PUBLIC INTEREST COMMISSION BRIEF

OF THE

PUBLIC SERVICE ALLIANCE OF CANADA

IN THE MATTER OF THE FEDERAL PUBLIC SECTOR LABOUR RELATIONS ACT AND A DISPUTE AFFECTING THE PUBLIC SERVICE ALLIANCE OF CANADA AND TREASURY BOARD, IN RELATION TO THE EMPLOYEES OF THE EMPLOYER IN THE:

Operational Services Group (SV)

Lorne Slotnick
Chairperson

Joe Herbert
Representative of the interests of the Employees

Anthony Boettger
Representative of the interests of the Employer

January 22-24, 2020

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INTRODUCTION

COMPOSITION OF THE BARGAINING UNIT

The Operational Services (SV) Group comprises eight different categories of employees certified by the Federal Public Service Labour Relations and Employment Board (FPSLREB). According to the information provided by the Employer to the Union at the outset of this round of bargaining, the population in these categories are:

- Firefighters (FR): 492 employees
- General Labour and Trades (GL): 4,182 employees
- General Service (GS): 3,033 employees
- Heating, Power and Stationary Plant (HP): 405 employees
- Hospital Services (HS): 247 employees
- Lightkeepers (LI): 91 employees
- Ships' Crews (SC): 1,351 employees
- Printing Operations (Supervisory) (PR): 4 employees

Total: 9,805 employees

The SV classification is primarily involved in the protection of government facilities and structures, including, but not limited to, the leadership of any of the below identified activities. This group includes eight (8) sub-groups:

- Firefighters (FR) responsibilities include the performance of fire protection, fire prevention and/or airport rescue activities.

- General Labour and Trades (GL) group comprises positions that are primarily involved in the fabrication, maintenance, repair, operation and protection of machines, equipment, vehicles, government facilities and structures such as buildings, vessels, stationary and floating plants, stores, laboratories, and equipment. For example, some of the GL responsibilities include the fabrication, alteration, maintenance or repair of buildings, structures, roads or other installations; the installation, operation, maintenance or repair of equipment, distribution systems or vehicles; the production of parts, prototypes or other items; the cultivation of grounds, gardens and other land or the propagation of plants; and the care and feeding of animals.

- General Services (GS) comprises positions that are primarily involved in the maintenance and protection of government facilities and structures such as buildings, stores, laboratories, and equipment; and the provision of food, personal support services.

- Heating, Power and Stationary Plant Operations (HP) group comprises positions that are primarily involved in the maintenance, repair, operation of machines, equipment, as well as government facilities and structures such as stationary plants. Specifically, the HP group is responsible for the inspection, installation, operation, maintenance or repair of specialized and non-specialized instruments, equipment and machinery used in or related to: the generation of heat, electricity, refrigeration, or air conditioning; sewage treatment and disposal; water supply and treatment; marine navigation; and the handling and storage of fuels and lubricants;

- Hospital Services (HS) group comprises positions that are primarily involved in the provision of food, personal or health support services. Specifically, duties include

the cleaning and servicing of buildings and adjacent grounds, including housekeeping and janitorial services; the patrolling, observing, checking and taking of preventive action in protecting property from damage or loss; the receipt, storage, manual or mechanical handling of equipment, and the recording of transactions in an equipment or supplies stores context; the provision of food, laundry and messenger services, and other services, such as tailoring, to accommodate, patients or guests; the provision of patient care and health care support services not requiring the qualifications of a registered nurse, occupational therapist or physical therapist; the provision of routine assistance to pathologists, dentists, nurses, therapists and laboratory technicians.

- Lightkeepers (LI) group comprises positions that are primarily involved in the maintenance, repair and operation of equipment government facilities and structures such as buildings. Specifically, the operation and maintenance of light-station equipment and the upkeep of the light-station buildings, landing facilities or grounds.

- Printing Services Supervisory (PR(S)) group comprises the leadership of printing services pertaining to the production and binding of text material and illustrations by the various techniques used in the printing industry and directly related printing environments.

- Ships' Crew (SC) group comprises the operation and servicing of vessels staffed by civilians, including floating plants and associated equipment, and activities performed in support of programs such as buoy tending, fisheries enforcement and rescue operations.

HISTORY OF NEGOTIATIONS

This round of collective bargaining commenced with a first meeting and an exchange of proposals on May 29, 2018. Since then, the parties have met on the following dates:

- May 29-30, 2018
- July 10-11-12, 2018
- October 16-17, 2018
- November 27-28-29, 2018
- February 12-13-14, 2019
- March 19-20-21, 2019
- April 30, May 1-2, 2019

Since the parties are engaged in bargaining for four separate tables for employees of the Federal Government, on issues that are common across all tables, the parties agreed to form a "Common Issues Table". At this table, the Union sent a committee consisting of two members of each of those four tables. Bargaining was held separately at the Common Issues Table on the following dates:

- June 20-21, 2018
- October 10-11, 2018
- December 4-5-6, 2018

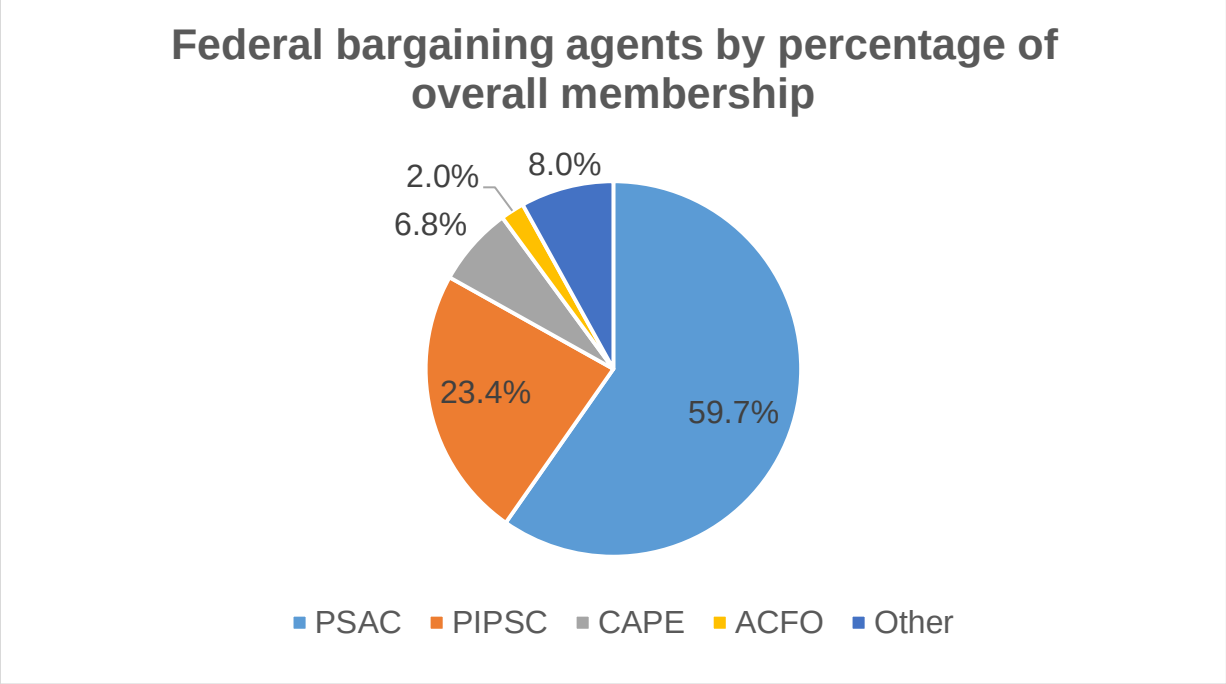
Looking at both tables combined, the parties have met for a total of 10 sessions consisting of 26 days. Despite this, the parties have reached agreement on very few issues. The Union would characterize all signed off language as housekeeping. All of the substantive issues remain outstanding. On May 1st,2019, the Employer tabled a comprehensive offer to settle all outstanding collective bargaining issues (Exhibit A1). However, this offer did not address key member concerns and on May 7th, 2019, for the second time this round, the Public Service Alliance of Canada (PSAC) requested the establishment of a Public Interest Commission to assist the parties in reaching an agreement on all of the outstanding issues.

FEDERAL PUBLIC SECTOR CONTEXT

In early summer 2019, other bargaining agents in the federal public administration including the Professional Institute of the Public Service (PIPSC), the Association of Canadian Financial Officers (ACFO) and the Canadian Association of Professional Employees (CAPE) reached tentative agreements with the Treasury Board (Exhibit A2).

On September 1, 2019, the PA group resumed bargaining with Treasury Board with the expectation that the Employer would table a significantly improved offer. However, despite six continuous days of bargaining, the parties were not able to reach an agreement. One of the issues that proved to be contentious between the parties was the Employer's insistence that this bargaining unit replicate what other federal public administration bargaining agents have negotiated. PSAC represents the majority of members in the Federal Public Administration and is in no place to consent to a pattern that is imposed by smaller bargaining agents and is not acceptable to PSAC members. The next biggest bargaining agent in the sector has less than one-third of PSAC's membership. The tail doesn't wag the dog.

There are 15 bargaining agents in the federal public administration negotiating with the Treasury Board, PSAC is by far the largest, as illustrated in the chart below.



As expected, when looking at the size of the bargaining units, traditionally, PSAC has set the pattern with the Employer in bargaining.

The fact that other smaller bargaining agents have settled is even less evidence of a true replication argument when examining some of the details of their agreements. Two important factors in these agreements relate to the ongoing debacle that is the Phoenix pay system:

1) While not formally part of the deal, the Employer and bargaining agents have negotiated an agreement on payment of damages to employees due to Phoenix.

2) The implementation of the collective agreements has been substantially altered due to the ongoing problems with Phoenix, and the Employer's concern about its ability to implement any agreement

On both of these issues, the other bargaining agents have negotiated "me-too" clauses which would provide them with superior benefits if another bargaining agent negotiates such superior conditions (Exhibit A3). This is a full acknowledgement by both these other

bargaining agents as well as the Employer that they do not expect PSAC to follow the pattern established by the smaller groups' agreements, and that there is a good likelihood that their settlements will be exceeded by PSAC.

As with any other set of negotiations, the large groups set the pattern. Consider, for example, a situation where PSAC represents Teaching Assistants at a university. Getting a settlement in this context will have little to no bearing on the larger campus bargaining units for faculty or for support staff. In the same vein, the groups that have settled with this Employer, under a situation of full and free collective bargaining, does not convince PSAC that the smaller groups' settlements ought to be imposed on its members.

Furthermore, the Union submits that the bargaining history between PSAC and Treasury Board should be considered. Indeed, several provisions negotiated by the PSAC bargaining units in previous rounds have differed considerably from what PISPC and other unions have negotiated with the same employer. For example, during the last round of bargaining PIPSC and several other unions have agreed to create an Employee Wellness Support Program (EWSP) to replace their current regime of sick leave. On the contrary, one of PSAC's key objective in the previous round of bargaining was to protect members' sick leave benefits, and we were successful in doing so.

In interest arbitration, as with the PIC process, one of the prevailing principles is replication: that the neutral panel should attempt to replicate the likely results between the parties. The Union submits that strict adherence to any pattern between the Employer other bargaining agents would not represent replication. Most importantly, in any round of collective bargaining in recent history, the sequence has never been to impose settlements of small units on the large ones. Additionally, there have not been rigid patterns of collective bargaining in the federal public sector, and the Union respectfully submits that a recommendation that strictly follows the settlements of small bargaining agents would not represent replication.

In light of this fact, and given the fundamental of principles of replication, the Union submits that the settlements of other Unions, while providing a certain amount of information to the parties, should not be the ultimate determining factor in assessing what the outcome of collective bargaining would have been.

It should be noted that this brief will follow the same format as the negotiations above. The issues that were negotiated at the common issues table will be presented in their own section. These issues and their rationale are identical to that presented for the PA table.

PSAC BARGAINING TEAM

During the course of the Public Interest Commission process, bargaining team members may be called upon to provide a more detailed explanation of specific issues of the enclosed proposals.

The PSAC SV Bargaining Team is:

Brent McInnis (HP)
Laurie Ann Wesselby (GS)
Marcelo Lazaro (GL)
Michelle Hambly (GL)
Nestor Galarnyk (GS)
Réal Tessier (GL) – replaced Daniel Robitaille (GS)
Serge Desbiens (FR)
Colleen Coffey, PSAC Regional Executive Vice-President, Atlantic

Appearing for the PSAC are:

Brenda Shillington, Negotiator, PSAC
Darren Pacione, Research Officer, PSAC

LEGISLATIVE FRAMEWORK

Section 175 of the *FPSLRA* provides the following guidance in relation to the conduct of the Public Interest Commission proceedings under Division 10 of the *FPSLRA*:

175. *In the conduct of its proceedings and in making a report to the Chairperson, the public interest commission must take into account the following factors, in addition to any other factors that it considers relevant:*

(a) the necessity of attracting competent persons to, and retaining them in, the public service in order to meet the needs of Canadians;

(b) the necessity of offering compensation and other terms and conditions of employment in the public service that are comparable to those of employees in similar occupations in the private and public sectors, including any geographic, industrial or other variations that the public interest commission considers relevant;

(c) the need to maintain appropriate relationships with respect to compensation and other terms and conditions of employment as between different classification levels within an occupation and as between occupations in the public service;

(d) the need to establish compensation and other terms and conditions of employment that are fair and reasonable in relation to the qualifications required, the work performed, the responsibility assumed and the nature of the services rendered; and

(e) the state of the Canadian economy and the Government of Canada's fiscal circumstances.

In keeping with these legislative imperatives, the Union maintains that its proposals are fair and reasonable, and within both the Employer's ability to provide and the Public Interest Commission to recommend.

PART 2
OUTSTANDING WAGE ISSUES

APPENDIX "A"
RATES OF PAY

PSAC PROPOSAL

1) Competitive economic increases

The Union proposes the following economic increases to all rates of pay for all bargaining unit employees:

- Effective August 5, 2018 (after market adjustments and grids restructuring): 3.25%.
- Effective August 5, 2019: 3.25%.
- Effective August 5, 2020: 3.25%.

2) Wage adjustment

To eliminate the pay gap between SV positions and comparable jobs outside the federal public service, the Union proposes the following increases to the applicable Annex "A" for each group, prior to the application of any negotiated economic increases:

FR	19.50%	GL-MDO	9.00%
GL-COI	9.00%	GL-MOC	9.00%
GL-EIM	9.00%	GL-MST	9.00%
GL-ELE	9.00%	GL-PCF	9.00%
GL-MAM	9.00%	GL-PRW	9.00%
GL-PIP	9.00%	GL-SMW	9.00%
GL-VHE	9.00%	HP	39.00%
GL-WOW	9.00%	SC-DED	21.00%
GL-AIM	9.00%	SC-ERD	21.00%
GL-AMW	9.00%	SC-STD	21.00%
GL-GHW	9.00%	SC-EQO	21.00%
GL-INM	9.00%	SC-SPT	21.00%
GL-MAN	9.00%	LI	21.00%

3) Grid Adjustment & Restructuring

To increase simplicity, consistency, equity and fairness in pay rates and administration for SV group members, the Union proposes, effective August 5, 2018, prior to applying an economic increase, the following wage grid adjustments:

CLASSIFICATION	PROPOSAL
SC – All sub-groups	All levels: Add two steps with 5% increments.
FR	Recruitment Rate: Remove the level completely. FR-1: Add one step with a 5% increment. FR-2: Remove the first step and add one step with a 5% increment. FR-3 to FR-6: Increase the rate by 10%.
LI	LI-1 and LI-2: Remove the first two steps. LI-3 to LI-9: Remove the first step.
HP	HP-6 to HP-9: Remove the first two steps.
PR(S)	All levels: Remove the first four steps.

4) Allowances

ALLOWANCE	ARTICLE	PROPOSAL
Long service pay	Appendix ”A”, FR 5.01	The Union holds to their position to convert the Firefighter Long service pay to a percentage of an employee annual salary and the %s
Refrigeration HVAC technician allowance	Appendix ”B” , GL Annex “N“	The Union holds to the various improvements proposed.
Supplementary allowance	Appendix “F”, LI Annex “B”	In response to the Employer’s May 1st counter, the union has amended their proposal
Dirty work allowance	Appendix “B”, GL Appendix “D”, HP Appendix “G”, SC	The Union holds to the Various improvements, as amended and tabled on May 1st, 2019.
Meal allowance	Appendix “G”, SC 2.05	The Union agrees to the Employer’s May 1st, 2019 counter proposal to the Meals and Quarters 7.02 and 7.03.
Rescue specialist allowance	Appendix “G”, SC Annex “G”	In response to the Employer’s May 1st counter, the union has amended their proposal from

		$275 per month to **$250 per month** (matching an existing rate for another SC Allowance)
Fisheries enforcement allowance	Appendix "G", SC Annex "G"	The Union withdraws their proposal to increase the Monthly allowance from $250 to $275 per month
Armed boarding allowance	Appendix "G", SC Annex "G"	In response to the Employer's May 1st counter, the union has amended their proposal from $275 per month to **$250 per month** (matching an existing rate for another SC Allowance)
Diving duty allowance	Appendix "G", SC Annex "G"	In response to the Employer's May 1st counter, the union has amended their proposal from $2000 per year to **fourteen hundred ($1400**) per year.
New Allowance for those trained in Confined Space Entry and for those trained for Confined Space Rescue.	NEW	The Union has amended their proposal for each of the two new proposed allowances related to Confined Space Entry from $275 per month to $250 per month (matching an existing SC monthly allowance)

EMPLOYER PROPOSAL

The Employer proposes the following annual economic increases:

- Effective August 5, 2018: 1.50%
- Effective August 5, 2019: 1.50%
- Effective August 5, 2020: 1.50%
- Effective August 5, 2021: 1.50%

RATIONALE:

Public service compensation serves to attract, retain, motivate and renew the workforce required to deliver results to Canadians. In this section, the Union will demonstrate how its proposal on rates of pay is consistent with the factors to be taken into account by the

Public Interest Commission (PIC) in rendering its recommendation. We will also demonstrate how the Employer proposal is woefully inadequate in light of the factors in Section 175. However, it is important to first address and unpack one of the foundational arguments upon which the Employer's pay proposal is based.

Employer 'Rationale': (In)ability to Pay

This section discusses the Employer's arguments pertaining to the ability to pay, for which the Union believes greater context and caution should be given. Arbitral jurisprudence speaks clearly and consistently to the need to look past the financial status of public sector employers when considering ability to pay. The precedence and rationale behind rejecting ability to pay arguments will be referred to and discussed throughout this sub-section.

The Employer's framing of the current economic climate, the state of Canadian economy and the fiscal situation of the Government of Canada conveniently attempts to imply the need for meagre economic increases due to ongoing circumstances for budgetary restraint. Arguments put forward by the Employer, whereby agreeing to the Union's proposed rates of pay requires to be funded within pre-established budgets set by the Government of Canada, or to follow wage trends established by other bargaining agents, should be rejected.

The Federal Government is the 'ultimate funder' of the Treasury Board Secretariat. The PSAC cannot take part in the funding and budgetary decisions within the Treasury Board Secretariat and rejects the argument that the Employer's financial mandate should be determined by the constraints imposed as a result of such decisions.

The issue of lack of ability to pay, as a result of pre-determined funding mechanisms, was addressed by Arbitrator Arthurs in his seminal case on the topic *Re Building Service Employees Local 204 and Welland County General Hospital* [1965] 16 L.A.C. 1 at 8, 1965 CLB 691 award:

> *If, on the other hand, the Commission refuses to assist the hospital in meeting the costs of an arbitral award, the process of arbitration becomes a sham. The level of wages would then be in fact determined by the Commission in approving the hospital's budget. Since the Union is not privy to budget discussions between the hospital and the Commission, it would then be in the unenviable position of being unable to make representations regarding wage levels to the very body whose decision is effective - the Commission.*[1]

Arbitrator Arthurs reasoned that an award solely reflecting an employer's financial mandate as determined by another level of governance would, in effect, result in the 'ultimate funder' determining the wage rates in collective bargaining. It would logically follow that if an arbitrator were to consider ability to pay in this circumstance, it would evaluate the Federal Government's ability to pay rather than the Treasury Board Secretariat's ability or willingness to pay.

In light of another decision, Arbitrator Swan outlines that arbitrators give virtually no weight to "ability to pay" arguments and clarifies that the use of comparators, rather than Public Sector financial data, is not rooted in a cavalier attitude towards Union wage demands. Swan states that the arbitrator's role is to evaluate whether wages are equitable rather than an evaluation of the political processes from which budgets are invariably developed:

> *"Public sector arbitrators have never paid much attention to arguments based upon "the ability to pay" of the public purse, not because they do not think that the public purse needs to be protected from excessive wage demands, but because the other factors which fashion the outcome of an arbitration are so much more influential and so much more trustworthy than the national constraints of "ability to pay". The extraneous influences which may be applied to the resources available to the individual hospital bound by the present arbitration are such that, either by manipulation or by sheer happenstance, those forces could render meaningless the entire*

[1] H. W. Arthurs, Award Re Building Service Employees Local 204 and Welland County General Hospital, 16 L.A.C.-1, 1965.

> *negotiation and basis for the outcome of collective bargaining. The decision as to whether a specific service should be offered in the public sector or not is an essentially political one, as is the provision of resources to pay for that service. Arbitrators have no part in that political process, but have a fundamentally different role to play, that of ensuring that the terms and conditions of employment in the public service are just and equitable.*[2]

Furthermore, interest arbitrators have consistently recognized that to give effect to government fiscal policy would be equivalent to accepting an ability to pay argument and thus abdicating their independence: The parties know that ability to pay has been rejected by interest arbitrators for decades. Arbitrator Shime in *Re McMaster University:*

> *"...there is little economic rationale for using ability to pay as a criterion in arbitration. In that regard I need only briefly repeat what I have said in another context, that is, public sector employees should not be required to subsidize the community by accepting substandard wages and working conditions."* [3]

By and large, the concept of 'ability to pay' has been rejected as an overriding criterion in public sector disputes by an overwhelming majority of arbitrators and has been summarized as follows:

1. "Ability to pay" is a factor entirely within the government's own control;
2. Government cannot escape its obligation to pay normative wage increases to public sector employees by limiting the funds made available to public institutions;
3. Entrenchment of "ability to pay" as a criterion deprives arbitrators of their independence, and in so doing discredits the arbitration process;
4. Public sector employees should not be required to subsidize public services through substandard wages;

[2]Kenneth P. Swan, Re: Kingston General Hospital and OPSEU, Unreported, June 12, 1979.

[3] O.B. Shime, Q.C., Re: *McMaster University and McMaster University Faculty.* Interest Arbitration, Ontario. July 4, 1990

5. Public sector employees should not be penalized because they have been deprived of the right to strike;
6. Government ought not to be allowed to escape its responsibility for making political decisions by hiding behind a purported inability to pay;
7. Arbitrators are not in a position to measure a public sector employer's "ability to pay".[4]

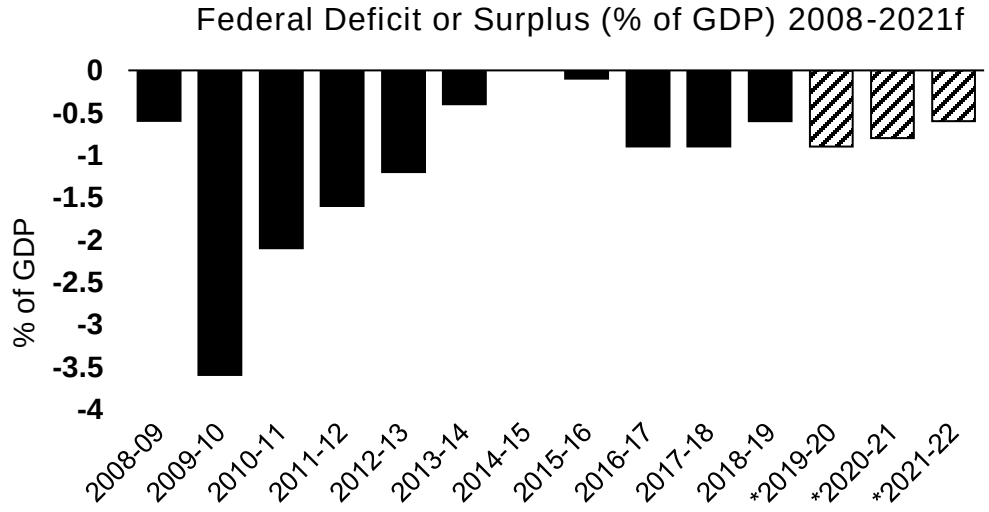
Therefore, the Union submits that Employer's inability to pay argument is moot, particularly when the Government has it within its power to determine its own ability to pay by setting its budget, and specifically when jurisprudence has consistently rejected such claims from the Employer.

[4] Jeffrey Sack, Q.C., "Ability to pay in the Public Sector: A Critical Appraisal", *Labour Arbitration Yearbook*, 1991, vol. 2, 277 to 279.

The Canadian Economy and the Government of Canada's fiscal circumstances

The Federal Government's fiscal position is historically healthy

Though much attention tends to be paid to the dollar amount associated with deficits, deficit size relative to GDP is much more representative of the Government's actual fiscal position. In the last 10 years, Canada has successfully mitigated economic challenges. Going forward, decreasing debt-to-GDP for years 2018 to 2022 are projected and form part of the Government's mandate, as set in Budget 2019 (see graph below).[5] [6] [7]



Source: Finance Canada, *Fiscal Reference Tables*, October 2018
* Projected in Budget 2019. *Maintaining Canada's Low-Debt Advantage*

The current deficit in relation to GDP is historically small and the current fiscal position of the Federal Government shows no obstruction to providing fair wages and economic increases to federal personnel. In addition, the present government has not identified fighting the deficit as a priority, but instead increased program spending.

[5] Budget 2019 https://www.budget.gc.ca/2019/docs/plan/overview-apercu-en.html

Le Budget de 2019 https://www.budget.gc.ca/2019/docs/plan/overview-apercu-fr.html

[6] Finance Canada, *Fiscal Reference Tables*, October 2018, https://www.fin.gc.ca/frt-trf/2018/frt-trf-18-eng.pdf

Finance Canada, Tableaux de référence financiers Octobre 2018 https://www.fin.gc.ca/frt-trf/2018/frt-trf-18-fra.pdf

[7] Annual Financial Report of the Government of Canada 2018-2019, https://www.fin.gc.ca/afr-rfa/2019/afr-rfa19-eng.pdf

Canada's strong fiscal position and positive economic outlook

Budget 2019's assurances to Canadians that "*Canada's economy remains sound*", that "*the Canadian economy is expected to strengthen over the second half of 2019*", and that Canada is "*to remain among the leaders for economic growth in the G7 in both 2019 and 2020*" are clear statements indicating the Government of Canada believes the Canadian economy is healthy.

There is further confirmation, in Budget 2019, that Canada has some of the strongest indicators of financial stability in the G7 economies and Canadians are reassured that *"In a challenging global economic environment, Canada's economy remains sound",* whereby "*At 3 per cent growth, Canada had the strongest economic growth of all G7 countries in 2017, and was second only to the U.S. in 2018.*"[8] These statements are in contrast to the Employer's traditional position that financial constraint is necessary.

In July 2019, Fitch Ratings Inc. affirmed Canada's stable economy by issuing Canada's *Long-Term Foreign Currency Issuer Default Rating* (IDR) its highest rating *AAA* with a *Stable Outlook.*

> *"The [AAA] rating draws support from its advanced, well-diversified and high-income economy. Canada's political stability, strong governance and institutional strengths also support the rating. Its overall policy framework remains strong and has delivered steady growth and low inflation."*

The *Bank of Canada* expects activity to pick up later in 2019 and that economic activity will spill over into 2020, supporting Canadian economic growth *of 2.1%.*[9]

[8] Budget 2019, Maintaining Canada's low-debt advantage

[9]Canada's State of Trade 2019 Report, Global Affairs Canada, Chapter 2.1 Canada 'Economic Performance, Looking Forward, August 2019, https://www.international.gc.ca/gac-amc/publications/economist-economiste/state_of_trade-commerce_international-2019.aspx?lang=eng#Section2.1

Canada is to remain a leader in economic growth

Growth in GDP during the second quarter of 2019 GDP accelerated to 3.7%, beyond economists' expectations, due to factors including the reversal of weather-related slowdowns and a surge in oil production[10]. The Bank of Canada and Fitch's Ratings[11] expect GDP to pick up by 1.7% to 2% by 2021, slightly above potential growth, driven by a stabilizing oil sector, rising non-oil investment, and household consumption buoyed by a tight labour market[12]. Canada's largest banks[13] agree that GDP will follow this growth trend and improve through 2020 (see table below for a summary of actual and projected GDP – Major Canadian Banks).

Actual and projected GDP – Major Canadian Banks

Canada – GDP	**2018**	**2019f**	**2020f**
	Annual Average Percentage Change (%)		
TD Economics	1.9	1.3	1.7
RBC	1.9	1.4	1.8
CIBC	1.9	1.4	1.4
BMO	1.9	1.4	1.7
Scotia Bank	1.9	1.4	2.0
National Bank of Canada	1.9	1.5	2.0
Desjardins	1.9	1.9	1.6
AVERAGE:	**1.9**	**1.5**	**1.7**

[10] Bank of Canada Monetary Policy Report July 2019
[11] Fitch Affirms Canada's Ratings at 'AAA'; Outlook Stable. Fitch's Ratings. July 17, 2019
[12] Bank of Canada Monetary Policy Report, July 2019
[13] All accessed August 9-12, 2019: TD Longterm Economic Forecast June 18, 2019 https://economics.td.com/domains/economics.td.com/documents/reports/qef/2019-jun/long_term_jun2019.pdf; CIBC Forecast Update July 8, 2019 https://economics.cibccm.com/economicsweb/cds?ID=7649&TYPE=EC_PDF; BMO Capital Markets Economic Outlook August 9, 2019 https://economics.bmo.com/media/filer_public/df/b8/dfb80b31-59a3-43b2-b280-eccdcacc0006/provincialoutlook.pdf; RBC Provincial Outlook June 2019 http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/provtbl.pdf; Desjardins Economic & Financial Outlook June 2019 https://www.desjardins.com/ressources/pdf/peft1906-e.pdf?resVer=1561036871000; Scotiabank Global Economics July 12, 2019 https://www.scotiabank.com/content/dam/scotiabank/sub-brands/scotiabank-economics/english/documents/provincial-pulse/provincial_outlook_2019-07-15.pdf; Bank of Canada Monetary Policy Report July 2019

A decreasing debt-to GDP ratio

The federal debt-to-GDP ratio is one of the main measures of sustainability of federal finance, where

> *"A stable or declining federal debt-to-GDP ratio over time means that the federal debt is sustainable because GDP, the broadest measure of the tax base, grows at the same pace or more rapidly than the federal debt."*[14]

Federal tax revenues surpassed budget expectations, contributing to a surplus of 0.4% of GDP on a Government Finance Statistics (GFS) basis for 2018[15]. We can expect a further reduction of the debt-to-GDP ratio over the next years – as our tax base grows, the federal debt is shrinking more rapidly:[16]

> *"The federal debt-to-GDP ratio is also expected to decline every year over the forecast horizon, reaching 28.6 per cent by 2023–24. A declining federal debt-to-GDP ratio will help to further reduce Canada's net debt-to-GDP ratio, which is already the lowest among G7 countries."*

The Federal Government is in a strong fiscal position, where Program Expenses and the overall debt, as a percentage of GDP, are forecast to decrease through 2022. Budgetary balance (as percentage of GDP) is forecast to remain steady throughout 2019-2021 and decrease through 2022. With Program Expenses trending down and budgetary revenues

[14] What Does Budget 2019 Tell Us about Projected Federal Revenues, Expenditures, Budgetary Balance and Debt? https://hillnotes.ca/2019/04/03/what-does-budget-2019-tell-us-about-projected-federal-revenues-expenditures-budgetary-balance-and-debt/

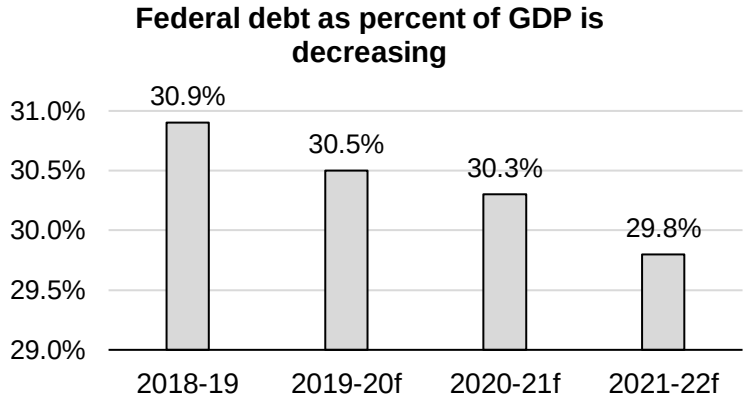
Que nous apprend le budget fédéral de 2019 sur les projections relatives aux recettes, aux dépenses, au solde budgétaire et à l'endettement? https://notesdelacolline.ca/2019/04/03/que-nous-apprend-le-budget-federal-de-2019-sur-les-projections-relatives-aux-recettes-aux-depenses-au-solde-budgetaire-et-a-lendettement/

(accessed September 17, 2019)

[15] Fitch Affirms Canada's Ratings at 'AAA'; Outlook Stable. Fitch's Ratings. July 17, 2019 (as above)

[16] Federal Budget 2019, Maintaining Canada's Low Debt Advantage, https://www.budget.gc.ca/2019/docs/plan/overview-apercu-en.html

remaining constant, the fiscal position of the Federal Government is “in the green” and deficits are expected to stay within risk adjustments[17] [18].



Canada has better fiscal sustainability than the other G7 countries[19]

Canada’s general gross debt is forecast to decline consistently through 2022. This contrasts with other G7 countries which are expected to only see modest decreases. General expenditures as a percentage of GDP are forecast to remain steady, while remaining far below the G7 average, indicating that the economy is expected to remain sustainable without increasing direct economic stimulation from government (see below).

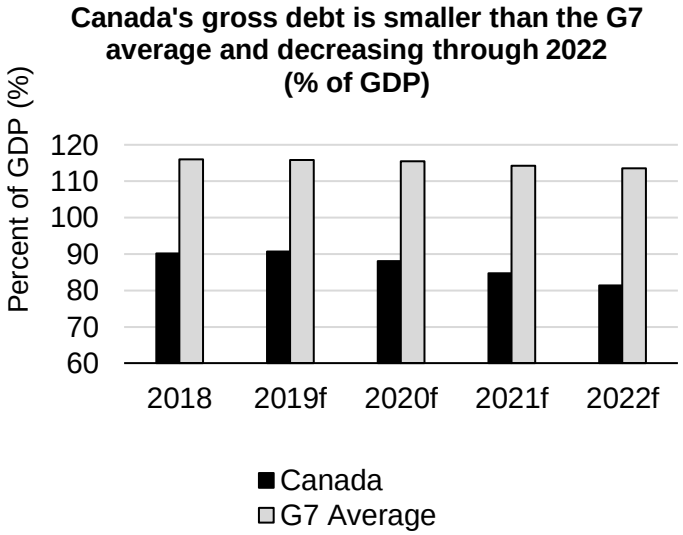
[17] Budget 2019: Highlights of Bill Morneau's fourth federal budget, CBC, March 19th, 2019, https://www.cbc.ca/news/politics/bill-morneau-budget-2019-highlights-1.5061661 (accessed September 16, 2019)

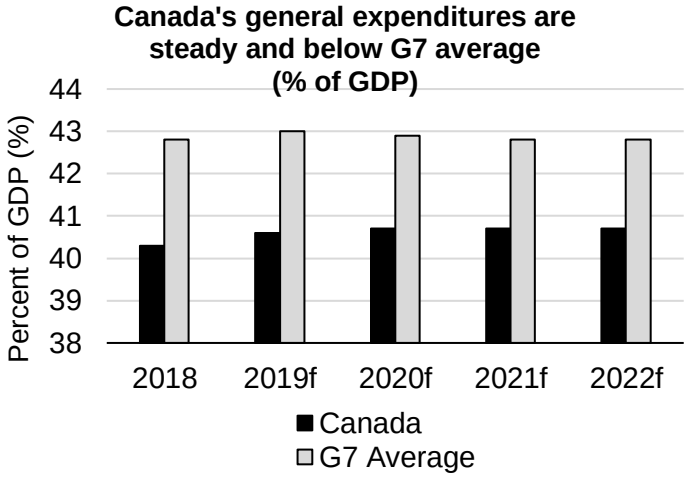
[18] Fall Economic Statement 2018 https://www.budget.gc.ca/fes-eea/2018/docs/statement-enonce/fes-eea-2018-eng.pdf

Énoncé économique de l'automne 2018, https://www.budget.gc.ca/fes-eea/2018/docs/statement-enonce/fes-eea-2018-fra.pdf (consulté 17 septembre, 2019)

[19] Data from: International Monetary Fund - Fiscal Monitor, April 2019 https://www.imf.org/external/datamapper/datasets/FM/1 (accessed September 16, 2019)

Note: IMF indicators include Federal and Provincial Governments.





Increasing export and trade

Canada's trade of goods and services expanded to *"a record high of $1.5 trillion, or 66% of GDP"* in 2018.[20] Growth in business investment and exports is expected to gain momentum through 2019, supported by new arrangements with many trading partners and tax incentives to encourage business investment.[21] The signing and anticipated ratification of the Canada, U.S., and Mexico, the USMCA trade agreement (successor to NAFTA) has alleviated some trade uncertainty.[22]

[20] Canada's State of Trade 2019 Report, Global Affairs Canada, Chapter 2.2 Canada's Trade Performance, August 2019, https://www.international.gc.ca/gac-amc/publications/economist-economiste/state_of_trade-commerce_international-2019.aspx?lang=eng#Section2.1
[21] Budget 2019
[22] Fitch Affirms Canada's Ratings at 'AAA'; Outlook Stable. Fitch's Ratings. July 17, 2019

Trade expansion for the first two quarters of 2019 continues to increase, with notable growth in export by 4% in the second quarter in a quarter-on-quarter comparison.

Source: Statistics Canada, Table 36-10-0104-01; retrieved on August 11, 2019

*2019 data represents Q1 and Q2 only.

Canada has defied global patterns by attracting foreign investment in 2018 amounting an increase by 60% year-over-year.[23] This trend continues with a jump in second quarter foreign investment to $21.7 billion, the highest in the five years.[24]

Canada has a strong labour market and low unemployment

According to Budget 2019, Canada's job creation is on track:[25]

> *"Since November 2015, targeted investments and strong economic fundamentals have contributed to creating over 900,000 new jobs, pushing the unemployment rate to its lowest levels in over 40 years. In 2018 alone, all employment gains were full-time jobs."*

[23] Why Canada saw a 60% increase in foreign direct investment last year. Globe and Mail. May 22, 2019

[24] Statistics Canada The Daily August 29, 2019. https://www150.statcan.gc.ca/n1/daily-quotidien/190829/dq190829b-eng.htm

Le Quotidien https://www150.statcan.gc.ca/n1/daily-quotidien/190829/dq190829b-fra.htm (accessed September 17, 2019)

[25] Federal Budget 2019

Canada added 224,000 net jobs in the first seven months of 2019 and another 81,000 positions in August, exceeding economists' expectations of 15,000. Compared with August 2018, employment increased by 471,000 with gains in both full-time (+360,000) and part-time (+165,000) work.[26] [27]

The Union respectfully submits that the state of the Canadian economy and the Government of Canada's fiscal circumstances are healthy, as indicated by Budget 2019 and comparable fiscal factors with G7 economies. Canada's trade is currently increasing, with imports and exports defying global patterns. The current federal deficit, when analyzed as a percentage of GDP, is historically low and does not hinder the Employer in providing decent wages and economic increases to members of this bargaining unit.

[26] Labour Force Survey, August 2019 https://www150.statcan.gc.ca/n1/daily-quotidien/190906/dq190906a-eng.htm

Enquête sur la population active, août 2019 https://www150.statcan.gc.ca/n1/fr/daily-quotidien/190906/dq190906a-fra.pdf

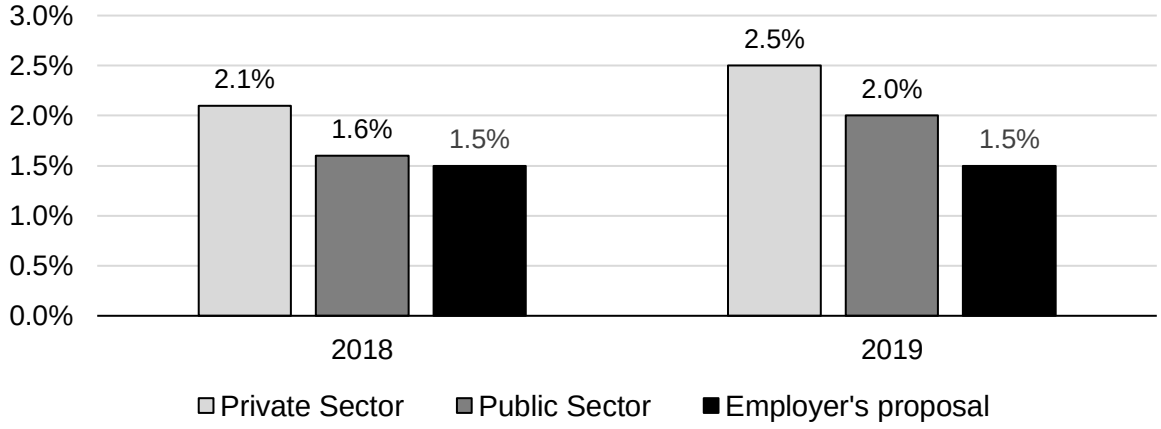
[27] Canada's economy blows past expectations with gain of 81,100. Financial Post. Kelsey Johnson. September 6, 2019. jobshttps://business.financialpost.com/news/economy/canada-gains-81100-jobs-in-august-as-national-election-looms

Rates of Pay - Trends and Circumstances

Broad settlement patterns

The Employer's proposed rates of pay are well below recent major settlements (500+ employee bargaining units) in both the Federal Public Administration and the private sector, according to data published by the Human Resources and Social Development Canada's *Labour Program* (Employment and Social Development Canada) (see graph below). [28]

The Employer's proposal is below the average annual percentage wage adjustments in the Federal Public Administration and private sector (major settlements of 500+ employees)



	2018		2019	
	Collective Agreements	**Employees**	**Collective Agreements**	**Employees**
Private Sector	64	118,380	42	65,255
Public Sector	117	456,955	60	234,010

[28] Major wage settlements by jurisdiction (aggregated) and sector; Publication date: September 3, 2019
https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data/wages/wages-sector-jurisdiction.html
Règlements salariaux selon la sphère de compétence (agrégée) et le secteur; Date de publication : le 3 septembre 2019
https://www.canada.ca/fr/emploi-developpement-social/services/donnees-conventions-collectives/salaires/salaires-secteur-spheres-competence.html

Recent and relevant settlements in the Federal Public Sector

The Employer's proposal for economic increases of 1.5% falls well below relevant recently negotiated settlements in the public sector (2018-2020). The wage settlement data below clearly demonstrates a trend and a substantial gap between the Employer's proposal and increases that were already received (or will be received) by relevant federal public service bargaining units represented by other unions.

Economic increases and wage adjustments for Treasury Board and Agencies – Other unions (2018-2020)

Group	Union	General Economic Increase 2018	2019	2020	Additional Market Adjustments
Audit, Commerce & Purchasing (AV)	PIPSC	2.0	2.0	1.5	Up to 2.25% in 2018
Health Services (SH)	PIPSC	2.0	2.0	1.5	Up to 2% in 2018
Applied Science and Patent Examination Group (SP)	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
Engineering, Architecture and Land Survey (NR)	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
Electrical Workers	IBEW	2.0	2.0	1.5	0.5% in 2020
Financial Management	ACFO	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
Nuclear Safety Comm. (NuReg)	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
TR Group	CAPE	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
EC Group	CAPE	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
Canadian Revenue Agency - AFS Group	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
National Film Board	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019
National Research Council (RO/RCO, AS, AD, PG, CS, OP)	PIPSC	2.0	2.0	1.5	0.8% in 2018 and 0.2% in 2019

Further wage settlements have also been negotiated by the PSAC for federally funded or partially federally funded sectors. Once again, the Employer's proposal pertaining to wages falls below most of these already negotiated increases.

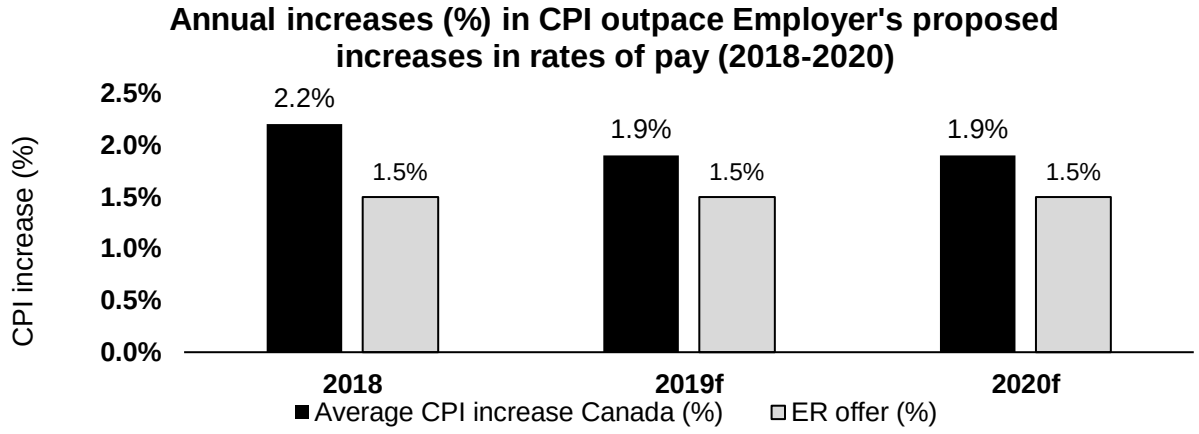
Wage increases for PSAC signed with Separate Agencies and federally funded organizations for 2018-2020

Sector	Members		
National Units (CLC)	**# in Unit**	**2018**	**2019**
NAV Canada (Multi-Group)	301	4	3
Royal Canadian Mint	685	2.0	2.0
Canadian Post Corporation	1549	1.75	1.8
Staff of Non-Public Funds	**# in Unit**	**2018**	**2019**
Kingston – Operational	88	2.85	n/a
Valcartier – Operations/Admin	113	3	n/a
Goose Bay – Operations/Admin	19	1.5	n/a
MTL/St. Jean – Operational	79	2.5	n/a
Bagotville – Operations/Admin	27	2.85	n/a
Bagotville – Operations/Admin	27	2.85	n/a
Trenton – Admin Support	21	1.5	n/a
Suffield, AB – NFP	44	2.75	n/a

The Employer's wage proposal will certainly not allow for increases in household spending. It also does not reflect forecasted nor established wage increases for 2018. 2019 and 2020. Within a Canadian middle-class context, the Union's wage demand proposing fair economic increases is not simply good for employees but could be considered beneficial overall for the Canadian economy in the long-term.

Employer offer is below inflation rate

The latest projections put forward by Statistics Canada for 2019[29] and by the Bank of Canada for 2020[30] indicate future losses if the Union were to accept the Employer's offer.[31]



Source: Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01

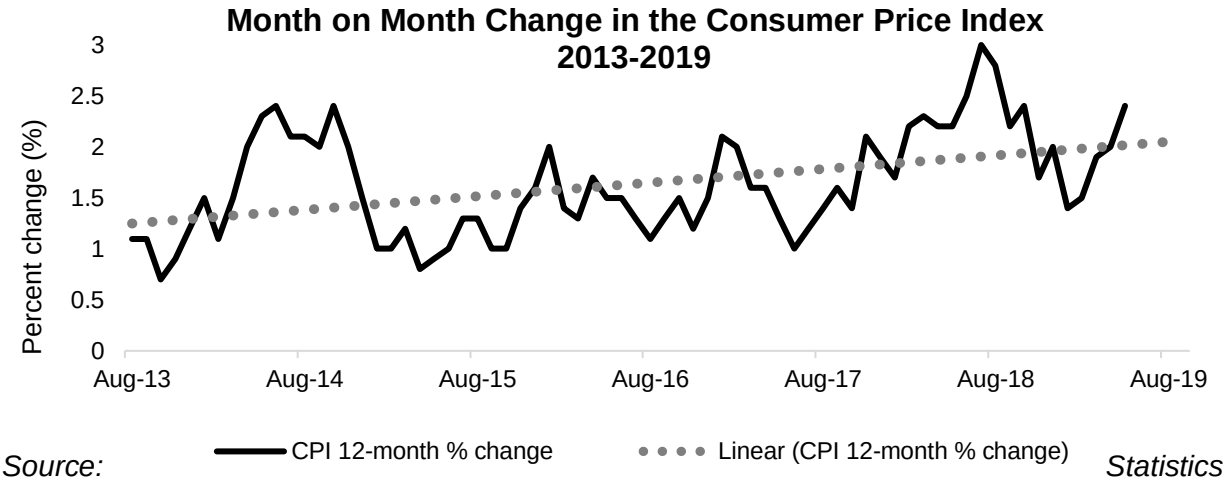
Current and projected cost of living

Canadians, including members of this bargaining unit, are subject to continuing increases in living expenses. The Consumer Price Index (CPI) measures inflation and an increase in CPI/inflation translates into a reduction of buying power. As CPI rises, we must spend more to maintain our standard of living.

