



Workplace Bulletin

December 2016

This issue presents an overview of major¹ collective bargaining negotiations in the month of December (section A), the last quarter of 2016 (section B) and a literature scan (section C).

A. December overview

Key negotiation activities

In December, ongoing negotiations included the following:

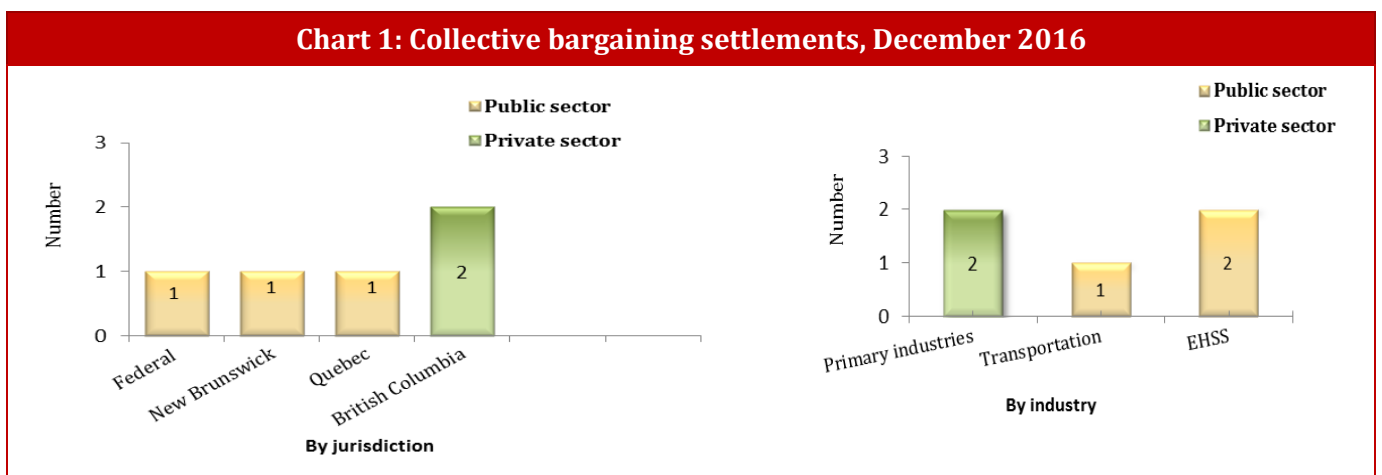
- **Sunwing Airlines Inc. and The Canadian Union of Public Employees, Local 4055:** Approximately 900 cabin crew and cabin safety managers, excluding supervisors, have been without a contract since May 31, 2016. With the assistance of a conciliator from the Federal Mediation and Conciliation Service (FMCS) the parties reached an agreement on November 8. The union members rejected the agreement on December 19, and on December 20, a mediator from FMCS was appointed, and is scheduled to meet with the parties in January 2017. The parties acquired the legal right to strike or lockout on December 6, 2016, with 72 hours notice. There is no agreement on the maintenance of activities in the event of a strike or lockout.
- **Canadian National Railway Company (CN) and The International Brotherhood of Electrical Workers (Council No.11):** The collective agreement covering approximately 670 crossings coordinators, technicians, mechanics, assistants, apprentices and helpers expired on December 31, 2016. Since December 29, the bargaining parties have been negotiating with the assistance of two conciliators from FMCS. If no agreement is reached, the parties will acquire the legal right to strike or lockout on March 21, 2017.
- **Molson Coors and Canadian Union of Brewery and General Workers:** Negotiations commenced on October 31, 2016, ahead of the agreement's expiry on December 31, 2016. Since December 16, the parties have been negotiating with the assistance of a conciliator appointed by the Ontario Ministry of Labour. The parties will acquire the legal right to strike or lockout on January 9, 2017.

Click here for an updated monthly list of [Key negotiations](#).

