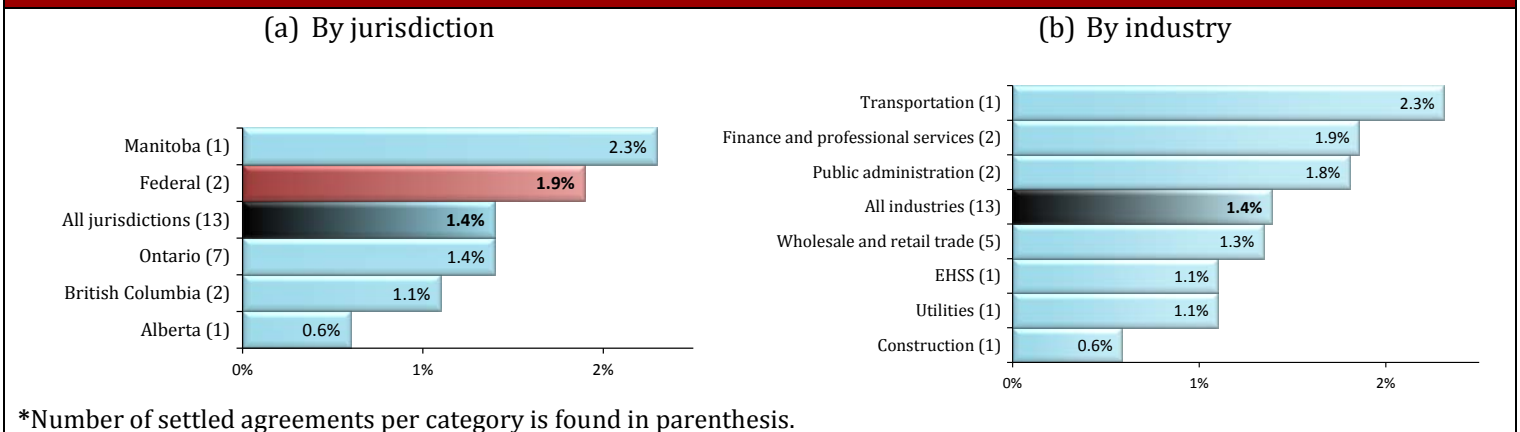
Settlement outcomes

Wages

- The average annual base-rate² wage adjustment (over the duration of the contracts) among major collective agreements settled in July was 1.4% (Chart 2 [a]).
- The average wage increase negotiated this month was much higher than the average increase negotiated in previous round of negotiations between the same parties (0.9%).
- The Bank of Canada predicts that inflation over the next two years will remain consistently around 2.0%,³ which is higher than the July wage adjustment (1.4%).

- The average wage increase received by 9,710 employees in the public sector (1.6%) was higher than the average received by 30,400 employees in the private sector (1.3%).
- In the federal jurisdiction, 1,430 employees received an average wage increase of 1.9%, higher than the average increase across all jurisdictions (1.4%) (Chart 2 [a]).
- Among all industries, 1,140 employees in transportation obtained the highest average wage gain (2.3%), whereas 1,440 employees in construction negotiated the lowest (0.6%) (Chart 2 [b]).

Chart 2: Wage adjustments, July 2015*



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

Duration

- Among all settlements in July, the average duration of agreements was 60.6 months. This was longer than the duration reached in the previous round of negotiations between the same bargaining parties (51.8 months).
- The average duration recorded in private sector agreements was longer (66.2 months) than that in the public sector (42.9 months).
- The agreements reached in the federal jurisdiction were shorter on average (29.7 months) than those in the provincial jurisdictions (61.7 months).
- The high average duration of the agreements settled this month was largely driven by the contracts signed in the wholesale and retail trade industry. Out of the five agreements settled in this industry, four contracts had average durations of six years or longer.

Major work stoppages

- In July, two major⁴ work stoppages occurred involving 2,323 employees and resulting in 22,491 person days not worked (PDNW). Both stoppages occurred in Ontario.
- Between January and July 2015, a total of 12 work stoppages occurred. These stoppages involved 23,202 employees and resulted in 225,821 PDNW. In the same seven-month period last year, six stoppages occurred but involved far more employees (46,415) and resulting in more PDNW (591,970).

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

Features

Literature scan

The following are some of the studies relating to industrial relations recently published:

- The Institute for Research on Public Policy argues in its paper [*Onze propositions pour un meilleur régime d'assurance-emploi*](#) that Canada's employment insurance (EI) program is not meeting the needs of workers. The paper notes that EI in its current form inhibits an "efficient pan-Canadian labour market" and does not adequately address the needs of part-time workers. It presents 11 proposals for improving EI, including: creating a single national standard for eligibility and duration; developing an income replacement formula that is relative to income; and removing all "noncore" programs from EI (e.g., maternity, compassionate care, etc.) to deliver them as a separate social program.
- In its 330 page report, [*In It Together: Why Less Inequality Benefits All*](#), the OECD provides an in-depth analysis of income inequality across OECD countries. Instead of focusing on the top 1% or the bottom 10% of earners, the report pays special attention to the bottom 40% of households and examines the factors that have decreased their income. In addition to describing inequality trends, the report also describes and analyzes the relationship between inequality and: economic growth; the latest financial crisis; non-standard work; and women's participation in the workforce. The OECD also compares household wealth across countries and describes inequality in emerging economies. Four policy opportunities are provided to combat high income inequality: improved women's workforce participation; quality employment promotion; investment in skills and education; and efficient tax and transfer wealth redistribution.
- The International Labour Organization's (ILO) [*World Report on Child Labour*](#) focuses on two issues: the elimination of child labour and improving employment outcomes for youth. Drawing on data from the ILO's School-to-Work Transition Survey programme, the report demonstrates the link between child labour and the difficulty of securing meaningful work as young adults, due to lack of education. The report concludes by recommending policy that addresses both child labour and youth employment in an "integrated fashion."

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.

Note: This bulletin is based on July 2015 data/information, which was collected up to August 18, 2015. Work stoppage data was collected up to August 21, 2015.

1 All data reported in this bulletin relates to major collective agreements covering 500 or more employees across Canada.

2 The base-rate wage is the lowest paid classification used for qualified employees in the bargaining unit.

3 [Monetary Policy Report Summary](#), Bank of Canada, July 2015, pp. 14.

4 Major work stoppages involve 500 employees or more. Because of differences between the province of Ontario and the federal government's reporting cycles, monthly work stoppage data from Ontario may be incomplete.