[29] Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01

[30] Bank of Canada, January 2019 Monetary Report, https://www.bankofcanada.ca/2019/01/mpr-2019-01-09/

[31] Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01



Source: Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted.[32]

The following table of inflation rates (annual CPI increase shown in percent) for 2018, 2019 (forecast) and 2020 (forecast) was constructed from rates published by seven major financial institutions.[33] This data clearly demonstrates that the Employer's proposal comes in below inflation rates of 2018 and is also below the anticipated inflation rates for 2019 and 2020, trending around 2%.

[32] Statistics Canada (accessed August 16, 2019) https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401

[33] All accessed August 9-12, 2019:
TD Long-term Economic Forecast June 18, 2019
https://economics.td.com/domains/economics.td.com/documents/reports/qef/2019-jun/long_term_jun2019.pdf; TD
CIBC Forecast Update July 8, 2019 https://economics.cibccm.com/economicsweb/cds?ID=7649&TYPE=EC_PDF;;
BMO Capital Markets Economic Outlook August 9, 2019
https://economics.bmo.com/media/filer_public/df/b8/dfb80b31-59a3-43b2-b280-eccdcacc0006/provincialoutlook.pdf;
RBC Provincial Outlook June 2019
http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/provtbl.pdf;
Desjardins Economic & Financial Outlook June 2019 https://www.desjardins.com/ressources/pdf/peft1906-e.pdf?resVer=1561036871000;
Scotiabank Global Economics July 12, 2019 https://www.scotiabank.com/content/dam/scotiabank/sub-brands/scotiabank-economics/english/documents/provincial-pulse/provincial_outlook_2019-07-15.pdf;
Bank of Canada Monetary Policy Report July 2019

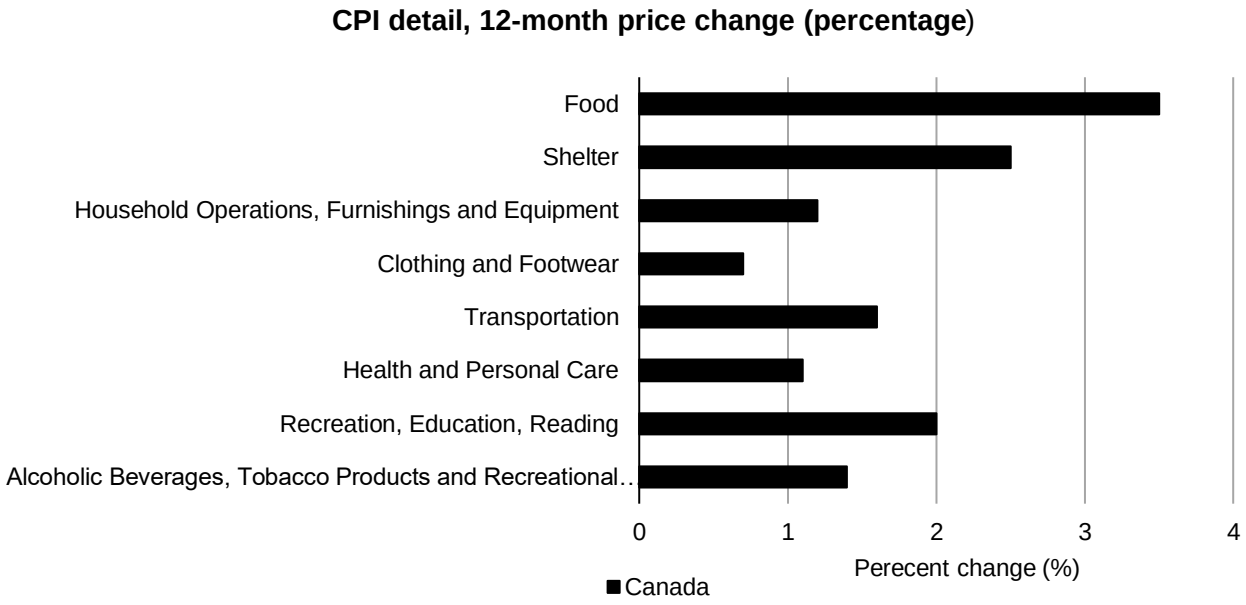
Canada-CPI	2018	2019f	2020f
	Ave. annual increase in CPI (%)		
TD Economics	2.2	1.9	2.0
RBC	2.3	1.9	2.1
CIBC	2.3	2.0	2.0
BMO	2.3	1.9	2.0
Scotia Bank	2.0	1.9	1.9
National Bank of Canada	2.3	2.0	1.9
Desjardins	2.3	1.8	1.6
AVERAGE:	**2.2**	**1.9**	**1.9**

Source: CPI averages in this graph as per all-banks averages in the tables above.

The rising cost of food and shelter

While CPI increases outpace wage increases, as per the Employer's proposal, members would continue lose buying power and find it more difficult to meet their basic needs. For example, the cost for shelter increased 2.5% in the 12 months ended June 2019. Canadians also paid an overall 3.5% more for food in June compared to the same month last year (Statistics Canada).[34] Vegetable prices are especially volatile and continue to increase year over year, even in the summer months (Statistics Canada).[35]

[34] Statistics Canada Latest Snapshot of the CPI, June 2019 (accessed August 18, 2019) https://www150.statcan.gc.ca/n1/pub/71-607-x/2018016/cpi-ipc-eng.htm; Table: 18-10-0007-01
[35] Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01 https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401



Canada's Food Price Report 2019[36] forecasts that food prices in nearly all categories will continue to rise in most provinces in 2019.

2019 Food Price Forecasts

Food Categories	Anticipated increase (%)
Bakery	1% to 3%
Dairy	0% to 2%
Grocery	0% to 2%
Fruit	1% to 3%
Meat	-3% to -1%
Restaurants	2% to 4%
Seafood	-2% to 0%
Vegetables	4% to 6%
Total Food Categories Forecast:	**1.5% to 3.5%**

Source: Canada's Food Price Report 2019

[36] Food Price Report 2019 (accessed August 12, 2019) *Canada's Food Price Report 2019* is a collaboration between Dalhousie University, led by the Faculties of Management and Agriculture, and the University of Guelph's Arrell Food Institute.
https://cdn.dal.ca/content/dam/dalhousie/pdf/management/News/News%20&%20Events/Canada%20Food%20Price%20Report%20ENG%202019.pdf

The predicted 6% hike in the cost of produce is alarming, and vegetable prices may increase even more if deteriorating weather conditions continue to cause poor growing conditions.[37].Dr. Somogyi, one of the authors of the Food Price Report, anticipates an increase in vegetable consumption due to recent changes in Canada's Food Guide, published by the Government of Canada. Canadians are advised in Canada's Food Guide to "have plenty of vegetables and fruits."[38] An increase in demand in vegetables would also contribute to raising prices.

Rising prices for food especially hurt lower and middle-income households and families, for whom food exhaust a much larger share of their budget. Any price increases put a disproportionate amount of strain on the family budget. This is especially relevant to our members; they need the Treasury Board to provide competitive general economic increases that help offset surging costs for healthy foods and enable them to follow the Canada Food Guide.

The rising cost of shelter is also affecting our members. The Canadian Centre for Policy Alternatives' (CCPA) latest housing report[39] found that, nationally, *"the average wage needed to afford a two-bedroom apartment is $22.40/h, or $20.20/h for an average one bedroom*." The numbers become even more worrisome when investigating the housing and renting costs around major Canadian hubs "*like in the Greater Toronto Area, the Vancouver neighbourhoods containing over 6,000 apartments also have among the highest rental wages: Downtown Central ($46/hr), English Bay ($46/hr) and South Granville ($40/hr).''*

[37] Pricey Produce Expected to Increase Our Grocery Bills in 2019, Says Canada's Food Price Report University of Guelph December 4, 2019 (accessed August 12, 2019)

[38] Canada's Food Guide Appendix A (accessed August 12, 2019) https://food-guide.canada.ca/static/assets/pdf/CDG-EN-2018.pdf

[39] Unaccommodating, Rental Housing wage in Canada, CCPA, David MacDonald, July 18th, 2019, https://www.policyalternatives.ca/unaccommodating

According to the Canadian Real Estate Association's latest report[40], the actual (not seasonally adjusted) national average price for homes sold in August 2019 was approximately $493,500, up almost 4% from the same month last year. In its latest monthly housing market update, RBC Economics[41] also raised its forecast for home prices by 0.8% for 2019 and 3.5% for 2020, while resale prices are projected to go up by 4.6% in 2019 and by 5.8% in 2020. With maintenance costs, home insurance, taxes and the cost of energy being other factors homeowners need to consider in affording a household, there is no indication of these expenses slowing down for middle-class Canadians who are or want to become homeowners.

In summary, costs for the necessities of life including food and shelter continue to rise,[42] making it more difficult to "just get by". The Employer's proposed wage increases for 2018, 2019, and 2020 fail to address these increasing costs of living.

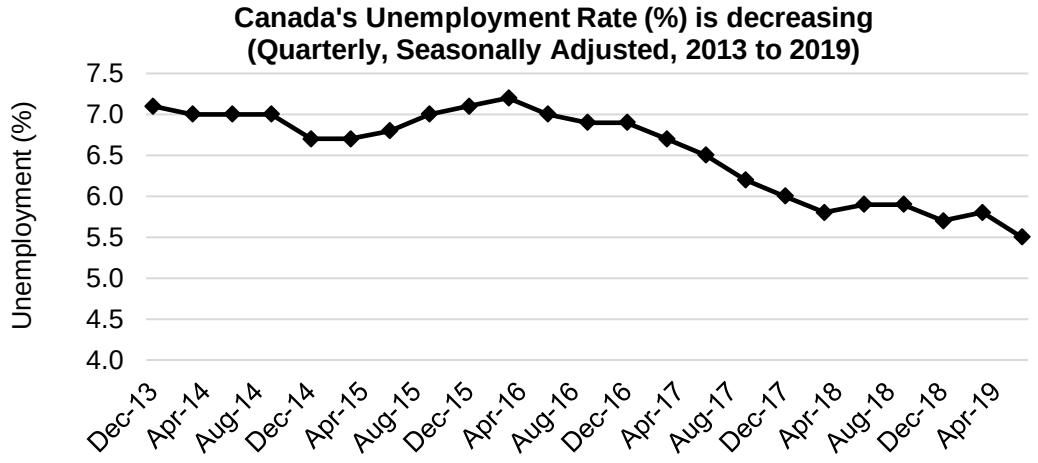
Highly competitive labour market

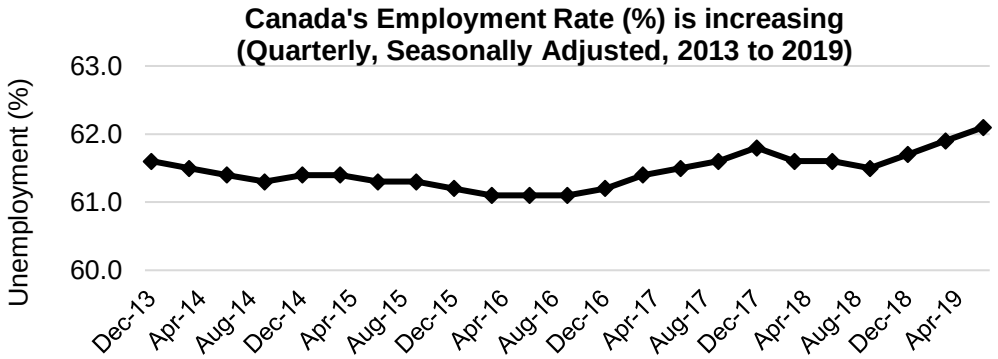
Unemployment rates today are well below those from previous years, remaining at 5.7%, near an all-time low. Employment rates have remained steady, inching closer and closer towards full employment, recently peaking in June 2019 (see figures below). Given a consistently strong labour market and low unemployment, the Union believes salaries and wages should reflect these trends and remain competitive.

[40] Canadian Real Estate Association, Housing Market Stats/National Statistics, September 16, 2019, https://creastats.crea.ca/natl/index.html

[41] Monthly Housing Market Update, RBC Economics, September 16th, 2019, http://www.rbc.com/economics/economic-reports/pdf/canadian-housing/housespecial-sep19.pdf

[42] Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401 April 2019 (accessed August 9, 2019)





Source: Statistics Canada. Table 14-10-0294-01 Labour force characteristics by census metropolitan area, three-month moving average, seasonally adjusted and unadjusted, last 5 months[43]

Canada's tight labour market has made it more likely for workers to seek alternative positions if they are not happy with their current employment situation. Almost 90% of respondents to the *2019 Hays Canada Salary Guide* indicated that they are open to hearing new opportunities[44]. According to a 2018 survey the most common reason to leave was the desire for better compensation. Additionally, 80% of participants working in 584 Canadian organizations reported being stressed about money and pay issues on

[43] Statistics Canada Table 14-10-0294-01 https://doi.org/10.25318/1410029401-eng
Statistics Canada. Table 14-10-0294- https://doi.org/10.25318/1410029401-fra (accessed September 17, 2019)

[44] It's never been a better time to find a new job — but do employers realize it? CBC. Brandie Weikle. January 13, 2019 (accessed August 19, 2019)

a regular basis, while 2% were *very* or *extremely* stressed.[45] This rings especially true for federal public servants: over 40% experienced "substantial problems" with their pay in 2018, and 22% reporting a large or very large impact on their paycheques according to the 2018 Annual Federal Public Service Employee Survey.[46]

Salary forecasts within a tight Canadian labour market (2019)

The labour market certainly influences trends in salary increases. At the same time, declining unemployment and stability in employment levels are indicators that the Canadian economy is doing well. Employers wishing to retain trained staff must increase wages to appropriate levels or risk losing them should the right opportunity present itself.[47] Indeed, the competitive labour market is influencing wages, which posted a real increase. Year over year wage growth (for all employees) in July 2019 accelerated by 4.5%, the fastest rate in a decade.[48] [49] Projections derived by research conducted by the Conference Board of Canada, Normandin Beaudry, Morneau Shepell, Tower Watson, Mercer and Korn Ferry indicate that employers are planning to increase salaries by an average of between 2.0% to 2.8% in 2019.[50] [51]

[45] Welcoming wage increases. Canadian HR Reporter. Sarah Dobson. July 8, 2019 (accessed August 19, 2019)

[46] iPolitics. Marco Vigliotti. Feb 26, 2019. Phoenix had significant effect on pay for over 40 per cent of public servants: poll. https://ipolitics.ca/2019/02/26/phoenix-had-significant-effect-on-pay-for-over-40-per-cent-of-public-servants-poll/ (accessed September 17, 2019)

[47] Most Canadian employees are ready to quit their jobs, survey fins. CBC Business. December 16, 2018 (accessed August 13, 2019)

[48] Statistics Canada Table 14-10-0320-02 Average usual hours and wages by selected characteristics, monthly, unadjusted for seasonality (x 1,000) https://doi.org/10.25318/1410032001-eng

[49]Canadian wages hit fastest growth pace in 10 years. CTV News/The Canadian Press. Andy Blatchford. August 9, 2019. (accessed August 13, 2019)

[50] CPQ Salary Forecasts Special Report 2019

[51] Slightly higher salary increases expected for Canadian Workers in 2019. Conference Board of Canada. October 31, 2019.

Observer	Sector	Projected Increase (%)
Conference Board	Public Sector	2.2
	Private Sector	2.7
Normandin Beaudry	All-sector	2.5
Morneau Shepell	All-sector	2.6
	Public Administration	2.8
Tower Watson	Professionals	2.7
Mercer	All-sector	2.6
Korn Ferry	All-sector	2.4

A population getting ready for retirement and the risk of an increased workload

The tables below highlight the percentage of members by age-band and are sourced from demographic data provided by the Employer as of March 31st, 2018. According the Employer's data, significant cohorts of members of this bargaining unit are currently above 50 and/or above 60 years of age. According to Statistics Canada, in 2018, the average retirement age of a public sector employee was 61 years.[52]

SV Group (Source: TBS Demographic Data, March 31st, 2018)

	50-59	60+	Above 50	Average Age of sub-group
FR	24.6%	6.5%	31.1%	44.03
GL	42.9%	17.4%	60.3%	50.47
GS	42.7%	15.3%	58.0%	50.09
HP	41.7%	24.2%	65.9%	52.06
HS	31.6%	9.3%	40.9%	47.17
LI	34.1%	40.7%	74.7%	56.51
PR(S)	50.0%	0%	50.0%	49.78
SC	12.0%	33.6%	45.5%	45.91

In the current tightening labour market, the pool of qualified candidates is shrinking and competition for applicants is rising. With many members sitting at the top of their pay scale and nearing retirement, the Union argues there is a potential for recruitment and retention issues which ought to be considered.

[52] Retirement age by class of worker, annual, Table: 14-10-0060-01, Statistics Canada,https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410006001

The weight of the public sector in the Canadian economy

In the last 20 years, public sector programs and staff expenses have been trending down, mostly attributed to cuts from the Harper Government, which disrupted Canada's middle-class. As such, the Union suggests that the wages negotiated beyond the Employer's proposal for our members would help reverse this trend and account for a greater and positive impact on the Canadian economy. Public sector jobs contribute to a social context which favors growth by creating stability hubs throughout economic cycles, and by mixing up industries and economic growth in non-urban regions, while maintaining a strong middle-class and reducing gender-based and race inequities in the workforce.[53]

[53] Portrait de la contribution de la fonction publique à l'économie canadienne, Institut de Recherche et d'informations socio-économiques, François Desrochers et Bertrand Schepper, Septembre 2019, https://cdn.iris-recherche.qc.ca/uploads/publication/file/Public_Service_WEB.pdf

In summary:

The following summary reiterates the facts and arguments presented above which support the Union's position pertaining to rates of pay:

i. "Ability to pay" is a factor entirely within the government's own control;
ii. The concept of 'ability to pay' has been rejected as an overriding criterion in public sector disputes by an overwhelming majority of arbitrators;
iii. Budget 2019 stipulates the Canadian economy is growing and healthy whereby Canada has some of the strongest indicators of financial stability in the G7 economies;
iv. Canada's trade and exports are increasing, defying global patterns;
v. Canada has a strong labour market and low unemployment, whereby competitive wages play a major role;
vi. The Government of Canada finds itself in healthy fiscal circumstances and has the ability of the deliver fair wages to its employees;
vii. The Government of Canada's deficit, as % of GDP, is historically low and does not present an obstruction to providing fair wages and economic increases to federal personnel;
viii. The Employer's proposed rates of pay are below established and forecast Canadian labour market wage increases;
ix. The Employer's proposal for economic increases of 1.5% falls well below relevant recently negotiated settlements in the public sector;
x. The Employer's proposed rates of pay come in below inflation, affecting the economic value of salaries without accounting for the rising cost of living expenses such as food and shelter;
xi. A significant cohort of members of this bargaining unit is within range of retirement or nearing it, suggesting the Employer will soon be facing a significant diminution in staffing levels;
xii. Public Sector jobs contribute to a social context which favours growth and the prosperity of the middle-class on which Canada's economy heavily relies.

In conclusion, the Union's proposals concerning economic increases reflect broader economic trends both inside and outside the federal public service. As has been demonstrated here, the Employer's current position with respect to wages is well below economic forecasts and inflationary patters. The Union submits that when looking at recent core public administration settlements, its wage proposal is reasonable, particularly given that the Employer's wage proposal is completely out of sync with all recent settlements in the core public administration. If the PSAC were to agree to the Employer's wage proposal as submitted, the Union would be agreeing to the lowest wage settlement of all recently negotiated agreements in the core public administration. In light of these facts, the Union submits that its economic proposals are both fair and reasonable. Consequently, the Union respectfully requests that they be included in the Commission's recommendations.

SV SPECIFIC WAGE ADJUSTMENT & GRID RESTRUCTURING

1) FR GROUP

a) A market adjustment of 19.5% is proposed for the Firefighters Group (FR).
b) A classification restructure that includes the removal of the recruitment rate
c) FR-1, an addition of one step with a 5% increment;
d) FR-2, the removal of the first step and the addition of a step with a 5% increment;
e) FR-3 to FR-6, increase the rate by 10%.

RATIONALE:

The Union's FR group rates of pay proposal takes into consideration the principle of external relativity. In doing so, wage discrepancies are shown through aging the HayGroup Pay Study, analysis of census data filtered by SV-related NOC codes, and examination of municipal jurisdictions and nearest International Association of Fire Fighters (IAFF) work locales. Each approach illuminates the extent to which FR group base wages lag external comparators. Considering that, a wage adjustment of 19.5% and grid restructuring for the federal firefighters is both fair and reasonable when relevant external labour markets are considered.

Wage Adjustment

It is necessary for the Employer to compensate firefighters comparably to its private and public sector market comparators (Exhibit B1). The following analysis ages the HayGroup Pay Study (HG), pay data collected in 2014, from 47 employers covering 23,517 Canadian workers in jobs matched to SV jobs in the federal government. To do this (see Table 1), all sectors averages of major wage settlements in the utilities, construction, transportation, and public administration sectors were averaged from 2014 to 2017.

Table 1: Annual Averages of Major Wage Settlements (Exhibit B2)

2014	
Utilities	2.4
Construction	2.4
Transportation	1.7
Public administration	1.7
AVERAGE	**2.1**

2015	
Utilities	1.5
Construction	1.6
Transportation	2.4
Public administration	1.5
AVERAGE	**1.8**

2016	
Utilities	1.4
Construction	1.8
Transportation	1.3
Public administration	1.5
AVERAGE	**1.5**

2017	
Utilities	1.7
Construction	1.7
Transportation	1.9
Public administration	1.6
AVERAGE	**1.7**

Next, the calculated annual averages were applied to the HG's 2013 average maximum hourly rate. Finally, a difference is calculated relative to the 2017 maximum hourly rate for FR-1 and FR-2 (these figures include all the across the board general economic increases and wage adjustments from the last round). Aged to 2017 and using FR-1 and FR-2 as a baseline (majority of members), the Union calculated a weighted average and submits that current FR group wage rates lag external market comparators by a weighted average of 28.91% (Table 2).

Table 2: Differences Between FR Group Wages and Aged HayGroup Pay Study

Classifi -cation	TB Hourly Max (2017)	Job Title	Hay Average Range Max Hourly (Aged to 2017)	Diff. ($)	Diff. (%)	Members	Weighted Average (%)
FR1	$35.51	Fire-fighter	$44.87	(9.36)	26.36	318	28.91%
FR2	$37.40	Fire Lieutenant	$51.70	(14.30)	38.24	87	

In addition to this evidence, further consideration of the FR group's external wage comparability to the public and private sectors is warranted. In a review of relative 2016

census average wage data, Table 3 uses National Occupational Classification (NOC) codes relative to the FR group to filter the average wage data of the census (Exhibit B3).

Table 3: 2016 Census Public and Federal Average Wages Filtered by NOC Codes

NOC 2016	Industry	Census 2016 Workers	Average Wage 2016	N2016
4312	Private sector	1,415	93,071	4310 Firefighters
4312	Public sector	22,375	100,072	4311 Firefighters
4312	Federal Government	805	70,799	4312 Firefighters
4312	Total Industry	23,785	99,659	4312 Firefighters

Relying on the NOC code wage differential where a public sector average of the annual salaries for firefighters is calculated and compared to a federal government average for firefighter wages, Table 4 shows a 41.3% gap. Last round, however, the FR group received a wage adjustment of 15%. While this adjustment, general economic increases aside, recognized a major gap with market comparators, it did not come close to closing that gap.

Table 4: Public Sector v. Federal Government Average FR Wages

Sub-Group	Public Sector Average Wage 2016	Federal Government Average Wage 2016	Difference %
FR	100,072	70,799	41.3%

Finally, the necessity of offering compensation to federal firefighters that is comparable to external private and public sector markets is imperative. Yet the Employer submitted during bargaining that SV wages were comparable to the market. To further refute that submission, consideration of municipal comparators further emphasizes how far current FR wages fall short of the comparable market.

Table 5: FR Locations relative to the Nearest IAFF Unit

FR LOCATIONS	# FR	NEAREST IAFF	ANNUAL PAY (NEAR EFFECTIVE 2017)
Borden ON	44	Barrie	$ 97,866
Petawawa ON	62	Pembroke	$ 94,672
Kingston ON	3	Kingston	$ 97,458
Shilo MB	38	Brandon	$ 86,548
Dundurn SK	26	Saskatoon	$ 96,881
Gagetown NB	34	Oromocto	$ 83,949
Halifax NS	81	Halifax	$ 91,088
Valcartier QC	1	Montreal (only QC IAFF)	$ 76,850
Victoria BC	83	Victoria	$ 94,116
Nanoose BC	2	Nanaimo	$ 89,544
Wainwright AB	33	Edmonton	$ 96,668
Suffield AB	33	Medicine Hat	$ 96,936
Sample Population	440	**AVERAGE**	$ 91,881
		WEIGHTED AVERAGE	$ 93,102
		SV GROUP: FR-01 (1st Class)	**$ 77,564**
		FR Differential with Average:	18.5%
		FR Differential with W. Average:	20.0%

To press upon the Commission the importance of the necessity of fair and comparable compensation and the necessity of attracting competent persons to, and importantly retaining them in, the public service in order to meet the needs of Canadians, Table 5 analyzes FR worksite locations relative to the nearest International Association of Fire Fighter municipal comparator. A weighted average shows FR wages continue to fall 20% short of relevant external firefighter labour markets within proximity to FR work locations.

FR Grid Restructuring

First, the Union proposes the removal of the recruitment rate from the FR group grid. This rate does not reflect the present-day context of new federal firefighters. Historically, firefighters would join the service with as little as a first aid certificate. The recruitment rate was paid for the period in which a recruit would train and complete the requisite qualifications on the job.

Today, new recruits have completed fire school with several qualifications. In a current (expiring August 2021) FR-1 job posting, International Fire Service Accreditation Board/Pro-Board accredited essential qualifications included National Pire Protections Association (NFPA) 1001 – Level II and NFPA 472 – Hazmat Operations (Exhibit B4). These new members are joining the service as qualified firefighters. In addition to this, after just two shifts, recruit firefighters are eligible to work overtime right alongside all other FR-1s.

Importantly, FR group grid restructuring begins to address major wage gaps with comparable firefighter labour markets. The following looks at how the Union's proposed grid restructuring addresses identified wage discrepancies with the aged HG study.

FR-1: Before Restructure

	Step 1	Step 2	Step 3	Step 4	Step 5	Wage discrepancy with aged Pay Study
Wage	65,994	67,688	72,691	75,092	77,564	26.36%
% between steps		2.57%	7.39%	3.30%	3.29%	

- The Union's FR-1 grid restructuring proposes a 5% increase toward the closure of the wage gap.

FR-1: After Restructure

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Wage discrepancy with aged Pay Study
Wage	65,994	67,688	72,691	75,092	77,564	**81,442**	21.36%
% between steps		2.57%	7.39%	3.30%	3.29%	**5.00%**	

FR-2: Before Restructure

	Step 1	Step 2	Step 3	Wage discrepancy with aged Pay Study
Wage	76,502	79, 082	81,676	38.24%
% between steps		3.37%	3.28%	

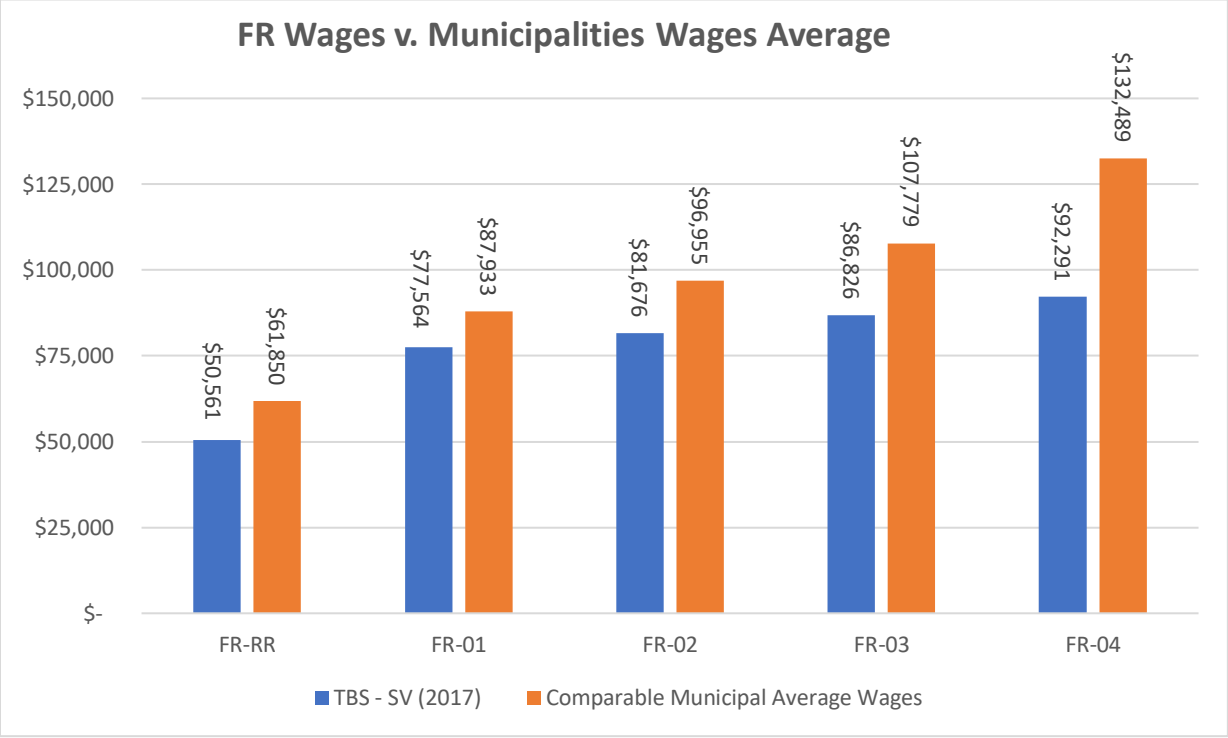
- The Union's FR-2 grid restructuring proposes the removal of the 1st step and the addition of one step with a 5% increment toward the closure of the wage gap.

FR-2: After Restructure

	~~Step 1~~	Step 1	**Step 2**	**Step 3**	**Wage discrepancy with aged Pay Study**
Wage	~~76,502~~	79,082	81,676	85,760	33.24%
% between steps			3.28%	5.00%	

Finally, the Union's FR-3 to FR-6 proposed increase of 10% begins to address the rank-based wage disparities. The salary gaps for FR-03 and FR-04, for example, 19.4% (FR-03) and just over 30% (FR-04) addresses this salary disparity (Figure 1). Also, notably, the Union withdrew its increment harmonization proposal.

Figure 1: FR Wages v. Municipalities Wages Average



In summary, the evidence in support of the demonstrated need for a wage adjustment and grid restructuring is clear. Current wage lag will only exacerbate recruitment and retention challenges. The adjustment in the last round only started to address the identified wage disparity between federal firefighters and their external market comparators. In light of all the presented evidence, the union respectfully requests that the Commission includes this remedy in their recommendation.

2) Wage Adjustment – GL GROUP

a) A market adjustment of 9% is proposed for the General Labour and Trades Group (GL).

The Union's GL group rates of pay proposal takes into consideration the principles of attracting and retaining persons competent in the general labour and trade group and the necessity of offering compensation comparable to employees in similar occupations in the private and public sectors. In doing so, wage discrepancies are shown through aging the HayGroup Pay Study and analysis of census data filtered by GL-related NOC codes.

As a background, in July 2019, headlines in the CBC business news quoted Statistics Canada: "more people leaving than entering the workforce, and especially for the trades this is going to become critical."[54] In further support of this assertion, Statistics Canada reported on year-over-year new registrations to apprenticeship programs indicating that the number of registrations edged down 0.6% in 2017 compared to the previous year. While small, declines in the previous two years saw a total drop on nearly 25% (-14.7% in 2015 and -9.7% in 2016).

Despite the increasing need for skilled tradespeople, the number of certificates awarded to individuals who completed the necessary steps to become qualified in a trade has declined over the past few years. The number of certificates granted fell

[54] Brandie Weikle, "Here's where Canadians are finding well-paying jobs in the trades," CBC News, 23 July 2019. https://www.cbc.ca/news/business/canadian-tradespeople-1.5198394

from 55,230 in 2016 to 51,150 in 2017 (-7.4%). This was consistent with declines in previous years, where the number of certificates fell from 59,409 in 2014 to 55,230 in 2016 (-7.0%) (Exhibit B5)**.** To attract and retain trades workers, the Employer should compensate at rates comparable to employees in similar occupations in the private and public sector.

With consideration of the external relativity principle, the Union's GL-group wage adjustment proposal of a 9% takes into consideration analyses of the aged HayGroup (HG) Pay Study and NOC code data. First, the following analysis ages the HG Pay Study, pay data collected in 2014, from 47 employers covering 23,517 Canadian workers in jobs matched to SV jobs in the federal government. To do this (see Table 6), all sectors averages of major wage settlements in the utilities, construction, transportation, and public administration sectors were averaged from 2014 to 2017. Then, the calculated annual averages were applied to the HG's 2013 average maximum hourly rate (Table 7).

Table 6: Annual Averages of Major Wage Settlements (Exhibit B2)

2014	
Utilities	2.4
Construction	2.4
Transportation	1.7
Public administration	1.7
AVERAGE	**2.1**

2015	
Utilities	1.5
Construction	1.6
Transportation	2.4
Public administration	1.5
AVERAGE	**1.8**

2016	
Utilities	1.4
Construction	1.8
Transportation	1.3
Public administration	1.5
AVERAGE	**1.5**

2017	
Utilities	1.7
Construction	1.7
Transportation	1.9
Public administration	1.6
AVERAGE	**1.7**

Table 7: Aged HayGroup Pay Study

Hay Study Equivalent		2014	2015	2016	2017
Job Title	Hay Average Range Max-Hourly (2013)	1.021	1.018	1.015	1.017
Construction/Maintenance Supervisor	$33.06	$33.75	$34.36	$34.88	$35.47
Electrician	$42.78	$43.68	$44.46	$45.13	$45.90
General Labourer / Trades Helper	$21.70	$22.16	$22.55	$22.89	$23.28
Refrigeration/HVAC Technician	$53.20	$54.32	$55.29	$56.12	$57.08
Driver, Heavy Vehicle	$22.18	$22.65	$23.05	$23.40	$23.80
Painter / Sign Painter - Construction	$28.74	$29.34	$29.87	$30.32	$30.84
Plumber / Pipefitter	$32.58	$33.26	$33.86	$34.37	$34.96
Sheet Metal Worker	$31.27	$31.93	$32.50	$32.99	$33.55
Automotive / Heavy Duty Equipment Mechanic	$41.15	$42.01	$42.77	$43.41	$44.15
Carpenter	$31.24	$31.90	$32.47	$32.96	$33.52

Aged to 2017, this analysis of the HG's 2013 Pay Study is used to calculate wage difference between GL group jobs and those comparable in similar occupations in the private and public sector (Table 8). A difference is calculated relative to a cross-section of 2017 maximum hourly rates (these figures include all the across the board general economic increases and wage adjustments from the last round). Finally, an average is calculated that reflects a wage discrepancy. The Union's proposed wage adjustment identifies the lag in wage rates between the current GL group classifications and the aged HG Pay Study average maximum hourly wage.

Table 8: Differences Between GL Group Wages and Aged HayGroup Pay Study

SV Classification (Group and Level)	Hourly-Max (2017)	Hay Study Equivalent Job Title	Hay Average Range Max-Hourly (Aged to 2017)	Difference ($)	Difference (%)
GL-COI-11	$33.93	Construction/Maintenance Supervisor	$35.47	($1.54)	**4.54%**
GL-EIM-11	$35.46	Electrician	$45.90	($10.44)	**29.44%**
GL-ELE-03	$22.30	General Labourer / Trades Helper	$23.28	($0.98)	**4.40%**
GL-MAM-08	$29.13*	Refrigeration/HVAC Technician	$57.08	($27.95)	95.94%
GL-MDO-05	$24.63	Driver, Heavy Vehicle	$23.80	$0.83	**-3.38%**
GL-PCF-07	$30.32	Painter / Sign Painter - Construction	$30.84	($0.52)	**1.70%**
GL-PIP-09	$32.27	Plumber / Pipefitter	$34.96	($2.69)	**8.32%**
GL-SMW-10	$35.62	Sheet Metal Worker	$33.55	$2.07	**-5.81%**
GL-VHE-10	$33.47	Automotive / Heavy Duty Equipment Mechanic	$44.15	($10.68)	**31.91%**
GL-WOW-09	$30.68	Carpenter	$33.52	($2.84)	**9.25%**
			Average (excluding GL-MAM-08):		**8.93%**

*Even if the non-pensionable terminable allowance of $8000 per year is factored in for the refrigeration/HVAC technicians, the percentage difference remains unacceptable at 73.16%.

Meanwhile, consideration of the GL group's external wage comparability in the public sector is warranted relative the 2016 census average wage data. This wage data was analyzed using National Occupational Classification (NOC) codes as a filter. The NOC provides a standardized systematic classification structure that categories the entire range of occupational activities in Canada. Its detailed occupations are identified and grouped primarily according to the work performed, as determined by the tasks, duties and responsibilities of the occupation.

Table 9 compares the public sector average of annual salary for employees in similar occupations as the GL group to the average salaries of federal government employees with similar occupations (Exhibit B6). A difference of 13.09% is the result.

Table 9: 2016 Census Public and Federal Average Wages Filtered by NOC Codes

Sub-Group	Public Administration Average Wage 2016	Federal Administration Average Wage 2016	Difference %
GL	71,220	62,977	13.09%

In summary, the GL group wages significantly lag external market rates. The proposed catch-up of a 9% wage adjustment is fair and reasonable considering the recruitment and retention declines in the trades. Further, the Employer provided no other rationale than stating the SV group was comparable to market. The Union firmly rejects such an assessment and respectfully requests that the Commission includes this remedy in their recommendation.

3) Wage Adjustment – HP GROUP

a) A market adjustment of 39% is proposed for the Heating and Power Group (HP).

b) A classification restructure that includes the removal of first two steps for the classification groups of HP-6 to HP-9.

The Union's HP group rates of pay proposal takes into consideration wage discrepancies shown through aging the HayGroup Pay Study and analysis of census data filtered by HP-related NOC codes. The Union's wage adjustment proposal is based on the necessity of attracting and retaining persons competent in the fields of heating and power operators and the necessity of offering compensation comparable to employees in similar occupations in the private and public sectors. It is necessary for the public service to compensate heating and power workers relative to its private and public sector comparators.

The following analysis ages the HayGroup Pay Study (HG), pay data collected in 2014, from 47 employers covering 23,517 Canadian workers in jobs matched to SV jobs in the federal government. To do this (see Table 10), all sectors averages of major wage settlements in the utilities, construction, transportation, and public administration sectors were averaged from 2014 to 2017.

Table 10: Annual Averages of Major Wage Settlements (Exhibit B2)

2014	
Utilities	2.4
Construction	2.4
Transportation	1.7
Public administration	1.7
AVERAGE	**2.1**

2015	
Utilities	1.5
Construction	1.6
Transportation	2.4
Public administration	1.5
AVERAGE	**1.8**

2016	
Utilities	1.4
Construction	1.8
Transportation	1.3
Public administration	1.5
AVERAGE	**1.5**

2017	
Utilities	1.7
Construction	1.7
Transportation	1.9
Public administration	1.6
AVERAGE	**1.7**

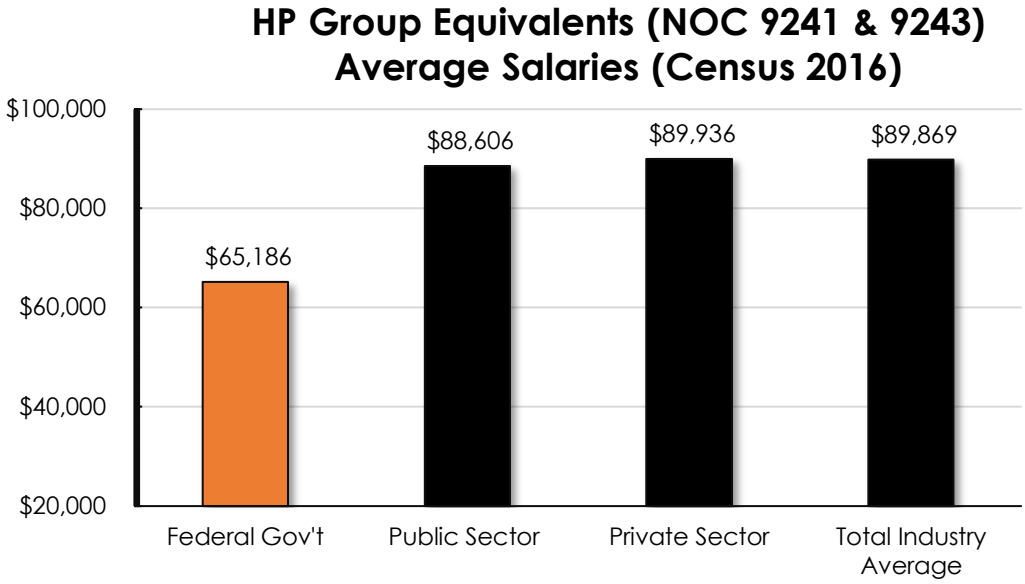
Then, the calculated annual averages were applied to the HG's 2013 average maximum hourly rate. Aged to 2017, this analysis of the HG's 2013 Pay Study is used to calculate wage difference between HP group jobs and those comparable in similar occupations evaluated by the study in the private and public sector (Table 11). Using HP-04 a baseline, federal government heating and power workers lag in their hourly rate by $25.87/hour—a 73.51% external market differential with comparable employees in similar occupations in the private and public sector. The wage adjustment of the last round of 15% only began to address this wage discrepancy.

Table 11: Differences Between GL Group Wages and Aged HayGroup Pay Study

SV Classification (Group and Level)	Hourly-Max (2017)	Hay Study Equivalent - Average Range Max-Hourly		Difference ($)	Difference (%)
		Job Title	Aged to 2017		
HP-4	$35.19	Stationary Engineer (2nd Class)	$61.06	($25.87)	73.51%

As the HP group wages lag industry wages averages, it also lags public and private sector wages (Exhibit B7) for similar occupations as well as (Figure 2).

Figure 2: Heating and Power Operators' Average Salaries



The 2019 Hays Canada salary guide, which surveyed over 4,000 professionals and employers across Canada, offers private sector salary survey comparator data for the stationary engineer and the chief operating engineer/power engineer. While the former observed a typical range of $32/hour to $40/hour with a high-end range of $44/hour, the latter observed a typical range of $105,000 to $135,000/year. While such figures represent a wide range within the labour market, even an average of the low and high ends of the salary range $38, amounts to an 8% differential with HP-04 compensation. At the high end, the differential amounts to 25% for HP-04. For the Chief Operating Engineer, however, an HP-07 maximum job rate of $43.68 (annual salary of $91,162), which falls 15% short of the low end of the typical range identified in the survey (Exhibit B8).

Further consideration of the HP group's external wage comparability in the public sector is warranted relative to the 2016 census average wage data. This wage data was analyzed using National Occupational Classification (NOC) codes as a filter. The NOC provides a standardized systematic classification structure that categories the entire range of occupational activities in Canada. Its detailed occupations are identified and

grouped primarily according to the work performed, as determined by the tasks, duties and responsibilities of the occupation.

For the HP group, power engineers and power systems operators (9241) and water and waste treatment plant operators (9243) are the benchmark job classifications. Using HP group NOC codes to filter for the 2016 census average wage data, a public sector average of annual salary for employees in similar occupations as the HP group is calculated and compared to average salaries for federal government employees with similar occupations A difference of 35.9% is the result (Table 12).

Table 12: 2016 Census Public and Federal Average Wages Filtered by NOC Codes

Sub-Group	Public Sector Average Wage (2016) by NOC Codes	Federal Administration Average Wage (2016)	Difference %
HP	$88,606	$65,186	35.92%
	Private Sector Average Wage (2016) by NOC Codes		
HP	$89,936	$65,186	37.97%

Finally, the Union's proposed grid restructure to remove the first two steps for HP-6 to HP-9 seeks an internal consistency and equity in the HP group grid. Maximum job rate proficiency is reached for HP-1 to HP-5 in 3 steps, yet it takes 5 steps for HP-6 to HP-9. The Union's proposal seeks to address that internal inconsistency.

The Employer provided no other rationale than stating the SV group was comparable to market. The Union firmly rejects such an assessment and respectfully requests that the Commission includes this remedy in their recommendation.

4) Wage Adjustment – SC GROUP

a) A market adjustment of 21% is proposed for the Ships Crews Group (SC).

b) All levels: Add two steps with 5% increments.

RATIONALE:

Paramount for the SC group is fair compensation. Anchored in Section 175(b) of the *FPSLRA*, which outlines that "…compensation and other terms and conditions of employment relative to employees in similar occupations in the private and public sectors, including any geographical, industrial or other variations that the public interest commission considers relevant," the Union's proposal will build directly on the work of the *Ships' Crew (SC) Group Wage Comparability Study: Base Salary Report* (Exhibit B9). For background, as part of the 2017 settlement the parties agreed to create a Joint Committee for the purpose of examining the compensation of the Ships' Crew group. The Employer awarded the contract to Mercer to perform the study. That study was completed in March 2019. The firm was hired by the Employer to measure and evaluate the external direct pay practices ("base salary") for a selected number of positions in the Ships' Crews group ("SC"). The data generated from the study is intended for the use of both parties in the collective bargaining process. The results confirmed a substantial gap between SC group compensation and comparable jobs outside the federal public service and that the Employer rates are lower for all four classification.

The Union's SC group wage adjustment proposal of 21% reflects a long overdue consideration of a market differential. Importantly, the Mercer study provides up-to-date salary data (effective Nov. 1, 2018) from 8 organizations covering 199 workers in jobs matched to 4 Ships' Crew positions in the federal government. The Mercer study, however, initiated debate relative to how that differential was to be calculated and whether compensation for the Ships' Crew group jobs achieved market competitiveness. The data presented in this report are organization weighted and represented as an average of the median for each position. The Union, however, submits that such an approach can be

misrepresentative of the external market especially with a low number of respondent as it is the case with this study. In short, depending on how the data is distributed between firms of different sizes has an impact (i.e., larger firms are more representative and should be considered as such).

Of note, Mercer considered that in an employer external to the public sector at any given level, the 50th percentile of a defined labour market, typically represents the expected salary for "fully competent" job performance. As such, Mercer considered the Employer to be within its defined market competitive range (i.e. +/-10% of market P50) of base salary for all four positions. The Union refutes the claim that a position falls within a market competitive rage if it is within +/- 10% of the target market. Such a threshold, especially if compensation is below external labour market comparators undermines the factor of "the necessity of offering compensation that are comparable to those of employees in similar occupations in the private and public sector" that the chairperson must consider. Neither Mercer, nor the Employer, may put such arbitrary fences around fair compensation.

What's more—the federal government should be an industry leader. Since P50 does not scratch the surface of competitive compensation, the Union relies on rate at the 75th percentile or P75 (five organizations reported for each position to ensure accuracy and reliability). As such, the Union submits that a wage adjustment of 21% falls well within the external labour market differential at P75, which is calculated at just over 29% (Table 13).

Rather than rely on a median, PSAC argues that a more natural comparison is between the maximum base salary for an SC job and an average of the maximum salary attainable for the equivalent job outside of the federal public service. This is the most accurate comparison for experienced ships' crews. Similarly, the Canadian Merchant Service Guild (Ship's Officers) group received an arbitral award that included as 12% market adjustment. The Ships' Officers (SO) group While the Union does not look to the Ships' Officers group as a comparator, as organizations and observations are identified as comparators in the *Base Salary Report* for the SC group, the Chair should consider

arbitrator Baxter's award which took the view that the most relevant comparators are those agreements involving similar facilities and similar employees in similar communities (Exhibit B10). In its submission relative to the October 2, 2018 arbitral award, the Guild's calculations of lag in wages relied on averages and differences—not the median—to calculate annual economic increases in the private marine sector with their external counterparts (Exhibit B11). For this reason, for each SC classification, the Union compares the average of the external labour market maximum salary to SC base salary (Table 13). When this is considered, a market differential of 8.78% is the result.