Settlements reached

- Five major agreements were reached in December: three in the public sector (covering 51,580 employees) and two in the private sector (covering 1,660 employees). Three of these agreements were reached through mediation, and two through conciliation.
- One agreement was concluded in the federal jurisdiction between Canada Post and Canadian Union of Postal Workers (covering 48,000 employees).
- Among provincial jurisdictions, two agreements were reached in British Columbia (covering 1,660 employees), and one agreement was reached in each of New Brunswick (covering 2,600 employees) and in Quebec (covering 980 employees) (Chart 1).
- The majority of employees (90%) who settled in December were in the transportation industry (48,000 employees), followed by education, health and social services (EHSS) (3,580 employees), and primary industries (1,660 employees).

Chart 1: Collective bargaining settlements, December 2016



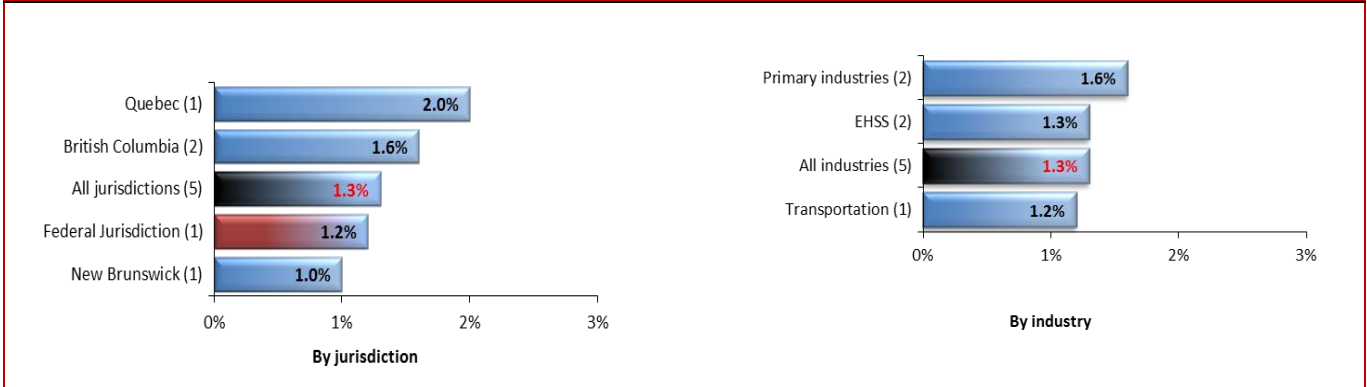
The texts of collective agreements can be accessed through the [Negotech](#). The listing of [Ratified settlements](#) is also available online.

Settlement outcomes

Wages

- The average annual base-rate² wage adjustment (over the duration of the contract) received by the 53,240 employees that settled in December was 1.3% (Chart 2). In the previous round of negotiations between the same parties, the average wage adjustment was slightly higher (1.6%).
- The average wage adjustment received by employees in the public sector (1.3%) was lower than the average wage increase received by employees in the private sector (1.6%).
- Quebec had the highest average wage adjustment (2.0 %), negotiated between the Université du Québec à Montréal and the Fédération des professionnelles. The lowest average wage adjustment was negotiated between the Government of New Brunswick and Canadian Union of Public Employees, in New Brunswick (1.0%). Both agreements were in the EHSS industry.

Chart 2: Average wage adjustments, December 2016



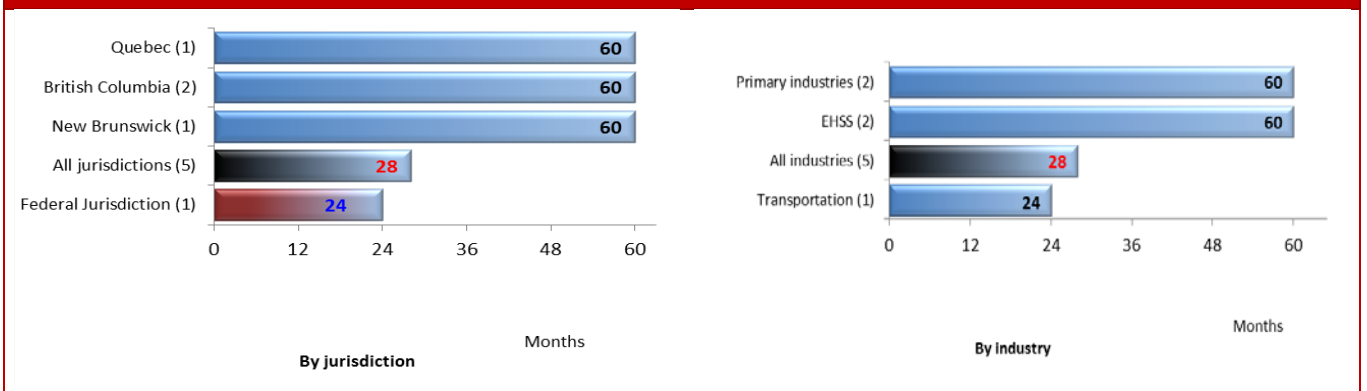
Note: The number of settled agreements per category is found in parentheses

