



Canadian Food Inspection Agency

PAY PROPOSAL

June 12, 2019

This document represents the pay proposal of the Public Service Alliance of Canada (the “Union”) for this round of negotiations with the Canadian Food Inspection Agency (CFIA) (the “Employer”). This proposal is being submitted without prejudice to any future proposed amendments and/or additions, and subject to any errors and/or omissions.

The Union reserves the right to introduce, amend, and/or withdraw its proposal and/or to introduce counter proposals to the Employer's proposals.

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Introduction

The Union's pay proposal seeks to restore appropriate relationships between and among classifications and occupations within the federal public service and is fair and reasonable given the nature of the work performed by members at the Canadian Food Inspection Agency (CFIA). It works towards harmonization, consistency, equity, and fairness in pay rates and administration for the members of the Canadian Food Inspection Agency.

The pay proposal can be separated into five interrelated parts:

1. Appendix D
2. Appendix E
3. Market Adjustment
4. Competitive Economic Increases
5. Duration of Agreement

1. APPENDIX “D”

Retention Allowance for Compensation Advisors

Renew

2. APPENDIX “E”

Incentives for the Recruitment and Retention of Compensation Advisors

Renew

3. Market Adjustments:

The Union proposes to eliminate the pay gap between CFIA members and comparable employees in the federal public service. To do so, we propose that, effective January 1, 2019, prior to applying an economic increase, the wage rate for all identified groups be increased by the following:

a. FI Classification adjustment based on NAV CANADA rates

The Union proposes to restructure the FI pay grid, effective January 1, 2019 and prior to any economic increase, by replacing the maximum increment of each classification level as follows:

FI-01	76,826	86,415
FI-02	90,431	101,717
FI-03	109,668	117,601
FI-04	123,901	131,526

Wage Grid Adjustments

The following will be the adjusted pay grid, effective January 1, 2019 prior to any economic increase:

Current CFIA 2018 FI grid

	1	2	3	4	5	6	7
FI-01	54,225	58,592	62,960	67,328	71,695	76,065	76,826
FI-02	66,004	70,711	75,417	80,124	84,829	89,536	90,431
FI-03	83,518	88,531	93,544	98,558	103,571	108,584	109,668
FI-04	93,276	99,156	105,035	110,913	116,794	122,675	123,901

Updated CFIA FI grid with harmonized increments

			1	2	3	4	5	6	7
FI-01	54,225	58,592	62,960	66,372	69,969	73,761	77,758	81,973	86,415
FI-02	66,004	70,711	75,417	79,273	83,325	87,585	92,063	96,770	101,717
FI-03	83,518	88,531	93,544	97,181	100,960	104,885	108,963	113,200	117,601
FI-04	93,276	99,156	105,035	109,047	113,212	117,537	122,026	126,687	131,526

Transitional Provision

On the date of restructure, an employee shall be paid at the step in the restructured pay scale which is nearest to but not less than the employee's salary on **January 1, 2019**.

- b. AS: 6%**
- c. CR: 8%**
- d. EG: --**
- e. FI: See above**
- f. GL**
 - i. EIM: 5.85%**
 - ii. ELE: 0.70%**
 - iii. INM: 0.75%**
 - iv. MAM: 2.6%**
 - v. MAN: 2.65%**
 - vi. MDO: 0.70%**
 - vii. PIP: 2.2%**
- g. GS:1%**
- h. GT: 0.75%**
- i. HP: 11.5%**
- j. IS: 5.7%**
- k. PM: 6.2%**
- l. SI: 3.35%**

4. Competitive economic increases

Canada's strong economic growth in 2017 averaged 3.0% and the Canadian GDP is expected to average 1.8%¹ through 2019/2020. GDP beat expectations and grew 0.3% in January 2019.

The Canadian Government ran a \$300 million budgetary surplus in the first nine months of the fiscal year, an improvement over the \$8.9 billion deficit posted April-December 2017-2018.²

The federal debt-to-GDP ratio was 30.4% in 2017/2018 and is projected to decline to 28.6% by 2022/2023 (as per the federal Budget 2019).

Canada has the fastest employment growth in a decade, adding 106,500 net jobs in April 2019. On a year-over-year basis, employment grew by 2.3%. Concurrently, in May 2019, there was a decrease in unemployment to 5.4%, from 5.7% in April 2019³. The gains were spread across all industries, in both public and private sectors, while there was no change attributed to self-employment. All banks⁴ had predicted unemployment to be at an average of 5.8% through to 2019/2020 in Canada.

Canada's inflation rate is expected to remain at 2% through 2020.⁵

Economic adjustments in all jurisdictions were 1.7% in the second quarter of 2018, federal public and private sector settlements were at 1.7% and 2.0% respectively⁶. Direct comparator ACFO-NavCan FIs recently received economic increases of 3% (2018) and 3% (2019).

Year-over-year average hourly wages grew for all employees by 2.8% in May 2019, an increase from 2.5% in April 2019.⁷

¹ Average as reported by BMO, CIBC, Desjardins, National Bank, Scotiabank, TD Economics

² Financial Post, 22 Feb 2019

³ Stats Can, Labour Force Survey, May 2019. <https://www150.statcan.gc.ca/n1/daily-quotidien/190607/dq190607a-eng.htm>

⁴ BMO, CIBC, Desjardins, National Bank, Scotiabank, TD Economics

⁵ Average as reported by BMO, CIBC, Desjardins, National Bank, Scotiabank, TD Economics

⁶ Statistics Canada. Table 14-10-0347-01 Major wage settlements, by jurisdiction

⁷ Statistics Canada Labour Force Survey April 2019 <https://www150.statcan.gc.ca/n1/daily-quotidien/190510/dq190510a-eng.htm?HPA=1>; <https://globalnews.ca/news/5364930/canadian-unemployment-5-4-in-may-43-year-low/>

Based on recent wage trends and current and projected fiscal and economic circumstances, the Union proposes the following economic increases to all rates of pay for all PSAC members at CFIA:

Effective 1 January 2019, after market adjustments:	3.75% retroactive
Effective 1 January 2020:	3.75%
Effective 1 January 2021:	3.75%

5. Duration of Agreement

The Union proposes that the new collective agreement expire on **31 December 2021**.