Table 13: Base Salary Differentials

POSITION TITLE	GRADE	TBS MAX	ORGS	OBS	P50 ($)	P75 ($)	Mercer ($ Avg)	As % of AVG	As % of P75
Deckhand	SC-02	**$54,072**	8	139	54,140	77,057	61,544	**13.82**	**42.51**
Boatswain	SC-05	**$59,496**	5	10	56,420	70,263	61,455	**3.29**	**18.1**
Engine Room Assistant	SC-03	**$55,824**	7	12	55,965	77,292	63,103	**13.04**	**38.46**
Steward	STD-01	**$52,896**	6	38	50,450	62,428	55,532	**4.98**	**18.02**
						Market Differential		**8.78%**	**29.27%**

In addition to the SC group pay study and linked to the considered factor of the necessity to attract and retain competent persons to the public service, total retirements in the Canadian Coast Guard through the 2011-2016 period was dominated by Ships' Crew members (Exhibit B12). Without fair and competitive compensation, recruitment of new Ships' Crew will struggle.[55] Further to the point, concern relative to Ships' Crew and seagoing personnel have been raised in the Proceedings of the Standing Senate Committee on Fisheries and Oceans as a result of the exclusion of Ships' Crew jobs from the SV group compensation study. Advocating for serious recognition of the lag of SC group compensation, on February 7, 2017, in response to Senator Tobias Enverga, who acknowledged the strain of expected retirement on 255 of marine personnel and the

[55] https://www.citynews1130.com/2018/10/07/canadian-seafarer-shortage-prompts-actions-from-union/

hearing about ongoing human resources shortages of seagoing personnel, the National President of the Union of Canadian Transportation Employees, Christine Collins, explained that the Canadian Coast Guard is “having trouble recruiting the ships' crews: deckhands, boatswains, even cooks. This is a little more notable in the Atlantic region and specifically Newfoundland because of offshore opportunities and other opportunities.”

On top of outlining recruitment and retention issues, Collins presented further evidence from members on the state of disparate compensation between the public service and the private sector Ships’ Crew. President Collins explained: “We have a core group of our members who are loyal to the Coast Guard and the jobs they do and are not looking to leave. But then we have new younger people who don't have the same vision. When they realize that they can go and get an able seaman job in St. John's, Newfoundland, for between $70,000 and $75,000 a year, while they are being paid between $49,000 and $50,500, you can see where the younger people are looking to go. As the crews age — and it's ships' officers and ships' crews, and I think the Coast Guard has recognized this as well and perhaps addressed it with your committee — the younger people are coming in for a short period of time, getting the training and then going to private industry. There was a job posting for a junior cook on a private vessel that was over $60,000 a year. The cooks on a Coast Guard vessel make $40,000. So, the difference in the opportunities for younger people is really blatant” (Exhibit B13).

Finally, and to further address recruitment and retention of competent Ships’ Crew, the Union proposes to add two increment levels, valued at 5% each, to each of the classification steps.

The Employer provided no other rationale than stating the SV group was comparable to market. The Union firmly rejects such an assessment and respectfully requests that the Commission includes this remedy in their recommendation.

5) Wage Adjustment - LI GROUP

a) A market adjustment of 21% is proposed for the Lightkeepers Group (LI).

b) A grid restructuring is proposed that removes the first two steps for LI-1 and LI-2 and that removes the first step for LI-3 to LI-9.

RATIONALE:

Lightkeepers wages do not reflect the present-day isolation, mental health and workplace hardships. The previous round's market adjustment for the LI group of 1.5% did little to offset financial or recruitment and retention challenges. Central to the Union's LI group proposal is the necessity of attracting competent persons to, and retaining them in, the public service in order to meet the needs of Canadians. Recruitment and retention of lightkeepers is undermined by low wages.

The national breakdown of Lightstation is as follows: 27 in BC, 23 in NFLD, and 1 in NB. In 2018, a Lightstation Recruitment Evaluation was conducted by LeadingCulture studied and evaluated the current lightkeeper recruiting strategies for staffing the 27 Light stations on the Pacific Coast. The study, which identified barriers to recruitment, flagged the Phoenix pay system, lightkeeper compensation, and out of pocket expenses as primary factors (discussed in the relevant Appendix F proposal) (Exhibit B14).

In the last year, multiple news outlets from the *CBC* (Exhibit B15) to the *Financial Post* (Exhibit B16) have highlighted the lightkeeper shortage issue. The Canadian Coast Guard confirms it is dealing with a staffing shortage for B.C. lighthouses. In a statement, the agency said no light stations are currently vacant, but there has been a recurring staffing gap at one site and a short-term gap in staffing at another location. It declined to identify the affected lighthouses for security reasons (Exhibit B15). Part of what the Canadian Coast Guard must deal with are the problem of near minimum wages availed to lightkeepers (Exhibit B17). In the lowest paid LI group position in which there is an incumbent, LI-03 (at the maximum job rate), that lightkeeper is compensated, if full-time,

an annual salary of $42,793. This is the compensation for living in isolation for the entire year away from family and friends and often only receiving supplies once per month. Expressed as an hourly rate, which is calculated based on a 56-hour work week, an LI-03 is compensated $14.65/hour. This hourly wage, for example, in British Columbia where there are 27 Lightstations, exceeds the June 1, 2019 provincial minimum wage increase to $13.85 by a mere $0.80. In short, a lightkeeper, with a 56-hour work week in Summer 2019 in BC makes 5.4% more than minimum wage to meet the needs of Canadians. Currently, an LI-02 (a position without incumbents) at the maximum job rate, is compensated $14.00/hour, only $0.15 more than BC minimum wage—and an LI-01 (no incumbents) wage does not even exceed the BC minimum wage. In British Columbia, the provincial minimum wage is scheduled to increase on June 1, 2020 to $14.60 (an increase of 5.4%).

Finally, the Union's proposal to remove the first two steps from LI-1 and LI-2 (neither of which have incumbents) and remove the first step for LI-3 to LI-9 is based in consistency and equity. The proposed grid restructuring would align all nine (9) classification levels to three steps to reach maximum job rate proficiency.

The Employer provided no other rationale than stating the SV group was comparable to market. The Union firmly rejects such an assessment and respectfully requests that the Commission includes this remedy in their recommendation.

6) Grid Restructure – Printing Operations (Supervisory) GROUP

a) Removal of the first four steps at all levels on the PR(S) grid.

RATIONALE:

At present, PR(S) group members must complete seven steps (7 years) to achieve maximum job rate proficiency. This proposal is rooted in the principle of maintaining appropriate relationships with respect to compensation and other terms and conditions of employment as between different classification levels within an occupation and as between occupations in the public service. In this case, it is the Union's position that the maintenance of hierarchy and accepted differences between classifications or non-supervisory and supervisory levels and roles in printing services and operation is established and maintained through differential rates of ray relative to the recognition of the increasing level of responsibility and accountability. Compensatory rates maintain such balances, not number of steps to achieve maximum job rate proficiency.

As an internal comparator, the non-supervisory printing service PR(NS) group's maximum job rate proficiency is achieved, for all its sub-groups, in either two or three steps. As such, the removal of the first four steps from all levels of the printing operators (supervisory) group's grid seeks to address that internal inconsistency.

SV SPECIFIC APPENDICIES & ALLOWANCE
APPENDIX A – (FR) FIREFIGHTER GROUP

PSAC PROPOSAL

Long service pay

5.01 An employee who receives pay for at least eighty-four (84) hours for each of twelve (12) consecutive calendar months for which the employee is eligible to receive long service pay, beginning October 1 of each year, is entitled to be paid, in a lump sum, an amount related to the employee's period of service in the public service set out in the following table:

Period of service in the public service	~~Annual amount~~	Percentage of employee annual salary
5 to 9 years	~~$740~~	**1%**
10 to 14 years	~~$850~~	**2%**
15 to 19 years	~~$980~~	**3%**
20 to 24 years	~~$1,110~~	**4%**
25 to 29 years	~~$1,240~~	**5%**
30 years or more	~~$1,370~~	**6%**

EMPLOYER PROPOSAL

Reporting pay

4.01

a. When an employee is required to report and reports to work on a day of rest the employee is entitled to a minimum of three (3) hours' pay at the applicable overtime rate.

b. The minimum payment referred to in 4.01(a) above, does not apply to part-time employees. Part-time employees will receive a minimum payment in accordance with Article 65.05.

4.02 When an employee is required to report and reports to work after the employee has completed the employee's work for the day and has left the place of work the employee is entitled to a minimum of two (2) hours' pay at the hourly rate of pay.

(New)

4.03 Where an employee is entitled to the reimbursement of transportation expenses pursuant to Article 35, the employee shall be reimbursed for reasonable expenses incurred from their residence up to a maximum distance of seventy-five (75) kilometers.

Annex B - Memorandum of understanding between the Treasury Board and the Public Service Alliance of Canada with respect to firefighters and the provincial workers of compensation acts

Delete Annex "B"

RATIONALE:

The rationale for Appendix "A" – Firefighter Group includes the Union's long service pay proposal, refutation of the Employer's proposal for reporting pay, and comments on the memorandum of understanding on firefighters and the provincial workers of compensation acts.

Long Service Pay

The current long service pay range is $740 to $1370. Long service pay for the FR group compensates firefighters for additional demands of working shifts, and the accumulation of those demands on personal time and health over the years. In the proposal at 5.01, the Union's FR group proposal to express long service pay as a percentage, addresses not only how inflation erodes the value of a flat rate long service pay or that FRs do not receive shift premiums, but also the wage gap between the FR group and the comparable firefighter labour market.

As many FR group members remain the in the FR-1 classification for most of their careers, long service pay recognizes longstanding service, improves compensation

competitiveness, and is a necessity for attracting and retaining firefighters who otherwise would work for better paying municipalities in proximity to FR work locales. For example, an FR-1 with 15 years' experience would receive long service pay in the amount of $980 in addition to their maximum job rate salary for a total of $78,544. Relative to the nearest IAFF unit to FR locations (see rates of pay proposal) that compensation lags nearly 17% behind the average annual IAFF pay ($91,881). The PSAC proposal for improved long service pay seeks to align the structure of long service pay with comparable IAFF agreements and close this compensation gap. In Table 1, the current FR-1 (at the maximum job rate) long service pay is expressed as a percentage alongside the PSAC proposal and its dollar value.

While the Employer indicated no interest in expressing long service pay as a percentage of base rate pay, the value of the current long service pay (a range of 0.95% to 1.77% of base salary) falls far behind those of comparable markets within proximity to FR work locales. Moreover, the Employer's May 1, 2019 without prejudice proposal, identified in the fifth column**,** made only minimal increases valued at a range of $44 to $82 (or a range of 1.01% to 1.87%). The PSAC proposal aligns itself relative to the quantum of long service pay for comparable municipal firefighters (also known as recognition pay in some jurisdictions).

Table 1: Dollar cost of PSAC Percentage of FR annual salary

FR1 (Step 5)	Long Service	Current	As % of FR1	ER 1 May	As % of FR1	PSAC Prop.	% in Dollars
$ 77,564	5 to 9	$ 740	0.95%	$784	1.01%	1%	$ 775.64
$ 77,564	10 to 14	$ 850	1.10%	$901	1.16%	2%	$ 1,551.28
$ 77,564	15 to 19	$ 980	1.26%	$1039	1.34%	3%	$ 2,326.92
$ 77,564	20 to 24	$ 1,110	1.43%	$1177	1.52%	4%	$ 3,102.56
$ 77,564	25 to 29	$ 1,240	1.60%	$1314	1.69%	5%	$ 3,878.20
$ 77,564	30+	$ 1,370	1.77%	$1452	1.87%	6%	$ 4,653.84

For example, in Barrie (IAFF), which is in proximity of Borden, ON, firefighters' long service pay is a 3% increase to base salary at 9 years, a 6% increase at 18 years, and a

9% increase at 24 years. Meanwhile, in Pembroke, which is in proximity to Petawawa, ON, adopts a 3%, 6%, and 9% at 8, 17, and 23 years, respectively. For further context, many of Ontario's municipal fire fighters have "recognition pay" language (also called 3-6-9) that provides, based on a 1st Class fire fighter salary, a 3%, 6%, and 9% premium structure. In Manitoba, Brandon (within proximity to the FR worksite in Shilo, MB) compensates for long service a 3%, 4%, 5%, and 6% at 8, 12, 16, and 20 years, respectively. In Saskatchewan, Saskatoon (within proximity to Dundurn, SK) compensates long service with 2% of base salary after the 7, 10, 15, and 20-year marks. In New Brunswick, in Oromocto (within proximity to Gagetown, NB) firefighters are compensated for long service with 1.25%, 1.75%, 2.25%, 2.75% and 3.00% after 5, 14, 19, 26 and 30 years, respectively. (Exhibit B18).

Refutation of Employer Proposals

Regarding the Employer's new proposal at 4.03, the Union rejects the proposed concession tabled by the Employer because it delimits a maximum distance of kilometer reimbursement to firefighters responding to a callback to the workplace. This is a matter of equity and the Union rejects the Employer's proposal to limit the compensation paid to Firefighters when the Employer requires them to return to the workplace. The Employer determines crew numbers and schedules. By not maintaining a full staff complement on each schedule, the Employer is transferring an unfair burden to workers when they are required to travel back to the worksite from off-duty status (FRs are excluded from the Standby provisions). In the alternative the Employer can address the matter by ensuring steps are taken to assign crew staffing levels that ensure preparedness and less reliance on call-backs and the impact of their associated costs.

Finally, concerning the Employer's proposed the deletion of Annex "B", the bargaining agent is not opposed to the deletion of this Memorandum of Understanding, but the Union is open to further discussion with the Employer on any further initiative that would ensure full coverage for federal firefighter in each compensation board jurisdiction.

APPENDIX B – (GL) GENERAL LABOUR AND TRADES GROUP

PSAC PROPOSAL

Appendix B – (GL) General Labour and Trades Group specific provisions and rates of pay

Notwithstanding the general provisions of this collective agreement, the following specific provisions shall apply to employees performing duties in the General Labour and Trades Group.

Dirty work ~~allowance~~

6.01 When an employee is required to come in physical contact with the pollutant while engaged in the cleaning up of **sewage and grey water, chemical residue, pollutants of any amount or** oil spills, in excess of two hundred (200) litres which resulted from a marine disaster, mechanical failure, bunkering or fuel transfer operations, the employee shall receive, in addition to the appropriate rate of pay, an additional one-half (1/2) his straight-time rate for every fifteen (15) minute period, or part thereof, worked. All of the foregoing duties must have the prior approval of the Employer before work is commenced.

Height pay

7.01 An employee shall be paid a height pay allowance of **an additional one-half (1/2) their straight-time rate of pay for every fifteen (15) minute period, or part thereof, worked.** ~~equal to twenty-five per cent (25%) of the employee's basic hourly rate of pay on a pro rata basis for actual time worked:~~

a. on land-based towers where they are required to work thirty (30) feet or more above the ground;

b. for installation or repair work thirty (30) feet above the ground, on the side of buildings, ships or structures where the method of support is by moveable platform ~~(excluding manlifts);~~

for repair work at a height of thirty (30) feet or more above the ground, on cranes where no scaffolding exists.

RATIONALE:

Concerning the Union's proposal at 6.01, the classification standard for the GL group has not been updated since 1988. As such, the addition of "sewage and grey water, chemical residue, and pollutants of any amount" to the definition of dirty work for the GL group reflects the working conditions encountered on a routine basis. Generally, such terminology is absent from the classification standard. Exposure to greywater (or domestic wastewater produced, excluding sewage), sewage (water with high organic loading also called blackwater), chemical residue, and pollutants is increasingly a part of the GL working conditions and the premium paid for much work must reflect that reality.

Next, at 7.01, the GL group is seeking improvement of the amount of the height pay premium. The allowance has not been increased since its introduction in 2001. The proposed formula for calculation of height pay aligns with that used to calculate the dirty work premium for the GL group. At 7.01(b), the deletion of the exclusion of manlifts from the height pay allowance ensures that GLs who do this specialized work, which is not work outlined in the outdated GL classification standard nor the GL generic job description, are paid the allowance. Effective April 18, 2006 and last modified March 26, 2015, the Interpretation, Polices, and Guidelines (IPG) – 932-1-IPG-065 for Fall-Protection Systems for Mobile Elevated Work Platforms identifies that bucket trucks, scissor lifts, and boom lifts are all vehicles that are intended to be moved and operated while occupied by a person, at an elevated height. These vehicles are operated both "horizontally" by driving, and "vertically" by elevating the aerial platform. The hazard of a person falling from the elevated aerial platform stems in large part from this horizontal and/or vertical movement of the equipment during its operation. These movements can make it difficult to keep the aerial platform level and can cause it to bounce and sway. These effects are much greater for an aerial platform that extends beyond the base of the equipment, i.e., bucket trucks and boom lifts. In these cases, guardrails are not enough to reduce the hazard of falling to within safe limits while the equipment is in operation. Therefore, a personal fall-protection system is required for a person working at a height

greater than 2.4 meters on an aerial platform of a bucket truck or boom lift, even if the platform is guarded (Exhibit B19).

In conclusion, bucket trucks, boom lifts and scissor lifts are all considered to be vehicles. Personal fall protection is required for persons working above 2.4 meters in bucket trucks and boom lifts, regardless of whether the aerial platform is guarded. Scissor lifts however, are exempted from this requirement if they are not being operated as a vehicle, i.e., are not being moved horizontally. Failure to comply with this requirement constitutes a violation of paragraph 125.(1)(l) of the *Canada Labour Code*, Part II (Code),[56] and COHSR paragraph 12.10 (1)(a).[57]

Like the height-related work outlined in 7.01(a) and (b) that is eligible for the allowance, the operation of manlifts by GL members require the additional fall arrest training and Employer approval to conduct such work. Manlift, as a sweeping catch-all term that excludes many vehicles from this allowance, does not address the distinctions relative to lifts identified above. Finally, an additional cost to the Employer associated with the operation of manlifts will give cause for pause to rethink the need for the risk of the health and safety of operators and ensure the health and safety of workers.

[56] Canada Labour Code. 125.(1)(l) Specific Duties of Employer. https://laws-lois.justice.gc.ca/eng/acts/L-2/page-23.html#h-341258
[57] Canadian Occupational Health and Safety Regulations (SOR/86-304). Para. 12.10(1)(a). Fall-Protection Systems. https://laws-lois.justice.gc.ca/eng/regulations/sor-86-304/page-34.html#h-895090

Annex E – special conditions applicable to Lock~~masters~~, Bridge~~masters~~ and Canal~~men~~ **Operators**

The following special conditions shall be applicable to employees engaged as lock~~masters~~, bridge~~masters~~ and canal~~men~~ **Operators** employed in the operation of the Canso canal.

2. Compensation and equalization of earnings

2.2

(a) In order to equalize earnings over the year, an employee shall be paid eighty (80) hours for each two (2) week period when the employee is at work, or on approved leave with pay, subject to such adjustments as may be necessary during the last three (3) months of the fiscal year. All hours worked which are in excess of eighty (80) in a two (2) week period, shall be credited to the employee's compensatory leave account.

NEW

(**b) For the purposes of (a) above, during the navigation season, all hours worked in excess of the greater of the scheduled navigation hours or eight (8) hours, shall be credited to the compensatory leave account at time and one-half; all hours worked in excess of eight (8) hours at time and one-half shall be credited at the double time rate;**

(c) For the purposes of (a) above, during the non-navigation season, all hours worked in excess of eight hours per day or on an employee's first day of rest shall be credited to the compensatory leave account at time and one-half; all hours worked in excess of sixteen hours per day or on the employee's second day of rest shall be credited at the double time rate.

4. Standby and call-back

4.4 Compensation for periods of standby and call-back as described in 4.1, 4.2 and 4.3 above shall be in cash**, except where, upon request of an employee, it may be credited to the employee's compensatory leave account.**

NEW

Operators shall be paid an additional thirty (30) mins per shift to allow for shift change-over communications, which shall be credited to their compensatory leave account.

RATIONALE:

Concerning the new Annex E, 2.02(b) and (c) proposals, the GL group seeks the long-standing conditions applicable to canal operating employees as outlined in Appendix "E" of the Parks Canada Agency (PCA) collective agreement (Exhibit B20).

Relative to Union's proposal for the standby and call-back at 4.4, the proposal seeks to improve the ability for workers to accumulate compensatory time which they can use to bridge members through the non-navigation season. Again, this language already exists for comparable occupations in the PCA agreement.

Finally, the addition of new shift change language for operators would enshrine a decades old practice. A paid additional thirty (30) minutes per shift, which would be credited to operators' compensatory leave banks, would enhance communication between shifts, support log book maintenance, recognize a long-standing practice, and prevent potentially dangerous operations-related incidences.

Annex "M"

The Union wishes to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program.

RATIONALE:

Aboriginal youth are the fastest growing demographic in Canada with over 400,000 aboriginal youth will be entering the labour force over the next decade. In 2016, employment rates for First Nations (on reserve) was 36.3%, for First Nations (off reserve) was 52.0%, and 60.5% for non-Indigenous (Exhibit B21). Budget 2016 proposed $15 million over two years to enhance training that aligns with community needs (Phase 1 expansion of the Aboriginal Skills and Employment Training Strategy). One federal governments department, the Department of National Defense (DND) already supports 23 trade programs, many of which align with community needs (i.e. Water, Fuel and Environment Technicians, Carpenters, Electricians, Welders, Plumbers, HVAC Technicians, etc.). DND has apprenticeship programs across the country, often near aboriginal communities. The government has committed to implementing truth and reconciliation recommendations that focus on closing educational and prosperity gaps. Mandate letters to Ministers emphasize improved access to good quality job training, work to renew and improve the Aboriginal Skills and Employment Training Strategy and the promotion of economic development and job creation for indigenous peoples. Apprenticeships provide skills training for employment and economic prosperity. The PSAC submits that the Union's proposal to jointly develop and implement such an initiative has the potential to effectively respond to the under representation First Nation, Metis and Inuit youth in the labour force.

Annex "N": GL-~~MAM~~, Building System Technician and Refrigeration HVAC Technicians

1. Effective on the date of signing of the collective agreement, in an effort to address recruitment and retention issues of the GL-~~MAM~~ refrigeration HVAC technicians **and building systems technicians or equivalent** in the Operational Services (SV) group.

The Employer will provide an annual terminable allowance of ~~eight thousand ($8,000)~~ **ten thousand and five hundred dollars ($10,500) to workers in the GL classification who have the skills and knowledge obtained from the completion of a provincial A/C Refrigeration Technician license or a building system technician certification or equivalent and perform refrigeration HVAC duties.** ~~-MAM refrigeration HVAC technicians who have refrigeration and air conditioning mechanic certification and perform the duties of a GL-MAM refrigeration HVAC technician.~~

2. The parties agree that ~~GL-MAM refrigeration HVAC technicians~~ **workers as outlined above** shall be eligible to receive an annual "terminable allowance" subject to the following conditions:

   i. An employee in a position outlined above shall be paid the terminable allowance for each calendar month for which the employee receives at least eighty (80) hours' pay at the GL-~~MAM~~ rates of pay of this appendix.

   ii. The allowance shall not be paid to or in respect of a person who ceased to be a member of the bargaining unit prior to the date of signing of this agreement.

   iii. A part-time employee shall be entitled to the terminable allowance on a pro-rata basis.

   iv. An employee shall not be entitled to the allowance for periods he is on leave without pay or under suspension.

RATIONALE:

The Union's proposal at Annex N, 1, 2, and 2.i, expands the scope of those eligible to receive the annual terminable allowance and increases the quantum of the allowance. Limiting eligibility of the annual terminable allowance to the GL-MAM classification does not reflect the working reality of GL-group members who are skilled, knowledgeable,

licensed and are responsible for HVAC duties. In short, a GL that holds the requisite certificate or license receives the annual terminable allowance. Rather than relying on job title and classification as a method to exclude (as job title can be easily changed), the Union submits licensing, work responsibility and duties as determinative of allowance eligibility. Presently (as of a snapshot supplied by the Employer for Sep. 5, 2018), of the 313 GL-MAM-09, GL-MAM-10, and GL-MAM-11 incumbents, 65 are recipients of the annual terminable allowance (or 20.7%) (Exhibit B22).

Next, relative to quantum, an increase from $8,000 to $10,500 is proposed to address the challenges of HVAC recruitment and retention issues, as well as the lag in GL-MAM (refrigeration/HVAC technician) wages. Using the GL-MAM-08 (refrigeration/HVAC technician) as an example, the aged Hay Study analysis shows that a wage discrepancy of 95.94%. The proposed $2500 increase to the GL-MAM terminable allowances begins to address this wage lag.

APPENDIX C – (GS) GENERAL SERVICES GROUP

Annex F

The Union wishes to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program.

RATIONALE:

Aboriginal youth are the fastest growing demographic in Canada with over 400,000 aboriginal youth will be entering the labour force over the next decade. In 2016, employment rates for First Nations (on reserve) was 36.3%, for First Nations (off reserve) was 52.0%, and 60.5% for non-Indigenous (Exhibit B21). Budget 2016 proposed $15 million over two years to enhance training that aligns with community needs (Phase 1 expansion of the Aboriginal Skills and Employment Training Strategy). DND already supports 23 trade programs, many of which align with community needs (i.e. Water, Fuel and Environment Technicians, Carpenters, Electricians, Welders, Plumbers, HVAC Technicians, etc.). DND has apprenticeship programs across the country, often near aboriginal communities. The government has committed to implementing truth and reconciliation recommendations that focus on closing educational and prosperity gaps. Mandate letters to Ministers emphasize improved access to good quality job training, work to renew and improve the Aboriginal Skills and Employment Training Strategy and the promotion of economic development and job creation for indigenous peoples. Apprenticeships provide skills training for employment and economic prosperity. The PSAC submits that the Union's proposal to jointly develop and implement such an initiative has the potential to effectively respond to this the under representation First Nation, Metis and Inuit youth in the labour force.

APPENDIX D – (HP) HEATING AND POWER

Shift premium

5.01 An employee working ~~on~~ a ~~twelve (12) hour~~ shift schedule **with shifts in excess of eight (8) hours,** shall receive a shift premium of two dollars ($2.00) per hour for all hours worked between 4 pm and 8 am. The shift premium will not be paid for hours worked between 8 am and 4 pm.

NEW

Dirty work allowance

6.01 When an employee is required to come in physical contact with the pollutant while engaged in the cleaning up of oil spills, in excess of two hundred (200) litres which resulted from a disaster, mechanical failure, bunkering or fuel transfer operations, or any amount of sewage and grey water, chemical residue, or other pollutants, the employee shall receive, in addition to the appropriate rate of pay, an additional one-half (1/2) his straight-time rate for every fifteen (15) minute period, or part thereof, worked. All of the foregoing duties must have the prior approval of the Employer before work is commenced.

RATIONALE:

Concerning the Union's proposal at 5.01 of Appendix D, often, HP group work hours do not align with a regular work day (e.g., 8AM-4PM) as work responsibilities call for shift work over 7-day a week coverage. By revising the definition of a shift, the Union's proposal responds to a demonstrated need to recognize those workers who have non-standard start or end time of their shifts and who work in excess of eight hours but not necessarily twelve hours on a shift. Further, it is reported that the Employer has, in some instances, excluded workers from shift premium eligibility by reducing 12-hour shifts to 10-hour shifts. The Union submits that a ten-hour shift, which is similarly disruptive, should be eligible for the shift premium. For example, an employee who works a ten-hour shift that starts at 7AM would be paid a premium of $2 for the period of 7AM-8AM and a premium of $2 for the period of 4PM-5PM.

While shift work may be critical for the operation of important government services that require around-the-clock staffing, the impact of those schedules on the health and welfare of the employees is significant. Revising the HP group definition of the shift will also begin to address the impact of their non-standard schedules. The most common health complaint cited by shift workers is the lack of sleep. Shift work is also recognized to be associated with several illnesses including: cardio-vascular disease, hypertension and gastrointestinal disorders. Shift workers also report higher levels of work stress which has been linked to anxiety, depression, migraine headaches and high blood pressure. Research has also shown that sleep deprivation generated by shift work is related to an increased incidence of workplace accidents and injury. The interference that shift work causes in individuals' sleep patterns has resulted in workers experiencing acute fatigue at work, impaired judgements and delayed reaction times. Of equal significance are the limitations that shift work poses for participation in employees' leisure time and family activities. Employees required to work non-standard hours face incredible challenges in balancing their community, family and relationship obligations, frequently leading to social support problems. The current rates paid for shift work do not adequately compensate members for this sacrifice of their time and health.

Next, the addition of a new dirty work allowance at 6.01 of Appendix D addresses the routine working conditions of HP group members who must work in environments with exposure to chemicals, hot work, flooded facilities (as underground tunnel systems run the potential risk of flood, fuel seepage, or mechanical failure). The classification standard for the operational category of heating, power and stationary plant operation, which has not been updated since 1986, speaks only to working conditions with frequent exposure to heat, dust, and combustion gases when stoking and tending boilers, and occasional exposure to hot, cramped, and dirty spaces when working in laid-up boiler fire boxes. The proposed dirty work allowance addresses working conditions absent in the classification standard including exposure to pollutants released in situations of mechanical failure or disaster (amplified by the underground nature of the work). Even in the context the sewage treatment plant, the classification standard speaks only to noxious odors, fumes,

and dust. Absent is coming into physical contact with sewage, grey water, chemical residue, or other pollutants.

APPENDIX F – (LI) LIGHTKEEPERS GROUP

PSAC PROPOSAL

Vacation leave
Accumulation of vacation leave

1.01 An employee who has earned at least two (2) weeks' pay during each calendar month of a vacation year shall earn credits at the following rates provided the employee has not earned credits in another bargaining unit with respect to the same month:

a. **four (4) weeks** ~~three (3)~~ weeks per vacation year until the month in which the anniversary of the employee's eighth (8th) year of service occurs;

b. four (4) weeks **and two decimal eight (2.8) days** per vacation year commencing with the month in which the employee's eighth (8th) anniversary of service occurs;

c. four (4) weeks and ~~two~~ **four** decimal **two (4.2**) eight ~~(2.8)~~ days per vacation year commencing with the month in which the employee's sixteen (16th) anniversary of service occurs;

d. **five (5) weeks** ~~four (4) weeks and four decimal two (4.2) days~~ per vacation year commencing with the month in which the employee's seventeenth (17th) anniversary of service occurs;

e. five (5) **and two decimal eight (2.8)** weeks per vacation year commencing with the month in which the employee's eighteenth (18th) anniversary of service occurs;

f. **six (6) weeks** ~~five (5) weeks and two decimal eight (2.8) days~~ per vacation year commencing with the month in which the employee's twenty-seventh (27th) anniversary of service occurs;

g. **seven (7)** ~~six (6)~~ weeks per vacation year commencing with the month in which the employee's twenty-eighth (28th) anniversary of service occurs.

1.02 Vacation leave provided under clause 1.01 above which is in excess of the three (3) or four (4) weeks per vacation year respectively shall be granted on a pro rata

basis during the vacation year in which the employee completes the required years of continuous employment.

1.03 An employee who has not received at least two (2) weeks' pay for each calendar month of a vacation year will earn vacation leave at one-twelfth (1/12th) of the applicable rate in clause 1.01 of this appendix for each calendar month for which the employee received at least two (2) weeks' pay.

1.04 When an employee becomes subject to this agreement, the employee's leave credits shall be recalculated in accordance with the leave credit formula applicable to the employee's altered work schedule.

NEW

1.05 Every employee who is proceeding on vacation leave of a minimum 2 weeks duration shall be granted, once in each fiscal year, in addition to his vacation leave, two days of travel time leave with pay for the time required for the journey out from and returning to the Lightstation, granted as one (1) day each way.

NEW

1.06 The Employer shall provide their response to an employee's vacation leave request in writing, within a maximum of thirty (30) days of the initial request. In the case of a denial, the reasons must be contained in the written response. The Employer shall provide an employee as much notice as is practicable and reasonable of any alteration or cancellation of approved vacation leave. Such notice shall be in writing and include the reasons.

Annex "B": adjustment in rates of pay

Supplementary allowance

a. The following supplementary allowance shall be paid to each Lightkeeper:

Full-time station

1. in 1- and 2-~~man~~ **person** stations: ~~2,237~~ **2,800**

2. in 4-~~man~~ **person** stations: ~~1,917~~ **2,400**

Seasonal stations

Days of operations of Lightstations

335 to 365	100% of applicable full-time allowance
305 to 334	95% of applicable full-time allowance
274 to 304	90% of applicable full-time allowance
244 to 273	85% of applicable full-time allowance
182 to 243	80% of applicable full-time allowance

b. Where a Lightkeeper assigned to a seasonal lightstation is granted vacation leave or lieu days following the operational period of the lightstation, such period of leave or lieu days shall be added to the operational period of the lightstation in determining the supplementary allowance applicable to that Lightkeeper.

Annex "C": accommodation and services

The Employer wishes to confirm its intention of continuing the present practice of the Department of Fisheries and Oceans in regard to the provision of accommodation and services which are now provided to Lightkeepers.

1. **Rotational lightstation food allowance**

A Lightkeeper shall be entitled to an allowance of two hundred dollars ($200) for each on-duty period that ~~he is~~ **they are** assigned to a rotational lightstation.

RATIONALE:

The union's Appendix F proposals address the recruitment and retention issues of the LI group. In 2018, a Lightstation Recruitment Evaluation was conducted by LeadingCulture studied and evaluated the current lightkeeper recruiting strategies for staffing the 27 Light stations on the Pacific Coast. The study, which identified barriers to recruitment, flagged the Phoenix pay system, lightkeeper compensation, and out of pocket expenses among other barriers to recruitment (Exhibit B14). First, at 1.01, the union's proposal increases the quantum of accumulated vacation time after a designated number of service years. The vacation accumulation formula has not seen adjustment since 1991. It is very clear that recruitment and retention are a serious issue for the LI group. Lightkeeper recruitment

was a central theme of the abovementioned study. What's more is on May 5, 2019, CBC News ran a full story on the Canadian Coast Guard's recruitment needs.[58]

Second, in the newly proposed 1.05, the union proposes two (2) paid travelling days—one (1) day each way to depart and return from the Lightstation to offset travel time from eroding earned vacation leave. The fly-in and or sail-in accessibility of the East and West coast Lightstations presents travel-related issues, particularly related to vacation and medical leave. For context, an October 2011 study conducted the Standing Senate Committee on Fisheries and Oceans entitled "Seeing the Light: Report on Staffed Lighthouses in Newfoundland and Labrador and British Columbia" reported on the geographic locale and accessibility of Canada's Lightstations. Of the 27 staffed Lightstations in the Pacific Region, three are accessible by road but not necessarily all year round (Cape Mudge, Chatham Point, and Pulteney Point), and 24 stations are accessible only by air or water for the movement of staff and resupply. Six of those 24 stations are accessible on foot by hiking trails (Cape Scott, Nootka, Estevan Point, Cape Beale, Pachena Point, and Carmanah Point). On the east coast, eighteen of the 23 staffed stations in the Region can be reached by road (but necessarily all year round). Five are in remote locations: Puffin Island, Green Island (Trinity Bay), Green Island (Fortune Bay), Pass Island, and Cape Race (Exhibit B23). In total 46% of staffed Lightstations face the fly-in or sail-in bottleneck relative to vacation or medical leave. The union's proposal for paid travelling time is not without precedent. In the Hamlet of Gjoa Haven, Nunavut, for example, all employees are afforded travel time with pay for the time required for the return journey between Gjoa Haven and the employee's travel destination. Their travel leave shall be one (1) day each way (Exhibit B24).

Third, LeadingCulture's Lightstation Recruitment Evaluation amplified an issue flagged in member bargaining input: approval of leave problems. The study noted that lightkeepers struggled to have leave requests approved. Contributing to low morale among

[58] https://newsinteractives.cbc.ca/longform/lighthouse-keeper-bc-cape-beale

lightkeepers, leave request denials were also connected to the broader issue of recruitment problems. Not supplying a rationale for a request denial contributed a description of labour relations as: 'low trust/toxic culture.' With not even one hundred lightkeepers, such concerns are hardly anomalous. The language in the new 1.06 proposes a 30-day window for approval of a leave request (enough time to find a relief lightkeeper, if needed) and requires the Employer to provide written reasons. Finally, providing lightkeepers with as much notice as possible when it comes to alternation or cancellation of vacation leave is directly related to workplace morale and retention. The importance of such leave is absolutely undermined by arbitrary alternation or cancellation by the Employer.

Fourth, relative to Annex B, the union's proposal to increase the supplementary allowance paid to each lightkeeper at full-time stations speaks to key LI group necessities—to attract competent persons to, and retain them in, the public service in order to meet the needs of Canadians. Lightkeepers receive allowances to recognize the challenges of their roles and isolated work locations. The supplemental allowance for full-time stations was increased in the last round of negotiations. For 1- and 2-person stations by $137, while 4-person station was increased by $117. For seasonal stations the rate is prorated based on operational days. Again, this 6.5% increase, the first increase in two rounds of bargaining, did not go far enough to offset the financial hardship of the LI group. The Union's proposals of $2,800 for 1- and 2-employee stations and $2,400 for 4-employee stations are fair and reasonable. Like the proposed market adjustment and the increased vacation accumulation rates, supplemental allowances are aimed at recruitment and retention. The Employer's May 1, 2019, without prejudice position of a $134 increase for 1- and 2-employee stations and a $115 increase for 4-employee stations is even less, in terms of a percentage increase, than last round. Also, the union proposes that Annex B – a (1) and (2) be revised to read 'person' to make it gender neutral.

The finally, the union's proposal in Annex C - 1, relative to the rotational lighthouse food allowance makes the language gender neutral.

APPENDIX G – (SC) SHIP'S CREW GROUP

PSAC PROPOSAL

Meals and quarters

7.02 When an employee is working on a vessel on which meals and/or quarters normally provided as per clause 7.01 are not available, and the Employer does not provide alternative meals and/or quarters, an employee shall be entitled to:

a. when the vessel is away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;

b. when the vessel is in home port, ~~ten dollars and fifty cents ($10.50) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and eleven dollars and fifty cents ($11.50)~~ **twenty ($20) dollars** per day in lieu of meals and quarters for a regular working day ~~of twelve (12) hours or more~~.

7.03 When an employee is working on a vessel on which meals and/or quarters are not normally provided and the Employer does not provide alternative meals and/or quarters, the employee shall be entitled to:

a. when the vessel is berthing for one (1) or more nights away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;

b. ~~ten dollars and fifty cents ($10.50) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and eleven dollars and fifty cents ($11.50)~~ **twenty ($20) dollars** per day in lieu of meals and quarters for a regular working day ~~of twelve (12) hours or more~~.

EMPLOYER PROPOSAL

Annex "L"
Memorandum of understanding between the Treasury board of Canada and the Public Service Alliance of Canada with respect to ships' crews (SC) group
Delete Annex L of Appendix G as the joint study was completed.

RATIONALE:

Regarding the Union's meals and quarters proposal at 7.02 and 7.03, in the instances in which meals that are normally provided are not available, the Employer has agreed to provide its Ships' Crew with a meal allowance. The Union urges the Chair to consider the need to attract competent persons to, and retaining them in, the public service in order to meet the needs of Canadians. In this case, Ships' Crew point to the Canadian Merchant Service Guild (CMSG). Ships' Crew, who work alongside Guild officers on the same worksite, must be provided with a comparable allowance. For example, in the CMSG's arbitral award of October 2, 2018 in which Arbitrator Baxter awarded the Guild the following:

25.02 When an officer is working on a vessel on which meals and/or quarters normally provided as per clause 25.01 are not available, and the employer does not provide alternative meals and/or quarters, an officer shall be entitled to:

a. when the vessel is away from home port, reimbursement for actual and reasonable costs incurred for meals and lodging; **

b. when the vessel is in home port, thirteen dollars ($13.00) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and fourteen dollars ($14.00) per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more. (arbitral award, issued on October 2, 2018)

25.03 When an officer is working on a vessel on which meals and/or quarters are not normally provided and the employer does not provide alternative meals and/or quarters, the officer shall be entitled to:

**

a. when the vessel is in home port, thirteen dollars ($13.00) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and fourteen dollars ($14.00) per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more. (arbitral award, issued on October 2, 2018)

b. when the vessel is berthing for one or more nights away from home port, reimbursement for actual and reasonable costs incurred for meals and lodging. (Exhibit B25).

In terms of demonstrable need, when this situation does arise, the Union submits that it is difficult, if not impossible, to find healthy food at a restaurant that serves a meal for no more than $10.50 to $11.50. To this point, Restaurants Canada's 2019 Food Service Facts stated that restaurant menu prices in Canada rose 4.2% in the last year alone—the largest one-year increase since the introduction of the goods and services tax (GST) in 1991 (Exhibit B26).

Refutation of the Employer Proposal

Concerning the Employer's proposed deletion of the Memorandum of Understanding about the SC group joint compensation study at Annex L in Appendix G, the bargaining agent is not opposed to the deletion of the MOU, but such a deletion is contingent on the Employer's agreement to the Union's proposed Letter of Understanding to conduct a compensation comparability study on all SV group classifications.

Annex "G": special allowances

Ships' Crews with specialized training and qualifications shall receive the following allowance in accordance with the conditions set out for each allowance.

Rescue specialist allowance

An employee who completes the required training and becomes a Certified Rescue Specialist shall receive a monthly allowance of ~~one hundred and thirty six dollars ($136)~~ **two hundred and fifty dollars ($250)** for each month the employee maintains such certifications and is assigned to a sea going position where the employee may be required by the Employer to perform such duties.

Fisheries enforcement allowance

The Union withdraws their proposal to increase the monthly allowance from $250 to $275.

Armed boarding allowance

An employee, once qualified, shall be paid a monthly allowance **of two hundred and fifty dollars ($250)** ~~one hundred and fifty eight dollars ($158)~~ for each month the employee is assigned to a sea going position on selected Offshore Patrol Vessels of the Department of Fisheries and Oceans, which carry special armaments for the purpose of enforcement duties, where the employee may be required by the Employer to participate in armed boarding activity.

Diving duty allowance

A qualified employee who is required to perform diving duties and maintain diving equipment on vessels shall be entitled to receive an allowance of **fourteen hundred dollars ($1,400)** ~~eight hundred and twenty-one dollars ($821)~~ per year. This allowance shall be paid on the same basis as that for the employee's regular pay.

NEW - Confined Space Allowance

1. **An employee who completes the required training and maintains the confined spaces certification shall receive a monthly allowance of two hundred and fifty dollars ($250) for each month the employee maintains such certifications.**

2. **In addition, an employee who completes the required training in confined spaces rescue, shall receive a monthly allowance of two hundred and fifty dollars ($250) for each month the employee maintains such a position and may be required by the Employer to perform such duties.**

RATIONALE:

Rescue specialist allowance

This activity is confined to Ships Crews employees who are required to respond to marine emergencies and participate in rescue operations. These are often life-and-death situations in which the SC employee is the front-line responder. They normally perform these operations at isolated and remote locations on coastal waterways a considerable distance from hospitals and other emergency service personnel. The SC personnel carrying the rescue specialist certification extract individuals from vessels in distress and provide immediate medical attention to victims of shock, hypothermia, drowning, heart attack as well as other injuries and ailments they may encounter. The medical care goes well beyond basic first aid. Among other medical activities, they are trained to administer CPR, operate defibrillators, obtain vital signs, and administer injections. Members have indicated that an increase in the number and complexity of medical call put further pressure on certified rescue specialists. The rescue specialist assumes a daily risk, as ships cannot set sail without such first responders. The rescue specialist requires training, which includes modules on emergency medical treatment, shipboard accident response, firefighting techniques, extraction of victim in enclosed or confined spaces and the operation of rigid hull inflatable operator training, and entails responsibilities not compensated in the Ships' Crew classification standard. After not being increased since 2003, this monthly allowance was increased last round by $6. This is inadequate. The Union's proposal of $250 reflects a demonstrated need for improvement and harmonizes the allowance quantum with other special allowances for ease of administration.

Armed boarding allowance

In the wake of no increase to the armed boarding allowance in the prior twenty years, the allowance was increased last round by $8. This is inadequate. The Union's proposal of $250 per month reflects a demonstrated need for improvement and harmonizes the allowance quantum with other special allowances for ease of administration. In addition to the regular duties performed by Ship's Crew, our members take on extra duties that

save the Employer the cost of hiring crew dedicated to armed boarding functions. Armed boarding can be extremely dangerous, and there is risk to both the physical and the mental health of Ships' Crew. Furthermore, it is not recognized in the Ships' Crew classification standard, which dates to 1987.

Diving duty allowance

The high cost of maintaining diving equipment and recognizing the dangerous nature of diving duty requires an allowance reflective of the work. The allowance was last updated to $821 (from $700) two rounds of negotiations ago. This is inadequate. For example, between 2014-2017, the Canadian Armed Forces increased the monthly diving allowance for military personnel from a range of $137 - $248 per month (2013) to a range of $145 - $260 per month (2017). Annually, by 2017, the Canadian Armed Forces diving allowance equated to a range of $1740 - $3120 (Exhibit B27). The union's proposal of $1400 is reasonable and reflects a demonstrated need for improvement.

NEW - Confined Space Allowance

The *Canadian Occupational Safety and Health Regulations* (COSHR) identify, in detail, the specific requirements in order to ensure a healthy and safe work place. The COSHR includes the following provision on Confined Space Entry, Subsection 11.4(1), which read:

Confined Space Entry

> *11.4 (1) The employer shall, where a person is about to enter a confined space, appoint a qualified person (a) to verify, by means of tests, that compliance with the following specifications can be achieved during the period of time that the person will be in the confined space, namely,*
> (Exhibit B28)

The PSAC has tabled this proposal for a Confined Space Allowance in order to compensate members who train and maintain qualifications and certifications and work in hazardous confined spaces (e.g., with dangerous gases, hot work, etc.). This proposal

for a confined space allowance is not without precedent. Four examples are provided (collective agreement language is combined in the proceeding exhibit). First, the Marine Workers' & Boilermakers' Industrial Union, Local No. 1 (expired Feb. 28, 2018) includes a confined space work premium of time and one quarter for each hour worked in a confined space. Second, the Communications, Energy and Paperworkers Union, Local 707 have negotiated a $3 per hour premium for confined space work. Third, the Construction and Specialized Workers Union, Local 1611 have a 'Labourer Confined Space – Safety Agreement' with a confined space/hole watch straight time hourly wage rate of $20. And fourth, the PSAC agreement with the Port of Johnstown has negotiated a premium of $2 if descent into a confined space while suspended in a boatswain chair is required, and alternatively $1 if descent if required, but not suspended in a boatswain chair (Exhibit B29).

Finally, when situations arise that require entry to a confined space, Ships' Crew members take on this hazardous work in addition to their daily role. In addition, compensation is proposed for members who maintain qualifications and certification in confined space rescue. Currently, being a member of a Confined Space Rescue team is a voluntary position (in addition the regular duties) despite the requirement of specialized and expensive training and specialized equipment. The Union's proposal of $250 reflects a demonstrated need as SC job duties and responsibilities not rated appropriately by the Employer's classification system and harmonizes the allowance quantum with other special allowances for ease of administration.

General

1. Ships' Crew must maintain their qualifications on a continuing basis.

2. These allowances shall form part of pay. ~~for the purpose of severance pay~~.

RATIONALE:

The Union's proposed deletion of 'for the purpose of severance pay' addresses the issue of employees being penalized for the Employer's lack of action relative to compressive classification reform. The proposal, which ensures that allowances form a part of pay—not only for the purpose of severance pay—makes the allowances pensionable. As an alternative, allowances could be rolled into salary.

Annex "F": dirty work allowance

1. When an employee is required to:

   a. clean or work in bilges and spaces below the bottom floor plates for periods in excess of fifteen (15) minutes.

      or

   b. clean boiler tubes or repair and maintain ships' sewage disposal tanks and associated piping, pumps and valves, or clean on top of boilers while steam pressure is being maintained, or clean inside water tanks, or clean inside oil tanks that have contained oil, or perform spray painting or sand blasting in void or confined areas, or work in the fire side of boiler furnaces combustion chambers or in air heater spaces.

      or

   c. come in physical contact with the pollutant while engaged in the cleaning up of oil spills in excess of two hundred (200) litres which resulted from a marine disaster, mechanical failure, bunkering or fuel transfer operations.

      or

   d. repair or maintain the ships' grey water system including holding tanks, associated piping pumps, and valves provided the employee is required to come into direct contact with the grey water. Cleaning of clogged drains shall not constitute dirty work.

   e. engaged in the removal of organic matter on a vessel, dock area or navigational markers

2. The employee shall receive, in addition to the appropriate rate of pay, an additional one-half (1/2) the employee's straight-time rate for every fifteen (15) minute period, or part thereof, worked.