[Click here for more information on Wage settlements.](#)

Duration of collective agreements

- The average duration of the agreements settled in December was 28 months, half the average duration negotiated previously between the same bargaining parties (60 months) (Chart 3).
- The average duration of the agreements concluded in the public sector (26 months) was much shorter than the average duration of the agreements reached in the private sector (60 months).
- The agreement concluded in Quebec between the Université du Québec à Trois-Rivières and the Canadian Union of Public Employees had the longest duration (62 months).
- The shortest contract duration among the agreements concluded in December was 24 months.

Chart 3: Average duration of agreements, December 2016



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

Major work stoppages³

- The work stoppage between 1,100 members of the Association des Juristes de l'État and the Government of Quebec continued throughout December, resulting in 24,200 person days not worked (PDNW) for the month.
- No major work stoppages occurred in the federal jurisdiction.

[Click here for more information on Work stoppages in Canada.](#)

B. Fourth quarter overview

- Twenty-four major settlements, covering a total of 125,850 employees, were concluded during the last quarter of 2016. The average annual base-rate wage adjustment for all these agreements was 1.2%, a slight decrease when compared to the third quarter of 2016 (1.3%).
- Twelve collective agreements were concluded through direct bargaining. Of the remaining twelve agreements, three were settled through conciliation, eight through mediation, and one through arbitration.
- Over half (55%) of the collective agreements settled were in the public sector (covering 87,270 employees), with an average wage increase of 1.3%. A similar average increase was recorded in the previous quarter.
- The agreements settled in the private sector had an average wage increase of 1.1%, a decrease from the previous quarter (1.3%) (Chart 4).

Chart 4: Average wage adjustments by sector (Quarterly)

