Labour Program: fair, safe and productive workplaces



# **Workplace Bulletin**

# Collective bargaining update July 2016

This issue provides an overview of major<sup>1</sup> collective bargaining negotiations in the month of July (section A), innovative clauses in collective agreements (section B), and a literature scan (section C).

# A. July overview

# **Key negotiation activities**

In July, ongoing negotiations included the following:

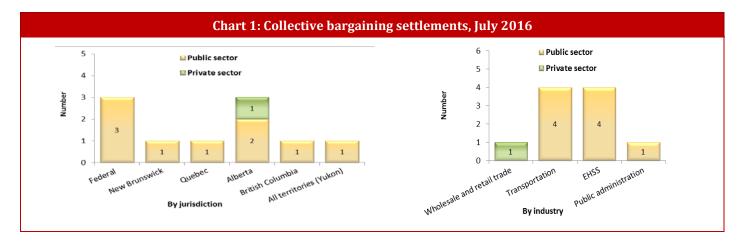
- ➤ Canadian National Railway (CN) and Teamsters Canada: The parties are negotiating the renewal of five collective agreements, covering approximately 3,300 employees working for CN in Canada. On July 12, 2016, the union filed an application with the Canada Industrial Relations Board (CIRB) requesting that the Board determine the appropriate maintenance of activities in the event of a work stoppage. The parties will acquire the legal right to strike or lockout on October 4, 2016 if no agreement is reached. Mediators from the Federal Mediation and Conciliation Service have been assisting the negotiations since July 14, 2016.
- > Teck Coal Limited (Fording River Operations) and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union: The collective agreement, covering a unit of approximately 950 employees, expired on April 30, 2016. The parties have been negotiating, and met several times in March, April, and June 2016. On July 6, the union requested that the employer resume bargaining, suggesting dates in July and August. According to the union, the union filed a complaint with the British Columbia Labour Relations Board on August 10, 2016, as a result of the employer's refusal to resume bargaining.

An updated monthly list of <u>Key negotiations</u> is available under the <u>Resources</u> tab on the Labour Program website.



#### Settlements reached

- ➤ In July, ten major collective agreements were reached, nine in the public sector (covering 123,800 employees) and one in the private sector (covering 2,090 employees). Six agreements were reached through direct bargaining, three through conciliation, and one through arbitration.
- All three agreements settled in the federal jurisdiction were between Via Rail and Unifor (covering 2,130 employees).
- Among provincial jurisdictions, three agreements were reached in Alberta (covering 25,690 employees), and one each in Quebec (covering 89,070 employees), New Brunswick (covering 550 employees), British Columbia (covering 4,700), and the Yukon (covering 3,750) (Chart 1).
- > The majority (90%) of employees settling in July were in the education, health and social services (EHSS) industry (113,220 employees). The second largest proportion was in transportation (6,830 employees), followed by public administration (3,750 employees) and wholesale and retail trade (2,090 employees).

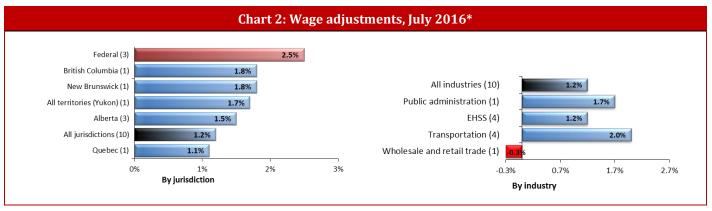


The texts of collective agreements can be accessed through the <u>Negotech</u>, while the list of <u>Ratified settlements</u> can be accessed under the <u>Resources</u> tab on the Labour Program website.

#### Settlement outcomes

#### Wages

- > The average annual base-rate<sup>2</sup> wage adjustment (over the duration of their contracts) received by the 125,890 employees settling in July was 1.2%. This average wage increase was lower than the average increase from the previous round of negotiations between the same bargaining parties (1.6%) (Chart 2).
- ➤ The one agreement that was concluded in the private sector settled for an average wage reduction (-0.3%). The public sector agreements had an average wage increase (1.2%).
- > The collective agreements concluded in the federal jurisdiction had an average wage increase of 2.5%.
- Among provincial jurisdictions, New Brunswick and British Columbia had the highest negotiated wage adjustment (1.8%). The lowest (1.1%) was recorded in Quebec, between the Comité patronal de négociation secteur santé et services sociaux and the Fédération de la santé et des services sociaux.
- > By industry, transportation recorded the highest average wage gain (2.0%), while the employees settling in wholesale and retail trade had a wage reduction (-0.3%).