3. All of the foregoing duties must have the prior approval of the Master before work is commenced.

RATIONALE:

The Union's proposal to expand the scope of the dirty work allowance for Ships' Crew addresses the ongoing work of the removal of organic matter and marine growth. For example, zebra and blue mussels are capable of heavily colonizing hard and soft surfaces, including, docks, boats, break walls and beaches. When scrapped, sharp shards of shell can lacerate the skin. Personal protective equipment is necessary. Other examples of marine growth or organic matter removal include bird excrement and kelp from navigational buoys out at sea**.**

NEW – Parking

All parking costs incurred by employees for the performance of their duties at sea shall be reimbursed by the Employer.

RATIONALE:

Some bases are requiring ships' crew to pay for parking for their 4 to 6-week trips at sea. Most ships' crew do not live close enough to the base to use public transit or this might not be an option. Similarly, some members are not always able to park their vehicles at the work location. Ships' crew members need to bring all needed work clothing and personal items for the duration of the trip on the vessel. The high fees charged for long-term parking cause an undue financial hardship. Yet it is not only the high fees charged for long-term parking that causes this undue hardship, the Employer must also provide parking space in the vicinity of vessel embarkation locations.

NEW - Internet Access

*The Union wishes to discuss the availability of the Internet on vessels throughout journeys***.**

RATIONALE:

In this round of bargaining the SC Group tabled a proposal to discuss the availability of internet access on vessels throughout journeys. Not only are Ships' Crew on board a ship during their working hours but 24/7, often for weeks at a time. While there is some internet access on board government vessels, the connection, at times, can be described as "spotty" at best. In addition, access to the internet is strictly limited, regulated and scheduled. During negotiations, the Employer indicated that discussions about such availability were already happening at a departmental level. No details beyond this were provided. The issue of internet and cellular connections is very real on Ships' Crew vessels. Component representatives from PSAC-Union Canadian Transport Employees

(UCTE) have indicated that one of the reasons that access remains an issue is that the Employer is not willing to provide more and stronger bandwidth in order to save money. However, such access is not impossible on such vessels. For example, on a Canadian Coast Guard vessel, the Amundsen, there is a scientific research group called ArcticNet Science that have a more bandwidth than the federal public service marine staff.

APPENDICES A, B, C, D, E AND G: CHANGE NOTICE PERIOD FOR CHANGING SCHEDULED SHIFTS TO FORTY-EIGHT (48) HOURS

EMPLOYER PROPOSALS

Appendix "A" Firefighters group, specific provisions and rates of pay

General

2.05

a. The Employer shall post a duty roster in each Fire Hall eight (8) days in advance. If, as a result of a change in a duty roster, an employee is transferred to another platoon on less than ~~ninety-six (96)~~ **forty-eight (48) hours** ~~hours'~~ notice in advance of the starting time of the first (1st) shift of the employee's new platoon, the employee shall be paid at the rate of time and one-half (1 1/2) for the first (1st) shift worked in the schedule of the employee's new platoon. Subsequent shifts worked on the schedule of the employee's new platoon shall be paid for at the employee's hourly rate of pay.

Appendix "B" General labour and trades, group specific provisions and rates of pay

Hours of work and overtime

1.04 An employee whose scheduled hours of work are changed without ~~seven (7) days~~ **forty-eight (48) hours** prior notice:

a. shall be compensated at the rate of time and one-half (1 1/2) for the first (1st) full shift worked on the new schedule. Subsequent shifts worked on the new schedule shall be paid for at straight time;

b. shall retain his or her previously scheduled days of rest next following the change, or, if worked, such days of rest shall be compensated in accordance with clause 2.07.

Appendix "C" General services, group specific provisions and rates of pay

General

2.03 An employee whose scheduled hours of work are changed without ~~seven (7) days'~~ **forty-eight (48) hours** prior notice:

a. shall be compensated at the rate of time and one-half (1 1/2):

i. for the first (1st) full shift worked on the new schedule if the new scheduled starting time of the employee's shift is at least four (4) hours earlier or later than the former scheduled starting time;

ii. for those hours worked on the first (1st) shift of the new schedule which are outside of the hours of the employee's formerly scheduled shift, if the new scheduled starting time of the employee's shift is less than four (4) hours earlier or later than the former scheduled starting time.

Appendix "D" Heating, power and stationary plant, group specific provisions and rates of pay

General

3.04

b. when an employee is required to change his or her position on the schedule without ~~seven (7) calendar days'~~ **forty-eight (48) hours'** notice in advance of the starting time of the change he or she shall be paid for the first (1st), changed shift which he or she works at the rate of time and one-half (1 1/2). Subsequent shifts worked, as part of the change, shall be paid for at straight time subject to the overtime provisions of this agreement.

Appendix "E" Hospital services, group specific provision and rate of pay

Hours of work

1.07 If an employee is given less than ~~seven (7) days~~ **forty-eight (48) hours** advance notice of a change in his or her shift schedule, he or she will receive a premium rate of time and one half (1 1/2) for work performed on the first (1st) shift changed. Subsequent shifts worked on the new schedule shall be paid for at the hourly rate of pay.

Appendix "G" Ships' crews specific provisions and rates of pay, general

Annex "E" Lay-day work system

1. General

c. Employees will be informed of the anticipated work schedule for the operational year. Employees will be notified of changes to the anticipated

work schedule at the earliest possible time. Normally, employees will receive two (2) months' notice of changes to the anticipated work schedule, with a minimum of ~~fourteen (14) days'~~ **forty-eight (48) hours'** notice.

Refutation of the Employer Proposals

For the FR group, Appendix 'A' at 2.05(a), the Employer has proposed reducing the period where a penalty would be payable for changing a shift worker's schedule on short notice. For the FR group, this would be a significant reduction from ninety-six (96) hours to 48 hours. This provision has been a part of the collective agreement since 1975 (Exhibit B30) and there has been no case made for such a concession relative to the FR group.

Similarly, for the GL group, Appendix 'B' at 1.04, for the GS group, Appendix 'C' at 2.03, for the HP group, Appendix 'D' at 3.04, and for the HS group, Appendix 'E' at 1.07, these proposed concessions are significant—a reduction from seven days to 48 hours. Such provisions have been a part of the GL group collective agreement since 1974 (Exhibit B31), the GS group collective agreement since 1975 (Exhibit B32), and the HP group collective agreement since 1974 (Exhibit B33), and the HS group collective agreement since 1980 (Exhibit B34). Again, no case has been made for such concessions relative to the GL, GS, HP, and HS groups.

Unlike the other SV groups, for the SC group, Appendix 'G' at Annex E.1, Ships' Crew are informed of the anticipated work schedule for the operational year and notified as early as possible of changes. Normally, two (2) months' notice of changes to that work schedule is standard with a minimum standard of fourteen days' (14) notice. The Union rejects the role back of this minimum standard of 14 days' notice to 48 hours. The Employer's 'Notice Period for Changing Scheduled Shifts' blanket concession did not consider the unique scheduling process for the SC group.

Finally, for Appendices A, B, C, D, E, and G, such a penalty is payable for the hardship of rearranging one's life with little notice. Short shift changes can result in added cost to employees of arranging for child care, elder care, or for cancelling plans that an employee

may have. Such a proposal would interfere with the work/life balance of employees, as the Employer would be able to change shift schedules of shift workers with very little notice, and no compensation. This would allow managers the ability to potentially wreak havoc with the lives of members through changes to their working hours.

The Union respectfully submits that there is no demonstrated need for such a proposal. The Employer has given no detailed rationale for this proposal beyond a vague reference to requiring “flexibility”.

APPENDICES B, C, D AND E: INTERPRETATIONS AND DEFINITIONS

EMPLOYER PROPOSALS

Appendix "B" - General labour and trades group specific provisions and rates of pay

Interpretations and definitions

For the purpose of this agreement:

a. **"annual rate of pay"** means an employee's weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);

b. **"daily rate of pay"** means an employee's hourly rate of pay times his normal number of hours of work per day;

c. **"pay"** means basic rate of pay as specified in Annex A**;** ~~and includes supervisory differential and/or inmate training differential where applicable~~;

d. **"weekly rate of pay"** means an employee's daily rate of pay multiplied by five (5).

Appendix "C" - General services group specific provisions and rates of pay

Interpretations and definitions

1.01 For the purposes of this appendix:

a. **"annual rate of pay"** means an **employee's** ~~employees~~ weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);

b. **"daily rate of pay"** means an employee's hourly rate of pay time the employee's normal number of hours of work per day;

c. **"weekly rate of pay"** means an employee's daily rate of pay multiplied by five;

(New)

d. "pay" means the basic rate of pay as specified in Annex "A-1".

Appendix "D" - Heating, power and stationary plant group specific provisions and rates of pay

Interpretation and definitions

1.01 For the purpose of this agreement:

a. **"daily rate of pay"** means the employee's hourly rate of pay multiplied by the employee's normal number of hours of work per day;

b. **"weekly rate of pay"** means the employee's daily rate of pay multiplied by five (5);

c. **"annual rate of pay"** means the employee's weekly rate of pay multiplied by fifty-two decimal one seven six (52.176)**;**

(New)

d. "pay" means the basic rate of pay as specified in Annex "A".

Appendix "E" - Hospital services group specific provision and rate of pay

(New)

Interpretations and definitions

1.0 For the purpose of this Agreement:

a. "pay" means basic rate of pay as specified in Annex "A".

Refutation of Employer Proposal

The Union rejects the Employer's interpretations and definitions proposal as there is no demonstrated need for the proposed additions and deletions relative to the definition of 'annual rate of pay' or 'pay'. Throughout negotiations, the Employer provided no clear rationale in support of this position. It is the Union's view that the proposed additions and deletions increase the possibility for misinterpretation which may lead to policy grievances on the matter.

APPENDICES B, C AND E: SUPERVISORY DIFFERENTIAL

Appendix "B" - General labour and trades, group specific provisions and rates of pay

Annex "B"

Supervisory differential

Supervisory Level	Supervisory co-ordinates	Supervisory differential as a percentage of basic rate
1	A1	4.0
2	B2	6.5
3	B3, C2	11.0
4	B4, C3, D2	15.0
5	B5, C4, D3, E2	19.0
6	B6, C5, D4, E3	22.5
7	B7, C6, D5, E4	26.0
8	C7, D6, E5	29.5
9	D7, E6	33.0
10	E7	36.5

The supervisory differential is to be ~~used in the following manner:~~ **calculated by multiplying the applicable Supervisory Differential Percentage by the rate of pay as set out in Annex "A";**

~~1. determine the non-supervisory rate of pay according to level;~~

~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~

~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2011~~ **2017**, in the MAM sub-group, at the maximum of Level 8 and a Supervisory Coordinate B2, would receive a basic rate of pay ~~of twenty-six dollars and twelve cents ($26.12)~~ **twenty-nine dollars and thirteen cents ($29.13)** as per Annex A. The Supervisory Differential of one dollar and **eighty-nine** cents **($1.89)** ~~($1.70)~~ is arrived by multiplying the Supervisory Differential Percentage of six decimal five per cent (6.5%) (B2) by the basic rate of pay~~. (non-supervisory). Therefore in this case the applicable supervisory rate of pay would be twenty-seven dollars and eighty-two cents ($27.82).~~

Appendix "C" - General services, group specific provisions and rates of pay

(New)

Supervisory Differential

7.01 A supervisory differential, as established in Annex "B", shall be paid to employees in the bargaining unit who encumber positions which receive a supervisory rating under the classification standard, and who perform supervisory duties.

Annex "B"

Supervisory differential

Supervisory Level	Supervisory co-ordinates	Supervisory differential as a percentage of basic rate
1	A1	4.0
2	B2	6.0
3	B3, C2	8.5
4	B4, C3, D2	11.5
5	B5, C4, D3	14.5
6	B6, C5, D4	17.5
7	C6, D5	20.5
8	D6	23.5

The supervisory differential is to be ~~used in the following manner:~~ **calculated by multiplying the applicable Supervisory Differential Percentage by the rate of pay as set out in Annex "A-1";**

~~1. determine the non-supervisory rate of pay according to level;~~

~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~

~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2011~~ **2017**, at the maximum of Level 5 and a Supervisory Coordinate B6, would receive a basic rate of pay of ~~twenty-five dollars and thirty-four cents ($25.34)~~ **twenty-seven dollars and seventy-seven cents ($27.77)** as per Annex A. The Supervisory Differential of ~~four dollars and forty-three cents ($4.43)~~ **four dollars and eighty-six cents ($4.86)** is arrived by multiplying the Supervisory

Differential Percentage of seventeen decimal five per cent (17.5%) (B6) by the basic rate of pay. ~~(non-supervisory). Therefore in this case the applicable supervisory rate of pay would be twenty-nine dollars and seventy-seven cents ($29.77).~~

Appendix "E" - Hospital services, group specific provision and rate of pay

(New)

Supervisory Differential

4.01 A supervisory differential, as established in Annex "B", shall be paid to employees in the bargaining unit who encumber positions which receive a supervisory rating under the classification standard, and who perform supervisory duties.

Annex "B": Supervisory differential

Supervisory Level	Supervisory co-ordinates	Supervisory differential as a percentage of basic rate
1	A1	4.0
2	B2	6.0
3	B3, C2	8.5
4	B4, C3, D2	11.5
5	B5, C4, D3	14.5
6	B6, C5, D4	17.5
7	C6, D5	20.5
8	D6	23.5

The supervisory differential is to be ~~used in the following manner:~~ **calculated by multiplying the applicable Supervisory Differential Percentage by the rate of pay as set out in Annex "A";**

~~1. determine the non-supervisory rate of pay according to level;~~

~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~

~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2011~~ **2017**, at the maximum of Level 5 (HDO) and a supervisory coordinate C3, would receive a basic rate of pay of ~~twenty-eight dollars and sixty cents ($28.60)~~ **thirty-one dollars and thirty-five cents ($31.35)** as per Annex

A. The supervisory differential of ~~three dollars and twenty-nine cents ($3.29)~~ **three dollars and sixty-one cents ($3.61)** is arrived by multiplying the supervisory differential percentage of eleven decimal five per cent (11.5%) (C3) by the basic rate of pay. ~~(non-supervisory). Therefore in this case the applicable supervisory rate of pay would be thirty-one dollars and eight-nine cents ($31.89).~~

Response to the Employer Proposal re: Supervisory Differential

Concerning the Employer's proposed additions to Appendix "C" at 7.01 and to Appendix "E" at 4.01, the bargaining agent is not opposed to these additions.

Refutation of Employer Proposal re: Supervisory Differential

The Union, however, rejects the Employer's supervisory differential proposal (with the exceptions of the additions to Appendix "C" at 7.01 and to Appendix "E" at 4.01) as there is no demonstrated need for the elimination of the three-step guide for determining the supervisory rate of pay. Throughout negotiations, the Employer provided no clear rationale in support of this position. It is the Union's view that the proposed concession makes absent a coherent guide to follow when completing supervisory differential calculations. The deletion of that uniform guide in Appendices B, C, and E increases the possibility for misinterpretation which may lead to policy grievances on the matter.

APPENDICES B, C AND D: INMATE TRAINING DIFFERENTIAL

EMPLOYER PROPOSAL

The Employer offers the following proposal for changes to the collective agreement applicable to:

- Appendix B - General Labour and Trades Group (GL) Specific Provisions and Rates of Pay,
- Appendix C – General Services Group (GS) Specific Provisions and Rates of Pay and
- Appendix D - Heating, Power and Stationary Plant Group (HP) Specific Provisions and Rates of Pay.

1) Amendment to the definition of pay to mean the **basic rate of pay outlined in Annex A** of each Appendix (B, C and D) to align with the Memorandum of Settlement (MOS) signed by the parties on April 10, 2018.

2) Modifications to the Inmate Training Differential Annexes of the GL, GS and HP appendices to introduce an **Inmate Training Differential Allowance (ITDA)** which will outline the entitlement and method of calculation for the allowance.

3) Recognition that the **ITDA** shall be payable to employees in the bargaining unit (GL, GS and HP) within the Correctional Service of Canada who encumber positions that are required to perform duties relative to inmate training.

4) Introduction of a new single percentage rate **ITDA** of **7%.**

5) Upon implementation of these provisions, after the signature of the collective agreement, employees whose current appointment, in accordance with their current certificate of appointment, whose ITD is higher than **7%** will continue receiving their current ITD rate until such time as the employee no longer substantively occupies the position.

6) Recognition that the ITDA payment shall not be pyramided; that is an employee shall not receive more than one payment for **ITDA** for the same period.

The final collective agreement language, including required subsequent amendments, is subject to agreement between the parties.

RATIONALE:

The Inmate Training Differential is an allowance paid to all vocational training instructors. Using the figured supplied by the Employer (during bargaining on May 1, 2019), this proposal is a concession for 33.8% of ITD recipients or 609 SV group members. While the introduction of a single percentage rate inmate training differential allowance of 7% would be an improvement for 7.7% of recipients or 139 members, 58.4% of ITD recipients or 1052 members would see the status quo. As Table 1 shows, of those who would shoulder the burden of this concession (609 SV members), the current recipients of an ITD of great than 7% would see reductions in their ITD that would range from $0.58 to $2.91, based on the current example rate of the GL-MAM-08. As a single percentage (7%), the change in the average differential value is a reduction or -$1.54. Based on the Union's analysis, this proposal is rejected.

Table 1: Analysis of Proposed ITD Changes

ITD Co-ordinates	ITD as % of Basic Rate		TB Figures re: # of Recipients	As % of Total	Differential
A1	4%	$ 1.17	99	5.5%	$ 0.87
A2	6%	$ 1.75	40	2.2%	$ 0.29
B1	**7%**	**$ 2.04**	**1052**	**58.4%**	**$ -**
B2	9%	$ 2.62	190	10.6%	$ (0.58)
B3	11%	$ 3.20	1	0.1%	$ (1.17)
C1	10%	$ 2.91	110	6.1%	$ (0.87)
C2	12%	$ 3.50	281	15.6%	$ (1.46)
C3	14%	$ 4.08	0	0.0%	$ (2.04)
D1	13%	$ 3.79	0	0.0%	$ (1.75)
D2	15%	$ 4.37	0	0.0%	$ (2.33)
D3	17%	$ 4.95	27	1.5%	$ (2.91)
E1	16%	$ 4.66	0	0.0%	$ (2.62)
E2	18%	$ 5.24	0	0.0%	$ (3.20)
E3	20%	$ 5.83	0	0.0%	$ (3.79)
	Total Recipients		**1800**	**Average:**	**$ (1.54)**

In addition, for members who take on acting roles, and therefore a different ITD co-ordinate and rate, the increase in the inmate training differential reflects a recognition of increased responsibilities related to the increased number of offenders under that member's supervision. In flattening the ITD rate to 7%, this recognition of increased stress and responsibility is erased for those who would act in a position with an ITD higher than 7%.

Acting in a higher role aside, with one ITD rate, the Employer may add more and more offenders to members' inmate training load without pause for consideration of increased cost or risk to the employees. For the employee, an increased inmate training load means increased stress, security risks, and responsibility. With no tiered differential allowance to recognize changes or increases to inmate training responsibility from initial responsibilities and workload, the retention of such employees is impacted. With consideration of this proposal through the lens of recruitment and retention, the ITD is identified on relevant job postings indicating its value in employee recruitment.

Finally, the differential reflects compensation for the additional responsibilities and skills associated with the inmate training role. Variations in rates reflects variation in responsibilities. As single rate eliminates that recognition of variation in responsibilities—it is a concession.

PART 3
OUTSTANDING COMMON ISSUES

ARTICLE 10
INFORMATION

EMPLOYER PROPOSAL

10.02 The Employer agrees to supply each employee with **access to** ~~a copy of~~ this Agreement ~~and will endeavour to do so within one (1) month after receipt from the printer~~. **For the purpose of satisfying the Employer's obligation under this clause, employees may be given electronic access to this Agreement. Where electronic access is unavailable, the employee shall be supplied, on request, with a printed copy of this Agreement.**

RATIONALE:

The PSAC has not agreed to this change for any of its collective agreements in the core public administration. This includes the settlements reached in the last cycle of bargaining for the PA, SV, TC, EB, and FB groups, as well as the 2016 settlement with CRA.

On September 12, 2017, the PSAC filed a policy grievance stating that the Employer, Treasury Board, had violated Article 10 of the PA Collective Agreement between PSAC and Treasury Board, and in particular Article 10.02 of the Collective Agreement. This grievance was granted.

A few examples of violations included: (1) at Immigration, Refugees and Citizenship Canada where the Director communicated that printing services of collective agreements are no longer offered by Public Service and Procurement Canada (PSPC) and that each department is to figure out how and where to get the booklets printed; (2) Service Canada/ESDC where as part of Greening government operations the onus is put on employees to request printed copies of the collective agreement; (3) at Office of the Privacy Commissioner of Canada where it was communicated by a Director in Human Resources that booklets will no longer be available and that employees can access the Collective Agreement through the intranet.

Notably, and a serious accessibility issue relative to the SV table, the Component President for the Union of Canadian Transportation Employees (UCTE) has had several calls from Ship's Crew members (Canadian Coast Guard) about the printed copies. Some have no internet connection on the vessels and therefore are not able to access their CA when they have a question or concern. Some members do not have printing capabilities either at home or on the vessels. Some have concerns that they are having difficulties navigating through TB and Union websites when trying to call up specific articles.

Beyond Ship's Crews, countless employees amongst PSAC's 100,000 members in the core public administration do not perform a majority of their job duties in office settings and do not always have access to the internet or even to computers. At the Department of National Defence, for example, a significant number of employees are assigned work either on a permanent basis or from time to time in secure areas which not only do not have internet access, but from which employees are barred from bringing in telephones and laptops.

Employees in quite a number of these workplaces still have not been provided with printed copies of the current Collective Agreement, which expired on June 20, 2018. With the Employer refusing to provide copies of the agreement to employees who have no internet access now, when the agreement provides for printed copies, PSAC has little comfort that these employees will be provided copies if the Employer is not required by the Collective Agreement to print it.

On January 26, 2018, the Senior Director of Compensation and Collective Bargaining Management issued a notice entitled "Responsibility for the Printing and Distribution of Collective Agreements" that informed Heads of Human Resources Directors/Chiefs of Labour Relations relative to article 10.02 of the Employer's obligations related to the printing of collective agreements and providing them to employees (Exhibit A4). Yet, despite the granted policy grievance and direction from the Office of the Chief Human

Resources Officer (which was the outcome of the final level grievance), issues persist, such that a FPSLREB hearing into this matter is scheduled for Nov. 15, 2019.

The Union submits that for our members who either spend little or no time in front of a computer. or work in remote locations with limited access to an internet connection (e.g., in the North or at sea), the language proposed by the Employer effectively amounts to a restriction on access to the Collective Agreement, which the Union submits is in neither party's interest. For our extremely large, diverse and complicated bargaining units, the Union believes that the time for this proposal has not yet come. The Union therefore respectfully asks that the Commission not include the Employer's proposal in its award.

ARTICLE 11
CHECK OFF

EMPLOYER PROPOSAL

11.06 The amounts deducted in accordance with clause 11.01 shall be remitted to the Comptroller of the Alliance by electronic payment within a reasonable period of time after-deductions are made and shall be accompanied by particulars identifying each employee and the deductions made on the employee's behalf. **In order that the Employer may calculate union dues deductions, the Alliance will disclose to the Employer its union dues' schedule.**

~~11.07 The employer agrees to continue the past practice of making deductions for other purposes on the basis of the production of appropriate documentation.~~

11.0~~8~~7 The Alliance agrees to indemnify and save the Employer harmless against any claim or liability arising out of the application of this article, except for any claim or liability arising out of an error committed by the Employer limited to the amount actually involved in the error.

RATIONALE:

The Union sees no concrete need for the changes proposed by the Employer under Article 11. The existing check-off system has been in place for more than 30 years and it is unclear why the Employer is seeking the change now. Under the current system, the Union is responsible for informing the Employer of the authorized monthly deduction to be checked off for each employee.

Since the Phoenix pay system manages dues for multiple employers, any changes to the process of calculating dues would impact all employers using the Phoenix pay system. Hence, any recalculation of dues by the Employer would impact not only the Employer but also Canada Revenue Agency, Auditor General, Library of Parliament, CSE, Senate, Parks, SSHRC, CFIA, OSFI, CSIS, House of Commons, Statistical Survey Operations, CCOHS and National Battlefields.

Furthermore, the Union is deeply concerned that the Employer is seeking to calculate union dues deductions and wishes to underscore that the calculation of dues is exclusively under the Union's purview.

Even if the purview of dues calculation were shared, any attempt on the Employer's part to calculate dues would require significant additional resources on the part of the Employer. A number of common activities will affect how much an individual member needs to remit in union dues. It is not unusual that in any given month, thousands of members experience a change in classification or department or hours of work. Any of these cause union dues to be recalculated for each individual affected by a change in work status. For example, union dues are based on a member's first step salary of a classification therefore a change in classification will necessitate a recalculation. Changing departments may also result in a member changing his/her Component/Local representation, which would require a recalculation of union dues. Each Component and each Local has its own dues rate. The Employer is not in a position to know which Component/Local would represent the member and therefore the dues calculation process, if solely undertaken by the Employer, would be subject to errors.

When the Union changes its rate, at any level of its political structure, dues are recalculated for each member, accounting for both flat and percentage rates applied differently across classifications. There are currently more than 1,000 different percentage and flat rates in effect, and these are applied to more than 2,000 different classifications. In some cases, members belonging to a specific Component will see their Component portion of dues calculated using the stepped salary. The PSAC receives the step information as a result of an FPSLREB decision (PSAC v. Treasury Board, 2010 PSLRB 6) and applies the appropriate formulas to determine the dues accordingly. In all cases, once the PSAC has utilized the job information as provided by the Employer, it determines the correct dues and any adjustments and submits these to the Employer via the automated dues process.

Hence, the Employer's proposed new language in Article 11.06 would require the Employer to calculate the dues owing for each member under each classification (and where necessary accounting for any member working part-time hours to prorate the dues) and applying all the possible rates in effect at any given time, accounting for a different method of calculating a specific portion of Component union dues where applicable. This would amount to manual recalculation of dues for 150,000 members. Given the Union's liability stated in Article 11.08, and the complex process involved in calculating these dues in an accurate and timely manner, we strongly oppose the amendment of this clause.

Finally, the Union requires clarification on the Employer's reason for proposing to strike Article 11.07. This clarification has not been provided at the bargaining table. The Union requires certain documentation in order to make adjustments. For instance, when the Employer makes deductions for insurance premiums, the Union sends this information to the insurer to make subsequent adjustments and load any corrections. The Union is contractually obligated to send this information. Therefore, the appropriate documentation on deductions made for purposes other than union dues is essential to our record-keeping and to ensure accurate calculations of employee pay and deductions.

The Union therefore respectfully requests that the Employer proposals not be included in the Public Interest Commission's recommendations.

ARTICLE 12
USE OF EMPLOYER FACILITIES

PSAC PROPOSAL

12.03 A duly accredited representative of the Alliance may be permitted access to the Employer's premises, which includes vessels, to assist in the resolution of a complaint or grievance and to attend meetings called by management **and/or meetings with Alliance-represented employees**. Permission to enter the premises shall, in each case, be obtained from the Employer. **Such permission shall not be unreasonably withheld.** In the case of access to vessels, the Alliance representative upon boarding any vessel must report to the Master, state his or her business and request permission to conduct such business. It is agreed that these visits will not interfere with the sailing and normal operation of the vessels

RATIONALE:

The Union is proposing two modifications to the current Article 12.03 for inter-related reasons:

- First, the language contained in the current Collective Agreement has in the past been interpreted and used by the Employer to infringe upon the Union's rights under the PSLREA, namely via denying Union representatives access to Treasury Board worksites to speak with members of the Union.

- Second, to achieve parity with what Treasury Board has already agreed to for its employees in other bargaining units such as: CBSA (FB Group), CX and OSFI.

Concerning the incidents where the access to the facilities was denied, the Union has responded by filing complaints with the PSLREB. In this regard, the Board issued a subsequent decision in 2016 where a PSAC representative was denied access to Veterans Affairs and Health Canada workplaces:

> *I declare that the refusal to allow a complainant representative to conduct a walkthrough of the Veterans Affairs Billings Bridge facility on November 5, 2014, to conduct a walkthrough and an on-site meeting during off-duty hours at Health Canada's Guy Favreau Complex on November 25, 2014, and to conduct a walkthrough and an on-site meeting during off-duty hours at DND facilities on December 11, 2014, and January 6, 2015, all constituted violations of s. 186(1)(a) of the Act by the respondent and by the departments involved. (PSLREB 561-02-739)* (Exhibit A5)

In a similar case where a Union representative was denied the access to a CBSA workplace by the Employer, the Board issued a decision in May of 2013, stating that Treasury Board had violated the Act in denying the Union access to its members in CBSA workplaces:

> *Denying (Union representative) Mr. Gay access to CBSA premises on October 13 and 29, 2009 for the purpose of meeting with employees in the bargaining unit during non-working periods to discuss collective bargaining issues, violated paragraph 186(1) (a) of the Act and were taken without due regard to section 5 and to the purposes of the Act that are expressly stated in its preamble. (PSLRB 561-02-498)* (Exhibit A6)

The Board also ordered Treasury Board and the CBSA in that same decision to:

> *"…cease denying such access in the absence of compelling and justifiable business reasons that such access might undermine their legitimate workplace interests*." *(PSLRB 561-02-498)* (Exhibit A6)

In light of the current language contained in Article 12.03 of the parties' Agreement; and in light of the decisions rendered by the Board on this matter, the Union submits that the current language is inconsistent with the rights afforded Union representatives under the PSLREA. It places restrictions on the Union that the Board has found to be incompatible with the Act; hence the Union's proposal to amend the language to ensure that the Union's rights are upheld.

As mentioned, the second reason as to why the Union has proposed to modify Article 12.03 is to achieve parity with what Treasury Board has already agreed to for its employees in CBSA (FB Group), CX and OSFI bargaining units (Exhibits A7). The CBSA (FB Group) contract already has the exact same language that the Union has proposed to Treasury Board for the PA, SV, TC and EB units. The CX Collective Agreement, which covers guards who work in federal prisons and other penal institutions, makes no reference to the need for Union representatives requiring permission from the Employer to enter the worksite. These workers perform their duties in contained, high-security environments where danger is present, and yet the Employer has agreed to language that ensures Union representatives access to the workplace for the purposes of meeting with members. Workers in the CX bargaining unit are enforcement workers who work for the same Employer and under the same Ministry as PSAC members. In general, the three agreements cited above provide Union representatives access to the workplace for meetings with union membership, which is also consistent with what PSAC has proposed for its bargaining units.

Based on the cited examples, the Union submits that there is no reason why employees in the PA, SV, TC and EB groups should be denied rights that have been agreed to by the same Employer for other groups of workers. The Union is also looking for language that would ensure that the Employer cannot interfere with the Union's right to communicate with its membership on non-work time. There have been instances in the past when this problem has arisen. Including this language in the Collective Agreement would ensure that the Union's statutory rights in the workplace would not be interfered with.

Given that the Board has clearly indicated that the law provides Union representatives with rights that extend beyond what is contained in the current Article 12.03, and given that what the Union is proposing is virtually identical to what the Treasury Board has agreed to for other workers in its employ, and given the Union's statutory right to

communicate with its membership, the Union therefore respectfully requests that its proposals be incorporated into the Commission's recommendation.

Lastly, the Employer has already expressed in writing its willingness to add the sentence, "Such *permission shall not be unreasonably withheld*." as per a comprehensive offer presented on May 1st, 2019. However, for no apparent reason the Employer retracted from that expressed will in its PIC application.

ARTICLE 13
EMPLOYEE REPRESENTATIVES

PSAC PROPOSAL

13.04

a. A representative shall ~~obtain~~ **be granted** the permission of his or her immediate supervisor before leaving his or her work to investigate employee complaints of an urgent nature, to meet with local management for the purpose of dealing with grievances and to attend meetings called by management. Such permission shall not be unreasonably withheld. Where practicable, the representative shall report back to his or her supervisor before resuming his or her normal duties.

RATIONALE:

The Union's proposal for Article 13.04 is designed to address the Employer's interference in the statutory right of Union to properly represent its members under PSLREA. The language contained in the current Collective Agreement has in the past been interpreted and used by the Employer to deny, not to respond to, restrict or delay permission for time off requested by stewards to investigate complaints and to resolve problems in the workplace. This current language has been particularly problematic for stewards who represent members in multiple worksites, as many supervisors are either reluctant to or even refuse to grant leave for a steward to attend to meet with affected employees in workplaces other than their own.

The Union maintains that, to the extent that there exist practices within Treasury Board that purport to limit that right of representation, or the participation of employees in the Union's lawful activities, the Union is compelled to seek declaratory contract language. The law is clear that the Employer does not have the prerogative or the right to interfere with the representation of employees by an employee organization. Subsection 5 of the *Act* clearly sets out an employee's rights with respect to Union activities:

> *5 Every employee is free to join the employee organization of his or her choice and to participate in its lawful activities.*

The prohibitions on management in this regard are clear under subsection 186(1) of the *Act* and reflect the right of a bargaining agent to fully represent employees without interference from management:

> ***186.*** *(1) No employer, and, whether or not they are acting on the employer's behalf, no person who occupies a managerial or confidential position and no person who is an officer as defined in subsection 2(1) of the Royal Canadian Mounted Police Act or who occupies a position held by such an officer, shall*
>
> - **(a)** participate in or interfere with the formation or administration of an employee organization or the representation of employees by an employee organization; or
> - **(b)** discriminate against an employee organization.

The language, currently found in the parties' Collective Agreement, is inconsistent with protections afforded the Union under the law, and consequently the Union asks that it be modified. The Union's proposal not only reaffirms the important principle of participation in the lawful activities of their Union, it signals to all employees in the bargaining unit - in a meaningful and concrete way - that the Employer will respect that participation. Accordingly, the Union is proposing the modifications to ensure that all parties have a clear understanding as to legal protections afforded the Union with respect to communication and representation of its membership.

Employees at the House of Commons already benefit from provisions that do not require Union representatives to obtain permission to leave their work in order investigate employees' complaints or meeting with local management for the purpose of dealing with grievances. Rather than representatives seeking permission, the language awarded to PSAC by arbitral decision (PSAC vs. House of Commons, 2016 PSLRB 120) states that "*the Employer shall grant time off"* (Exhibit A8)*.*

Article 18.07 of the parties' agreement recognizes that informal discussion geared towards the resolving of issues – without resorting to the formal grievance procedure – is both valuable and encouraged. It is commonly recognized that the purpose of any grievance procedure is to not only provide recourse for employees, but also to provide a mechanism within which problems might be resolved via dialogue. Moreover, Article 1.02 speaks to a commitment on the part of both parties to establish an effective working relationship.

For Union representatives in the workplace to properly work towards successful resolution of problems either via informal discussion or via formal grievance procedure, time is required to meet with affected employees and managers. There have been occasions where employees in the bargaining unit have been forced to take other paid leave, or leave without pay, to undertake activities associated with Article 18.07 and preparation for grievance meetings. The Union submits that this is inconsistent with the commitments made by the parties in both Articles 1.02 and 18.07. Again, the Union is proposing contract language that would ensure that the Employer will not interfere with a Union representative's ability to carry out his or her duties in the workplace. Therefore, the Union respectfully requests that the Commission recommend this proposal.

ARTICLE 14
LEAVE WITH OR WITHOUT PAY FOR ALLIANCE BUSINESS

PSAC PROPOSAL

Leave without pay for election to an Alliance office

14.14 The Employer will grant leave without pay to an employee who is elected as a full-time official of the Alliance within one (1) month after notice is given to the Employer of such election. The duration of such leave shall be for the period the employee holds such office.

14.15 Leave without pay, recoverable by the Employer, shall be granted for any other union business validated by the Alliance with an event letter.

14.~~15~~**16**

~~Effective January 1, 2018, l~~**L**eave **without pay** granted to an employee under **this** Article, **with the exception of article 14.14 above,** ~~14.02, 14.09, 14.10, 14.12 and 14.13~~ will be with pay; the PSAC will reimburse the Employer for the salary and benefit costs of the employee during the period of approved leave with pay according to the terms established by the joint agreement.

RATIONALE:

The new language proposed in Article 14.15, in the last round of bargaining between the parties, leave without pay for union business was amended such that union members would continue to receive pay from the Employer, and the PSAC would be invoiced by the Employer with the cost of the period of leave. The intent was to change the mechanism of payment and not the substance or scope of leave for the PSAC business.

However, since that change, some departments have been inappropriately denying union leave to employees in circumstances in which it was formerly allowed, due to a misinterpretation of the new language on the part of management. Denying members the ability to participate in the life of their Union for legitimate activities is straining labour relations and resulting in grievances based. Adding the language suggested by the Union

will allow members to continue to take union leave validated by a letter and for which the PSAC will reimburse the Employer.

The proposed changes in Article 14.16 are simply to recognize that, with the exception of Article 14.14, there is one system for all forms of union leave, whereby the leave for employees is with pay and the PSAC will be invoiced by the Employer for the cost of the leave.

EMPLOYER PROPOSAL

14.1~~4~~**15**

> Effective January 1, 2018, leave granted to an employee under ~~articles~~ **clauses** 14.02, 14.09, 14.10, 14.12, 14.13 will be with pay **for a total of cumulative maximum period of three (3) months per fiscal year**; the PSAC will reimburse the Employer for the salary and benefit costs of the employee during the period of approved leave with pay according to the terms established by the joint agreement.

RATIONALE:

The Union sees no need for the changes proposed by the Employer under Article 14. Throughout bargaining, the Employer has not provided a rationale for the change, nor has it presented any precedent set by other bargaining units.

There is currently an established cost recovery system for Alliance Business in the Memorandum of Understanding (MOU) signed on October 30, 2017. The MOU provides that leave granted to an employee under clauses 14.02, 14.09, 14.10, 14.12 and 14.13 of the Collective Agreement shall be leave with pay, with wages and benefits subsequently reimbursed to the Employer by the Union (Exhibit A9). It outlines a procedure and timeline for repayment of gross salary and benefits to the Employer. This provision was agreed to only in the last round of bargaining, and no issues with respect to this reimbursement have been raised by the Employer since the agreement was reached.

Since there is a cost recovery process in place that has been agreed to by the parties, the leave taken by employees is cost-neutral. The Employer cannot therefore cite costs as a motivating factor in limiting the number of cumulative days for which an employee can take Union leave under this provision. Furthermore, given the well-publicized myriad problems with the Phoenix pay system, changes to the existing procedure, rather than simplifying pay administration, will introduce further complications that are likely to negatively impact the pay of members accessing these leave provisions. The current cost recovery model was in fact put into place during the last round of negotiations in order to prevent disruptions in pay which could occur with Phoenix. Moreover, the Employer identified reducing the pay administration burden as one of its key objectives in this round of bargaining (Exhibit A10).

The Union sees no need to place an arbitrary cap on participation in Union activities by employees, nor does it see any need introduce changes to the Union leave provisions that have been working well since the last round of bargaining. We therefore respectfully request that the PIC dismiss this demand.

ARTICLE 17
DISCIPLINE

EMPLOYER PROPOSAL

17.05 Any document or written statement related to disciplinary action which may have been placed on the personnel file of an employee shall be destroyed after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period. **This period will automatically be extended by the length of any single period of leave without pay in excess of six (6) months.**

RATIONALE:

The Union is not in agreement with this proposal. The purpose of having a period of time during which a record of discipline is on file is to allow the employee the opportunity to correct the behavior that led to the discipline. If the employee has not incurred further discipline during that period, the record is removed, a recognition of the correction. Two years is a reasonable period of time for this. It allows the relationship between Employer and employee to be "reset" and does not penalize an employee with disciplinary records sitting in their file for unreasonable periods of time. What matters most is the passage of enough time to allow the employee to demonstrate correction and "clean the slate".

The proposal to exclude periods of leave without pay (LWOP) greater than six months is also worrisome to the Union for other reasons.

Employees may take long periods of LWOP for many different reasons, most of them personal and some which may be beyond the employee's complete control, such as:

- medical reasons;
- maternity and/or parental leave;
- long term care of family members; and
- education or career development leave.

Unpaid leaves such as these are often greater than six months, and employees taking such leaves would have records of discipline in their personnel files much longer than other employees. At the same time, employees who are absent from the workplace on extended leaves with pay (such as sick leave with pay) would not be treated in the same manner. Given that the reasons for taking some longer-term leaves without pay may be based on grounds that are protected against discrimination under the Canadian Human Rights Act (e.g. disabilities, sex, family status), there is great concern that such a provision as proposed by the Employer could in fact be discriminatory. The PSAC views this proposal as unduly harsh, unnecessary and contrary to human rights considerations. We therefore respectfully request that the Public Interest Commission not include this Employer proposal in its recommendations.

ARTICLE 20
SEXUAL HARASSMENT

PSAC PROPOSAL

Change title to: HARASSMENT AND ABUSE OF AUTHORITY

20.01 The Alliance and the Employer recognize the right of employees to work in an environment free from ~~sexual~~ harassment **and abuse of authority** and agree that ~~sexual~~ harassment **and abuse of authority** will not be tolerated in the workplace.

20.02 Definitions:

a) Harassment, violence or bullying includes any action, conduct or comment, including of a sexual nature, that can reasonably be expected to cause offence, humiliation, or other physical or psychological injury, or illness to an employee, including any prescribed action, conduct or comment.

b) Abuse of authority occurs when an individual uses the power and authority inherent in his/her position to endanger an employee's job, undermines the employee's ability to perform that job, threatens the economic livelihood of that employee or in any way interferes with or influences the career of the employee. It may include intimidation, threats, blackmail or coercion.

~~20.02~~ 20.03

(a) Any level in the grievance procedure shall be waived if a person hearing the grievance is the subject of the complaint.

(b) If, by reason of paragraph (a), a level in the grievance procedure is waived, no other level shall be waived except by mutual agreement.

~~20.03~~ 20.04

By mutual agreement, the parties may use a mediator in an attempt to settle a grievance dealing with ~~sexual~~ harassment. The selection of the mediator will be by mutual agreement **and such selection shall be made within thirty (30) calendar days of each party providing the other with a list of up to three (3) proposed mediators.**

~~20.04~~ 20.05

Upon request by the complainant(s) and/or respondent(s), an official copy of the investigation report shall be provided to them by the Employer, subject to the *Access to Information Act* and *Privacy Act*.

20.06

a) No Employee against whom an allegation of discrimination or harassment has been made shall be subject to any disciplinary measure before the completion of any investigation into the matter, but may be subject to other interim measures where necessary.

b) If at the conclusion of any investigation, an allegation of misconduct under this Article is found to be unwarranted, all records related to the allegation and investigation shall be removed from the employee's file.

RATIONALE:

The concept of harassment as solely a sexual issue has been outdated for many years. With the passage of Bill C-65, *An Act to amend the Canada Labour Code (harassment and violence) the Parliamentary Employment and Staff Relations Act and the Budget Implementation Bill 2017*, it is now time to update the language in the Collective Agreement to reflect the new legislation.

Bill C-65 has three main pillars. It requires the Employer to prevent incidents of harassment and violence; to respond effectively to those incidents when they do occur; and to support affected employees.

The amendments to Part II of the Canada Labour Code apply to all employers and workers in the federally regulated private sector as well as in the public service and Parliament.

The amended Act defines harassment and violence to mean "*any action, conduct or comment, including of a sexual nature, that can reasonably be expected to cause offence, humiliation or other physical or psychological injury or illness to an employee, including any prescribed action, conduct or comment*" (amended section 122(1)).

It sets out specific duties of employers, including Treasury Board, requiring them to take prescribed measures to prevent and protect, not only against workplace violence but also against workplace harassment. Employers are now also required to respond to occurrences of workplace harassment and violence, and to offer support to affected employees (amended section 125(1) (z.16)).42).

In addition, the Employer must investigate, record and report, not only all accidents, occupational illnesses and other hazardous occurrences known to them, but now also occurrences of harassment and violence, in accordance with the regulations (amended section 125(1)(c)).

These duties also apply in relation to former employees, if the occurrence of workplace harassment and violence becomes known to the Employer within three months of the employee ceasing employment. This timeline, however, may be extended by the Minister in the prescribed circumstances (new sections 125(4) and 125(5).

Employers are additionally required to ensure that all employees are trained in the prevention of workplace harassment and violence and to inform them of their rights and obligations in this regard (new section 125(1) (z.161)). Employers themselves must also undergo training in the prevention of workplace harassment and violence (new section 125(1) (z.162)).

Finally, the Employer must also ensure that the person designated to receive complaints related to workplace harassment and violence has the requisite knowledge, training and experience (new section 125(1) (z.163)).

The Collective Agreement is the guide to which employees turn to understand their rights in the workplace and their terms and conditions of work. It is also the guide that managers use to understand their responsibilities toward employees in the workplace. The Union submits that an obvious way to comply with the new requirement to inform employees of their rights and obligations with respect to harassment and violence is to plainly lay out these obligations in the Collective Agreement so that they are clear, unequivocal, and accessible to everyone in the workplace. Moreover, the Union believes that to not amend

Article 20 of the Collective Agreement to reflect these changes to the Canada Labour Code, which considerably broaden the definition of harassment beyond what currently exists in the Article, could result in confusion with respect to behaviours that are not acceptable in the workplace.

The Union therefore respectfully requests that the Commission add the proposed amendments to this Article to its recommendations.

ARTICLE 24
TECHNOLOGICAL CHANGE

PSAC PROPOSAL

24.01 The parties have agreed that, in cases where, as a result of technological change, the services of an employee are no longer required beyond a specified date because of lack of work or the discontinuance of a function**, the relocation of a work unit or work formerly performed by a work unit,** Appendix D, Work Force Adjustment, will apply. In all other cases, the following clauses will apply.

24.02 In this article, "technological change" means:

a. the introduction by the Employer of equipment, or material, **systems or software** of a different nature than that previously utilized;

and

b. a change in the Employer's operation directly related to the introduction of that equipment, or material, **systems or software.**

24.03 ~~Both parties recognize the overall advantages of technological change and will, therefore, encourage and promote technological change in the Employer's operations.~~ Where technological change is to be implemented, the Employer will seek ways and means of minimizing adverse effects on employees which might result from such changes.

24.04 The Employer agrees to provide as much advance notice as is practicable but, except in cases of emergency, not less than one hundred and eighty (180) **three hundred and sixty (360)** days' written notice to the Alliance of the introduction or implementation of technological change when it will result in significant changes in the employment status or working conditions of the employees.

24.05 The written notice provided for in clause 24.04 will provide the following information:

a. the nature and degree of the technological change;

b. the date or dates on which the Employer proposes to effect the technological change;

c. the location or locations involved;

d. the approximate number and type of employees likely to be affected by the technological change;

e. the effect that the technological change is likely to have on the terms and conditions of employment of the employees affected.

f. the business case and all other documentation that demonstrates the need for the technological change and the complete formal and documented risk assessment that was undertaken as the change pertains to the employees directly impacted, all employees who may be impacted and to the citizens of Canada if applicable, and any mitigation options that have been considered.

24.06 As soon as reasonably practicable after notice is given under clause 24.04, the Employer shall consult meaningfully with the Alliance, **at a mutually agree upon time,** concerning the rationale for the change and the topics referred to in clause 24.05 on each group of employees, including training.

24.07 When, as a result of technological change, the Employer determines that an employee requires new skills or knowledge in order to perform the duties of the employee's substantive position, the Employer will ~~make every reasonable effort to~~ provide the necessary training during the employee's working hours without loss of pay and at no cost to the employee.

RATIONALE:

Meaningful and substantive consultation with the bargaining agent is essential in instances of technological change. Too often, discussion is offered by the Employer after all the decisions have been made, and when it is too late to effect meaningful change or mitigation measures. The Spring 2018 Independent Auditor's Report on Building and Implementing the Phoenix Pay System succinctly states: "The building and implementation of Phoenix was an incomprehensible failure of project management and oversight" (Exhibit A11). The Union's proposal, particularly Article 24.05 (f), requires that the Employer provide all business case-related documentation and risk assessment (and mitigation options) of how the change pertains to the employees directly impacted; all employees who may be impacted; and how the change pertains to the citizens of Canada, if applicable. Such information provided 360 days in advance of the introduction or

implementation of such technological change (see proposed amendments to Article 24.04) could mitigate the impact on directly affected workers.