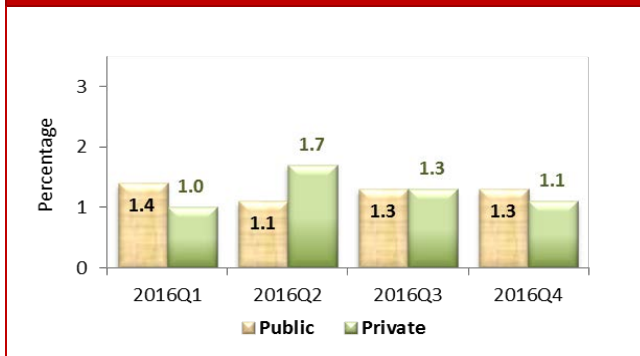
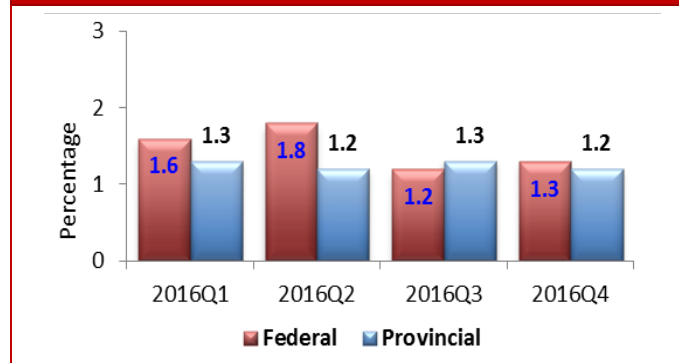
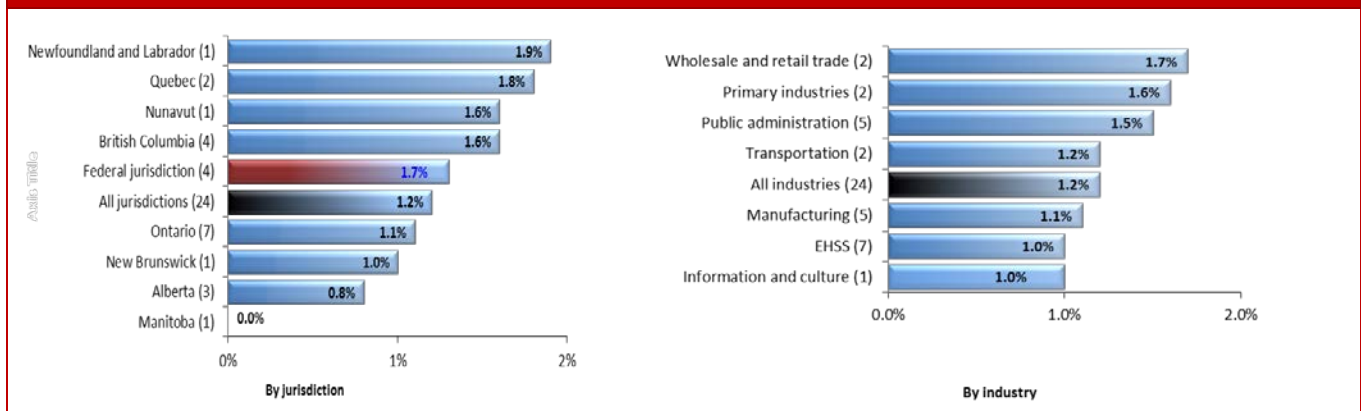


Chart 5: Average wage adjustments by jurisdiction (Quarterly)



- In the federal jurisdiction, four agreements (covering 84,160 employees) were settled for an average wage increase of 1.3%. The average wage increase for the twenty agreements (covering 41,690 employees) settled in provincial jurisdiction was slightly lower at 1.2% [Chart 5].
- Among all provincial jurisdictions, Newfoundland and Labrador had the highest wage adjustment (1.9%), while Manitoba recorded a wage freeze (Chart 6).
- By industry, the highest average wage increase (1.7%) was negotiated in the wholesale and retail industry, covering 2,800 employees. In the previous quarter, the same industry recorded a wage reduction of 0.3%.
- Among all industries, the largest share of employees who settled were in public administration (25%, 31,250 employees).

Chart 6: Wage adjustments in 2016Q4



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

Major work stoppages⁴

- In the fourth quarter, five work stoppages were reported, involving 22,214 workers and resulting in 83,110 PDNW. All work stoppages occurred in the provincial jurisdiction, with four in Quebec and one in Manitoba.

C. Literature scan

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

- The Organisation for Economic Co-operation and Development (OECD) *Pensions Outlook 2016* report looks at how pension systems across OECD countries, including Canada, are adapting to economic and financial challenges. The report examines both private and public pension systems. It discusses the shift towards defined contribution (DC) pension plans, away from defined benefit (DB) plans. The report notes that in Canada, DB plans represented more than 50% of the assets of the funded private and public pension systems in 2015. The report also discusses the pension arrangements for public-sector workers, and how they compare with those for private-sector workers.
- The International Labour Office *Resolving Individual Labour Disputes: A Comparative Overview* report provides a comparative assessment of common labour practices and processes for resolving labour disputes between individual employees and their employer, in nine OECD countries, including Canada. The report also examines how these individual labour dispute resolution systems interact with other labour market institutions (e.g. collective bargaining and labour inspectorates) and with the judicial and quasi-judicial systems (e.g. courts of general jurisdiction, specialist commissions and tribunals). The publication is intended as a reference tool for researchers, policy-makers and practitioners involved in labour disputes.

Contact

For previous issues of the Workplace Bulletin or 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 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 December 2016 data/information, which was collected up to January 16, 2017. Work stoppage data was collected up to January 25, 2017.

- 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 Major work stoppages involve 500 employees or more.
- ⁴ See note 3.