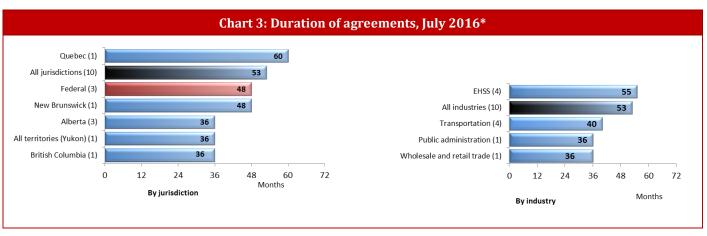


Note: The number of settled agreements per category is found in parenthesis

More information on <u>Wage settlements</u> can be accessed under the <u>Resources</u> tab on the Labour Program website.

### **Duration of collective agreements**

- > The average duration of agreements settling in July was 53 months. This was similar to the average duration in the previous round of negotiations between the same bargaining parties (52 months) (Chart 3).
- > The agreements concluded in the public sector (53 months) had a longer average duration than agreements reached in the private sector (36 months).
- > The three contracts settling in the federal jurisdiction each had duration of 48 months.
- > Comité patronal de négociation secteur santé et services sociaux and the Fédération de la santé et des services sociaux negotiated the longest contract duration (60 months).
- > The shortest contract duration among the agreements concluded in July was 36 months.



Note: The number of settled agreements per category is found in parenthesis

#### Major work stoppages<sup>3</sup>

> No major work stoppages occurred in July, although July data for Quebec was not available at the time of publication.

More information on <u>Work stoppages</u> in Canada can be accessed under the <u>Resources</u> tab on the Labour Program website.

# B. <u>Innovative clauses in collective agreements</u>

New clauses in collective agreements allow employers and unions to innovatively adapt to changing economic, working and social environments. The following clauses were reported:

- > Hamilton Police Services Board and Hamilton Police Association: The bereavement leave language is modified to reflect "celebration of life" ceremonies.
- > Regional Municipality of Durham, Home for the Aged and Canadian Union of Public Employees: Regarding the bereavement leave, "where tradition dictates or delayed services occur (internment or memorial) the amounts in paragraphs (a), (b) or (c) may be used over two (2) separate occasions within six (6) months of the date of loss. "

# C. <u>Literature scan</u>

The following studies related to labour and industrial relations were recently published:

- > The International Labour Organization provides analysis of the impacts of labour provisions in international trade and investment agreements (including Canadian ones) in a report titled <a href="Assessment of Labour Provisions in Trade and Investment Arrangements">Arrangements</a>. In the past twenty years there has been an increasing trend to including labour provisions in trade and investments agreements. In most trade agreements, the labour provisions are used to promote compliance with international labour standards and minimum working conditions. The study suggests that, for labour provisions to be effective they need to involve social partners and the wider public in the negotiation and implementation stages of trade agreements.
- > The Institute for Research on Public Policy <u>Inclusive Employment for Canadians with Disabilities</u> publication discusses the results of a study on the employment participation of working-age Canadians with disabilities. According to the author, "Canadians with disabilities have consistently experienced low levels of employment, as well as barriers in the educational, economic and social spheres. The author also proposes "a six-point policy framework" that includes fostering improvements in workplace practices and modernizing labour market agreements to help increase the labour force participation for people with disabilities.

## **Contact**

For previous issues of the Workplace Bulletin or for more information, please contact the <u>Workplace Information and Research Division</u> or call 1-877-259-8828. Please use the above link to send us a copy of your collective agreement or memorandum of understanding or other documentation if you have a business unit that is either federally registered (with 100 or more employees) or provincially registered (with 500 or more employees).

Note: This bulletin is based on July 2016 data/information, which was collected up to August 16, 2016. Work stoppage data was collected up to August 20, 2016.

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

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

<sup>3</sup> Major work stoppages involve 500 employees or more. Quebec data for month of July was not reported.