The Union's proposed expansion and clarification of applicability of Appendix I, Work Force Adjustment, relative to technological change, is predicated on the importance of the protection of workers relative to their place of work. Further definition of "technological change" in Article 24.02 aims to modernize the terms of the article. The terms "equipment and material" are reflective of a time when computers were replacing typewriters. For this article to be meaningful in the current information technology, artificial intelligence and automated machine learning and decision-making environment, the scope of the definition of "technological change" must be expanded. "Systems" and "software" more accurately reflect the kind of technological change that is likely to impact the job security of today's workers. Notably, changes to the Phoenix pay system—and the workers impacted by that change—were largely related to software and systems, not equipment or material.

The Union proposal at Article 24.04 adjusts the written notice timeframe to better reflect the time it takes to plan for, implement and adapt the workplace environment, and adapt workers to the changed work environment. The current 180 days is insufficient to respond to significant changes in the employment status or working conditions of affected employees.

Additionally, the Union proposes to delete the first sentence of Article 24.03. This deletion was agreed to by Treasury Board in last round of bargaining with the FB group.
(Exhibit A12).

Finally, the Union proposes additional disclosure in Article 24.05 (f) that would provide it with the business case for the technological change and all documented risk assessments. PSAC sought this kind of documentation early in the process which created the then new and ultimately disastrous Phoenix pay system, but the information was denied. When the business case was finally released publicly two years after Phoenix

went live, it became clear that the business case failed to account for real risks to pay specialists or their clients, public service workers and members. None of the risks identified in the formative documents identified the overwork and stress that has been experienced by pay specialists because of system failures and lack of capacity. The idea that employees might not get paid accurately, or get paid at all, was not contemplated. The Union is seeking to expand the language in Article 24.05 so that it may effectively and fulsomely advocate on behalf of its members and meet its legal duties. An open and honest disclosure of the plans and an opportunity for the Union to help assess risks and problems could have led to much different decisions that may have alleviated or even avoided the Phoenix pay disaster.

ARTICLE 32
DESIGNATED PAID HOLIDAYS

PSAC PROPOSAL

32.01 Subject to clause 32.02, the following days shall be designated paid holidays for employees:

(a) New Year's Day;

(b) Good Friday;

(c) Easter Monday;

(d) the day fixed by proclamation of the Governor in Council for celebration of the Sovereign's birthday;

(e) National Indigenous Peoples Day

(f) ~~(e)~~ Canada Day;

(g) ~~(f)~~ Labour Day;

(h) ~~(g)~~ the day fixed by proclamation of the Governor in Council as a general day of thanksgiving;

(i) ~~(h)~~ Remembrance Day;

(j) ~~(i)~~ Christmas Day;

(k) ~~(j)~~ Boxing Day;

(l) ~~(k)~~ **two (2)** ~~one~~ additional days in each year that, in the opinion of the Employer, ~~is~~ **are** recognized to be a provincial or civic holiday in the area in which the employee is employed or, in any area where, in the opinion of the Employer, no such additional ~~day is~~ **days are** recognized as a provincial or civic holiday, the **third Monday in February and the** first (1st) Monday in August;

(m) ~~(l)~~ one additional day when proclaimed by an Act of Parliament as a national holiday.

32.08

(a) When an employee works on a holiday, he or she shall be paid **double (2) time** ~~and time and one-half (1 1/2)~~ for all hours worked ~~up to seven decimal five (7.5) hours and double (2) time thereafter~~, in addition to the pay that the employee would have been granted had he or she not worked on the holiday; or

(b) upon request and with the approval of the Employer, the employee may be granted: a day of leave with pay (straight-time rate of pay) at a later date in lieu of the holiday;

and

pay at **double (two (2)** ~~one and one-half (1 1/2)~~ times) the straight-time rate of pay for all hours worked ~~up to seven decimal five (7.5) hours~~;

and

~~pay at two (2) times the straight-time rate of pay for all hours worked by him or her on the holiday in excess of seven decimal five (7.5) hours.~~

RATIONALE:

The Union is proposing two modifications to the current Article 30:02 to (a) include two additional days as designated holidays: Family Day and National Indigenous Peoples Day; and (b) to increase the rate at which statutory holidays are paid. The Union's proposals are intended to bring designated paid holidays in line with what is found in other collective agreements; and, consistent with the Union proposal in the Article 29 – Overtime to simplify pay administration to a single rate of pay when an employee works on a designated paid holiday, and to contribute to a better work-life balance.

The rationale behind the Union's proposal for Family Day is that the vast majority of employees in the bargaining unit work in provinces where a designated paid Family Day holiday exists, but to which they are not currently entitled. Family Day, celebrated on the 3rd Monday of February, is a statutory holiday in five provinces: Alberta, British Colombia, New Brunswick, Ontario and Saskatchewan. The third Monday in February is also a designated paid holiday in three other provinces: Prince Edward Island (Islander Day), Manitoba (Louis Riel Day) and Nova Scotia (Heritage Day); and in one territory, Yukon (Heritage Day).

Family Day was created for employees to have a mid-winter long weekend to spend time with their families, contributing to a better work-life balance. The practical impact on members of the bargaining unit is that schools, daycare facilities and other services are not open that day, forcing employees to scramble to make other childcare arrangements, or requiring them to take another day of leave. The Union's proposal would not only ensure that employees in the bargaining unit have access to a holiday that is already provided to millions of other Canadian workers, but at the same time not require employees to take a day out of their annual leave on that same day due to their family responsibilities.

Additionally, the Union proposes to include an additional statutory holiday on June 21 of each year, National Indigenous Peoples Day. June 21 is culturally significant as the summer solstice, and it is the day on which many Indigenous peoples and communities traditionally celebrate their heritage. Additionally, recognizing a National Indigenous Peoples Day would fulfill recommendation #80 of the Truth and Reconciliation Commission's Call to Action report:

> *80. We call upon the federal government, in collaboration with Aboriginal peoples, to establish, as a statutory holiday, a National Day for Truth and Reconciliation to honour Survivors, their families, and communities, and ensure that public commemoration of the history and legacy of residential schools remains a vital component of the reconciliation process.* (Exhibit A13)

Based on this report, a private member's bill, C-369, was introduced and has already passed the first reading in the Senate. As recognized in the bill, the purpose of the Act is: "*to fulfill the Truth and Reconciliation Commission's Call to Action #80 by creating a federal holiday called the National Day for Truth and Reconciliation which seeks to honour Survivors, their families, and communities, an ensure that public commemoration of the history and legacy of residential schools, and other atrocities committed against First Nations, Inuit and Metis people, remains a vital component of the reconciliation process."* (Exhibit A14).

The Union considers the recognition of this day as a designated paid holiday in the Collective Agreement not only as an opportunity for the Employer to actively embrace the reconciliation process, but also to allow employees, institutions and communities to celebrate and honor the indigenous population and commemorate their shared history and culture.

Lastly, the Union proposes that all designated paid holidays be compensated at the rate of double time in order to have consistency with the Union's proposal on overtime pay. Working on a designated paid holiday is a disruption of an employee's work-life balance. Sunday, or an employee's second day of rest, is currently paid at double time; any additional holidays or days of rest worked are equally important to employees.

Currently, work on a statutory holiday is paid at 1.5 times an employee's base rate of pay up to 7.5 hours worked; and double time thereafter. The Union's proposal streamlines pay for work on a designated paid holiday to a single rate, consistent with the Employer's stated goal in this round of bargaining to simplify pay administration. (Exhibit A10)

In light of the aforementioned facts, the Union respectfully requests that these proposals be included in the Commission's recommendations.

ARTICLE 37
VACATION LEAVE WITH PAY

PSAC PROPOSAL

Accumulation of vacation leave credits

37.02.01 For each calendar month in which an employee has earned at least seventy-five (75) hours' pay, the employee shall earn vacation leave credits at the rate of:

a) nine decimal three seven five (9.375) hours until the month in which the anniversary of the employee's ~~eighth (8th)~~ **fifth (5th)** year of service occurs;

b) twelve decimal five (12.5) hours commencing with the month in which the employee's ~~eighth (8th)~~ **fifth (5th)** anniversary of service occurs;

~~c) thirteen decimal seven five (13.75) hours commencing with the month in which the employee's sixteenth (16th) anniversary of service occurs;~~

~~d) fourteen decimal four (14.4) hours commencing with the month in which the employee's seventeenth (17th) anniversary of service occurs;~~

c) fifteen decimal six two five (15.625) hours commencing with the month in which the employee's ~~eighteenth (18th)~~ **tenth (10)** anniversary of service occurs;

~~e) sixteen decimal eight seven five (16.875) hours commencing with the month in which the employee's twenty-seventh (27th) anniversary of service occurs;~~

d) eighteen decimal seven five (18.75) hours commencing with the month in which the employee's ~~twenty-eighth (28th)~~ **twenty-third (23th)** anniversary of service occurs~~.~~**;**

37.11 Carry-over and/or liquidation of vacation leave

a) Where, in any vacation year, an employee has not **used** ~~been granted~~ all of the vacation leave credited to him or her, the unused portion of his or her vacation leave up to a maximum of two hundred and sixty-two decimal five (262.5) hours credits shall be carried over into the following vacation year. All vacation leave credits in excess of two hundred and sixty-two decimal five (262.5) hours shall be automatically paid in cash at his or her rate of pay as calculated from the classification prescribed in his or her

certificate of appointment of his or her substantive position on the last day of the vacation year.

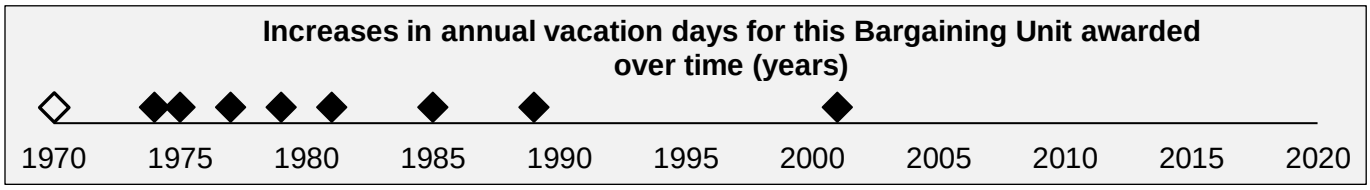
RATIONALE:

For Article 37, the Union proposes to

i. increase annual leave entitlements and bring them in line with those that are currently afforded Civilian Members at the Royal Canadian Mounted Police (RCMP), which have been deemed into the public service; and to

ii. amend language pertaining to vacation carry-over entitlements.

Updating annual vacation entitlements

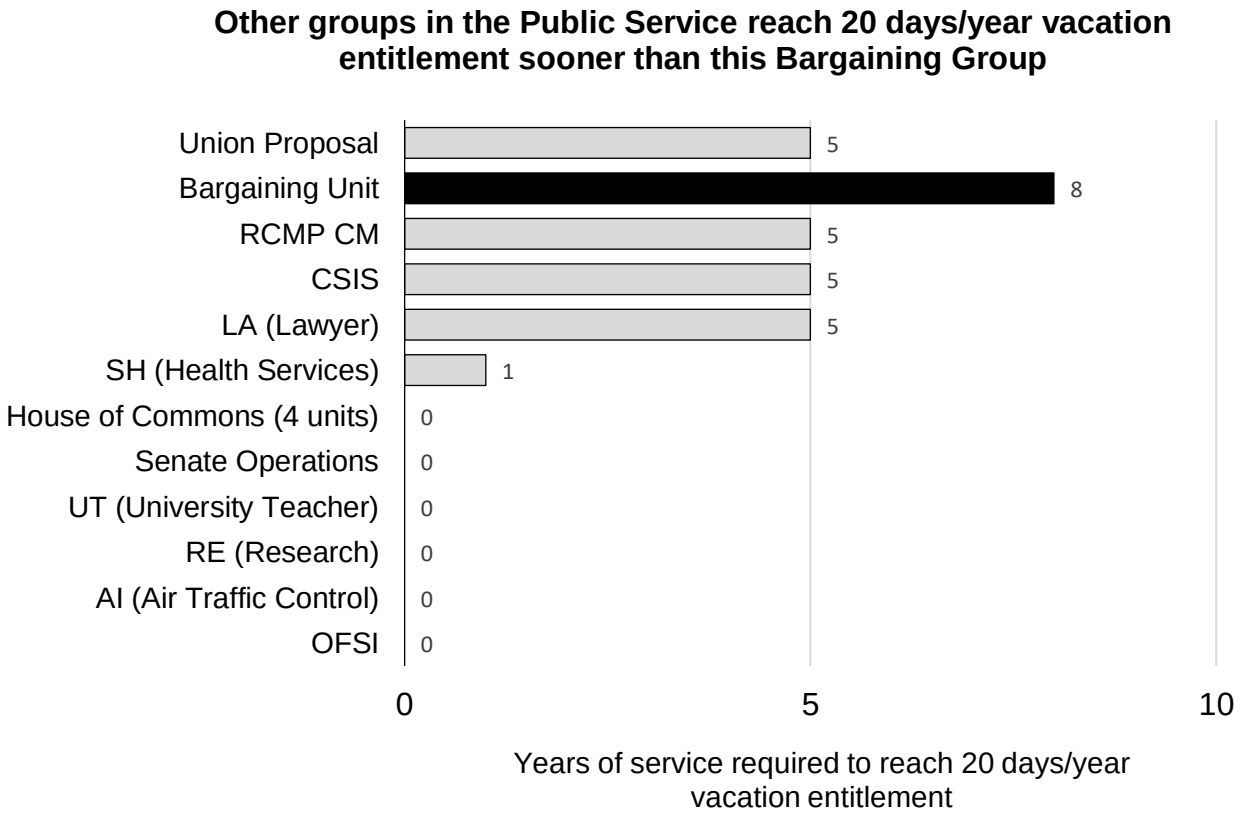


Vacation entitlements for this bargaining unit have not been updated in 20 years and consequently fall behind those of many other bargaining units in the broader federal sector.

Over a 30-year career, Bargaining Unit members in the TB core public administration can expect 5 per cent (CSIS) to 10 per cent (RCMP Civilian Members) fewer vacation days compared to other groups in the federal public sector (see below).

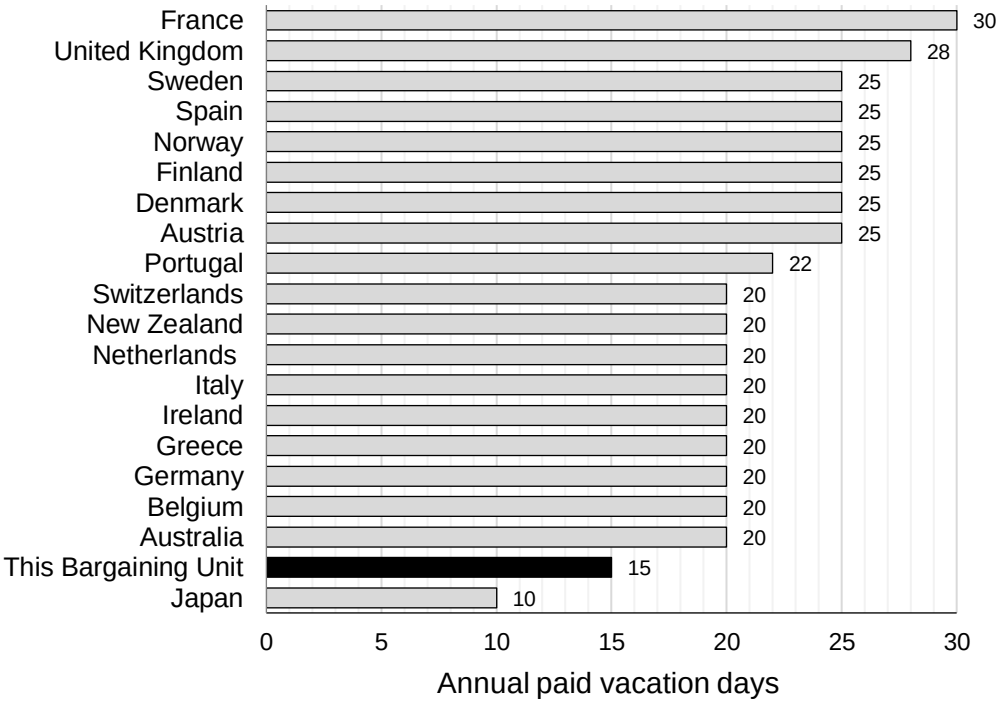
	Percent difference in vacation days over 30 years (TB core units versus other)
RCMP CM	-10%
CSIS	-5%
LA (Lawyers)	-6%
SH (Health Services)	-7%
House of Commons (4 units)	-9%
Senate Operations	-9%
UT (University Teachers)	-6%
RE (Research)	-6%
AI (Air Traffic Control)	-8%
OFSI (Office of the Superintendent of Financial Institutions)	-8%

The Union's proposal is to provide this bargaining unit the same vacation entitlements and accruement patterns already available to RCMP Civilian Members (CMs). Following the RCMP pattern, our bargaining unit members would be entitled to 20 days of annual paid vacation leave three years earlier: after five years of service, instead of eight. This is very reasonable and already found in other groups in the public sector as well as the Civilian Members of the RCMP. Many groups in the federal public service have a starting entitlement (in year 0) of 20 vacation days per year (please see graph below).



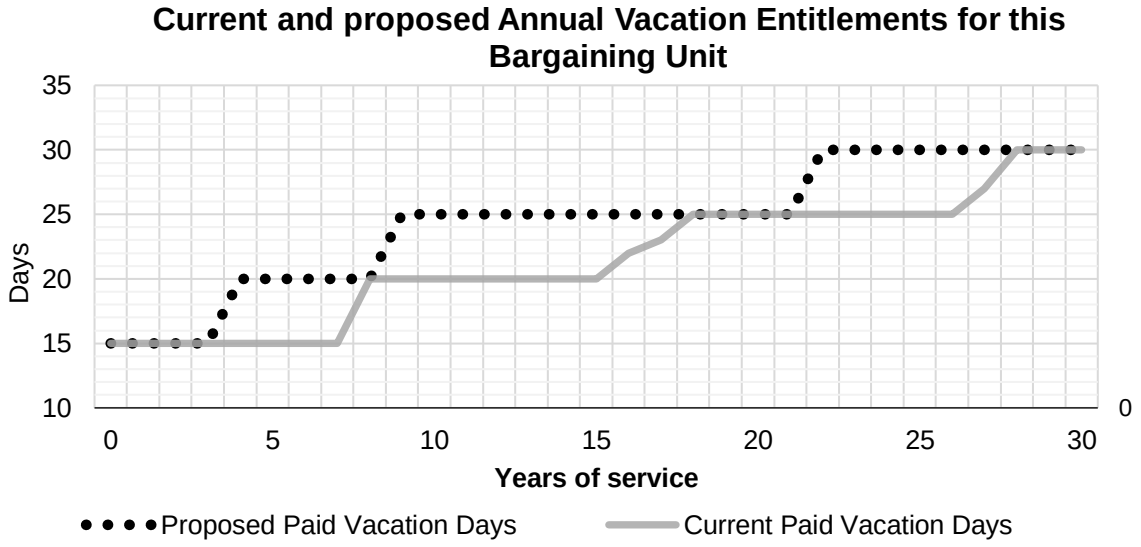
The Union's proposal to increase vacation days to 20 per year is below that of countries in the European Union and the vast majority of OCED countries. The European Union has established a floor of at least 20 working days of paid vacation for all workers. Similarly, other OECD countries, except for Japan, have a starting rate of 20 vacation days per year or more[59] (please see graph below). Increasing vacation days to 20 per year after five years is therefore very reasonable.

Mandated annual paid vacation days in OECD Nations (in working days) 2019



[59] *The United States remains devoid of paid vacation (and paid holidays) and were not included.* No-Vacation Nation, Revised; Center for Economic and Policy Research; Adewale Maye, May 2019 (accessed August 25, 2019) http://cepr.net/images/stories/reports/no-vacation-nation-2019-05.pdf

With this proposal, employees would also earn 25 vacation days sooner, after 10 years of service. Matching vacation entitlements to the RCMP Civilian Member (CM) pattern would also increase the total number of vacation days over 30 years. In the graph below, the solid grey line refers to the current pattern of this Bargaining Unit. The black dotted line pertains to the proposed changes, based on the RCMP CM pattern. RCMP CMs will join the federal public service and work side by side with current Bargaining Unit members. Current Bargaining Unit members should have the same vacation entitlements as the new employees joining from the RCMP.



Demographics in Canada's Federal Public Service have shifted over the last five years, where, prior to 2015 baby boomers (born between 1946 and 1966) made up the largest group core of federal public servants. As of 2018, more Generation Xers (born between 1967 and 1979) represent the largest proportion of public service workers (40.6%).[60]Offering attractive benefits including more paid vacation days sooner, will help

[60] **Demographic Snapshot of Canada's Public Service 2018 (**accessed August 25, 2019) https://www.canada.ca/en/treasury-board-secretariat/services/innovation/human-resources-statistics/demographic-snapshot-federal-public-service-2018.html

Aperçu démographique de la fonction publique du Canada, 2018

to continue attracting and retaining talented Millennials and Generation Xers to the federal public service.

Vacations are a win-win for both employees and organizations alike. Recent research showed that 64 per cent of people are refreshed and excited to return to their jobs following vacations. Employees cite *avoiding burnout* as their most important reason to take vacation days (Exhibit A15). Research supports this – stress is directly linked to health conditions ranging from headaches to cardiovascular diseases, cancer, and many types of infections as a result of an immune system weakened by stress. Taking vacations reduces the incidence of burnout (Exhibit A16). Research also shows that *productivity* improves when employees take time off and recharge. According to a 2013 Society for Human Resource Management (SHRM) study, employees who take more vacation time outperform those who do not[61]. CEOs rate *creativity* as a key trait for employees, however, especially younger generations, face a dramatic "creativity crisis". Taking a vacation leads to a change of pace and a 50 per cent spike in creativity, which, again benefits both employees and employers.[62]

Taking "time off" has a host of benefits for employers and employees. Bargaining Unit members have not received increases in vacation allotments in 20 years and current vacation entitlements are significantly below that of other groups in the public service and the RCMP. Considering these reasons, the Union respectfully asks the Commission to include this proposal in their recommendation.

<u>Amendment of Article 37.11: carry-over language</u>

The Union proposes to amend the wording in Article 37.11 to provide clarification to the interpretation of leave carry-over provision:

https://www.canada.ca/fr/secretariat-conseil-tresor/services/innovation/statistiques-ressources-humaines/apercu-demographique-fonction-publique-federale-2018.html

[61]Vacation's impact on the workplace https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Documents/SHRM-USTravel-Vacation-Benefits-Workplace-Impact.pptx

[62]Three Science-Based Reasons Vacations Boost Productivity https://www.psychologytoday.com/ca/blog/feeling-it/201708/three-science-based-reasons-vacations-boost-productivity

37.11 Carry-over and/or liquidation of vacation leave

> *Where, in any vacation year, an employee has not **used** ~~been granted~~ all of the vacation leave credited to him or her, the unused portion of his or her vacation leave up to a maximum of two hundred and sixty-two decimal five (262.5) hours credits shall be carried over into the following vacation year.*

The language in this article specifies that members shall carry forward unused portions of vacation leave up to a maximum of 262.5 hours into the following year. Amending the wording clarifies that carried forward vacation credits pertains to the proportion of granted hours that was *not used*. Frequent misinterpretation has resulted in management denying the carry-over of any days, even if they fall within the acceptable limit of 262.5 hours, perhaps to limit excessive carry-over credits. Members have reported that in some departments, management only allows carry-over in instances when leave has been requested and denied.

Several unions raised concerns about management's interpretation of carry-over at the at the Union of National Defence Employees' National Union-Management Consultation Committee this past summer (Exhibit A17). Following the UMC consultation, the Employer advised management that, in the spirit and intent of the provisions, bargaining Unit members should be allowed to carry over their unused credits into the next year if they were unable to use them in the current year. Life happens and it is not acceptable to punish our members either by allowing management to assign vacation times or to force members to give up their unused vacation time altogether. This proposal will ensure that management in all departments allows bargaining unit members to carry forward the vacation days they are entitled to. Considering these factors, the Union respectfully requests that the Commission include its proposals for Article 37 in its recommendation.

EMPLOYER PROPOSAL

Entitlement to Vacation Leave with Pay

37.04 An employee is entitled to vacation leave with pay to the extent of the employee's earned credits but an employee who has completed six (6) months of continuous **service** ~~employment~~ may receive an advance of credits equivalent to the anticipated credits for the current vacation year.

The Employer has not demonstrated a need to change continuous *employment* to continuous *service* in the context of vacation leave entitlement within the first six months of employment. The Union rejects this concessionary proposal.

None of the Treasury Board collective agreements have similar language. This proposal would introduce new language and concessionary provisions to the federal public service collective agreements.

The purpose of the clause is not to limit vacation entitlements or make it more difficult to earn them. As it currently stands, the clause ensures that employees, after six months of employment, can access an advance of credits equivalent to the credits they will earn in the current vacation year.

The Employer wants to replace continuous employment with continuous service as it pertains to vacation entitlements. This would have negative consequences for our members. Continuous *service* is used to determine rates of pay and increment dates based on services rendered. It is "*an unbroken period of employment in the public service in the context of determining the rate of pay on appointment. Continuous service is broken when employment ceases between two periods of public service employment for at least one compensation day* (Directive on Terms and Conditions)."[63] Continuous *employment* is "*one or more periods of service in the public service, as defined in the Public Service*

[63] Directive on Terms and Conditions of Employment http://publications.gc.ca/collections/collection_2017/sct-tbs/BT43-125-2017-eng.pdf
Directive sur les conditions d'emploi https://www.tbs-sct.gc.ca/pol/doc-fra.aspx?id=15772

Superannuation Act, with allowable breaks only as provided for in the terms and conditions of employment applicable to the person." (Directive on Terms and Conditions).” In the current collective agreement, *Accumulation* of *vacation leave credits* includes continuous and discontinuous service, therefore breaks in service would be allowed. For example, for the SV Group:

SV 37.03

a. i. For the purpose of clause 37.02 and 37.02.1 only, all service within the public service, whether continuous or discontinuous, shall count toward vacation leave.

In other words, if an employee has any break in *service* within the first six months of employment, they would not earn vacation entitlements during that break. If the six months are based on continuous service, in effect, employees would be punished for breaks in employment that may be entirely out of their control. The Employer’s proposal would result in different working conditions for members of the same bargaining unit, in similar positions, doing the same work. This is not fair or reasonable and not in the spirit of the clause.

It is for these reasons that the Union respectfully asks the Board not to include this proposal by the Employer in its recommendations.

ARTICLE 38
SICK LEAVE WITH PAY

PSAC PROPOSAL

Medical Certificate

38.XX In all cases, a medical certificate provided by a legally qualified medical practitioner shall be considered as meeting the requirements of paragraph 38.02(a).

38.XX When an employee is asked to provide a medical certificate by the Employer, the employee shall be reimbursed by the Employer for all costs associated with obtaining the certificate. Employees required to provide a medical certificate shall also be granted leave with pay for all time associated with the obtaining of said certificate.

RATIONALE:

The Union is proposing that a medical certificate provided by a legally qualified medical practitioner shall be considered as meeting the requirements of paragraph 38.02(a). Recognizing that health practitioners and professionals are regulated, legislated and defined differently in every province, any attempt to define “health practitioner” must not be structured in a way that puts undue hardship on workers. Not all workers have access to the same range of health practitioners, and not all situations require the same care, diagnosis or treatment. If a qualified medical practitioner provides a note that is appropriate and reasonable to the worker’s situation the leave or accommodation should not be denied.

Treasury Board has agreed to language that would protect against Employer abuses in this regard. As part of the new Employee Wellness Support Program (EWSP) currently being negotiated, between a number of federal public sector unions (PIPSC, IBEW, ACFO, CAPE) and Treasury Board, both sides have agreed on a common definition for a medical practitioner. This new definition reads as follows:

> *A physician, psychiatrist, dentist, or a nurse practitioner, in accordance with provincial or territorial laws and regulations, who is qualified to diagnose an illness or injury, and determine and/or provide medically necessary procedures or treatment to an employee for an illness or injury, and who is currently registered with a college or governing body to practice in their field.*

The language contained in Article 38 of the parties' current collective agreement provides the Employer with excessive and unnecessary flexibility. As a result of the language in the current 38.02 (a), certain managers have taken the position that a medical certificate from a legally qualified medical practitioner is insufficient proof of employee illness, and that instead employees must visit an occupational health professional from Health Canada to get a second opinion.

Furthermore, the Union is proposing that employees shall be reimbursed for the cost of any medical certificate required by the Employer. When the Collective Agreement was first negotiated, employees were seldom if ever charged for doctors' notes verifying illness. Times have changed, however, and the cost of obtaining a medical report or certificate varies widely and can be significant. While doctors' notes can be important when there is a major medical condition requiring workplace accommodation, a significant number of notes are written to excuse absences for minor illnesses. This is widely acknowledged to be an employee management strategy, a way to reduce absenteeism by forcing the worker to "prove" his or her illness. However, those who cannot afford a medical note may then attempt to work while ill or unfit to work, risking their own and others' health and safety. This is a growing issue that needs to be addressed.

Similar language is contained in the three PSAC collective agreements with the House of Commons, stemming from a 2010 FPSLREB arbitral award (485-HC-45). Similar language was also awarded by the Board in interest arbitration for PSAC members at the Senate of Canada (FPSLREB 485-SC-51) and PSAC members at the Library of Canada in 2017 (Exhibit A18). Furthermore, after having presented its case to a Public Interest Commission with CFIA in 2013, the PIC agreed with the Union that the employers should

reimburse employees for any medical certificate required by the Employer with the following rationale:

> *Given that it is at the employer's discretion to request a medical certificate, the PIC recommends that the collective agreement be amended to provide for reimbursement for any medical certificate required by the employer to a maximum of $35*. (Exhibit A19)

Hence the Union is simply proposing that the standards that currently exist for other federal workers and that have been deemed reasonable by arbitrators be put in place for workers in the core public administration. Thus, the Union respectfully requests that its proposals be included in the Board's award.

ARTICLE 43
PARENTAL LEAVE WITHOUT PAY

PSAC PROPOSAL

43.01 Parental leave without pay

a. Where an employee has or will have the actual care and custody of a new-born child (including the new-born child of a common-law partner), the employee shall, upon request, be granted parental leave without pay for **either:**

i. a single period of up to thirty-seven (37) consecutive weeks in the fifty-two (52) week period **(standard period),**

or

ii. a single period of up to sixty-three (63) consecutive weeks in the seventy-eight (78) week period (extended period, in relation to the Employment Insurance parental benefits),

beginning on the day on which the child is born or the day on which the child comes into the employee's care.

b. Notwithstanding 40.01(a)(i) or (ii) where an employee has or will have the actual care and custody of a new-born child (including the new-born child of a common-law partner), the employee shall, upon request, be granted shared parental leave without pay or paternity leave without pay for either:

i. a single period of up to five (5) consecutive weeks in the fifty-seven (57) week period (standard period),

or

ii. a single period of up to eight (8) consecutive weeks in the eighty-six (86) week period (extended period, in relation to the Employment Insurance parental benefits),

beginning on the day on which the child is born or the day on which the child comes into the employee's care.

c. Where an employee commences legal proceedings under the laws of a province to adopt a child or obtains an order under the laws of a province for the adoption of a child, the employee shall, upon request, be granted parental leave without pay for **either:**

i. a single period of up to thirty- seven (37) consecutive weeks in the fifty-two (52) week period **(standard period),**

or

ii. a single period of up to sixty-three (63) consecutive weeks in the seventy-eight (78) week period (extended period, in relation to the Employment Insurance parental benefits),

beginning on the day on which the child comes into the employee's care.

d. Notwithstanding 40.01(c)(i) or (ii) Where an employee commences legal proceedings under the laws of a province to adopt a child or obtains an order under the laws of a province for the adoption of a child, the employee shall, upon request, be granted shared parental leave without pay for either:

i. a single period of up to five (5) consecutive weeks in the fifty-seven (57) week period (standard period),

or

ii. a single period of up to eight (8) consecutive weeks in the eighty-six (86) week period (extended period, in relation to the Employment Insurance parental benefits),

e. Notwithstanding paragraphs (a) and (~~b~~**c**) above, at the request of an employee and at the discretion of the Employer, the leave referred to in the paragraphs (a) and (~~b~~**c**) above may be taken in two periods.

f. Notwithstanding paragraphs (a)**, (b), (c)** and (~~b~~**d**):

i. where the employee's child is hospitalized within the period defined in the above paragraphs, and the employee has not yet proceeded on parental leave without pay,

or

ii. where the employee has proceeded on parental leave without pay and then returns to work for all or part of the period while his or her child is

hospitalized,the period of parental leave without pay specified in the original leave request may be extended by a period equal to that portion of the period of the child's hospitalization while the employee was not on parental leave. However, the extension shall end not later than one hundred and four (104) weeks after the day on which the child comes into the employee's care.

g. An employee who intends to request parental leave without pay shall notify the Employer at least four (4) weeks before the commencement date of such leave.

h. The Employer may:

i. defer the commencement of parental leave without pay at the request of the employee;

ii. grant the employee parental leave without pay with less than four (4) weeks' notice;

iii. require an employee to submit a birth certificate or proof of adoption of the child.

i. Leave granted under this clause shall count for the calculation of "continuous employment" for the purpose of calculating severance pay and "service" for the purpose of calculating vacation leave. Time spent on such leave shall count for pay increment purposes.

43.02 Parental Allowance

The parental allowance is payable under two options either 1) over a standard period in relation to the Employment Insurance parental benefits or Quebec Parental Insurance Plan or 2) over an extended period, in relation to the Employment Insurance parental benefits.

Once an employee opts for standard or extended parental leave, the decision is irrevocable. Once the standard or extended parental leave weekly top up allowance is set, it shall not be changed should the employee opt to return to work at an earlier date than that originally scheduled.

a. An employee who has been granted parental leave without pay, shall be paid a parental allowance in accordance with the terms of the Supplemental Unemployment Benefit (SUB) Plan described in paragraphs (c) to (~~i~~**j**), **or (m) to (t)** providing he or she:

i. has completed six (6) months of continuous employment before the commencement of parental leave without pay,

ii. provides the Employer with proof that he or she has applied for and is in receipt of parental, **shared parental**, paternity or adoption benefits under the Employment Insurance or the Québec Parental Insurance Plan in respect of insurable employment with the Employer, and

iii. has signed an agreement with the Employer stating that:

A. the employee will return to work on the expiry date of his or her parental leave without pay, unless the return to work date is modified by the approval of another form of leave;

B. Following his or her return to work, as described in section (A), the employee will work for a period equal to the period the employee was in receipt of the parental allowance, in addition to the period of time referred to in section 38.02(a)(iii)(B), if applicable;

C. should he or she fail to return to work for the Employer, Parks Canada, the Canada Revenue Agency or the Canadian Food Inspection Agency in accordance with section (A) or should he or she return to work but fail to work the total period specified in section (B), for reasons other than death, lay-off, early termination due to lack of work or discontinuance of a function of a specified period of employment that would have been sufficient to meet the obligations specified in section (B), or having become disabled as defined in the Public Service Superannuation Act, he or she will be indebted to the Employer for an amount determined as follows:

$$\text{(allowance received)} \times \frac{\text{(remaining period to be worked following his or her return to work)}}{\text{[total period to be worked as specified in (B)]}}$$

however, an employee whose specified period of employment expired and who is rehired in any portion of the core public administration as specified in the ~~Public Service Labour Relations Act~~ **Federal Public Sector Labour Relations Act** or Parks Canada, the Canada Revenue Agency or the Canadian Food Inspection Agency within a period of ninety (90) days or less is not indebted for the amount if his or her new period of employment is sufficient to meet the obligations specified in section (B).

b. For the purpose of sections (a)(iii)(B), and (C), periods of leave with pay shall count as time worked. Periods of leave without pay during the employee's return to work will not be counted as time worked but shall interrupt the period referred to in section (a)(iii)(B), without activating the recovery provisions described in section (a)(iii)(C).

(Option 1)

Standard Parental Allowance:

c. Parental Allowance payments made in accordance with the SUB Plan will consist of the following:

i. where an employee **on parental leave without pay as described in 40.01(a)(i) and (b)(i), has chosen to receive Standard Employment Insurance parental benefits and** is subject to a waiting period before receiving Employment Insurance parental benefits, ninety-three per cent (93%) of his or her weekly rate of pay for ~~each week of~~ the waiting period, less any other monies earned during this period;

ii. for each week the employee receives parental~~,~~ **or** adoption ~~or paternity~~ benefit**s** under the Employment Insurance or the Québec Parental Insurance Plan, he or she is eligible to receive the difference between ninety-three per cent (93%) of his or her weekly rate and the parental~~,~~ **or** adoption ~~or paternity~~ benefit**s**, less any other monies earned during this period which may result in a decrease in his or her parental, adoption ~~or paternity~~ benefit to which he or she would have been eligible if no extra monies had been earned during this period;

iii. where an employee has received the full eighteen (18) weeks of maternity benefit and the full thirty-two (32) weeks of parental benefit under the Québec Parental Insurance Plan and thereafter remains on parental leave without pay, she is eligible to receive a further parental allowance for a period of two (2) weeks, ninety-three per cent (93%) of her weekly rate of pay for each week, less any other monies earned during this period;

iv. where an employee has received the full thirty-five (35) weeks of parental benefit under the Employment Insurance and thereafter remains on parental leave without pay, he or she is eligible to receive a further parental allowance for a period of one (1) week, ninety-three per cent (93%) of his or her weekly rate of pay for each week, less any other monies earned during this period, unless said employee has

already received the one (1) week of allowance contained in 38.02(c)(iii) for the same child.

d. Standard Shared Parental Benefit payments or Standard Paternity Benefits made in accordance with the SUB Plan will consist of the following:

i. for each week the employee receives shared parental benefits under the Employment Insurance or paternity benefits under the Québec Parental Insurance Plan, he or she is eligible to receive the difference between ninety-three per cent (93%) of his or her weekly rate and the shared parental benefits or paternity benefits, less any other monies earned during this period which may result in a decrease in his or her shared parental benefits or paternity benefits to which he or she would have been eligible if no extra monies had been earned during this period;

e. At the employee's request, the payment referred to in subparagraph 40.02(c)(i) will be estimated and advanced to the employee. Adjustments will be made once the employee provides proof of receipt of Employment Insurance ~~or Québec Parental Insurance Plan parental benefits~~.

f. The parental allowance to which an employee is entitled is limited to that provided in paragraph**s** (c) **and (d)** and an employee will not be reimbursed for any amount that he or she is required to repay pursuant to the Employment Insurance Act or the Parental Insurance Act in Quebec.

g. The weekly rate of pay referred to in paragraph**s** (c) **and (d)** shall be:

i. for a full-time employee, the employee's weekly rate of pay on the day immediately preceding the commencement of parental **or shared parental** or paternity leave without pay;

ii. for an employee who has been employed on a part-time or on a combined full-time and part-time basis during the six (6) month period preceding the commencement of parental **or shared parental or paternity** leave without pay, the rate obtained by multiplying the weekly rate of pay in subparagraph (i) by the fraction obtained by dividing the employee's straight time earnings by the straight time earnings the employee would have earned working full-time during such period.

h. The weekly rate of pay referred to in paragraph ~~(f)~~ **(g)** shall be the rate to which the employee is entitled for the substantive level to which he or she is appointed.

i. Notwithstanding paragraph ~~(g)~~ **(h)**, and subject to subparagraph (~~f~~**g**)(ii), if on the day immediately preceding the commencement of parental **or shared parental or paternity** leave without pay an employee is performing an acting assignment for at least four (4) months, the weekly rate shall be the rate the employee was being paid on that day.

j. Where an employee becomes eligible for a pay increment or pay revision that would increase the parental **shared parental or paternity** allowance while in receipt of parental **shared parental or paternity** allowance, the allowance shall be adjusted accordingly.

k. Parental**, shared parental or paternity** allowance payments made under the SUB Plan will neither reduce nor increase an employee's deferred remuneration or severance pay.

l. **Under option 1, t**he maximum combined shared, maternity**,** ~~and~~ parental**, shared parental and paternity** allowances payable under this collective agreement shall not exceed fifty-**seven** ~~two (52)~~ **(57)** weeks for each combined maternity, ~~and~~ parental**, shared parental and paternity** leave without pay.

(New)
(Option 2)

Extended Parental Allowance:

m. Parental Allowance payments made in accordance with the SUB Plan will consist of the following:

i. where an employee on parental leave without pay as described in 40.01(a)(ii) and (b)(ii), has chosen to receive Extended Employment Insurance parental benefits and is subject to a waiting period before receiving Employment Insurance parental benefits, ninety-three per cent (93%) of his or her weekly rate of pay for the waiting period, less any other monies earned during this period;

ii. for each week the employee receives parental or adoption benefits under the Employment Insurance, he or she is eligible to receive the difference between ninety-three per cent (93%) of his or her weekly rate and the parental, adoption benefit, less any other monies earned during this period which may result in a decrease in his or her parental, adoption benefit to which he or

she would have been eligible if no extra monies had been earned during this period;

n. Extended Shared Parental Benefit payments made in accordance with the SUB Plan will consist of the following:

i. for each week the employee receives shared parental benefits under the Employment Insurance Plan, he or she is eligible to receive the difference between ninety-three per cent (93%) of his or her weekly rate and the shared parental benefits, less any other monies earned during this period which may result in a decrease in his or her shared parental benefits to which he or she would have been eligible if no extra monies had been earned during this period;

o. At the employee's request, the payment referred to in subparagraph 40.02(m)(i) and 40.02 (n)(i) will be estimated and advanced to the employee. Adjustments will be made once the employee provides proof of receipt of Employment Insurance.

p. The parental allowance to which an employee is entitled is limited to that provided in paragraph (m) and (n) and an employee will not be reimbursed for any amount that he or she is required to repay pursuant to the Employment Insurance Act.

q. The weekly rate of pay referred to in paragraphs (m) and (n) shall be:

i. for a full-time employee, the employee's weekly rate of pay on the day immediately preceding the commencement of parental or shared parental leave without pay;

ii. for an employee who has been employed on a part-time or on a combined full-time and part-time basis during the six (6) month period preceding the commencement of parental or shared parental leave without pay, the rate obtained by multiplying the weekly rate of pay in subparagraph (i) by the fraction obtained by dividing the employee's straight time earnings by the straight time earnings the employee would have earned working full-time during such period.

r. The weekly rate of pay referred to in paragraphs (m) and (n) shall be the rate to which the employee is entitled for the substantive level to which he or she is appointed.

s. Notwithstanding paragraph (r), and subject to subparagraph (q)(ii), if on the day immediately preceding the commencement of parental or shared parental leave without pay an employee is performing an acting assignment for at least four (4) months, the weekly rate shall be the rate the employee was being paid on that day.

t. Where an employee becomes eligible for a pay increment or pay revision while in receipt of the parental or shared parental allowance, the parental or shared parental allowance shall be adjusted accordingly.

u. Parental or shared parental allowance payments made under the SUB Plan will neither reduce nor increase an employee's deferred remuneration or severance pay.

Under option 2, the maximum combined, maternity, parental and shared parental allowances payable under this collective agreement shall not exceed eighty-six (86) weeks for each combined maternity, parental and shared parental leave without pay.

RATIONALE:

The new language mostly reflects changes to the EI parental benefits brought in the 2017 and 2018 federal budgets. With respect to Article 43.01 the Union has mostly deferred to the Employer's proposed language and we believe the parties are in agreement. The disagreement between the parties mostly pertains to the Union's proposal that the ninety-three per cent (93%) supplementary parental allowance shall apply for the entirety of the new extended parental leave without pay. To better understand the Union rationale for the suggested changes in Article 43.02, some additional context is useful. The 2017 and 2018 improvements to EI parental benefits affected the supplementary allowances included in the Collective Agreement. Under the new EI rules there are additional options for the parental leave:

- parents can choose to receive EI benefits over the current 35 weeks at the existing 55 per cent of their insurable earnings or;

- parents can opt to receive EI benefits over a 61-week period at 33 per cent of their insurable earnings.

In addition, parents are eligible to receive extra weeks of parental benefits when the leave is shared.

Parents need to select their option for EI parental benefits (standard or extended) at the time of applying for EI benefits. Under the current Collective Agreement, the maximum shared maternity and parental allowances payable is 52 weeks, which includes 35 weeks of parental allowance. However, the parental leave top-up provision continues to apply, and if employees elect to receive the lower replacement benefits over a 63-week period, they remain entitled to the difference between EI parental benefits and 93 per cent of their weekly rate of pay for the first 35 weeks (Exhibit A20). Moreover, under the current language, when an employee is on extended leave, the parental top-up allowance ceases at the end of the 35 weeks but employees are still entitled to receive 33 per cent EI parental benefits for the remainder of the extended parental leave without pay period.

During bargaining, the Employer tabled new language including a supplementary parental allowance that would allow for a top-up equal to 55.8 per cent of the employee's rate of pay for the duration of the extended parental leave (Exhibit A1). The Union rejected the Employer proposal for two specific reasons.

First, most parents cannot afford to live with only 55.8 per cent of their income. This would be even more difficult for families where income comes from precarious work, as well as for single parents and single-earner families. Under the Employer proposal, only families where at least one parent earning a high income might be able to take advantage of the extended parental leave options. Otherwise, without access to a proper supplementary allowance, most members of this bargaining unit would be facing a false option where they are expected to choose between the standard period or an extended period that is simply unaffordable. In summary, the payment of parental benefits over a longer period

at a lower benefit rate disincentivizes use and is less likely to be found as a viable option to low-income or single-parent families.

Second, the Union is looking to negotiate improvements for our members, not concessions. As it currently stands, the Employer proposal would result in a net loss of salary for our members on extended parental leave. The Employer calculations are supposedly based upon a cost-neutral approach where the 93 per cent over 35 weeks is converted in 55.8 per cent over 61 weeks. However, our members are currently entitled to 33 per cent for the remaining 26 weeks of leave in addition to 93 per cent for the first 35 weeks. Ultimately, the Employer proposal would be to the detriment of our membership when simply comparing it to status quo as demonstrated by the calculations below:

PARENTAL ALLOWANCE UNDER THE CURRENT COLLECTIVE AGREEMENT FOR AN EMPLOYEE CLASSIFIED AS A CR-04.

	Weekly Rate of Pay (maximum)	Weekly Rate of Pay (93%)	Weekly EI Benefit (33%)	Weekly ER SUB Cost	EE Weekly Total Remuneration
First 35 weeks	$987.39	$918.27	$325.84	$592.43	$918.27
Next 26 weeks	$987.39		$325.84		$325.84

	Salary	Weeks	EI Overall Payments to EE	ER Overall SUB Cost	EE Total Remuneration
First 35 weeks	93%	35	$11,404.40	$20,735.14	**$32,139.54**
Next 26 weeks	33%	26	$8,471.84	$0.00	**$8,471.84**
Total		61	$19,876.24	$20,735.14	**$40,611.38**

61 weeks of full pay for an employee classified as a CR-04 would equal $60,230.79, therefore, as illustrated by the table above, the existing arrangement is worth 67.4 per

cent of a CR-04's salary over the same period. A supplementary allowance below 67.4 per cent would result in cost saving for the Employer but conversely in a significant monetary concession for our members. If the Union were to agree to the Employer proposal of a 55.8 per cent allowance, by using the above example, an employee classified as a CR-04 would see overall compensation reduced by $7000 over a 61-week period.

EXTENDED PARENTAL ALLOWANCE UNDER THE EMPLOYER PROPOSAL FOR AN EMPLOYEE CLASSIFIED AS A CR-04.

	Weekly Rate of Pay (maximum)	Weekly EI Benefit (33%)	ER SUB	Weekly ER SUB Cost	EE Weekly Total Remuneration
61 weeks	$987.39	$325.84	22.8%	$225.12	$550.96

	Salary	Weeks	ER Overall SUB Cost	EE Overall Remuneration	EE Overall Remuneration Loss
61 weeks	**55.8%**	**61**	**$13,732.62**	**$33,608.86**	**-$7,002.52**

Contrary to the Employer proposal, the PSAC is looking to negotiate improvements to the parental leave provision for our members. During bargaining, the Employer response was that the Treasury Board is inclined to mirror the changes in the legislation but is not willing to set a new precedent. However, the changes implemented by the government fell short and did not increase the actual value of employment insurance benefits for employees who take the extended parental leave. Instead, the government is spreading 12 months' worth of benefits over 18 months. Nevertheless, the federal public service is in a unique position to bring about positive changes. With close to 288,000 employees in 2019,[64] the Federal Government is by far the biggest employer in the country and as such, its

[64] Population of the Federal Public Service, Statistics Canada, https://www.canada.ca/en/treasury-board-secretariat/services/innovation/human-resources-statistics/population-federal-public-service.html

ramifications on the Canadian economy, the middle class and the evolution of labour standards and social benefits cannot be denied.

A recent study of the federal public service's influence on the Canadian economy found that federal public service jobs have a meaningful impact on our society. One of the key conclusions of the study was on the contribution of the federal public service to eliminating gender inequality and helping close the employment gap between men and women.[65] In a statement, former Status of Women Minister Maryam Monsef highlighted the main objectives of the changes to the EI parental benefits: "*Encouraging all parents to be engaged in full-time caregiving for their infants will help to create greater financial security for women and stronger bonds between parents and their babies*."[66] Then again, there is still room for improvement as, in comparison to other OECD countries, Canada's paid parental leave places us in the middle in terms of paid time parents have away from work.[67]

The extended leave at 55.8 per cent of income for parents is also not an adequate substitute for a high quality, accessible child care system. In its 2016 reform proposal on maternity and parental EI benefits, the Child Care Association of Canada (CCAC) explained that the extended parental leave coverage would be attractive for parents because affordable child care for children under 18 months is very limited. The Canadian Centre for Policy Alternatives' (CCPA) 2014 study of Child Care fees in Canada's large cities also echoed a similar conclusion. Their findings report that ''*infant spaces (under 1.5 years) are the hardest to find and the most expensive. The number licensed spaces for infants is the lowest of the three age categories.*''.

[65] The Public Services: an important driver of Canada's Economy, Institut de Recherche d'Informations Socioéconomiques (IRIS), September 2019, https://cdn.irisrecherche.qc.ca/uploads/publication/file/Public_Service_WEB.pdf
[66] 'Use-it-or-lose-it' extended parental leave coming in 2019, CTV News, September 26, 2018 https://www.ctvnews.ca/canada/use-it-or-lose-it-extended-parental-leave-coming-in-2019-1.4110069
[67] Length of maternity leave, parental leave, and paid father-specific leave, OECD, https://stats.oecd.org/index.aspx?queryid=54760

Most parents who choose an extended leave do so because they cannot find openings nor afford to put their infant in child care if they were to return to work after 12 months. CCPA's report finds that ''the high cost of providing infant care means that many centres are unable to sustain it while many families cannot afford full-infant fees'' and that parents working in large cities such as Toronto are faced with a median full-day infant child care fees of $1,676 a month.

Once again, our objective is to extend the current 12 months of maternity and parental leave top up to the full 18-month period. A 93 percent income replacement rate of combined EI benefits and top-up payments is assumed to equal the usual full salary, due to tax and other advantages. Employers are meant to gain from this program since employees are enticed to return to the same employer, which helps retain experienced employees and reduce retraining or new hiring. Indeed, the Union would submit that our proposal for a supplementary allowance is not only beneficial to our members but would also help the Employer with the retention of employees. Statistics Canada's study of employer "top-ups'' concluded that, in the case of maternity and parental leaves, "*almost all women with top-ups return to work and to the same employer.*"[68]The Union submits that parental leave income replacement should be seen as a competitive factor which helps them attract and retain employees.

For all the reasons above, the Union respectfully requests that the Commission include the Union's proposals for Article 43 in its recommendations.

[68] Statistics Canada, Employer top-ups, by Katherine Marshall, https://www150.statcan.gc.ca/n1/pub/75-001-x/2010102/article/11120-eng.htm#a2
Statistiques Canada, Prestations complémentaires versées par l'employeur, par Katherine Marshall, https://www150.statcan.gc.ca/t1/tbl1/fr/tv.action?pid=1110002801&request_locale=

ARTICLE 45
COMPASSIONATE CARE LEAVE

PSAC PROPOSAL

45.01 ~~Notwithstanding the definition of "family" found in clause 2.01 and notwithstanding paragraphs 45.02(b) and (d) above, an~~ **An** employee who provides the Employer with proof that he or she is in receipt of or awaiting Employment Insurance (EI) benefits for Compassionate Care Benefits**, Family Caregiver Benefits for Children and/or Family Caregiver Benefits for Adults** may be granted leave ~~for periods of less than three (3) weeks~~ **without pay while** in receipt of or awaiting these benefits.

45.02 The leave without pay described in 45.01 shall not exceed twenty-six (26) weeks for Compassionate Care Benefits, thirty-five (35) weeks for Family Caregiver Benefits for Children and fifteen (15) weeks for Family Caregiver Benefits for Adults, in addition to any applicable waiting period.

~~**45.02** Leave granted under this clause may exceed the five (5) year maximum provided in paragraph 45.02(c) above only for the periods where the employee provides the Employer with proof that he or she is in receipt of or awaiting Employment Insurance (EI) Compassionate Care Benefits.~~

45.03 When notified, an employee who was awaiting benefits must provide the Employer with proof that the request for Employment Insurance (EI) Compassionate Care Benefits**, Family Caregiver Benefits for Children and/or Family Caregiver Benefits for Adults** has been accepted.

45.04 When an employee is notified that their request for Employment Insurance (EI) Compassionate Care Benefits**, Family Caregiver Benefits for Children and/or Family Caregiver Benefits for Adults** has been denied, clause~~s~~ 45.01 ~~and 45.02~~ above cease**s** to apply.

45.05 Leave granted under this clause shall count for the calculation of "continuous employment" for the purpose of calculating severance pay and "service" for the purpose of calculating vacation leave. Time spent on such leave shall count for pay increment purposes.

45.06 Where an employee is subject to a waiting period before receiving Compassionate Care benefits or Family Caregiver benefits for children or adults, he or she shall receive an allowance of ninety-three per cent (93%) of her weekly rate of pay.

45.07 Where an employee receives Compassionate Care benefits or Family Caregiver benefits for children or adults under the *Employment Insurance Plan*, he or she shall receive the difference between ninety-three per cent (93%) of his or her weekly rate and the Employment Insurance benefits for a maximum period of (7) seven weeks.

RATIONALE:

Concerning changes made in Articles 45.01 to 45.05, the Union believes that both parties are mostly in agreement. These amendments consist of housekeeping changes brought about by the 2016 Review of the EI system.[69]

Where the Union and the Employer are not in agreement is on the need for a supplementary allowance for workers in receipt of or awaiting Employment Insurance (EI) benefits for Compassionate Care Benefits or Family Caregiver Benefits. In Articles 45.06 and 45.07, the Union proposes an allowance for the difference between EI benefits and 93 per cent of the employee's weekly rate of pay. This supplementary allowance would cover a maximum period of eight weeks when including the waiting period.

Providing care or support to a loved one who is experiencing a terminal illness, life-threatening injury or approaching end of life can be a very difficult experience. Having the proper support from your employer can make a tremendous difference in easing those difficulties. Even if a worker is eligible to receive EI benefits, caring for a gravely ill family member can jeopardize an individual's or a family's financial stability. Having to choose between a living wage and caring for their family member may act as a deterrent to the employee accessing such leave, especially for a family or household consisting of a single-income earner. According to the latest data available, there are more than three million families in Canada which identify as a single-income earner or lone-parent earner

[69] Employment Insurance –Recent Improvements & Overview, Employment & Social Development Canada, https://www.canada.ca/en/employment-social-development/programs/results/employment-insurance.html
Programme de l'assurance-emploi –Récentes améliorations et aperçu. Emploi et Développement social Canada, https://www.canada.ca/fr/emploi-developpement-social/programmes/resultats/assurance-emploi.html

and the number of these families has grown by more than 64,000 between 2015 and 2017[70]. Moreover, remaining at work for financial reasons instead of taking care of a loved one is a difficult decision that could have a serious impact on an employee's mental health. This proposal is about support for the workers when they need it most.

The federal Supplemental Unemployment Benefit (SUB) Program was introduced in 1956 with the goal of subsidizing employees with Employment Insurance (EI) benefits while they are temporarily on a leave without pay. With EI replacing only 55 per cent of previous earnings, a SUB payment helps to further reduce the net loss of earnings. A 93 per cent income replacement rate of combined EI benefits and top-up payments is assumed to equal the usual full salary, due to tax and other advantages. Employers are meant to gain from this program since employees are enticed to return to the same employer, which helps retain experienced employees and reduces the need for retraining or new hiring. Indeed, the Union would submit that our proposal for a supplementary allowance is not only beneficial to our members but would also help the Employer with the retention of employees. Statistics Canada's study of employer "top-ups'' concluded that, in the case of maternity and parental leaves, "*almost all women with top-ups return to work and to the same employer."*[71] The Union submits that an employer supplementary allowance for compassionate care and caregiver leave acts as a strong incentive for all employees, to not only return to the workforce after a difficult period, but also stay with the same employer.

The Union's proposal for a supplementary allowance is also predicated upon what has already been established elsewhere within the federal public administration. In a recent

[70] Statistics Canada, Table: 11-10-0028-01 (formerly CANSIM 111-0020), Single-earner and dual-earner census families by number of children, https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110002801
Statistique Canada, Tableau: 11-10-0028-01 (anciennement connu sous CANSIM 111-0020), Familles de recensement avec un ou deux soutiens selon le nombre d'enfants, https://www150.statcan.gc.ca/t1/tbl1/fr/tv.action?pid=1110002801&request_locale=fr

[71] Statistics Canada, Employer top-ups, by Katherine Marshall, https://www150.statcan.gc.ca/n1/pub/75-001-x/2010102/article/11120-eng.htm#a2
Statistiques Canada, Prestations complémentaires versées par l'employeur, par Katherine Marshall, https://www150.statcan.gc.ca/t1/tbl1/fr/tv.action?pid=1110002801&request_locale=fr

settlement, the PSAC and the National Battlefields Commission, a federal agency under the *Financial Administration Act*, have agreed on an even more extensive supplementary allowance of 26 weeks for employees who are granted a leave without pay for compassionate care and caregiver leave (Exhibit A21).

For all the reasons above, the Union respectfully requests that the Commission include the Union's proposals for Article 45 in its recommendation.

ARTICLE 60
EMPLOYEE PERFORMANCE REVIEW AND EMPLOYEE FILES

PSAC PROPOSAL

60.05 At no time may electronic monitoring systems be used as a means to evaluate the performance of employees, or to gather evidence in support of disciplinary measures unless such disciplinary measures result from the commission of a criminal act.

RATIONALE:

A significant number of employees in the SV bargaining unit work in an environment where surveillance cameras and other forms of equipment are common. This includes members who work in correctional facilities, as well as on National Defense bases and installations. While there are some legitimate health and safety reasons to engage in some forms of surveillance, the rights and dignity of employees need to be protected. It is the Union's position that the use of this surveillance for evaluation or disciplinary purposes is inappropriate and excessive.

Furthermore, arbitrators have been generally of the view that video surveillance collected for one purpose ought to be restricted in its use to that purpose and an employer will ordinarily not be entitled to use surveillance evidence obtained for non-disciplinary purposes to discipline employees for misconduct. This is consistent with the rulings of Privacy Commissioners.[72]

As a result, the Union is proposing that the language contained in the Canada Post collective agreement covering workers in Canada Post postal plants be included in the

[72] See, for example, Investigation Report P2005-IR-004 (R.J. Hoffman Holdings Ltd.), [2005] A.I.P.C.D. No. 49 (QL) (Denham), Lancaster's Human Rights and Workplace Privacy, August 17, 2005, alert No. 47, in which the Alberta Information and Privacy Commissioner ruled that video footage from cameras which were justifiable for the purpose of monitoring security, but were subsequently used to record (albeit inadvertently) an incident on which the employer sought to base the dismissal of an employee, violated employees' privacy rights insofar as the video footage exceeded the original purpose for which the cameras had been installed.

collective agreement (Exhibit A22), and respectfully requests that the Commission include this language in its recommendations

ARTICLE 67
PAY ADMINISTRATION

PSAC PROPOSAL

67.02 An employee is entitled to be paid **bi-weekly period or bi-monthly, where applicable,** for services rendered at:

a. the pay specified in Appendix A-1 for the classification of the position to which the employee is appointed, if the classification coincides with that prescribed in the employee's certificate of appointment; or

b. the pay specified in Appendix A-1 for the classification prescribed in the employee's certificate of appointment, if that classification and the classification of the position to which the employee is appointed do not coincide.

Should the Employer fail to pay the employee as prescribed in (a) or (b) above on the specified pay date, the employer shall, in addition to the pay, award the employee the Bank of Canada daily compounded interest rate until the entirety of the employee pay issues have been resolved.

The Employer shall also reimburse the employee for all interest charges or any other financial penalties or losses or administrative fees accrued as a result of improper pay calculations or deductions, or any contravention of a pay obligation defined in this collective agreement.

67.X1

a. An employee who is required to act at a higher level shall receive an increment at the higher level after having reached fifty-two (52) weeks of cumulative service at the same level.

b. For the purpose of defining when employee will be entitled to go to the next salary increment of the acting position, "cumulative" means all periods of acting at the same level.

67.X2

Any NJC allowances an employee is in receipt of when the employee commences to act in a higher classification shall be maintained without interruption during the period the employee is acting.

NEW – Deduction Rules for Overpayments

Where an employee, through no fault of his or her own, has been overpaid in excess of fifty dollars ($50), the Employer is prohibited from making any unilateral or unauthorized deductions from an employee's pay and:

- **a) no repayment shall begin until all the employee pay issues have been resolved;**
- **b) repayment shall be calculated using the net amount of overpayment;**
- **c) the repayment schedule shall not exceed ten percent (10%) of the employee's net pay each pay period until the entire amount is recovered. An employee may opt into a repayment schedule above ten percent (10%);**
- **d) in determining the repayment schedule, the employer shall take into consideration any admission of hardship created by the repayment schedule on the employee.**

NEW – Emergency Salary or Benefit Advances

On request, an employee shall be entitled to receive emergency salary, benefit advance and/or priority payment from the Employer when, due to no fault of the employee, the employee has been under paid as a result of improper pay calculations or deductions, or as a result of any contravention of any pay obligation defined in this agreement by the Employer. The emergency advance and/or priority payment shall be equivalent to the amount owed to the employee at the time of request and shall be distributed to the employee within two (2) days of the request. The receipt of an advance shall not place the employee in an overpayment situation. The employee shall be entitled to receive emergency advances as required until the entirety of the pay issue has been resolved.

No repayment shall begin until the all the employee pay issues have been resolved and:

- **a) repayment schedule shall not exceed ten percent (10%) of the employee's net pay each pay period until the entire amount is recovered. An employee may opt into a repayment schedule above ten percent (10%);**

- **b) in determining the repayment schedule, the employer shall take into consideration any admission of hardship created by the repayment schedule on the employee.**

NEW – Accountant and Financial Management Counselling

The Employer shall reimburse an employee all fees associated with the use of accounting and/or financial management services by an employee if the use of these services is required as a result of improper pay calculations and disbursements made by the Employer.

RATIONALE:

Under Article 67.02 the Union proposes to include new language which would pay interest at the Bank of Canada overnight rate to an employee for the entirety of the time that their pay issues have not been resolved. As many as one in three PSAC members affected by Phoenix has incurred out-of-pocket expenses as a result of the debacle resulting from a faulty pay system introduced by the Employer. Several employees have experienced severe personal or financial hardship due to Phoenix. As per the 2018 Public Service Employee Survey Results, 70 per cent of public service workers have been affected to some extent by issues with the Phoenix pay system[73].

As with many other overdue payments, the Union suggests that a daily compounded interest rate is a sensible outcome for employees being without pay. Employees may have missed opportunities to earn interest either in their savings accounts or other on investments and should not be further penalized. It is worth mentioning that following the signature of the last collective agreement on June 14, 2017, the Employer required more than two years to accurately pay retroactivity and fully implement the new rates of pay (Exhibit A23).

Additionally, the Union proposes to protect employees against accruing financial penalties or losses as a result of improper pay calculations. When the Phoenix fiasco began, one of the Union's first actions was to secure from the Employer a claims process for

[73] Treasury Board of Canada Secretariat, 2018 Public Service Employee Survey: https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/00/org-eng.aspx

expenses incurred because of inaccurate pay. Treasury Board has since provided a list of expenses that are eligible to claim.[74] These include:

- Non-sufficient funds (NSF) and other financial penalty charges resulting from missed or late payments on mortgage payments, condo fees, rent, personal loan payments (car, student, other), household utilities, groceries, or other household expenses;
- Interest charges from credit cards, lines of credit, and/or personal loans used by employees to temporarily pay mortgage payments, condo fees, rent, personal loan payments (car, student, other), household utilities, groceries, or other household expenses;
- Interest and related fees on loans or lines of credit required for the repayment of source deductions on an overpayment (that is, the difference between the gross and net payment);
- Reimbursement of increased income taxes that will not be reversed or offset from amendments to the employee's current, previous or future income tax returns;
- Fees for early withdrawal of investments and withdrawals from savings accounts;
- Fees and related charges from tax advisory providers to amend a previously filed income tax return following the issuance of amended tax slips.

As demonstrated by the list above, the Employer is willing to ensure that employees do not suffer financial losses because of Phoenix. However, the Union believes that this should not only apply to Phoenix-related issues, but also to any future payment delays. It is still unclear what will happen with the pay system in the future but regardless of the circumstances, the Union submits that penalties for late payments should be enshrined

[74] Treasury Board of Canada Secretariat, Claims for expenses and financial losses due Phoenix: claim out-of-pocket expenses: https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-pocket-expenses-phoenix.html

in the Collective Agreement. No employee should suffer financial penalties or losses because of the Employer issuing improper pay.

Furthermore, the Union is proposing new language on deduction rules for overpayments as well as language on emergency salary or benefit advances. Following the Phoenix debacle, the Union staunchly advocated for more flexibility in the recovery system and on March 9, 2018, Treasury Board released an information bulletin explaining that changes have been made to the directives concerning recoveries, including emergency salary advances and priority pay. Following these new directives, when overpayments are discovered, recovery shall not begin until the following criteria have been met (Exhibit A24):

- All monies owed to the employee has been paid out.
- The employee experiences three stable pay periods.
- A reasonable repayment plan has been agreed to by the employee.

Under the Employer's former policy, employees were responsible for repaying the gross amount for any overpayment that was not reconciled in the same calendar year. However, this created huge problems since the employee obviously only received the net amount on the paycheque. The Employer's position was that an employee was expected to receive the difference between the net amount and gross amount in her tax return. The Employer's former policy created a substantial financial burden that has resulted in years of tax return problems for thousands of workers. Moreover, as per the Employer's existing directives at the time, most departments instructed the Pay Centre to recover emergency salary advances or priority pay from the employee's next pay cheque. This resulted in many employees being caught in a cycle of needing to access emergency pay time and time again because pay problems were often not resolved by their next pay cheque.

Including the Union's proposal in the Collective Agreement would simply protect the reasonable process that is currently in place for repayment procedures. It would ensure that the burden of calculating an overpayment and repaying it immediately would not be foisted on employees anymore.

Finally, the Union proposes language to help alleviate some of the tax-related financial losses caused by Phoenix pay problems. Currently public service workers impacted by Phoenix can reach out to tax experts to help determine if there are errors on their T4s and determine whether there are tax implications for those errors. Members can be reimbursed for this tax advice up to $200 per year.[75] The Union proposes that if these services are required as a result of improper pay calculations, all fees associated with the use of accounting and/or financial management services shall be reimbursed by the Employer.

The Employer may argue there is no need for any these new provisions because they are already in place. If so, the Union would suggest that Treasury Board should not have any objections about including these new provisions in the Collective Agreement. Having tangible language in the Collective Agreement is essential because provisions in the agreement are enforceable and can be shielded from changes in government. If both parties are committed to solving the Employer pay administration issues, then we would suggest that there is no better way than making that commitment as part of the collective bargaining process. Moreover, the Collective Agreement is an information tool for our members, and it provides guidance to employees in obtaining information on their rights. Obligations from the Employer that are reflected in the Collective Agreement are usually accessed at a greater rate than those ensconced in the Employer policies or directives.

Acting Pay

Concerning the Union proposals in Articles 67.X1 and 67.X2, time spent by employees in acting assignments currently do not count towards an increment in that position. There are many cases of employees deployed to acting positions for considerable periods of time. An employee acting continually will progress up their pay scale. However as soon as there is a break in that acting period, they must restart the acting assignment at a lower

[75] Treasury Board of Canada Secretariat, Claims for expenses and financial losses due to Phoenix: reimbursement for tax advice: https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-fees-tax-advisory-services.html

step on the pay grid, The Union is proposing language that would make sure that all time spent in an acting position counts towards an increment in that position. In theory, increments are meant to reward an employee as he learns the job and is better able to perform the work in that position. If an employee is acting in a higher position for a prolonged period of time, this should be recognized by providing a mechanism for the employee to move up the pay grid in that position. Additionally, this proposal is virtually identical to what the PSAC negotiated with the Canada Revenue Agency (Exhibit A25). The Union sees no reason as to why this arrangement should be in place for PSAC members working at CRA and not for those working in the core public administration

What the Union is proposing for the Phoenix-related portions of Article 67 is mostly consistent with measures that have been agreed by Treasury Board. The additional portions on acting pay are modest and reasonable changes to how employees are paid for acting at a higher level. As such, the Union respectfully requests that its proposals for Article 67 be included in the Commission's recommendations.

Employer Proposal

Delete 67.03

Refutation of the Employer Proposal

The Employer's proposal is to delete the clause that addresses how retroactive payments will be handled. Especially after the disaster of Phoenix, this proposal adds insult to injury. The Employer's inability to abide by the article on retroactive payments this past round is not good rationale to do away with this entire portion of the Agreement.

ARTICLE 70
DURATION

PSAC PROPOSAL

70.01 The provisions of this agreement will expire on August 4, ~~2018~~ **2021**.

EMPLOYER PROPOSAL

70.01 The provisions of this agreement will expire on August 4, ~~2018~~ **2022**.

RATIONALE:

The Union proposes a three-year agreement while the Employer is proposing one that lasts for four years. The length of collective agreements negotiated between the parties has tended to be either three or four years. Due to the significant number of issues that arise for groups as large and diverse as the PSAC bargaining units, there is value in negotiating on a more frequent basis to deal with the workplace issues that arise throughout the life of the agreement.

NEW ARTICLE
DOMESTIC VIOLENCE LEAVE

PSAC PROPOSAL

XX:01 The parties recognize that employees may sometimes be subject to domestic violence which may be physical, emotional or psychological, in their personal lives, that may affect their attendance and performance at work.

XX:02 Upon request, an employee who is subject to domestic violence or who is the parent of a child who is subject to domestic violence shall be granted domestic violence leave in order to enable the employee to seek care and support for themselves or their children in respect of a physical or psychological injury, to attend at legal proceedings and to undertake any other necessary activities.

XX.03 The total leave with pay which may be granted under this article shall not exceed 75 hours in a fiscal year.

XX:04 The Employer agrees that no adverse action will be taken against an employee if their attendance or performance at work suffers as a result of experiencing domestic violence.

XX:05 The Employer will approve any reasonable request from an employee experiencing domestic violence for the following:

- Changes to their working hours or shift patterns;
- Job redesign, changes to duties or reduced workload;
- Job transfer to another location or department or business line;
- A change to their telephone number, email address, or call screening to avoid harassing contact; and
- Any other appropriate measure including those available under existing provisions for family-friendly and flexible working arrangements.

XX:06 All personal information concerning domestic violence will be kept confidential in accordance with relevant legislation, and shall not be disclosed to any other party without the employee's express written agreement. No information on domestic violence will be kept on an employee's personnel file without their express written agreement.

Workplace Policy

XX.07 The Employer will develop a workplace policy on preventing and addressing domestic violence at the workplace. The policy will be made accessible to all employees and will be reviewed annually. Such policy shall explain the appropriate action to be taken in the event that an employee reports domestic violence or is perpetrating domestic violence, identify the process for reporting, risk assessments and safety planning, indicate available supports and protect employees' confidentiality and privacy while ensuring workplace safety for all.

Workplace supports and training

XX.08 The Employer will provide awareness training on domestic violence and its impacts on the workplace to all employees.

XX.09 The Employer will identify a contact in [Human Resources/Management] who will be trained in domestic violence and privacy issues for example: training in domestic violence risk assessment and risk management. The Employer will advertise the name of the designated domestic violence contact to all employees.

RATIONALE:

Domestic violence is a workplace issue: Research and Statistics

One-third (33.6%) of Canadian workers have experienced or are experiencing domestic violence (Exhibit A26)[76]. These experiences affect our members' lives, health, job security and financial resources, and have a negative impact on workplaces. Based on the 2014 Pan-Canadian Survey on Domestic Violence and the Workplace, 6.5 per cent of workers in Canada are currently experiencing domestic violence (Exhibit A26). This means out of the approximately 90,900 members (from PA, SV, TC and EB groups), 5,909 of PSAC members from these groups are likely currently experiencing domestic violence, with approximately 32,724 members experiencing domestic violence at some point in their life. Domestic violence has a clear impact on workers and workplaces, with nearly 54 per cent of cases of domestic violence continuing at or near the workplace (Exhibit A26). With an

[76] It is important to note that these figures do not capture domestic abuse on children, meaning the impact of domestic violence on our members is likely more alarming, since figures from the 2014 Pan-Canadian Survey on Domestic Violence deal only with intimate partner violence.

estimated 5,909 members currently experiencing domestic violence, this means that there are possibly 3,191 cases of domestic violence continuing at or near PA, TC, SV and EB workplaces. Based on the 2017 Canadian study investigating the impact of Domestic Violence Perpetration on Workers and Workplaces, where perpetrators were interviewed, 71 per cent of perpetrators reported contacting their partner or ex-partner during work hours for the purpose of continuing the conflict, emotional abuse and/or monitoring (Exhibit A27). One third (34%) of perpetrators specifically report emotionally abusing and/or monitoring their partner or ex-partner during work hours. Of those who reported emotionally abusing their partner or ex-partner during work hours most used messages (calls, emails, texts; 92%) (Exhibit A27). Of those that reported they checked on and/or found out about the activities or whereabouts of their partner or ex-partner, over one-quarter reported that they went by their partners' or ex-partners workplace (27%) and/or their home or another place (29%) to monitor them (Exhibit A27).

Domestic violence is a complex problem with no simple, single solution. However, the union submits that enshrining robust measures in the Collective Agreement is an important step in supporting workers impacted by domestic violence, and functions to dismantle some of the stigma associated with domestic abuse that often leaves survivors dealing with abuse alone, in silence and without support (Exhibit A28). Anticipated stigma, the fear of not knowing whether stigmatization will occur if others knew about one's experiences of abuse, is a serious barrier that prevents survivors from seeking help (Exhibit A29). Strong collective agreement language sends a powerful message of support and understanding to survivors that their Union and Employer are working together to address domestic violence as not only a prevalent social problem but a significant workplace issue that will be compassionately dealt with via fair rules and trained individuals.

<u>Domestic violence is an equity issue</u>

Paid domestic violence leave days, protections and accommodations are provisions that all workers may need to use in their lives. However, it is important to note that domestic

violence disproportionately impacts female workers, and in particular Indigenous workers, workers with disabilities and workers of the LGBTQ+ community. The Pan-Canadian survey results reveal that 38 per cent of women and 65 per cent of transgendered people have experienced domestic violence (Exhibit A26). Negotiating domestic violence provisions into the Collective Agreement is not simply the right thing to do but it also ensures equity and fairness for vulnerable workers.

The cost of doing nothing

Evidence demonstrates that the cost of doing nothing outpaces the cost of domestic violence leave on employers, society and the economy at large. Domestic violence in Canada is estimated to cost $7.4 billion a year (Exhibit A30). According to the Department of Justice, spousal violence in Canada costs employers nearly $78-million due to direct and indirect impacts of domestic violence.[77] When costing this proposal, it is essential to estimate how much inaction will continue to cost Canadians and employers.

According to a 2013 World Bank study, there is a clear link between domestic violence and economic growth (Exhibit A31). They found that domestic violence is a significant drain on an economy's resources, and in their cross-country comparison they revealed how countries they examined lost between 1.27 per cent and 1.6 per cent of their GDP due to intimate partner violence. It is also important to recognize that the take-up rate for domestic violence leave remains low in countries that have implemented paid leave. In Australia, for example, the take-up rate is only 0.3 per cent and 1.5 per cent for men and women respectively (Exhibit A32). While costs to employers are "likely to be largely or completely offset by the benefits to employers", data from Australia shows that incremental wage payouts were equivalent to only 0.02 per cent of payroll (Exhibit A32).

[77] This figure is broken down into three main categories; lost productivity due to tardiness and distraction ($68M), lost output from victims' absences ($7.9M) and administration costs for victims' absences ($1.4M) (Exhibit XX.). According to the Justice Department of Canada, "in the event of the victim resigning or being dismissed, employers face recruitment and retraining costs, but such data for spousal violence cases do not exist and so these costs are not included in the [$78M] estimate".

The Union submits that the costs of doing nothing needs to be considered when costing this proposal.

Impact on Performance: XX.01 and XX.04

Survivors of domestic violence report that the violence had an impact on their ability to concentrate at work, had a negative impact on their work performance and on absenteeism. Of those who reported experience with domestic violence, 82 per cent said that domestic violence negatively affected their work performance, most often due to being distracted, or feeling tired and/or unwell, as a result of trauma and stress (Exhibit A26). Therefore, out of the estimated 5,909 members currently experiencing domestic violence, it is probable 4,904 PSAC members (from the PA, SV, TC and EB groups) feel that domestic violence is negatively affecting their work performance. This reality needs to be an acknowledged and protective provisions outlined in the union's proposals at XX.01 and XX.04 are both reasonable and needed.

Treasury Board reached a settlement with CAPE's EC group in the most recent round of negotiations to include in the collective agreement an acknowledgement that experiencing domestic violence could impact productivity and agreed to language at 21.18 (e) that specifically outlines that there will be no reprisals against survivors. The collective agreement provision reads as follows:

> *"The Employer will protect the employees from adverse effects on the basis of their disclosure, experience, or perceived experience of domestic violence"*
> (Exhibit A33).

Nav Canada is another example of a large federal employer that has agreed to add this type of protective provision in their collective agreement, outlining how no adverse action will be taken against an employee if their performance at work suffers as a result of domestic violence (Exhibit A34).

28.17 Family Violence Leave

The Employer recognizes that employees may face situations of violence or abuse, which may be physical, emotional, or psychological in their personal life that could affect their attendance and performance at work….

f) The employer agrees that no adverse action will be taken against an employee if their attendance or performance at work suffers as a result of experiencing family violence in their personal life that could affect their attendance and performance at work.

The Government of Northwest Territories also has collective agreement language acknowledging that domestic violence may affect employees' performance (Exhibit A35).

21.09 (1) The Employer recognizes that employees or their dependent child as defined in article 2.01(i) may face situations of violence or abuse in their personal life that may affect their attendance and performance at work.

PSAC has also signed several Letters of Understanding for its members at Canadian Forces bases at Suffield, Trenton, Gagetown, Goose Bay and Petawawa acknowledging that domestic violence may affect performance and that employee's will be protected should their performance be impacted as a result of domestic violence. LOUs between the Parties read as follows:

"The Employer agrees to recognize that employees sometimes face situations of violence or abuse in their personal lives that may affect their attendance or performance at work. For that reason, the Employer and the bargaining agent agree that an employee's culpability in relation to performance issues or potential misconduct may be mitigated if the employee is dealing with an abusive or violent situation and the misconduct or performance issue can be linked to that abusive or violent situation." (Exhibit A36)

It is worth mentioning that during bargaining, the Employer tabled a counterproposal on Domestic Violence and the same proposition was included in the Employer's comprehensive offer (Exhibit A1). The Union rejected the Employer proposal for a number

of specific reasons that will be further discussed throughout this section. At the onset, Treasury Board's proposal at Article 56.03 (a) is missing an acknowledgement of the reality that domestic violence impacts job performance and the Union's proposal at XX.01 is seeking that this reality be acknowledged. As the parties are in agreement that domestic violence impacts attendance at work, the Union submits that an acknowledgement about performance would be a fair and reasonable provision.

Being employed is a key pathway to leaving a violent relationship. When those experiencing domestic violence know their jobs and incomes are secure and accommodations are available, significant structural barriers for survivors are removed making the dangerous tasks of leaving an abuser, avoiding an abuser, and seeking help easier.

Scope: XX.02

The Collective Agreement should be clear that perpetrators of domestic violence are not necessarily in an intimate relationship with their victims. This restrictive definition is not appropriate and functions to limit the scope of what is included as domestic violence.

The most recent ACFO collective agreement with Treasury Board for the Financial Management (FI) group does not include the requirement that the perpetrator be an "intimate partner" (Exhibit A37).

Provincial employment standards from across the country also do not limit domestic violence leave to intimate partner violence and the Union submits that its language at XX.02 is more appropriate as it is broad enough to include domestic violence perpetrated by more than just intimate or former intimate partners.

The Collective Agreement should also be clear that employers should not deny domestic violence leave that is necessary for the health, safety and security of the worker. The Union's proposal at the end of XX.02 is clear that workers shall be granted leave for "any

necessary activities". There are a broad range of health, safety and security activities that a survivor may need paid leave time in order to address. A restrictive scope provisions would have unintended and potentially detrimental impacts on members who need access to paid leave to escape, avoid and deal with domestic violence.

The Government of the Northwest Territories recently agreed to domestic violence leave language that does not conflate domestic violence with intimate partner violence and appropriately outlines that employees can take paid leave for "any other necessary activities to support their health, safety and security" (Exhibit A35). These scope provisions are similar to other provincial employment standards on domestic violence.

Provincial employment standards that provide for domestic violence leave have broader and more realistic scope provisions than those being proposed by the Employer, and they align with the provisions submitted by the Union at XX.02. Provincial domestic violence provisions do not define domestic violence as requiring an element of current or past intimacy, and consistently allow workers to take domestic violence leave for any other necessary purpose (Exhibit A38).

The Employer's proposal at Article 56.03 (b) fails to provide sufficient flexibility for survivors of domestic violence and their families who may need to use paid leave time during scary and exhausting episodes of violence (Exhibit A1). Workers should be able to rely on broad collective agreement provisions that make it obvious they can make use of paid leave time and not worry whether their situation fits within a list of five specific and formal reasons outlined in the Employer's proposal in Article 56.03 (b). Testimonial evidence collected in the 2014 Pan-Canadian survey reveal that survivors have a range of needs that require leave time and federal provisions ought to acknowledge this reality.

Quantum: XX.03

The Parties are in agreement.

Accommodation: XX.05

The Union's proposal at XX.05 is based on the reality that domestic violence doesn't just stop when survivors get to work, and that leave is only one part of the solution. More than half of those who have experienced domestic violence say that at least one type of abusive act has occurred at or near the workplace. Of these, the most common were abusive phone calls or text messages (41%) and stalking or harassment near the workplace (21%) (Exhibit A26). Providing employees with robust accommodation options such as changing their contact information, hours of work or shift pattern and work location are all ways in which workers can be more protected from violence in the workplace. Job transfer options and call screening options would also help survivors be safer at work. Job redesign or workload reduction are also measures that can help provide survivors with the support they need to continue to work while dealing with stressful, exhausting and violent situations beyond their control.

Domestic violence is an occupational health and safety issue. People reporting domestic violence have poorer general health, mental health and quality of life. This is especially the case for survivors who experience domestic violence near the workplace and those whose ability to get to work has been impeded by domestic violence. The more ways in which domestic violence occurred at or near the workplace, the poorer the respondent's health. Work may have protective effects for survivors of domestic violence so it's important that workplace accommodations be available to help support survivors.

<u>Confidentiality XX.06</u>

The Union submits that enshrining confidentiality language in the Collective Agreement is reasonable, is outlined in other collective agreements, and is already a minimum standard in some provincial jurisdictions (Exhibit A38).

The Government of Northwest Territories recently agreed to collective agreement language with the PSAC making it clear that personal information regarding domestic violence will be kept confidential and not shared without consent;

"All personal information concerning domestic violence will be kept confidential in accordance with relevant legislation and shall not be disclosed to any other party without the employee's written agreement". (Exhibit A35)

Nav Canada recently agreed to confidentiality language in its collective agreement with the PSAC that outlines clear confidentiality rules that the Employer shall adhere to and makes clear that "no information shall be kept on an employee's personnel file without their express written agreement". These provisions read as follows:

28.17 Family Violence Leave

(d) The Employer shall:

(i) ensure confidentiality and privacy in respect of all matters that come to the Employer's knowledge in relation to a leave taken by an Employee under the provisions of the "Family Violence Leave" in this Collective Agreement; and

(ii) identify a contact in Human Resources who will be trained in Family Violence and privacy issues. The Employer will advertise the name of the designated violence contact to all employees;

(iii) not disclose information in relation to any person except

1) to an employee as identified in d) ii) or agents who require the information to carry out their duties;

2) as required by law; or

3) with the consent of the Employee to whom the leave relates;

(iv) take action to reduce or eliminate the risk of family workplace violence incidents;

(v) promote a safe and supportive work environment;

(vi) ensure employees receive required training including both awareness and confidentiality aspects; and

(vii) follow the confidential reporting procedures.

(b) *No information shall be kept on an employee's personnel file without their express written agreement.* (Exhibit A34)

Canada Post and CUPW signed a letter of agreement in 2018 outlining that a policy would be drafted by the Parties that would "protect employees' confidentiality and privacy while ensuring workplace safety for all" (Exhibit A39). Canada Post's 2019 booklet for employees and team leaders specifically outlines that it is "essential to protect confidentiality" and "there is no requirement for the affected employee to provide documentation of any kind."(Exhibit A40).

Workplace Policy, Training and Supports: XX.07, XX.08 and XX.09

Most employers (71%) report having a situation where they needed to protect a domestic violence survivor, yet there remains an unfortunate gap in training for employees (Exhibit A41). Employers and employees require basic training to be able to recognize the warning signs of domestic violence victimization and perpetration and respond safely and appropriately. If domestic violence occurs at work the employer is liable, and both parties have an interest in ensuring the creation of appropriate domestic violence policies and training. The Union would like to ensure appropriate training, supports and policies are developed.

Canada Post and CUPW reached an agreement in 2018 that is nearly identical to PSAC's proposals at XX.07 regarding a workplace policy. As discussed above, the letter of agreement outlines that the parties shall draft a policy on preventing and addressing domestic violence in the workplace or affecting the workplace that shall be reviewed annually. The policy "shall explain appropriate actions to be taken in the event that an employee reports domestic violence. It shall also identify the process for reporting domestic violence, risk assessments and safety planning. The policy shall indicate available supports and protect employees' confidentiality and privacy while ensuring workplace safety for all." (Exhibit A39).

The Government of Northwest Territories recently agreed to collective agreement language that reads:

> *The Employer will develop a workplace policy on preventing and addressing domestic violence at the workplace. The policy will be made accessible to all employees. Such policy shall explain the appropriate action to be taken in the event that an employee reports domestic violence or is perpetrating domestic violence, identify the process for reporting, risk assessments and safety planning, indicate available supports and protect employees' confidentiality and privacy while ensuring workplace safety for all. The policy shall also address the issue of workplace accommodation for employees who have experienced domestic violence and include provisions for developing awareness through the training and education of employees".*

This collective agreement language is in line with PSAC's proposals regarding developing a policy and training outlined in XX.07, XX.08 and XX.09.

Nav Canada language at 28.17 (d) (ii) is also similar to the Union's proposal at XX.09 that outlines a commitment to identify a human resources contact person who is trained in domestic violence and privacy issues. Nav Canada collective agreement language at 28.17 (d) (vi) also outlines a commitment to train employees on domestic violence that is consistent with the PSAC's proposal.

<u>Evidence: Employer proposal 56.03 (d)</u>

The Union believes that the Employer's language at 56.03 (d) does not belong in the Collective Agreement:

> *"The Employer may, in writing, and no later than fifteen (15) days after an employee's return to work, request the employee to provide documentation to support the reasons for the leave. The employee shall provide that documentation only if it is reasonably practicable for them to obtain and provide it".*

We fear that if employees are required to provide proof of domestic violence to the Employer, they will at best be reluctant to access the leave, and at worst, will not seek to access it at all, leaving them and perhaps their children in a dangerous and possibly life-threatening situation.

Being a survivor of domestic violence is a traumatizing and stigmatizing experience. According to a Government of Canada report, family violence is under-reported with only 19 per cent of persons who had been abused by a spouse reporting the situation to police (Exhibit A42). Almost two -thirds of spousal violence victims (63%) said that they had been victimized more than once before they contacted the police. Nearly three in 10 (28%) stated that they had been victimized more than 10 times before they contacted the police (Exhibit A43). Among the many reasons people don't report family violence are stigma, shame, and fear that they won't be believed. Moreover, employees experiencing violence at home may fear the reaction of their co-workers or fear that widespread knowledge of their situation may threaten their jobs or their upward mobility. Written documentation threatens confidentiality. The Union submits that the Employer's proposal introduces barriers that ignore the lived reality and context of domestic violence.

Moreover, the Employer's proposal itself is unclear on what could be considered "reasonably practicable" in terms of providing documentation that support the reasons for the leave; and unclear on who makes that decision. The Union recognizes that the Employer's proposal is derived from the Canada Labour Code but we believe this language creates a disincentive for employees to access the leave provided in this article. Moreover, other federal employers have recognized this as well. Explaining changes in the federal legislation recently, Canada Post advised its managers that "there is no requirement for the affected employee to provide documentation of any kind."
(Exhibit A40)

Domestic violence charges: Employer proposal 56.03 (e)

The Union has serious concerns about the Employer's proposal at Article 56.03 (e) that workers will not be entitled to domestic violence leave if the worker has also been charged with an offence related to an act of domestic violence.

> *"Notwithstanding clauses 56.03 (b) and 56.03(c), an employee is not entitled to domestic/family violence leave if the employee is charged with an offence related to that act or if it is probable, considering the circumstances, that the employee committed that act."*

Research by the Department of Justice has confirmed that dual charging – charging both parties even if one party's violence was self-defensive – occurs with significant frequency as a result of pro-charging policies that require police to lay such dual charges (Exhibit A44). The Justice Department concludes that while

> "*pro-charging policies adopted in Canada during the 1980's have significantly contributed to the criminal justice system's response to spousal abuse….it is also true that the pro-charging policies have resulted in some unintended negative consequences. The pro-charging policy seeks to ensure that the policy treat spousal abuse as a criminal matter and to lay charges where there are reasonable ground to believe that an offence has been committed*…"

The Justice Department report recommends that:

> "*Where the facts of a particular case initially suggest dual charges against both parties, police should apply a "primary aggressor" screening model, [or] seek Crown review and approval of proposed dual charges for spousal violence, or do both"* (Exhibit A44).

Because of pro-charging policies that require police to lay dual charges without sufficient regard to self-defense, PSAC is extremely concerned that this clause could have the unintended consequence of denying leave to an employee who is experiencing domestic violence.

Furthermore, it is highly problematic to include a provision saying that employees aren't entitled to the leave "if it is probable, considering the circumstances, that the employee committed that act". This means that an employee who is not charged with domestic violence could be refused leave by the Employer based on "circumstances". The Union submits that it is inappropriate for an Employer to be determining the probability of whether an employee committed domestic violence.

NEW ARTICLE
PROTECTIONS AGAINST CONTRACTING OUT

PSAC PROPOSAL

XX.01 The Employer shall use existing employees or hire and train new employees before contracting out work described in the Bargaining Certificate and in the Group Definition.

XX.02 The Employer shall consult with the Alliance and share all information that demonstrates why a contracting out option is preferable. This consultation shall occur before a decision is made so that decisions are made on the best information available from all stakeholders.

XX.03 Shared information shall include but is not limited to expected working conditions, complexity of tasks, information on contractors in the workplace, future resource and service requirements, skills inventories, knowledge transfer, position vacancies, workload, and potential risks and benefits to impacted employees, all employees affected by the initiative, and the public.

XX.04 The Employer shall consult with the Alliance before:

i) any steps are taken to contract out work currently performed by bargaining unit members;

ii) any steps are taken to contract out future work which could be performed by bargaining unit members; and

iii) prior to issuing any Request for Interest proposals.

XX.05 The Employer shall review its use of temporary staffing agency personnel on an annual basis and provide the Alliance with a comprehensive report on the uses of temporary staffing, no later than three (3) months after the review is completed. Such notification will include comparable Public Service classification level, tenure, location of employment and reason for employment, and the reasons why indeterminate, term or casual employment was not considered, or employees were not hired from an existing internal or external pool.

RATIONALE:

The language proposed by the Union supports the protection of the integrity of the public service. The Employer makes yearly statements of congratulation to and acknowledgement of public service workers, including this one from June 2019, when the Honourable Joyce Murray, President of the Treasury Board, communicated:

> *"For more than 150 years, our public servants have been serving Canadians with dedication, making huge differences within and outside our country's borders. That's why Canada's public service has been ranked the best in the world. Congratulations!" (Exhibit A45)*

This was further echoed by the Prime Minister's statement during the same week:

> *"This week, we celebrate our dedicated public servants across Canada, who worked hard to deliver real results for Canadians. If we look at what Canada's public service has accomplished this past year, it's easy to see why it is one of the most effective in the world."* (Exhibit A46).

Therefore, it should not surprise the Employer that the Union has proposed language that supports the ongoing success of the public service, for generations to come. The proposed language introduces a 'pause button' on any ongoing and new contracting out initiatives that the Employer may be contemplating. This was echoed in the Union's submission to 2019 Pre-Budget Consultations in the recommendations around Precarious Work and on Public-Private Partnerships (P3s) (Exhibit A47). Securing protections and a framework for discussion within the Collective Agreement respects the continued valuable contributions of public service workers. Similar collective agreement language currently exists elsewhere in the core public service; Article 30: Contracting Out, in the CS agreement between PIPSC and the Treasury Board Secretariat, contains language that our proposal builds upon. (Exhibit A48)

A comprehensive, trained and secure public service is crucial to the ability of any government to continually provide the programs and services mandated by Parliament. Relying on contracted-out services rather than the professionalism, expertise and

dedication of bargaining unit members does a disservice to the workers, the public service as a whole, the public and to the economy, as was touched on by *The Honourable Scott Brison* when he was President of the Treasury Board in May 2016. [78]

> *"By restoring fair and balanced labour laws, the Government is recognizing that labour unions play an important role protecting workers' rights and strengthening the middle class."*

Inclusion of such contract language also supports a public service created via a legislative framework, one that ensures appointment by merit and that the composition of the public service is an accurate reflection of the diversity of the people that it serves, throughout the various geographic regions. It also fosters meaningful consultation between the Employer and the Union, and values investments made in training and upgrades necessary for workers to succeed within the changing nature of their work environment.

For too long, successive governments have relied heavily upon contracting out the duties performed by past and now current public service workers. In March 2011, a CCPA published a paper, The Shadow Public Service: the swelling ranks of federal government outsourced workers, in which it observed;

> *"A handful of outsourcing firms have become parallel HR departments for particular federal government departments. Once a department picks its outsourcing firm, a very exclusive relationship develops. These private companies now receive so much in contracts every year that they have become de-facto wings of government departments. These new "black-box" wings are insulated from government hiring rules. They are also immune from government information requests through processes like Access to Information and Privacy (ATIP).*
>
> *In essence, they have become a shadow public service without having to meet the same transparency standards of the actual public service. Evidence suggests the federal government is turning to personnel*

[78] Government of Canada to Repeal Changes to Federal Public Service Labour Relations Measures, May 25, 2016 https://www.canada.ca/en/treasury-board-secretariat/news/2016/05/government-of-canada-to-repeal-changes-to-federal-public-service-labour-relations-measures.html

outsourcing, circumventing hiring rules by relying on pre-existing "standing offers" with outsourcing companies. As a result, outsourced contractors are no longer short-term or specialized — they are increasingly employed for years on a single contract.

In short, the growing and concentrated nature of outsourcing has created a shadow public service that works alongside the real public service — but without the same hiring practices or pay requirements" [79]

And leading up to that CCPA report, the Public Service Commission of Canada conducted a study[80] on the use of temporary services in the federal public service organizations and concluded that the use of temporary services a source of recruitment limits access and that uses of temporary help services that circumvent the Public Service Employment Act.

"The study findings indicate that, in practice, temporary help services provide a source of recruitment into the public service. The use of temporary help services as a source of recruitment places the PSEA value of access at risk, and limits the use of the national area of selection to promote Canada's geographical diversity within the public service."

Yet despite numerous concerns being raised, the practice has not abated under successive governments. Alarmingly, this includes the privatization of the operation of new federal heating plants in the National Capital Region, wrapped up in a P3 label. [81] Throughout that process, the PSAC has raised concerns around the lack of transparency of the project and the safety of both the public and of workers, and challenged the government's statements around recruitment of qualified workers to the public service.
A strong public service also helps strengthen the economy. A new study suggests that hiring more federal public sector workers would benefit the Canadian economy and

[79] The Shadow Public Service: the swelling of the ranks of federal government outsourced workers, David Macdonald, Canadian Centre for Policy Alternative (CCPA), March 2011
https://www.policyalternatives.ca/publications/reports/shadow-public-service

[80] Use of Temporary Help Services in Public Service Organization: A study by the Public Service Commission of Canada, October 2010 **http://publications.gc.ca/collections/collection_2010/cfp-psc/SC3-152-2010-eng.pdf**

[81] **http://psacunion.ca/unions-turn-heat-against-cooling-and-heating-plant**

support a strong, diverse middle class.[82] The Union values that and asserts that the contract language being sought supports such goals.

Public service workers are dedicated to their workplace and to the work that they do in support of the public. They are equipped with intimate institutional knowledge of the work environment; valuable to both the smooth operation of existing programs and to the successful cultivation of new ideas. Securing contract agreement language that recognizes and respects that is next in nurturing our continued ranking as the best public service in the world.

Considering these facts, the Union respectfully requests that its proposal for the inclusion of a new article on Contracting Out be included in the Commission's award.

[82] IRIS, The Public Services: an important driver of Canada's Economy, Sept 2019 https://cdn.iris-recherche.qc.ca/uploads/publication/file/Public_Service_WEB.pdf

APPENDIX I
WORKFORCE ADJUSTMENT

PSAC PROPOSAL

Changes proposed in this Appendix shall take effect on August 5, 2018

Definitions

Amend the definition of affected employee

Affected employee (employé-e touché)

Is an indeterminate employee who has been informed in writing that his or her services may no longer be required because of a workforce adjustment situation **or an employee affected by a relocation**.

Amend the definition of alternation (housekeeping)

Alternation (échange de postes)

Occurs when an opting employee ~~(not a surplus employee)~~ **or an employee with a twelve-month surplus priority period** who wishes to remain in the core public administration exchanges positions with a non-affected employee (the alternate) willing to leave the core public administration with a transition support measure or with an education allowance.

Amend the definition of Education allowance

Education allowance (indemnité d'études)

Is one of the options provided to an indeterminate employee affected by normal workforce adjustment for whom the deputy head cannot guarantee a reasonable job offer. The education allowance is a cash payment equivalent to the transition support measure (see Annex B), plus a reimbursement of tuition from a recognized learning institution and book and mandatory equipment costs, up to a maximum of ~~fifteen thousand dollars ($15,000)~~ **seventeen thousand dollars ($17,000).**

Amend definition of GRJO (language redundant given 6.1.1)

Guarantee of a reasonable job offer (garantie d'une offre d'emploi raisonnable)

Is a guarantee of an offer of indeterminate employment within the core public administration provided by the deputy head to an indeterminate employee who is affected by workforce adjustment. Deputy heads will be expected to provide a guarantee of a reasonable job offer to those affected employees for whom they know or can predict that employment will be available in the core public administration. ~~Surplus employees in receipt of this guarantee will not have access to the options available in Part VI of this Appendix.~~

Amend definition of reasonable job offer (redundant given new 1.1.19)

Reasonable job offer (offre d'emploi raisonnable)
Is an offer of indeterminate employment within the core public administration, normally at an equivalent level, but which could include lower levels. Surplus employees must be ~~both~~ trainable ~~and mobile~~. ~~Where practicable, a reasonable job offer shall be within the employee's headquarters as defined in the Travel directive~~. In alternative delivery situations, a reasonable offer is one that meets the criteria set out under type 1 and type 2 in Part VII of this appendix. A reasonable job offer is also an offer from a FAA Schedule V employer, providing that:

a) The appointment is at a rate of pay and an attainable salary maximum not less than the employee's current salary and attainable maximum that would be in effect on the date of offer.

b) It is a seamless transfer of all employee benefits including a recognition of years of service for the definition of continuous employment and accrual of benefits, including the transfer of sick leave credits, severance pay and accumulated vacation leave credits.

Part 1: Roles and responsibilities
Departments or organizations

NEW 1.1.7 (renumber current 1.1.7 ongoing)

1.1.7 When a deputy head determines that the indeterminate appointment of a term employee would result in a workforce adjustment situation, the deputy head shall communicate this to the employee within thirty (30) days of having made the decision, and to the union in accordance with the notification provisions in 2.1.5.

Deputy heads shall review the impact of workforce adjustment on no less than an annual basis to determine whether the conversion of term employees will no longer result in a workforce adjustment situation for indeterminate employees. If it will not, the suspension of the roll-over provisions shall be ended.

If an employee is still employed with the department more than three (3) years after the calculation of the cumulative working period for the purposes of converting an employee to indeterminate status is suspended the employee shall be made indeterminate or be subject to the obligations of the Workforce Adjustment appendix as if they were.

NEW 1.1.19 (renumber current 1.1.19 ongoing)

1.1.19

a) The employer shall make every reasonable effort to provide an employee with a reasonable job offer within a forty (40) kilometre radius of his or her work location.

b) In the event that reasonable job offers can be made within a forty (40) kilometre radius to some but not all surplus employees in a given work location, such reasonable job offers shall be made in order of seniority.

c) In the event that a reasonable job offer cannot be made within forty (40) kilometres, every reasonable effort shall be made to provide the employee with a reasonable job offer in the province or territory of his or her work location, prior to making an effort to provide the employee with a reasonable job offer in the public service.

d) In the event that reasonable job offers can be provided to some but not all surplus employees in a given province or territory, such reasonable job offers shall be made in order of seniority.

e) An employee who chooses not to accept a reasonable job offer which requires relocation to a work location which is more than sixteen (16) kilometres from his or her work location shall have access to the options contained in section 6.4 of this Appendix.

<u>Part II: Official notification</u>

<u>2.1 Department or organization</u>

NEW 2.1.5 (renumber current 2.1.5 ongoing)

2.1.5 When a deputy head determines that specified term employment in the calculation of the cumulative working period for the purposes of converting an employee to indeterminate status shall be suspended to protect indeterminate employees in a workforce adjustment situation, the deputy head shall:

(a) inform the PSAC or its designated representative, in writing, at least 30 days in advance of its decision to implement the suspension and the names, classification and locations of those employees and the date on which their term began, for whom the suspension applies. Such notification shall include the reasons why the suspension is still in place for each employee and what indeterminate positions that shall be subject to work force adjustment if it were not in place.

(b) inform the PSAC or its designated representative, in writing, once every 12 months, but no longer than three (3) years after the suspension is enacted, of the names, classification, and locations of those employees and the date on which their term began, who are still employed and for which the suspension still applies. Such notification shall include the reasons why the suspension is still in place for each employee and what indeterminate positions that shall be subject to work force adjustment if it were not in place.

(c) inform the PSAC no later than 30 days after the term suspension has been in place for 36 months, and the term employee's employment has not been ended for a period of more than 30 days to protect indeterminate employees in a workforce adjustment situation, the names, classification, and locations of those employees and the date on which their term began and the date that they will be made indeterminate. Term employees shall be made indeterminate within 60 days of the end of the three-year suspension.

Part IV: Retraining

4.1 General

4.1.2 It is the responsibility of the employee, home department or organization and appointing department or organization to identify retraining opportunities, **including language training opportunities,** pursuant to subsection 4.1.1.

4.1.3 When a retraining opportunity has been identified, the deputy head of the home department or organization shall approve up to two (2) years of retraining. **Opportunities for retraining, including language training, shall not be unreasonably denied.**

Part VI: Options for employees

6.1 General

6.1.1 Deputy heads will be expected to provide a guarantee of a reasonable job offer for those affected employees for whom they know or can predict that employment

will be available. A deputy head who cannot provide such a guarantee shall provide his or her reasons in writing, if so requested by the employee. **Except as specified in 1.1.19 (e), employees** ~~Employees~~ in receipt of this guarantee will not have access to the choice of options **in 6.4** below.

6.4 Options

6.4.1 c)

Education allowance is a transition support measure (see Option (b) above) plus an amount of not more than ~~fifteen thousand dollars ($15,000)~~ **seventeen thousand dollars ($17,000)** for reimbursement of receipted expenses of an opting employee for tuition from a learning institution and costs of books and relevant equipment. Employees choosing Option (c) could either:

Part VII: Special provisions regarding alternative delivery initiatives

7.2 General

7.2.1 The provisions of this part apply only in the case of alternative delivery initiatives and are in exception to other provisions of this appendix. Employees who are affected by alternative delivery initiatives and who receive job offers from the new employer shall be treated in accordance with the provisions of this part, and only where specifically indicated will other provisions of this appendix apply to them. **Employees who are affected by alternative delivery initiatives and who do not receive job offers from the new employer shall be treated in accordance with the provisions of Parts I-VI of this Appendix.**

RATIONALE:

Since the current agreement was signed, some changes undertaken by the federal government have served to highlight several deficiencies in the parties' Workforce Adjustment Appendix.

First, the current definition of a guarantee of reasonable job offer (GRJO) does not provide an explicitly defined geographic radius within which the employee might avail themselves of certain rights afforded under the Workforce Adjustment Appendix (WFA). Second, there is a need for the recognition of years of service in the context of Appendix I. Years of service would serve as a fair and objective standard for the treatment of a reasonable job offer. Third, there is a lack of clear accountability with respect to term employees

under the WFA. Finally, the education allowance should keep up with the rapidly increasing cost of education in Canada. The Union's proposals for Appendix I would address each of these deficiencies.

Currently, the provisions contained in Appendix I put the onus on departments and deputy heads to provide a reasonable job offer in the event of possible layoffs. But there are no clear geographic criteria applied with respect to where the Employer may offer a reasonable job offer. This can create significant problems for employees. For example, in a recent situation, in 2017, the government decided to close the Vegreville Immigration Centre and move it to Edmonton along with its 250 employees. PSAC members were left with very difficult choices: uproot their families and move to Edmonton, accept a three-hour daily commute, or leave the job they value. This situation materialized due to the Employer's interpretation of the existing language that offering a job anywhere else in the country met the criteria under the Appendix I as being 'reasonable'.

The Vegreville circumstances highlight a contradiction within the WFA. Under clause 3.1.1 of the WFA, the Employer had to give the employees the opportunity to choose whether they wished to move with the position or be treated as if they were subject to a workforce adjustment situation. Under clause 3.1.2 the employees had a period of six months to indicate their intention to move or not. If an employee decides not to move with the relocated position, the deputy head may provide the employee with either a guarantee of a reasonable job offer or access to the options set out in section 6.4 of the WFA[83].

However, if an employee is in receipt of a reasonable job offer, even if it is at the same location that they have already indicated that they do not wish to move to, they are no longer able to access the options contained in the WFA. The whole purpose of Part III of the WFA is specifically for situations where people cannot or do not wish to move, whether this is due to valid personal reasons or accommodation issues or any other reason.

[83] Options include being on a surplus priority list for 12 months to find another job, receiving a Transition Support Measure (i.e. enhanced severance) or and Education Allowance and a Transition Support Measure.

In the Vegreville instance, the Union position was that the Employer's use of the WFA was punitive in cases where the employees had no other choice but to voluntarily leave their jobs. PSAC took a grievance to arbitration on this issue and it was partially upheld. Because of the lack of clarity in the current WFA language, the decision sided with the Employer's interpretation that since the employee was in receipt of a GRJO, they did not have access to all of the options under the WFA if they refused to move. However, the arbitrator also ruled that employees in such a circumstance would have access to the transition support measure and/or the education allowance under the Voluntary Programs section of the WFA (Exhibit A49). At the hearing. the Employer testified that it knew its interpretation of Part III of the WFA Appendix would cause hardship but went ahead with it anyway.

The Union submits that this proposal is necessary due to the Employer' interpretation of Part III. Fundamentally, when a workplace is relocated, it means that if employees turn down a GRJO they are penalized. It implies that the Employer can force workers to move anywhere in the country or get laid off while limiting the WFA options to which they have access. The Union is proposing instead that people who cannot or do not wish to relocate to a certain location ought not to lose their rights under the WFA Appendix. As we will discuss further below, the changes proposed by the Employer to the WFA are in direct contradiction to the Union position and we believe that the language should be further clarified to entrench the rights of employees.

Our proposal is that in the event that a reasonable job offer cannot be made within a 40-kilometre radius, the employee may elect to be an 'opting' employee and therefore avail themselves of the rights associated with 'opting' status. This would provide employees will all options under the WFA. The Union is proposing a 40-kilometre radius as it is consistent with the practice currently in effect for the NJC Relocation Directive. Indeed, a 2013 NJC Executive Committee decision indicated agreement with this principle. It was noted that in accordance with subsection 248(1) of the *Income Tax Act*, "relocation shall only be authorized when the employee's new principal residence is at least 40 km (by the

shortest usual public route) closer to the new place of work than his/her previous residence" (Exhibit A50). Furthermore, the 40-kilometre radius is currently the standard for more than 50,000 unionized workers at Canada Post (Exhibit A51).

In order to be consistent with our proposed new language, the obligation for the employees to be mobile must also be removed. In a labour market in which both partners in a relationship usually work, and where prices for housing, child care and elder care are unaffordable, a blanket obligation to be mobile is not realistic or fair. Despite Treasury Board's position that the WFA Appendix is above all about employment continuity, the Union would submit that it is also about a proper employment transition when that is the most accommodating course of action.

The Union is proposing that reasonable job offers shall be made in order of seniority. Recognition of years of service is a central tenet of labour relations in Canada. Its application is found in collective agreements in every industry, every jurisdiction, and every sector of the Canadian economy. For example, the collective agreements covering employees working for both the House of Commons and the Senate of Canada contain seniority recognition for the purposes of layoffs (Exhibit A51). It is also commonplace within the broader federal public sector, from Via Rail to Canada Post to the Royal Canadian Mint to the National Arts Centre to the Canadian Museum of Science and Technology Corporation (Exhibit A51). Additionally, it is already recognized under the parties' current collective agreement in the context of vacation leave scheduling and in the WFA itself as the tie-breaking procedure to choose which employee may avail themselves of the voluntary program.

Recognition of years of service is a concept that is firmly entrenched within labour relations jurisprudence, including jurisprudence produced by the FPSLREB. In a 2009 decision the Board stated that:

> *(…) through his or her years of service, an employee attains a breadth of knowledge and expertise as a result of his or her tenure with the organization. Through time, an employee becomes a more valuable asset, with more capabilities, and should be treated accordingly. (PLSRB 485-HC-40).*

Thus, the Union's proposal for recognition of years of service in the context of Appendix I would introduce a fair and objective standard in the treatment of a reasonable job offer. This standard has been sanctioned via Board jurisprudence.

Under Article 6.1.4, the Union proposes to increase the education allowance by $2,000. The education allowance currently offers an opting employee a maximum of $15,000 for reimbursement of receipted expenses for tuition and costs of books and relevant equipment over a two-year period. The Union proposal is simply trying to keep up with the rapid increase of tuition fees in Canada. According to Statistics Canada, tuition fees for undergraduate programs for Canadian full-time students was, on average, $6,838 in 2018-2019, up 3.3 per cent from the previous academic year.[84] In addition, the National Joint Council Directive on Work Force Adjustment was recently renegotiated between the participating bargaining agents and Treasury Board. On this occasion an increase to the education allowance to a maximum of $17,000 was agreed upon between the parties (Exhibit A52). Hence, the Union's proposals concerning the education allowance is already the standard for workers employed elsewhere in the federal public service.

The Union's proposed language under articles 1.1.7 and 2.1.5 is meant to ensure that the Employer takes some accountability towards term employees. The Union would like to enshrine the responsibilities from the Employer concerning term employees in the appropriate sections of the WFA. The Union submits that there needs to be better notification in the WFA around the ability of departments to suspend the policy of term employees becoming indeterminate after three years of service, including an explanation

[84] Statistics Canada, September 5, 2018, Tuition fees for degree programs - 2018/2019: https://www150.statcan.gc.ca/n1/daily-quotidien/180905/dq180905b-eng.htm

on the need for a suspension and when the suspension will be ended. The status quo is unacceptable as suspension of the provisions that roll term employees into indeterminate jobs is a license for department heads to encourage precarious working conditions for large groups of employees.

In summary, the Union's proposals concerning Appendix I are predicated upon what has already been established elsewhere within the federal public sector. Moreover, applying geographic criteria to the process in terms of opportunities for employees exists already for tens of thousands of federal workers at Canada Post. In light of these factors, the Union respectfully requests that the Commission include the Union's proposals for Appendix I in its recommendations.

EMPLOYER PROPOSAL

Definitions:

Alternation (échange de postes)
Occurs when an opting employee ~~(not a surplus employee)~~ **or a surplus employee who is surplus as a result of having chosen option 6.4.1(a)** who wishes to remain in the core public administration exchanges positions with a non-affected employee (the alternate) willing to leave the core public administration with a transition support measure or with an education allowance.

Relocation of work unit (réinstallation d'une unité de travail)
Is the authorized move of a work unit of any size ~~to a place of duty located beyond what, according to local custom, is normal commuting distance from the former work location and from the employee's current residence.,~~ **which exceeds a 40 km commute between the old and new workplaces, and excludes relocations of a work unit within the same Census Metropolitan Area.**

Part III: relocation of a work unit

When considering moving a unit of any size to another location, departments will review the distance between the old and new work place based on the most practicable route to ensure that it qualifies as a relocation of a work unit. After consultation with the Treasury Board Secretariat, Deputy Heads may authorize, in writing, a relocation of a work unit when the conditions are not met if, in their view,

there are other factors that should be taken to consideration, which affect all employees of the work unit.

Should a relocation of a work unit not be authorized, departments will review each case to determine if relocation assistance should be authorized based on the individual circumstances of an employee in accordance with the NJC Relocation Directive.

Part IV: retraining

4.1.1 To facilitate the redeployment of ~~affected employees,~~ surplus employees and laid-off persons, departments or organizations shall make every reasonable effort to retrain such persons for:

a. existing vacancies; or

b. anticipated vacancies identified by management

4.1.3 When a retraining opportunity has been identified, the deputy head of the home department or organization shall approve up to two (2) years of retraining. **Retraining can apply when an employee is considered for appointment to a reasonable job offer, which is for a position at an equivalent group and level or one (1) group and level lower than the surplus position. For affected employees, retraining is applicable for positions which would be deemed a reasonable job offer, had the employee been in surplus status.**

Part V: salary protection

5.1 Lower-level position

5.1.1 Surplus employees and laid-off persons appointed **or deployed** to a ~~lower-level position under this Appendix~~ **reasonable job offer position, which is one (1) group and level lower than the surplus position**, shall have their salary and pay equity equalization payments, if any, protected in accordance with the salary protection provisions of this Agreement or, in the absence of such provisions, the appropriate provisions of **the Directive on Terms and Conditions of Employment governing reclassification or classification conversion** ~~the Regulations Respecting Pay on Reclassification or Conversion.~~

5.1.2 Employees whose salary is protected pursuant to 5.1.1 will continue to benefit from salary protection ~~until such time as they are appointed or deployed into a position with a maximum rate of pay that is equal to or higher than the maximum rate of pay of the position from which they were declared surplus or laid-off.~~ **while they occupy their reasonable job offer position on an indeterminate basis or until such time as the maximum rate of pay of the reasonable job offer**

position, as revised periodically, is equal to or is higher than the surplus position.

(New)

5.1.3. In the event that a salary protected employee declines without good and sufficient reason

i. an appointment or deployment to a position at an equivalent group and level to the surplus position that is in the same geographic area; or

ii. an appointment to a position, which is at a group and level higher than that of the surplus position that is in the same geographic area is to be immediately paid at the applicable rate of pay of the reasonable job offer position.

Part VI: options for employees

6.2 Voluntary programs

The Voluntary Departure Program supports employees in leaving the public service when placed in affected status prior to entering a Selection of Employees for Retention or Layoff (SERLO) process, and does not apply if the deputy head ~~intends to~~ can provide a guarantee of a reasonable job offer (GRJO) to affected employees in the work unit.

Departments and organizations shall establish voluntary departure programs for all workforce adjustments situations **in which the workforce will be reduced and that involves** ~~involving~~ five **(5)** or more affected employees working at the same group and level and in the same work unit **and where the deputy head ~~does not intend to~~ cannot provide a guarantee of a reasonable job offer.**

Such programs shall:

A. Be the subject of meaningful consultation through joint union-management WFA committees;

B. Volunteer programs shall not be used to exceed reduction targets. Where reasonably possible, departments and organizations will identify the number of positions for reduction in advance of the voluntary programs commencing;

C. Take place after affected letters have been delivered to employees;

D. Take place before the department or organization engages in the SERLO process;

E. Provide for a minimum of 30 calendar days for employees to decide whether they wish to participate;

F. Allow employees to select options B~~,~~ **or** Ci. ~~or Cii;~~

7.2 General

- **7.2.1** The provisions of this part apply only in the case of alternative delivery initiatives and are in exception to other provisions of this appendix. Employees who are affected by alternative delivery initiatives and who receive job offers from the new employer shall be treated in accordance with the provisions of this part, and only where specifically indicated will other provisions of this appendix apply to them. **When the new employer can only provide job offers to some but not all employees who are affected by an alternative delivery initiative, the Deputy Head may provide a guarantee of a reasonable job offer or declare the employees opting subject to paragraph 6.4.1 a) of section VI of the present appendix for the employees who do not receive an offer of employment from the new employer.**

RATIONALE:

The Union has made a comprehensive proposal on the WFA Appendix. Our proposed language would clarify the current definition of a guaranteed reasonable job offer (GRJO) where a relocation is involved, recognize years of service in the context of a WFA, augment the Employer's accountability with respect to term employees and increase the education allowance.

On the other hand, the Employer's proposal purports to clarify relocation but essentially leaves decisions up to deputy heads. A key difference between the parties' proposals relates to the geographic radius within which the employee might avail themselves of certain rights. The Employer's proposal amends the definition of a relocation in a fundamental way. The Union acknowledges the existing language which features the term "local custom" is unclear and can be interpreted in different ways. But the Employer's proposal to clarify this term would put all of the power in the hands of the Employer to

define a relocation as they wish in almost every circumstance. This is not a viable or reasonable solution. The Union submits that a concrete measurement of distance makes more sense than the Employer's proposal to exclude any move of a work unit within a given Census Metropolitan Areas (CMA). The Employer's proposal would make it possible to move work site beyond what is currently defined as "local custom", potentially causing long commutes for employees.

A Census Metropolitan Area (CMA) can vary greatly in size and is generally proportional to population, not geography. For instance, using the Employer definition, a worker employed in Burlington, ON could be moved to just outside Barrie, ON - about 140 kilometres away. or an hour and a half drive on a good day. Similarly, the CMA for Halifax is about 208 kilometres end to end. A member could be forced to drive two and a half hours each way to work without being deemed to have been relocated. An NJC grievance already exposed this issue in 2013 and the Executive Committee decision was that the Census Metropolitan Area is an inappropriate measurement (Exhibit A50).

The Employer's position on this issue suggests that they believe it is acceptable from a work-life balance perspective for employees to spend several hours a day commuting to work.

In addition, the Employer doesn't address a key issue identified by the Union where an employee can choose not to relocate for a job offer but can have that choice immediately invalidated by a GRJO for the same job that was previously declined. The Employer proposal would result in deputy heads being able to force any employees and their families to relocate in order to keep their job. Again, as stated in the rationale on the Union's proposal, for some employees, relocation is not an option for valid health, psychological and family reasons. The alternative presented by the Employer is to be laid off with certain important rights being stripped away.

Moreover, given the lack of clarity in the language proposed by the Employer, it is unclear if deputy heads would even have the authority to offer a GRJO for distances outside of the CMA. The second sentence of the Employer proposal for Part III gives discretion to deputy heads to make exceptions but provides no guidelines or criteria to ensure that those exceptions would be exercised fairly. Under the Employer proposal, deputy heads would be given an inordinate amount of power which would undermine the whole notion of the relocation of a work unit under the WFA. Deputy heads and departments should not to be able to pick and choose between criteria and authorize special deals for individual circumstances without any guidelines in the Collective Agreement.

In 4.1.3, the Employer proposal would add new conditions on retraining that were not previously there. Those conditions would apply for employees who are appointed to a new position or deployed, and only at the same group or level or one level lower. It would not include affected employees and it would not include training for other vacancies or expected vacancies that do not meet the criteria. This new language would effectively exclude affected people who are never actually in surplus status but are thrust into reorganized workplaces because of other workforce adjustment situations. This scenario happens often and should be taken into consideration. It is unclear why the Employer would want to limit retraining for expected vacancies or other situations which would ease employees' transition in the case of a workforce adjustment. To our knowledge retraining has not been an issue in the past and there is no demonstrated need for this change.

The Employer makes other proposed amendments which would undermine salary protection in the WFA Appendix. The Employer proposes to replace the current language in 5.1.1 that says, "to a lower level position" by "one group and level lower". In 2015, the PSAC won a grievance on this exact issue that confirmed our interpretation that employees should be salary protected if, through the Employer's actions, they are placed in positions more than one level lower than they currently are. (Exhibit A53).

The Employer argued during negotiation that clause 1.1.16 was the reason for their proposed change. Clause 1.1.16 stipulates that **"***Appointment of surplus employees to alternative positions with or without retraining shall normally be at a level equivalent to that previously held by the employee, but this does not preclude appointment to a lower level. Departments or organizations shall avoid appointment to a lower level except where all other avenues have been exhausted.*" The Union believes the Employer's reasoning is faulty. While the Employer has an incentive to reorganize workers in an approach that would minimize salary protection, the Union would suggest that if the Employer is unable to factor the potential costs of salary protection into their reorganization plans, the impacted workers should not have to bear the costs. The Employer shouldn't reorganize the workplace without attending to the obligations that it has to its employees. These changes would simply reinforce bad management practices.

Concerning the Employer proposal on the voluntary programs the Treasury Board rationale is that clause 6.2 should not be used to circumvent the GRJO process. However, as discussed in the section on the Union's proposals, PSAC won a grievance on this very issue in the Vegreville decision (Exhibit A49). This question is closely related to the language the Union has put forward in our WFA proposal to eliminate the possibility of misusing reasonable job offers as a strategy to strip members of their WFA rights.

The Employer's proposed new language in clause 7.2 tries to address a problem already identified by the Union in our WFA proposal. However, contrary to the Union proposal, it is unclear as to why the Treasury Board believes that the only option that should be provided is option a., especially when Part VII is silent on what happens when only some workers receive a Type 1 or Type 2 job offer. Under the Employer's proposal, the language suggests that if the deputy head cannot provide a GRJO to all employees, then it is acceptable that employees are only left with the option of a one-year surplus period within which to get a job. This proposal is even more difficult to understand when taking into consideration that in part VII, employees who receive inferior job offer from a new

employer (i.e. a Type 3 job offer) immediately have access to all of the options in Part I to VII.

In summary, the Employer's proposal would open the door wide to relocating workers in in the event of a workforce adjustment by effectively increasing the upward boundaries of the relocation to well over 100 kilometers in some instances. It would create situations where workers either have to move or lose their jobs with minimal opportunities for other income. Additionally, the Employer proposal would add unnecessary conditions on retraining and undermine salary protection for affected employees. For those reasons, the Union respectfully requests that the Commission exclude the Employer's proposals for Appendix I in its recommendation.

APPENDIX L
MEMORANDUM OF UNDERSTANDING BETWEEN THE TREASURY BOARD OF CANADA AND THE PUBLIC SERVICE ALLIANCE OF CANADA WITH RESPECT TO IMPLEMENTATION OF THE COLLECTIVE AGREEMENT

EMPLOYER PROPOSAL

Replace current MOU with:

~~This Memorandum is to give effect to the understanding reached between the Employer and the Public Service Alliance of Canada in respect of the implementation period of the collective agreement.~~

~~The provisions of this collective agreement shall be implemented by the parties within a period of one hundred and fifty (150) days from the date of signing.~~

This memorandum is to give effect to the understanding reached between the Employer and the Public Service Alliance of Canada regarding a modified approach to the calculation and administration of retroactive payments for the current round of negotiations.

1. Calculation of retroactive payments

a. Retroactive calculations that determine amounts payable to employees for a retroactive period shall be made based on all transactions that have been entered into the pay system up to the date on which the historical salary records for the retroactive period are retrieved for the calculation of the retroactive payment. These historical salary records shall provide a record of an employee's full pay history for the retroactive period of the agreement.

b. Elements of salary traditionally included in the calculation of retroactivity will continue to be included in the retroactive payment calculation and administration, and will maintain their pensionable status as applicable. The elements of salary included in the calculation of retroactivity include:

- **Substantive salary**
- **Promotions**
- **Deployments**

- **Acting pay**
- **Extra duty pay**
- **Additional hours worked**
- **Maternity leave allowance**
- **Parental leave allowance**
- **Vacation leave and extra duty pay cash-out**
- **Severance pay**
- **Eligible allowances depending on collective agreement**

c. Retroactive amounts will be calculated by applying the relevant percentage increases indicated in the collective agreement. The value of the retroactive payment will differ from that calculated using the traditional approach, as no rounding will be applied. The payment of the retroactive amount will not affect pension entitlements or contributions relative to previous methods.

d. The payment of retroactive amounts related to transactions that have not been entered in the pay system as of the date when the historical salary records are retrieved, such as acting pay, promotions, overtime and/or deployments, will not be considered in determining whether an agreement has been implemented.

e. Any outstanding pay transactions that would modify an employee's historical salary records will be processed once they are entered into the pay system and any corresponding retroactivity stemming from the collective agreement will be issued to affected employees.

2. Implementation

a. **The effective dates for economic increases will be specified in the agreement. Unless otherwise stated, the coming-into-force provisions of the collective agreements will be as follows:**

i. All components of the agreements unrelated to pay administration will come into force on signature of agreement.

ii. Compensation elements such as premiums, allowances, insurance premiums and coverage and changes to overtime rates will come into force on the effective date of the prospective compensation increases.

b. **Collective agreements will be implemented over the following timeframes:**

i. The prospective elements of compensation increases (such as prospective salary rate changes and other compensation elements such as premiums, allowances, changes to overtime rates) will be implemented within one-hundred and eighty (180) days after signature of agreements where there is no need for manual intervention.

ii. Retroactive amounts payable to employees will be administered within 180 days after signature of the agreement where there is no need for manual intervention.

iii. Prospective compensation increases and retroactive amounts that require manual processing by compensation advisors will be implemented within five-hundred and sixty (560) days after signature of agreements. Manual intervention is generally required for employees on an extended period of leave without pay (e.g., maternity/parental leave), salary protected employees and those with transactions such as leave with income averaging, pre-retirement transition leave and employees paid below minimum, above maximum or in between steps. Manual intervention may also be required for specific accounts with complex and complicated salary history.

3. Employee Recourse

a. **A non-pensionable amount of two-hundred and fifty dollars ($250) will be provided to each employee in the bargaining unit on date of signature, in recognition of extended implementation timeframes.**

b. **Where prescribed implementation timeframes have been breached, a sixty dollar ($60) payment will be provided to each employee identified in 1.a. who is affected. For every six (6) months thereafter where employees have not had their agreements implemented, a further sixty dollar ($60) payment will be provided, up to a maximum of two (2) payments.**

c. **An employee will only be eligible for one initial lump sum payment and one penalty payment every six months.**

d. **Employees may request that the departmental compensation unit or the Public Service Pay Centre verify the calculation of their retroactive payments, where they believe these amounts are incorrect.**

- **In such a circumstance, for employees in organizations serviced by the Pay Centre, they must first complete a Phoenix feedback form indicating what period they believe is missing from their pay**.

RATIONALE:

Concerning Part I of the Employer proposal, the Union is not inclined to negotiate, within the Collective Agreement, minute details on how retroactivity shall be paid. The Employer has the basic responsibility to determine how to proceed with the calculation and administration of retroactive payments. Nevertheless, since the early stages of the current round of bargaining, the Union has been very clear with the Employer that when it comes to the calculation and administration of retroactive payments, the PSAC is expecting the Employer to follow three clear principles:

1. The calculation must be accurate;
2. The process ought to be transparent and include a recourse mechanism for our members;
3. The payment shall be done in a timely manner.

Part II of the Employer proposal is even more troubling, in our view. Treasury Board proposes a 180-day period to implement increases where there is no need for manual intervention, and an extraordinary 560-day period for all cases requiring manual intervention. The Public Service Labour Relations Act provides for a 90-day window for a collective agreement to be implemented (Exhibit A54). In good faith, the Union agreed in the last round of bargaining to renew a longer implementation period of 150 days. The PSAC is disappointed with the government's inability to meet reasonable implementation deadlines for its workers, especially considering the Union already agreed in the last round to increase the timeframe. This has been a reoccurring problem, as the government has struggled to meet its implementation deadlines for several other collective agreements due to Phoenix issues. Following the Employer's inability to meet the previous round's implementation deadline, the PSAC asked the Board to order the Employer to pay damages to workers, and to take all necessary steps to immediately comply with the FPSLRA and implement the terms of the Collective Agreement. The PSAC is still waiting to be heard by the Board on this issue. At the onset, given the amount of time provided for under the law, the Union submits the Employer's proposal is

unreasonable. Nonetheless, the Union has additional concerns with the Employer's language as presented.

From the Union perspective, Part II a. ii., where the Employer stipulates that "*Compensation elements such as premiums, allowances, insurance premiums and coverage and changes to overtime rates will come into force on the effective date of the prospective compensation increases"* is very concerning. Essentially, this language would severely delay the effective date of several significant compensation elements under the Collective Agreement and could have serious implications for our membership. Under previous SV memoranda of settlements, the norm has been that compensation elements of this type are to be effective on the date of the signing of the Collective Agreement (Exhibit A55). While the Union has negotiated an extension to the implementation period in the past, PSAC has no interest in delaying the date when provisions become effective. The Employer position is unprecedented. PSAC submits that it would at best confuse, and at worst, penalize our membership. As an example, one of the compensation elements that would be affected by the Employer implementation proposal is the parental allowance. During bargaining, both parties have tabled extensive proposals to significantly amend the parental leave article, given legislative changes that have recently come into effect. However, by agreeing to the Employer proposal on implementation, a new provision on parental leave would only be effective within 180 days. As a result, some of our members would have to forego the opportunity for a potential allowance even though the new provision would already appear in the duly signed Collective Agreement.

Furthermore, in Part III of its proposal, the Employer is proposing a recourse mechanism that includes a $250 non-pensionable amount in recognition of the extended implementation timeframe. If the Union had any interest in such a proposal, the amount would need to truly represent the hindrance caused by the Employer's inability to implement the Collective Agreement within a reasonable amount of time. Additionally, the proposal of a maximum amount payable is unacceptable in a context where several of our members have had to wait for more than two years for the implementation of the

previous Collective Agreement. Finally, it is worth noting that the Employer has not extended to PSAC the same offer that was presented to several other federal unions (Exhibit A3).

In summary, the Union has already taken a reasonable approach in agreeing to extend the timeframe provided for by the *Federal Public Sector Labour Relations Act* to 150 days. Moreover, the Employer proposal on the date provisions would come into force would create a dangerous precedent, while the proposed amounts are simply insufficient to recognize the burden created by the extended implementation period. Hence, the Union respectfully requests that the Employer's proposal not be included in the Commission's recommendation.

APPENDIX P:
MEMORANDUM OF UNDERSTANDING BETWEEN THE TREASURY BOARD AND THE PUBLIC SERVICE ALLIANCE OF CANADA WITH RESPECT TO MENTAL HEALTH IN THE WORKPLACE

PSAC PROPOSAL

Replace current MOU with:

Memorandum of Understanding Between Treasury Board and the Public Service Alliance of Canada with Respect to Mental Health in the Workplace

This Memorandum of Understanding is to give effect to the agreement reached between the Employer and the Public Service Alliance of Canada regarding issues of mental health in the workplace.

The work of the Joint Task Force on Mental Health (JTF), highlighted the essential need for collaboration between management and unions as one of the key elements for successful implementation of a psychological health and safety management system within the federal public service.

As a result of the work done by the JTF, the parties agree to establish a Centre of Expertise on Mental Health in the Workplace (COE). The COE is established to pursue the long-term focus and to reflect the commitment from the senior leadership of the parties on the importance of mental health issues in the workplace. The COE will focus on continuous improvement and the successful implementation of measures to improve mental health in the workplace.

The COE will:

- **Have a joint governance structure between the PSAC (the Alliance) and Employer representatives**
- **Have a central, regional and virtual presence;**
- **Have a mandate that can evolve based on the needs of stakeholders within the federal public service;**
- **Have dedicated and long-term funding from Treasury Board.**

The parties agree to establish a formal governance structure that will include an Executive Board (previously named Steering Committee) and an Advisory Board (previously named Technical Committee).

The Executive Board and the Advisory Board will be comprised of an equal number of Union and Employer representatives. The Executive Board is responsible for determining the number and the identity of their respective Advisory Board representatives.

The Executive Board shall approve the terms of reference of the Advisory Board This date may be extended by mutual agreement of the Executive Board members. The Advisory Board's terms of reference may be amended from time to time by mutual consent of the Executive Board members.

The ongoing responsibilities of the COE include:

- **Continue to build upon the overall Federal Public Service Workplace Mental Health Strategy;**
- **Continue to identify ways of reducing and eliminating the stigma in the workplace that is too frequently associated with mental health issues;**
- **Continue to identify ways to better communicate the issues of mental health challenges in the workplace**
- **Assess various tools such as existing policies, legislation and directives available to support employees facing these challenges;**
- **Monitor practices on mental health initiatives and wellness programs from within the federal public service, from other jurisdictions and from other employers that might be instructive for the federal public service;**
- **Continue to drive towards the implementation of the National Standard of Canada for Psychological Health and Safety in the Workplace (the Standard) and identify how implementation can best be achieved within the public service; recognizing that not all workplaces are the same;**
- **Promote the participation of joint health and safety committees and health and safety representatives;**
- **Promote the participation of the joint employment equity committees;**
- **Continue to identify challenges and barriers that may impact the successful implementation of mental health best practices; and**
- **Continue to identify areas where the objectives reflected in the Standard, or in the work of other organizations, represent a gap with existing approaches within the federal public service. Once identified, make ongoing recommendations to the Executive Board on how those gaps could be addressed. The National Standard for Psychological Health and Safety in the Workplace should be considered a minimum standard that the Employer's occupational health and safety program may exceed.**

In addition to these responsibilities, the COE will play a key role in:

- **Providing a roadmap for alignment to the National Standard.**
- **Providing expert support and guidance to all key stakeholders**

- **Establishing a best practice repository**
- **Developing a whole-of-government communications strategy in collaboration with various stakeholders**
- **Establishing partnerships and networks with key organizations**
- **Convening communities of practice**

RATIONALE:

In March 2015, the President of the Treasury Board of Canada and the President of the Public Service Alliance of Canada reached an agreement to establish a Joint Task Force to address mental health in the workplace. Two committees were created, a Steering Committee and a Technical Committee. The Steering Committee provided guidance and leadership to the Technical Committee, and was led by the Chief Human Resources Officer, the President of the Public Service Alliance of Canada and President of the Professional Institute of the Public Service of Canada. The Technical Committee was composed of equal representatives of bargaining agents and the Employer, and was co-chaired by representatives of the Treasury Board Secretariat and the Public Service Alliance of Canada.

The Task Force produced three reports as part of its mandate, and following the first report, a federal Centre of Expertise on Mental Health in the Workplace was created in the spring of 2017. The Technical Committee recommendations provided to the Steering Committee called for a co-governance structure, long-term funding and for the Centre to operate arm's length from Treasury Board. To date, the Centre has been co-led by Employer and Union representatives (but not co-managed), and the 2018 federal budget proposed funding for a centre to focus on wellness, diversity and inclusion. Currently, the Centre does not operate at arm's length from Treasury Board.

The issue of mental health in federal workplaces is not going away, and indeed appears to be worsening over time (Exhibit A56). The Union believes that the excellent work that was done collaboratively by the Joint Task Force needs to continue and evolve through the operation of the Centre of Expertise. Since its establishment, the Technical

Committee has been acting as an adhoc advisory committee to the Centre, and the Union is proposing that this become formalized into a joint governance structure. The issues related to mental health in the workplace require the joint and equal participation of both the Employer and bargaining agents, and the example established by the committees that operated under the mandate of the Joint Task Force demonstrated a level of success that PSAC wishes to continue and take further through the operation of the Centre of Expertise. To continue this success, PSAC proposes a joint governance structure, and joint advisory capability in its proposal in this amended MOU on Mental Health in the Workplace.

APPENDIX Q
MEMORANDUM OF UNDERSTANDING BETWEEN THE TREASURY BOARD AND THE PUBLIC SERVICE ALLIANCE OF CANADA WITH RESPECT TO CHILD CARE

PSAC PROPOSAL

Replace current MOU with:

This Memorandum of Understanding is to give effect to the agreement reached between the Employer and Public Service Alliance of Canada regarding child care. As a result of the work done by the Joint National Child Care Committee, the parties agree to establish an ongoing Child Care Joint Union-Management Committee. The Child Care Joint Union-Management Committee is established to continue the work of the Joint National Child Care Committee and will be given the carriage of the Committee's recommendations, in addition to other measures identified through further research and analysis and agreed to by the parties.

The Child Care Joint Union-Management Committee will:

- **be under the auspices of the National Joint Council;**
- **be co-governed by Union and Employer representatives;**
- **have a mandate that can evolve based on the needs of stakeholders within the federal public service;**
- **perform its work neutrally and at arm's length;**
- **have dedicated and long-term funding from the Treasury Board to finance the establishment and ongoing support of child care centres in the federal public service.**

The Child Care Joint Union-Management Committee will be comprised of an equal number of Union and Employer representatives. The ongoing responsibilities of the Child Care joint Union-Management Committee include:

- **defining criteria for the establishment of workplace day care centres;**
- **identifying opportunities for establishing workplace child care centres (for example, pursuing community partnerships), including opportunities that will come with the expansion of licensed child care across the country;**

- **carrying out needs assessment to determine priority locations when a decision has been to establish a licenced workplace child care in a given region;**
- **conducting centralized research to understand the challenges and work-life needs of working parents who are employees of the public service;**
- **examining the feasibility of capturing information related to employees working shift hours and other non-standard hours within existing information systems;**
- **allowing departments to partner with local licensed child care providers or school boards to provide services;**
- **exploring the feasibility for departments to partner with other employers located near each other to establish not-for-profit, licensed child-care services nearby.**

The Child Care Joint Union-Management Committee shall also:

- **develop a communication strategy to inform employees, including managers, about licensed child care supports in the public service;**
- **develop an information package on licensed child care to provide when employees complete forms for maternity or parental leave;**
- **provide guidance and best practices to departments to assist employees in obtaining information on child care options considering the needs of employees, including the needs of those who work irregular hours;**
- **leverage partnerships with various networks and services (e.g., Employee Assistance Services) to implement information and referral services for child care tailored to the needs of Federal Public Service employees, including emergency licensed child care;**
- **establish an interdepartmental parents' network on the GC 2.0 platform to connect parents across the public service to share ideas and support;**
- **leverage existing training, including through the Joint Learning Program, to increase employee awareness of existing mechanisms to manage work-family balance.**

Workplace child care funding model

The Employer shall, through meaningful consultation with the Child Care Joint Union-Management Committee, develop a new workplace child care funding model that encourages the establishment of new licensed workplace child care centres and the ongoing support of existing licensed workplace centres in the public service. Consideration should be given to the possibility of creating a centrally

funded program guided by rigorous criteria and needs assessment for the establishment and maintenance of licensed workplace child care centres.

Treasury Board Policy on Workplace Day Care Centres

The Employer shall, through meaningful consultation with the Child Care Joint Union-Management Committee, revise the Treasury Board Policy on Workplace Day Care Centres so that it can better encourage and support the establishment and ongoing operation of high-quality, accessible, affordable, licensed and inclusive child care services in federal buildings while maintaining the following elements:

- **licensed workplace child care centres in federal buildings are operated by not-for-profit organizations;**
- **licensed workplace child care centres are staffed to offer support and services in both official languages in regions designated bilingual for language-of-work purposes;**
- **licensed workplace child care centres are accessible to parents and children with disabilities.**

RATIONALE:

In the next 10 years, the federal government will be hiring thousands of younger workers, many of whom have or will be starting families. These young workers will join a large number of existing employees who often have unique child care needs, given the organization of work in the federal government and the frequent requirement to work shifts and other non-standard hours. In 1991, Treasury Board established a workplace day care policy that was intended to assist employees who are parents and need child care to pursue careers in the public service. While by the mid-1990s there were a dozen centres, no new day care facilitates have been established since 1998. In recent years, a number of the original day cares closed or nearly closed because their subsidies were dependent on a “lead” sponsoring department rather than Treasury Board. The growing needs of our members far exceed the current capacity of high-quality day cares located in federal buildings and workplaces.

During the last round of bargaining with Treasury Board, PSAC obtained a commitment from the Employer to establish a Joint Committee to better address the child care needs of PSAC members (Exhibit A57). The work of the Joint Committee began in September 2017 and the committee received information from child care experts on the state of child care in Canada and on the application of the Treasury Board policy on workplace day care. The joint committee also reviewed collective agreements and policies that could provide employees with young children with assistance in managing work-family balance. A final report with a set of recommendations was signed by both parties on January 22nd, 2019 (Exhibit A58). The core elements of this proposal are essentially a cut-and-paste of these recommendations by the Joint Committee.

The PSAC simply wants to ensure that the excellent work of the Joint National Child Care Committee is not set aside. Our proposal would establish under the auspices of the National Joint Council a new Child Care Joint Union-Management Committee to continue the work of the Joint National Child Care Committee. The new committee would be given the carriage of the previous committee's recommendations of advocating for a stronger workplace daycare policy that will better support our members with young children and address the unique challenges faced by employees who work non-standard hours and/or shift work.

The PSAC also proposes that the new committee undertake a review of the Treasury Board Policy on Workplace Day Care Centres, and its funding model. Such a review should aim at expanding the number of subsidized high-quality day care facilities located in federal buildings. These centres play an important role where there is a dramatic lack of affordable quality child care. They have helped to eliminate barriers to women's participation in the labour market and have made it possible for parents to go to work without concerns about the safety and well-being of their children.

The Joint Committee recommendations are a clear demonstration that there is a common understanding between both parties about the challenges the Federal Government is

facing when it comes to child care. Furthermore, we believe there is a common recognition that this discussion should be ongoing. The National Joint Council, which includes all of the bargaining agents in the core public administration, is the appropriate environment to continue those discussions as it calls itself the forum of choice for co-development, consultation and information sharing between the government as an Employer and public service bargaining agents. Through the National Joint Council (NJC), the parties work together to resolve problems that apply across the public service.

Again, with this proposal the Union is simply aiming to reference the recommendations of the Joint National Child Care Committee in the Collective Agreement. Having something tangible in the agreement is essential in our view because provisions in the agreement are enforceable and can be shielded from changes in government and/or mandates. If both parties are committed to having a truly joint process than we would suggest that there is no better way than making that commitment as part of the collective bargaining process. Moreover, the Collective Agreement is an information tool for our members and providing guidance to assist employees in obtaining information on child care is one of the key recommendations of the Committee. Thus, the Union respectfully requests that its proposals be included in the Board's award.

APPENDIX R:
MEMORANDUM OF AGREEMENT ON SUPPORTING EMPLOYEE WELLNESS

PSAC PROPOSAL

Delete the MOU.

RATIONALE:

The parties signed the MOU in December of 2016, and the Technical Committee began its work in March,2017. This committee met more than a dozen times in 2017, and did much good work in reviewing research, best practices and public service data on the wellness content agreed to in the MOU. By January 2018, the Technical Committee was awaiting further guidance from the Steering Committee, which never materialized. As a result, the Technical Committee never prepared formal recommendations for a wellness plan prior to the commencement of a new collective bargaining round later in 2018. The PSAC believed at that time, that it was premature to try and formalize any recommendations for inclusion in this round of bargaining, especially given the challenges that the Phoenix compensation system posed, and the level of resources needed to address pay and benefit issues amongst federal public service employees. Consequently, the Union believes that the MOU has been overtaken by circumstances that make it impossible to complete the work, and so it proposes to delete the MOU from the Collective Agreement and have any discussions that relate to employee wellness within the context of collective bargaining.

APPENDIX XX:

MEMORANDUM OF UNDERSTANDING BETWEEN THE TREASURY BOARD OF CANADA AND THE PUBLIC SERVICE ALLIANCE OF CANADA

PSAC PROPOSAL

This Memorandum of Understanding is to give effect to the agreement reached between the Employer and the Public Service Alliance of Canada (PSAC) concerning the process to be followed to re-open the Collective Agreements for the following bargaining units:

Program and Administrative Services (PA)

Technical Services (TC)

Operational Services (SV)

Education and Library Science (EB);

for the purpose of addressing the differences that exist between the above-noted Collective Agreements and the terms and conditions of work of employees who are transferred into these bargaining units from other public sector bargaining units while the Collective Agreements are in effect.

The parties agree that:

1. **Such employees shall become members of the Alliance occupational groups on the date in which their transfer is effective.**

2. **The Articles of the Collective Agreements for the above-noted bargaining units dealing with Check-Off (Article 11 (SV); Use of Employer Facilities (Article 12 (SV); Employee Representatives (Article 13 (SV) and Leave With or Without Pay for Alliance Business (Article 14 (SV) shall apply effective the date on which such transfers are effective.**

3. **Increases to rates of pay and allowances that apply to such employees shall be effective as per past practice.**

4. **All other terms and conditions of work that apply to such employees shall be frozen subject to negotiations between the Employer and the Alliance.**

5. **Negotiation of such terms and conditions of work shall commence no later than ninety (90) days after notice of the intent to transfer such employees into the above-noted occupational groups is provided to the Alliance.**

6. **Should a negotiated settlement of the terms and conditions of work of such transferred employees not be reached, the parties agree that either side may declare impasse and that any outstanding issues be referred to binding arbitration by a Board of Arbitration consisting of a sidesperson representing each party and a mutually agreed-upon arbitrator chosen by the parties.**

RATIONALE:

From time to time, reorganizations occur in the public service that result in transferring employees working under other collective agreements into the core public administration.

The most recent examples of this situation include the transfer of employees of the Canada Revenue Agency to Shared Services Canada in 2011 under the auspices of the *Public Sector Rearrangement and Transfer of Duties Act,* and the transfer of employees of the National Capital Commission to the Department of Canadian Heritage as the result of the adoption of the *Budget Implementation Act 2013* (Bill C-60).

On May 21, 2020, approximately 1,000 Civilian Members of the Royal Canadian Mounted Police, who have been pay-matched to classifications in the PA, TC, SV and EB bargaining units, will be deemed to be PSAC members.[85]

[85] Legislative changes to deem Civilian Members to be public servants came in 2012 with the *Enhancing the Royal Canadian Mounted Police Accountability Act*. In 2015, a Supreme Court of Canada decision gave the RCMP the right to unionize, and the move to transfer Civilian Members to the core public administration gained momentum after Parliament passed Bill C-7, which established conditions for the Mounties to organize a police-only union.

Needless to say, such transfers unleash a flurry of discussions between Treasury Board and the bargaining agent that may involve, but are not limited to:

- salary protection
- implementation dates for advancement on the wage grid and future pay adjustments
- retroactive pay (including for overtime and acting hours and deployments, as well as regular hours)
- retroactive recalculation of any cash-out of compensatory, vacation and severance pay
- grandparenting of certain terms and conditions of work
- reviewing of job descriptions
- dispute resolution process

Without any clear rules to guide the parties, these discussions can be protracted, resulting in an unfair burden of stress to transferred employees, who are working for a new employer and are left uncertain about their appropriate income and their terms and conditions of work.

For former NCC and CRA employees transferred to the core public administration in 2011 and 2013 respectively, certainty did not come until June 27, 2017, with the release of a decision on the outstanding issues between the parties by a PSLREB adjudicator.

These transfers are further complicated by the fact that they typically occur not during a round of collective bargaining, but when the bargaining unit is under contract – meaning there is no clear dispute resolution process if the parties – Treasury Board and the Union – are unable to reach a negotiated agreement on outstanding issues created by the transfer.

With a new transfer pending – that of Civilian Members into the PA, TC, SV and EB bargaining units – and one which is likely to occur after the current round of bargaining is complete, PSAC proposes that the parties agree to a bargaining protocol to guide the parties in such situations.

In the proposal above, it is the view of PSAC that such employees should become members of the bargaining group the day the transfer is effective, and that current articles 11, 12, 13 and 14 dealing with Check-Off; Use of Employer Facilities, Employee Representatives and Leave With or Without Pay for Alliance Business shall also apply effective the date of transfer to ensure proper representation of these new members.

PSAC is further of the view that increases to rates of pay and allowances of transferred employees shall become effective as per past practice, pending negotiations between the parties.

In points 4 and 5, PSAC proposes that the concept of a legislative freeze of all other terms and conditions of work of transferred employees be applied; and that negotiations covering such terms and conditions of work commence no later than 90 days after notice of intent to transfer is given to the bargaining agent.

Finally, it is the Union's position that if the employees are transferred into a bargaining unit which is under contract at the time of transfer, and if the parties are unable to reach a negotiated settlement with respect to the terms and conditions of work of transferred employees, the only reasonable dispute resolution mechanism is for the parties to refer any outstanding issues to binding arbitration.

PSAC respectfully requests that the Commission recommend the adoption of this proposed Memorandum of Agreement.

PART 4
OUTSTANDING SV SPECIFIC ISSUES

ARTICLE 25
HOURS OF WORK

PSAC PROPOSAL

The weekly hours of work shall be 37.5 hours, without any reduction in the yearly salary, leave credits or benefits.

Consequential amendments throughout the agreement must be made pursuant to this concept being agreed upon.

NEW

25.XX – *Withdrawn*

RATIONALE:

In bargaining, the Employer said that such a proposal was not feasible. The Canada Revenue Agency (CRA), however, took this exact action approximately 15 years ago, standardizing the work week of its GL/GS employees at the same number of hours per week as all its other employees. Relevant here is the need to maintain appropriate relationships to compensation and other terms and conditions of employment as between different classification levels within an occupation and as between occupations in the public service. This is about choice, not feasibility. The Employer claims this change would be impossible, due to the continuous operation our members perform. We argue that this is a matter of scheduling; the same work can be provided on thirty-seven-hour work schedules. Most of the work is not a 24/7 operation. In addition, the several employees in this classification are directly supervised by workers working 37.5 hours. Again, other federal public sector employers, have done the same. The National Capital Commission (NCC) as well as many airports, have reduced the work week for their GL and GS employees without a reduction in salary. They have recognized that the work can be done on a 37.5-hour work week schedule, without negatively impacting their operations. This change recognizes and assists employees with their work/life balance,

thus improving morale in the workplace and along with it, productivity. Finally, the Collective Agreement would be far less complex and easier to navigate.

ARTICLE 27
SHIFT AND WEEKEND PREMIUMS

PSAC PROPOSAL

Exclusions

~~This article does not apply to the FR, LI and SC Groups.~~

Clause 27.01, Shift premium, does not apply to employees working hours of work not defined as a shift, covered by clause 25.02, Article 28 or clauses 2.02 and 2.03 of Appendix B; clauses 2.01 and 2.02 of Appendix C, clauses 2.03 and 2.04 of Appendix D, clauses 2.01 and 2.02 of Appendix E, and clause 1.01 of Appendix H.

27.01 Shift premium

An employee working on shifts will receive a shift premium of ~~two dollars ($2.00)~~ **three dollars ($3.00)** per hour for all hours worked, including overtime hours, between 4:00 pm and 8:00 am. The shift premium will not be paid for hours worked between 8:00 am and 4:00 pm.

27.02 Weekend premium

a. An employee working during the weekend will receive an additional premium of ~~two dollars ($2.00)~~ three **dollars ($3.00)** per hour, including overtime hours, for all hours worked on Saturday or Sunday.

b. Paragraph (a) shall not apply to employees whose regular hours of work are scheduled from Monday to Friday.

RATIONALE:

Workers in the identified groups have not seen an increase in shift premium since 2002 – more than seventeen years ago. While wages have been adjusted substantially over the same period, shift and weekend premiums have remained unchanged—their value eroded by inflation. In that seventeen-year period, inflation has increase by more than 36%. Given the time that has elapsed since the last increase, the Union submits that its proposal is entirely reasonable. Additionally, the Ships Repair (East) and Ship Repair

(West) shift premium formulas are one-seventh (1/7) of the employee's basic hourly rate of pay for evening is the equivalent of about $4 to about $6 depending on the pay range. Ship Repair (West) shift premium formula for night is one-fifth. As well, other federal public sector employers have agreed to a considerable increase in shift premium for other groups of workers it employs. For example, the PSAC bargaining unit for Scanner Operators at Parliamentary Protective Services, Operational workers and both editors and senior editors at the House of Commons, workers at the Senate of Canada and at the Museum of Science and Technology Corporation have all seen their shift and weekend premiums increase. Some of these increases were achieved via PSLRB arbitral awards. (Exhibit B35).

Relative to the SV group specific language on exclusions, shift premiums are compensation for the imposition on the lives of workers and are not to be conflated with other compensation such as long service pay, in the case of the FR subgroup, or lay days, in the case of the SC subgroup.

While shift work may be critical for the operation of important government services that require around-the-clock staffing, the impact of those schedules on the health and welfare of the employees is significant. The most common health complaint cited by shift workers is the lack of sleep. However, as was noted in a Statistics Canada report (Exhibit B36), shift work has also been associated with several illnesses including: cardio-vascular disease, hypertension and gastrointestinal disorders. Shift workers also report higher levels of work stress which has been linked to anxiety, depression, migraine headaches and high blood pressure. Research has also shown that sleep deprivation generated by shift work is related to an increased incidence of workplace accidents and injury. The interference that shift work causes in individuals' sleep patterns has resulted in workers experiencing acute fatigue at work, impaired judgements and delayed reaction times. In addition, a recent article from the American Journal of Industrial Medicine concluded night shift work has emerged as the most prevalent suspected occupational cause of breast cancer (Exhibit B37)

Of equal significance are the limitations that shift work poses for participation in employees' leisure time and family activities. Employees required to work non-standard hours face incredible challenges in balancing their community, family and relationship obligations, frequently leading to social support problems. The current rates paid for shift work do not adequately compensate members for this sacrifice of their time and health.

As wages and inflation increase, the relativity between the value of the shift/weekend premium and the hourly rates of pay also needs to be maintained through an upward adjustment to the premium. Otherwise the premium pay associated with shift work would not properly compensate employees for the hardship and inconvenience represented by this kind of work. The Employer should be able to compensate employees more fairly for the imposition on their personal lives and the disruption to their work/life balance.

ARTICLE 29
OVERTIME

PSAC PROPOSAL

29.02 Where overtime work is authorized in advance by the Employer, an employee is entitled to overtime compensation **at double time for each** completed fifteen (15) minute period of overtime worked by the employee.

Consequential amendments throughout the agreement must be made pursuant to this concept being agreed upon.

~~**29.06 Overtime compensation**~~

~~Subject to clause 29.02, an employee is entitled to time and one-half (1 1/2) compensation for each hour of overtime worked by the employee.~~

~~**29.07** Notwithstanding clause 29.06, an employee is entitled to double (2) time for each hour of overtime worked by the employee,~~

~~a. on a scheduled day of work or a first (1st) day of rest, after a period of overtime equal to the normal daily hours of work specified in the Group Specific Appendix;~~

~~and~~

~~b. on a second (2nd) or subsequent day of rest, provided the days of rest are consecutive, except that they may be separated by a designated paid holiday;~~

~~and~~

~~**c.** where an employee is entitled to double (2) time in accordance with paragraphs (a) or (b) above and has worked a period of overtime equal to the normal daily hours of work specified in the Group Specific Appendix, the employee shall continue to be compensated at double (2) time for all hours worked until he or she is given a period of rest of at least eight (8) consecutive hours.~~

Meal allowance

29.09 Overtime meal allowance

a. An employee who works three (3) or more hours of overtime,

i. immediately before the employee's scheduled hours of work and who has not been notified of the requirement prior to the end of the employee's last scheduled work period,

~~or~~

ii. immediately following the employee's scheduled hours of work.
shall be reimbursed for one (1) meal in the amount of ~~ten~~ **fifteen** dollars ($~~10~~ **15**), except where a free meal is provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.

b. When an employee works overtime continuously extending four (4) hours or more beyond the period provided in (a) above, the employee shall be reimbursed for one (1) additional meal in the amount of ~~ten~~ **fifteen** dollars ($~~10~~ **15**) after each four (4) hour period, except where free meals are provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.

c. This clause shall not apply to an employee who is in travel status, which entitles the employee to claim expenses for lodging and/or meals.

EMPLOYER PROPOSAL

29.09 Meals

(New)

d. Meal allowances under this clause shall not apply to an employee who has approval to work overtime from a location other than his or her designated workplace.

RATIONALE:

The Union's overtime and meal allowance proposal includes three parts. A proposal for double overtime for all overtime and the $15 meal allowance. The Employer proposal of assignment of overtime work and meal allowance will also be addressed in this section.

First, the Union proposes that all overtime be compensated at the rate of double time. This proposal simplifies and streamlines the input of overtime pay. Overtime, a form of non-basic pay, was regularly missing or miscalculated by the Phoenix pay system. Currently, overtime can be earned at variety of rates: 1.5 times the base rate, 1.75 times the base rate, and double time in specific situations. The union's proposal simplifies the input of overtime to a single rate. Further this proposal recognizes that any overtime is a disruption of the work/life balance. For non-shift workers, Sunday is currently paid at double time and any extra time worked is equally as important as your second day of rest.

Second, the Union is proposing an increase in overtime meal allowance. The allowance has not been increased since June of 2003—sixteen years ago. What's more, the increase at that time was a mere 50 cents. In the span of that sixteen years food cost have been impacted by inflation which has increased almost 33% since 2003. As such, an increase in overtime meal allowance is well overdue. Overtime meal allowance for shift workers has been increased several times via PSLRB interest arbitration for several PSAC bargaining units over the last several years (Exhibit B38). In recent rounds of negotiations, the Employer has agreed to a $12 meal allowance in the core federal public service for the following groups: FB (PSAC); AI, PR, and RO (Unifor); El (IBEW); FI (AFCO); FS (PAFSO); SR(C) (FGDCA); SR(E) and SR(W) (FGDTLC); SO (CMSG); SP, NR, CS, and SH (PIPSC); and EC and TR (CAPE).

The Union submits the same should apply here. Currently, the Employer provides a meal allowance of $10 in circumstances where meals are not provided, and the employees are required to work more than three (3) hours of overtime. In terms of demonstratable need,

when this situation does arise, the Union submits that it is difficult, if not impossible, to find a restaurant that serves a meal for no more than $10. To this point, Restaurants Canada's 2019 Food Service Facts stated that restaurant menu prices in Canada rose 4.2% in the last year alone—the largest one-year increase since the introduction of the goods and services tax (GST) in 1991 (Exhibit B26).

In terms of cost and relying on the Operational Services (SV) group as an example, the Union's proposal of an increase to a $15 meal allowance is a minimal cost. The cost associated with the increase to the meal allowance to $15 represents approximately 0.019% of the total payroll for this group. The union submits that such an increase is reasonable and appropriate and requests that the Commission recommend its proposal.

With consideration of the Employer's meal allowance proposal at 29.09(d) prohibiting the meal allowance for employee who has approval to work overtime from a location other than their designated workplace. The proposal is restrictive, lacks specificity, and no evidence of a financial hardship was provided to support the introduction of this new language.

ARTICLE 30
CALL-BACK PAY

EMPLOYER PROPOSAL

30.01

(New)

e. An employee who receives a call to duty or responds to a telephone or data line call while on standby or at any other time outside his or her scheduled hours of work, may at the discretion of the Employer work at the employee's residence or at another place to which the Employer agrees. In such instances, the employee shall be paid the greater of:

i. compensation at the applicable overtime rate for any time worked,

or

ii. compensation equivalent to one (1) hour's pay at the straight-time rate, which shall apply only the first time an employee performs work during an eight (8) hour period, starting when the employee first commences the work.

Refutation of the Employer Proposal

The Union rejects the Employer's proposal. There is no demonstrable need for such a provision amongst the Operational Services (SV) group of workers. Workers within SV group who are on Standby and/or recalled to work perform the type of work that overwhelmingly requires their physical presence in the workplace. Language such as that proposed by the Employer is not only unnecessary, but potentially dangerous for worker and others. Whether the call-back is a result of, for instance, alarms from vessels within heating plants, malfunctioning storage freezers in institutions, electrical shorts or result from water treatment processes, SV workers return to the workplace to ensure that any required intervention/repair is safely and accurately undertaken.

The Union is concerned that the presence of such language in the collective agreement covering operational workers has the potential for the Employer to either expect or direct workers to address issues remotely, rather than support workers attending at the workplace, where they are best placed to review, assess and undertake the safest, most appropriate corrective action(s). An increase in this type of Employer direction, supported by their proposed language, may result in a reckless reliance on remote interventions by way of system overrides or resets. Without qualified ‘eyes on the ground” to confirm situations prior to actions or inactions, workers, others and physical assets could be subjected to a high risk of harm.

The Union respectfully submits that there is no demonstrated need for such a proposal and requests that the board does not include a recommendation in favour of the Employer’s proposal.

ARTICLE 31
STANDBY

Exclusions

This article does not apply to the FR ~~, LI or SC~~ Group~~s~~.

31.01 Where the Employer requires an employee to be available on standby during off-duty hours, such employee shall be compensated at the rate of ~~one-half (1/2)~~ **one (1)** hour for each four (4)-hour period or part thereof for which the employee has been designated as being on standby duty.

RATIONALE:

Employees who are placed on standby often face severe restrictions on the use of their personal time throughout the duration of standby. All workers have multiple demands placed on them outside of the workplace, whether they be family, community or personal. For those in the SV classification, it clashes with the added requirement for them to provide, often round-the-clock availability to the Employer via Standby. They must remain available for a call, be prepared for their sleep to be interrupted, would likely be unable to commit to any solo parental responsibilities, nor embark on any travel outside of their geographical area. The current rate of compensation is no longer adequate compensation for the impact that a required period of standby has on the lives of workers outside, which the Union's proposal works to address by increasing the compensation to levels near to or that currently exist in other collective agreements.

Several large provincial and territorial government collective agreements have similar or better language than what the Union in advancing in this round of bargaining. These comparators demonstrate that employers are providing higher rates if compensation for standby than currently exists for the SV group in the Federal Public sector. The Union's proposal to improve compensation for Standby is both responsive and reasonable. The British Columbia General Employee Union's Main Collective Agreement stipulates that there shall be one (1) hours pay for each 3 hours of standby:

14.5 Standby Provisions

(a) Where employees are required to stand by to be called for duty under conditions which restrict their normal off-duty activities, they shall be compensated at straight-time in the proportion of one hour's pay for each three hours standing by. An employee designated for standby shall be immediately available for duty during the period of standby at a known telephone number. No standby payment shall be made if an employee is unable to be contacted or to report for duty when required. The provisions of this clause do not apply to part-time employees who are not assigned a regular work schedule and who are normally required to work whenever called. (Exhibit B39)

From the Collective Agreement between the Yukon Employees Union (PSAC) and the Yukon Government, workers are compensated with 2 hours of pay for each 8 hours of Standby:

18.03 Stand-by Pay

With the exception of article 18.03(8), the following provisions shall be applicable only to regular employees and seasonal employees:

(1) Where the Employer requires an employee to be available on stand-by during off-duty hours, an employee shall be entitled to a stand-by payment of equivalent to two (2) hours of his/her regular straight time hourly rate for each eight (8) consecutive hours or portion thereof, that he/she is on stand-by. (Exhibit B40)

And finally, from the Ontario Public Service Main agreement with OPSEU, workers receive a minimum of 4 hours of pay for any period of Standby:

UN 10.4 When an employee is required to stand-by, he or she shall receive payment of the stand-by hours at one half (½) his or her basic hourly rate with a minimum credit of four (4) hours pay at his or her basic hourly rate (Exhibit B41)

Further, the Union proposes that excluding the SCs and LIs from receiving this premium payment is no longer defensible. Their off-duty time is no less valuable that those of workers who can actually depart their worksite at the end of their daily shift. The off-duty

time for Ships' Crew and Lightkeepers workers involves obtaining valuable rest, attempting to remotely connect with family and maintaining with their personal commitments outside of their physical environment. Canadians would be proud to know that workers within the LI and SC community respond without hesitation to emergencies, rescues and operational issues that either they become aware of or are alerted to during their off-duty periods. They immediately return to duty for the safety of others and service to those in need. The Employer expects them to be available, has benefited from their proximity, yet has not compensated them for their readiness to immediately return to duty. Recognition that they are in fact on Standby during all off-duty hours while on their duty rotation is long overdue.

Although workers in the SC and the LI classifications are often on-site, but no longer on-duty, similar situations are addressed by other collective agreements faced with workers on-site, but not on-duty or in situations involving medical emergencies, often in remote areas. Regardless of the compensation levels, these CA examples demonstrate that standby is acknowledged/paid. The Union wishes nothing less for workers in the LI and SC classifications.

In the Yukon Employees Union (PSAC) and the Yukon Government:

18.03 (6)

> A Relief Assistant Residence Supervisor and a Cook working in the Student Residence shall receive inconvenience pay of fourteen ($14.00) dollars for each eight (8) consecutive hours or portion thereof, that he/she is required to remain in the residence during off-duty hours.

18.03(8)

> (a) An on-call Community Health Nurse or Primary Health Care Nurse shall be entitled to stand-by pay when he/she is replacing a regular employee who would normally be required to provide twenty-four (24) hour nursing service in communities outside Whitehorse.

(b) An on-call Primary Care Paramedic, Supervisor - Whitehorse Stations, Critical Care Paramedic, Critical Care Nurse and Team Lead - Medevac who has been given three (3) days notice and agrees to accept to be on stand-by for a shift shall be entitled to a stand-by payment

(c) An on-call Primary Care Paramedic, Supervisor - Whitehorse Stations, Critical Care Paramedic, Critical Care Nurse and Team Lead – Medevac designated by letter or by list and assigned a shift in accordance with (b) shall be available during his/her period of stand-by at a known telephone number and be available to return to duty as quickly as possible if called. (Exhibit B42)

The BC Ferries collective agreement refers to a “Pager premium”, which will be paid to Ferry vessel workers as Standby pay:

21.04 - Pager Premium

(a) An employee designated to carry a pager outside of his/her scheduled working hours and to be available to return to duty in the event that s/he is called, shall be paid standby pay in the amount of one hour of straight time pay for each four hours of standby. The Company shall advise the employee of the hours required on standby.

(b) An employee shall have the right to refuse to carry a pager, but once s/he has agreed to carry a pager, s/he is required to answer any pages. (Exhibit B43)

The Union’s proposal to remove the exclusion to access to Standby compensation is both responsive and reasonable.

For all of these reasons, the Union respectfully requests that the board includes a recommendation in favour of both the proposal to increase the compensation for standby and remove the exclusion for the workers in the SC and the LI classifications.

ARTICLE 34
TRAVELLING TIME

PSAC PROPOSAL

34.02 When an employee is required to travel outside his or her headquarters area on government business, as these expressions are defined by the Employer, the time of departure and the means of such travel shall be determined by the Employer and the employee will be compensated for travel time in accordance with clauses 34.03 and 34.04. Travelling time shall include time necessarily spent at each stop-over enroute provided such stop-over ~~is not longer than three (3) hours.~~ **does not include an overnight stay.**

34.04 ~~If an employee is required to travel as set forth in clauses 34.02 and 34.03:~~ **When in the performance of his or her duties, an employee is required by the Employer to travel, time necessarily spent in such travel shall be considered as time worked and compensated for as follows:**

~~a. on a normal working day on which the employee travels but does not work, the employee shall receive his or her regular pay for the day.~~

~~b.~~ **a.** on a normal working day ~~on which the employee travels and works,~~ the employee shall be paid:

i. his or her regular pay for the day for a combined period of travel and work ~~not exceeding his or her regular scheduled working hours;~~

and

ii. at the applicable overtime rate for additional travel **and/or work** time in excess of his or her regular scheduled hours of work ~~and travel, with a maximum payment for such additional travel time not to exceed fifteen (15) hours pay at the straight-time rate of pay;~~

~~c.~~ **b.** on a day of rest or on a designated paid holiday, the employee shall be paid at the applicable overtime rate for **all** hours travelled **and/or worked** ~~to a maximum of fifteen (15) hours pay at the straight-time rate of pay.~~

EMPLOYER PROPOSAL

34.07

a. Upon request of an employee and with the approval of the Employer, compensation at the overtime rate earned under this article may be granted in compensatory leave with pay, **or at the request of the Employer and with the concurrence of the employee, overtime may be compensated in equivalent compensatory leave with pay.**

RATIONALE:

The travelling time article in the collective agreement reflects an outdated view of the work that members do when travelling. The Union is proposing to modernize this article to better match the work that they do when travelling on behalf of the Employer. The Union is proposing a second change regarding how to deal with stopovers to ensure that members are properly compensated for the time that they are captive when travelling.

The issue of stopovers is a simple one: members should be compensated for the time that they are captive in a travel situation. The existing language limits compensation to a maximum of three hours for a stopover when in transit. The range of employees' travel in PSAC bargaining units varies significantly. While there may be travel between two major Canadian cities, requiring short stopovers, many employees travel to remote places with minimal air service, requiring long periods of time waiting for flights. Flying to the Territories, or to other remote locations oftentimes may require long stopovers and significant waiting time. Additionally, during winter, flights often get delayed or cancelled. An employee who is stuck in an airport during a stopover which is extended due to weather or other reasons beyond his/her control would be captive and not compensated for such inconveniences due to the existing language in the collective agreement.

The Union respectfully submits that where an employee is captive, they should be compensated for such captivity. The Union proposes to replace the limit of three hours' compensation to any situation where there is not an overnight stay.

With respect to 34.04, the Union is proposing to move from a complicated system where work or travel is worth one thing on a certain day, but something different on another day, to a simple system that reflects the reality of employees' working lives. The Union proposes to simply treat travelling time as working time, regardless of the day or time that it is done.

This proposal modernizes the language to reflect the differences in the way that work is being performed. With access to email, smart phones, laptops, ubiquitous Wi-Fi and VPNs, members are often working during their period of travel. The Union respectfully submits that there is no good reason to continue to distinguish between "work" and "travel". An employee is captive during that period when travelling for the Employer and should be compensated as such.

Both changes reflect a similar approach that is taken in Provincial public service collective agreements. Surveying all ten provincial agreements, the Union notes that all the comparable, large provinces: Alberta, British Columbia, Ontario and Quebec feature rules similar to what the Union is proposing, where time spent travelling is considered time worked. Only one other agreement features a rule that is anything other than what the Unions is proposing.

Provision	Province(s)
Treat all travel time as time worked	Alberta, BC, Ontario, Quebec, Saskatchewan
Travel time to be compensated as straight time	Newfoundland
No clear provision in the collective agreement	Manitoba, New Brunswick, Nova Scotia, PEI

(Exhibit B44)

While it is difficult to cost the Union's proposals in any precise way, even if there are large increases in overtime cost due to this change, which the Union would not expect to be the case, this proposed change would be of minimal cost.

Based on the principle of being compensated for time spent working and/or travelling on behalf of the Employer, on the fact that comparator agreements feature this provision, and on the minimal cost, the Union respectfully asks the Commission to include the Union's proposal in its recommendations.

The Employer has one proposal in this article to allow for the Employer to request that overtime for travel be compensated in time rather than cash. The existing provision is that overtime is paid in cash, except for cases where the Employer approves the request of the employee for time in lieu.

Similar language exists in many other articles related to overtime and the Union does not object to this proposal forming part of the PIC recommendation.

ARTICLE 37
VACATION LEAVE WITH PAY

PSAC PROPOSAL

37.05

a. Employees are expected to take all their vacation leave during the vacation year in which it is earned.

b. ~~The Employer reserves the right to schedule an employee's vacation leave.~~ In granting vacation leave with pay to an employee, the Employer shall make every reasonable effort to:

   i. grant an employee's vacation leave in an amount and at such time as the employee may request;

   ii. not recall an employee to duty after the employee has proceeded on vacation leave;

   iii. not cancel nor alter a period of vacation leave which has been previously approved in writing;

   iv. ensure that, at the request of employee, vacation leave in periods of two (2) weeks or more are started following a scheduled period of rest days.

c. Representatives of the Alliance shall be given the opportunity to consult with representatives of the Employer on vacation schedules.

RATIONALE:

The current language related to vacation scheduling provides the Employer with unfettered right over the vacation planning of SV workers. The sentence "The Employer reserves the right to schedule an employee's vacation leave", with absolutely no qualifier, provides no assurance to workers that their requests or preferences must be respected by the Employer. The Union's proposal seeks the deletion that wording to achieve the

scheduling and approval process that exists within several other Core Public Service collective agreements. These include both the TC collective agreement between the PSAC and the Treasury Board as well as the CX collective agreement between Treasury Board and the Union of Correctional Officers – Syndicat des agents correctionnels du Canada - CSN. Many of these workers work side by side in institutions and workplaces with SV workers.

TC Group - Scheduling of vacation leave with pay

38.04 In scheduling vacation leave with pay to an employee, the Employer shall, subject to the operational requirements of the service, make every reasonable effort:

a. to grant the employee his or her vacation leave during the fiscal year in which it is earned, if so requested by the employee not later than June 1;

b. to comply with any request made by an employee before January 31 that the employee be permitted to use in the following fiscal year any period of vacation leave of four (4) days or more earned by the employee in the current year;

c. to ensure that approval of an employee's request for vacation leave is not unreasonably denied;

d. to schedule vacation leave on an equitable basis and when there is no conflict with the interests of the Employer or the other employees, according to the wishes of the employee. (Exhibit B45)

CX Group - Granting of vacation leave with pay

29.06 Employees are expected to take all their vacation leave during the vacation year in which it is earned.

29.07 The Employer shall, subject to the operational requirements of the service, make reasonable effort to:

a. grant the employee vacation leave for at least two (2) consecutive weeks provided notice is given prior to April 1 of any vacation year;

b. grant the employee vacation leave on any other basis if the employee gives the Employer at least two (2) days' advance notice for each day of leave requested.

29.08 The Employer may for good and sufficient reason grant vacation leave on shorter notice than that provided for in clause 29.07. (Exhibit B46)

The Employer already retains the right to approve or deny requests and there is no demonstrated need or situation that requires that they must retain the right to outright schedule a worker's vacation leave period. Retaining such a provision is beyond unreasonable.

As such, the Union respectfully requests that the board includes a recommendation in favour of this proposal.

DEFINITION OF FAMILY UNDER:
ARTICLE 44 – LEAVE WITHOUT PAY FOR CARE OF FAMILY; ARTICLE 47 – LEAVE WITH PAY FOR FAMILY RELATED RESPONSIBILITIES; AND ARTICLE 50 – BEREAVEMENT LEAVE WITH PAY

PSAC PROPOSAL

ARTICLE 44 – LEAVE WITHOUT PAY FOR CARE OF FAMILY

44.02 a) add the following:

A person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee.

ARTICLE 47 – LEAVE WITH PAY FOR FAMILY-RELATED RESPONSIBILITIES

47.01 f) add the following:

A person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee.

ARTICLE 50 - BEREAVEMNT LEAVE WITH PAY

50.01 a) add the following

A person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee. An employee shall be entitled to bereavement leave with pay under 50.01 (a) only once during the employee's total period of employment in the public service.

RATIONALE:

The inclusion of such language into a Collective Agreement recognizes the possibly diverse nature of some family relationships, which has been accepted by the Employer elsewhere within the core public service. The language proposed for addition to 44.02, 47.01 and 50.01 currently exists in the EB Collective Agreement between the Employer

and the PSAC. Importantly, it was negotiated to in order to accommodate the cultural practices of indigenous peoples in Canada.

22.02 Bereavement leave with pay

a. For the purpose of this clause, “family” is defined per Article 2 and in addition:

i. a person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee. With respect to this person, an employee shall be entitled to bereavement leave with pay once in the federal public administration.

22.09 Leave without pay for the care of family

a. For the purpose of this clause, “family” is defined per Article 2 and in addition:

i. a person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee.

22.12 Leave with pay for family-related responsibilities

a. For the purpose of this clause, family is defined as:

viii. a person who stands in the place of a relative for the employee whether or not there is any degree of consanguinity between such person and the employee. (Exhibit B47)

This language was also recently achieved earlier in 2019, during negotiations between the Employer and other bargaining units within the core public service. These include, but are not limited to those with CAPE, ACFO, AJC and PIPSC (Exhibits B48). As such, the Employer has acknowledged that such language is required in settlements with other Bargaining units and dare we state, a pattern has emerged. Members of the SV bargaining unit seek the same provisions be included in their collective agreement.

The Union therefore respectfully requests that the proposals be incorporated into the Commission's recommendation.

ARTICLE 47
LEAVE WITH PAY FOR FAMILY-RELATED RESPONSIBILITIES

PSAC PROPOSAL

47.02 The total leave with pay which may be granted under this article shall not exceed:

i. ~~37.5~~ **75** hours in a fiscal year where the standard work week is thirty-seven decimal five (37.5) hours;

~~ii. 40 hours in a fiscal year where the standard work week is forty (40) hours;~~

~~iii. 42 hours in a fiscal year where the standard work week is forty-two (42) hours;~~

~~iv. 46.6 hours in a fiscal year where the standard work week is forty-six point six (46.6) hours.~~

47.03 Subject to clause 47.02, the Employer shall grant leave with pay under the following circumstances:

a. to take a family member for medical or dental appointments, or for appointments with school authorities or adoption agencies, if the supervisor was notified of the appointment as far in advance as possible;

b. to provide for the immediate and temporary care of a sick member of the employee's family and to provide an employee with time to make alternate care arrangements where the illness is of a longer duration;

c. to provide for the immediate and temporary care of a ~~elderly~~ member of the employee's family;

d. for needs directly related to the birth or to the adoption of the employee's child.

e. to attend school functions, if the supervisor was notified of the function as far in advance as possible;

f. to provide for the employee's child in the case of ~~an unforeseeable~~ closure of the school or daycare facility;

g. ~~twenty per cent (20%) of the applicable hours stipulated in clause 47.02 above may be used~~ to attend an appointment with a legal or paralegal representative for non-employment related matters, or with a financial or other professional representative, if the supervisor was notified of the appointment as far in advance as possible.

h. to visit with a terminally ill family member

RATIONALE:

The Union has five key proposals in this article.

First, at 47.02, the Union is seeking to increase the amount of family-related responsibility leave available to employees to 75 hours annually from 37.5 hours. The pressure on workers to care for family while juggling full-time jobs has increased in recent years and the current quantum is insufficient to meet the needs of employees.

Economic and societal trends that have emerged over the past few decades have led to workers in Canada having children later than previously. Indeed, according to many economists, as described in a study by Mills et al. 2015:

> *A second set of arguments, primarily made by economists, links early child bearing to a high motherhood 'wage penalty' and demonstrates that postponement of motherhood results in substantial increases in earnings, particularly for higher educated women and those in professional occupations.* (Exhibit B49)

Coupled with other factors such as an aging demographic, children staying in the household as dependents longer than previously, and families having fewer children to share in the care of elderly family members, has led to an increase in caregiver responsibilities, the outcome of which has been termed the sandwich generation". Current societal trends do not suggest that this phenomenon is going to reverse.

In 2011-2013, Dr. Linda Duxbury of Carleton University's Sprott School of Business, and Dr. Christopher Higgins of the University of Western Ontario's Ivey School of Business conducted a study of more than 25,000 employed Canadians which focused on the work-life experiences of employed caregivers.

Among their findings were:

- Of the 25,021 employees surveyed, 25 per cent to 35 per cent are balancing work, caregiving and/or childcare. Sixty percent of those in the caregiver sample are in the sandwich group.

- Forty percent of the 25,021 employees in the survey sample reported high levels of overload both at work and at home. Employees in the sandwich group reported the highest levels of overload. Employees in the caregiver sample stated that they cope with conflict between work and caregiving by bringing work home and giving up on sleep, personal time and social life strategies that put them at higher risk of experiencing burnout and stress. (Exhibit B50)

One of the recommendations of this major study is that employers provide more flexibility in work hours and leave.

A review in Statistics Canada's 2004 Labour and Income publication also recognized the presence of a sandwich generation in Canada and described its impact:

> *However, caregiving often leaves little time for social activities or holidays. More than a third found it necessary to curtail social activities, and a quarter had to change holiday plans. Often a call for help can come in the night and the caregiver must leave the house to provide assistance. Some 13 per cent experienced a change in sleep patterns, and the same percentage felt their health affected in some way. While 1 in 10 sandwiched workers lost income, 4 in 10 incurred extra expenses such as renting medical equipment or purchasing cell phones*. (Exhibit B51)

Bargaining demands from our membership consistently identify improvements to family-related responsibility leave provisions as a high priority. Given that the studies

also demonstrate that employees are experiencing increased pressures due to caregiving responsibilities, we respectfully ask the Commission to recommend an increase in the amount of family-related leave available to our members.

Moreover, employees at the Canada Revenue Agency, also PSAC members, have 45 hours per year of paid family-relative responsibility leave available to them. This is 7.5 hours more per year, or 20 per cent more hours of leave than are available to PSAC members in the core public administration. (Exhibit B52).

The CRA bargaining unit was carved out of a core public service table, the PA group, in 1999. The SP classification at CRA came into effect in November 1, 2007 after a classification review was completed. The mandate for bargaining at the CRA is also set by Treasury Board (Exhibit B53).

The Union believes that there is no justification for the Employer to provide family-related responsibility leave provisions to employees in the core public administration that are inferior to those enjoyed by employees of the CRA. We respectfully request that the Commission recommend our proposal.

Second, the Union is looking to allow employees to use this clause to provide the immediate and temporary care of any family member, not necessarily an elderly one. This may be in the case of a disabled child or a disabled family member who requires extra care. The Union expects this to be used infrequently, but for those who must make such arrangements for a family member, this leave would be a substantial benefit.

Third, the Union proposes to lift the work “unforeseen” from the provision which allows members to use this leave during the closure of a school or daycare. Whether this is due to a scheduled closure or not, parents, especially single parents are often scrambling to ensure that their children have somewhere to go when a daycare or school is closed. Labour disputes in these institutions are good examples of a closure which is not

unforeseen, but where parents may not have options regarding where to send their children for the period of closure.
The Union further proposes to lift the existing limitation on how much of this leave can be used for clause g), which is for appointments with a lawyer or a financial professional. When an employee is undergoing changes in their lives, be it buying a house, or going through a marriage break-up, there may be serious reasons that would require more time than the 20% of applicable hours to meet such professionals.

Finally, under this Article, the Union is seeking to include “to visit with a terminally ill family member” in the list of circumstances under which the Employer shall grant the employee leave with pay,

In the course of a family member’s medical illness, a person may reach the stage of being considered terminally ill and be placed under palliative care. In such circumstances, an employee may wish to spend final moments with the family member whose life will soon come to an end. The article currently allows for family-related leave in circumstances involving care only. The Union is seeking explicit language that provides for visitation of a terminally ill relative so that this specific situation is not left open to differing interpretations of regarding the provision of care.

ARTICLE 61
CORRECTIONAL SERVICE SPECIFIC DUTY ALLOWANCE

PSAC PROPOSAL

The ~~following allowance~~ **Correctional Service Specific Duty Allowance** replaces the former Penological Factor Allowance (PFA) **and the Offender Supervision Allowance (OSA)**. The parties agree that ~~only incumbents of positions deemed eligible and/or receiving PFA as of signing of this collective agreement,~~ **all CSC employees who are in contact with inmates or offenders** shall receive the Correctional Service Specific Duty Allowance (CSSDA), subject to the criteria outlined below.

61.01 The CSSDA shall be payable to incumbents of specific positions in the bargaining unit within Correctional Service of Canada. The Allowance provides additional compensation **in recognition of the risk management function required of a position at** ~~to an incumbent of a position who performs certain duties or responsibilities specific to~~ Correctional Service of Canada ~~(that is, custody of inmates, the regular supervision of offenders, or the support of programs related to the conditional release of those offenders) within penitentiaries as defined in the Corrections and Conditional Release Act, and/or CSC Commissioner Directives~~

EMPLOYER PROPOSAL

~~The following allowance replaces the former Penological Factor Allowance (PFA). The parties agree that only incumbents of positions deemed eligible and/or receiving PFA as of signing of this collective agreement, shall receive the Correctional Service Specific Duty Allowance (CSSDA), subject to the criteria outlined below.~~

61.01 The CSSDA shall be payable to incumbents of specific positions in the bargaining unit within Correctional Service of Canada. The Allowance provides additional compensation to an incumbent of a position who performs certain duties or responsibilities specific to Correctional Service of Canada (that is, custody of inmates, the regular supervision of offenders, or the support of programs related to the conditional release of those offenders) within penitentiaries as defined in the Corrections and Conditional Release Act, and/or CSC Commissioner Directives**. The CSSDA is not payable to incumbents of positions located within Correctional Learning and Development Centres, Regional Headquarters, National Headquarters, and CORCAN establishments that do not meet the definition of penitentiary as defined in the Corrections and Conditional Release Act and/or CSC Commissioner Directives.**

61.02 The **value of the** CSSDA shall be two thousand dollars ($2,000) annually**.** ~~and paid on a bi-weekly basis in any pay period for which the employee is expected to perform said duties of the specific position in a month.~~ **Except as prescribed in clause 61.03 below, this allowance shall be paid on a biweekly basis for any month in which an employee performs the duties for a minimum period of ten (10) days in a position to which the CSSDA applies.**

RATIONALE:

During the previous round of bargaining, the parties agreed to replace the Penological Factor Allowance and the Offender Supervision Allowance with a new allowance – the Correctional Service Specific Duty Allowance (CSSDA), harmonized at the maximum rate available under the previous language. Since then, the implantation of the replacement allowance has not been as simple, nor as smooth as the parties had anticipated.

The Union's amendments work to reinforce the efforts of the parties during the previous round and clarify the qualification for and the payment the new CSSDA.

As such, the Union respectfully requests that the Commission recommend the amended language as proposed by the Union.

Refutation of the Employer Proposal

The Union rejects the Employer's proposal to alter the provisions of the CSSDA as outlined in its proposal above. The parties only negotiated the CSSDA in their last round of bargaining, replacing the former Penological Factor Allowance and the former Offender Supervision Allowance, and harmonizing the two allowances to their maximum rates. During the life of the last Collective Agreement, the Employer did not raise any issues with the Union with respect to the CSSDA and has provided no cogent rationale for its position during the current round of bargaining.

Such an amendment may interfere with the application of the allowance to workers who currently qualify for it. The Union is not in support of any change in language that, despite their proximity to and interaction with members of the offender community while performing their duties on behalf of the Employer, leads to even one worker being excluded from receipt of the allowance.

As such, the Union respectfully requests that the Commission not recommend the amended language proposed by the Employer

ARTICLE 68
COMPENSATORY LEAVE

PSAC PROPOSAL

Exception: this article does not apply to the SC group.

68.01

a. All the overtime, travelling time compensated at overtime rates, standby pay, reporting pay, call-back pay, and time worked on a designated paid holiday, shall be compensated in cash except where, upon request of an employee ~~and with the approval of the Employer,~~ compensation shall be in equivalent leave with pay. Notwithstanding the above paragraph, designated paid holidays for FR employees will be compensated in accordance with clause 6.01 of Appendix A.

b. Compensatory leave may be granted subject to operational requirements and adequate advance notice being provided.

c. At the request of the employee, and with the approval of the employer, accumulated compensatory leave may be paid out, in whole or in part, once per fiscal year, at the rate in effect at the time of the request.

d. Compensatory leave earned in a fiscal year, and outstanding as of September 30 of the next following fiscal year will be paid at the employee's rate of pay on September 30.

RATIONALE:

With respect to 68.01(a), understanding that sometimes overtime is necessary, the Employer must not hold the discretion over how an employee is compensated for their overtime work. The union's proposal is reasonable in that employees' preferences must be respected relative to how the employee elects to receive that compensation, either in cash or, if requested, equivalent leave with pay. The employee works the overtime because the Employer requires the overtime. The employee should be able to decide how they want to be compensated.

NEW ARTICLE
PRE-RETIREMENT LEAVE

PSAC PROPOSAL

XX.XX The Employer will provide thirty-seven decimal five (37.5) hours of paid leave per year, up to a maximum of one-hundred and eighty-seven decimal five (187.5) hours, to employees who have the combination of age and years of service to qualify for an immediate annuity without penalty under the *Public Service Superannuation Act.*

RATIONALE:

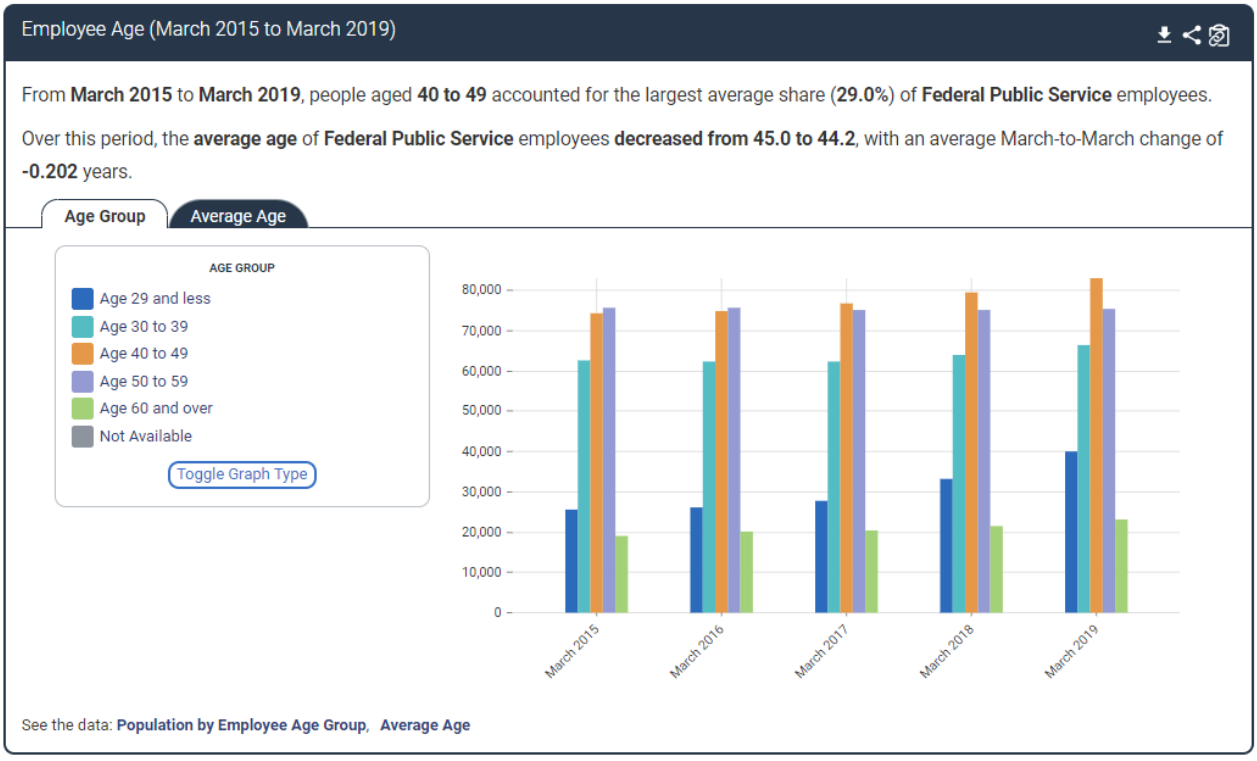
With this proposal, the Union seeks to provide increased flexibility to employees by helping them better balance their work and personal lives and more easily transition into retirement. This accommodates the needs and concerns of employees who are approaching retirement age with respect to their health matters, family responsibilities and personal fulfillment. The Employer will also benefit from this leave provision, as it will help to ease the coming wave of retirements from the public service. Offering employees tangible incentives, such as more paid leave, will help encourage older employees to remain in the workforce longer, allowing them to provide training and mentoring for new employees, and preserving their institutional memory for the organization.

The transition from full-time employment to complete retirement is a significant step in a worker's life. From the Employer's point of view, phased retirement programs are useful in retaining skilled older employees who would otherwise retire outright. Additional leaves of absence benefit older workers, not only in easing the transition to retirement, but also in balancing their work and family responsibilities, particularly if they must care for an aging spouse or elderly relative(s).

The Coming Retirement Tidal Wave

This issue will be important across the federal public service. While Table 1 identifies the average age in the federal public service at 44.2 years of age,[86] Table 2 highlights the average age of each sub-group.

Table 1: Treasury Board Secretariat Infographic: Employment Age



These figures are consistent across each classification. This should be a source of concern for the Employer. The shrinking labour market results in more and more competition for skilled workers. With the large number of members nearing retirement age, members are looking for options to assist them with their transition into retirement and help them balance their work/life needs. The Employer will also require solutions to

[86] https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#orgs/gov/gov/infograph/people

help retain the workforce and minimize the impacts of the impending retirement tidal wave.

Table 2: SV Group (Source: TBS Demographic Data Reported 31 Mar. 2018)

	50-59	60+	Above 50	Average Age of Each Sub-Group
FR	24.6%	6.5%	31.1%	44.03
GL	42.9%	17.4%	60.3%	50.47
GS	42.7%	15.3%	58.0%	50.09
HP	41.7%	24.2%	65.9%	52.06
HS	31.6%	9.3%	40.9%	47.17
LI	34.1%	40.7%	74.7%	56.51
PR(S)	50.0%	0%	50.0%	49.78
SC	12.0%	33.6%	45.5%	45.91

Current Provisions

The Employer currently has a Pre-retirement Transition Leave found in the Directive on Leave and Special Working Arrangements which is available to members of the SV group, as well as other federal public service bargaining units. This policy allows members to reduce their work week by up to 40 per cent in the two years prior to retirement. Their pay is adjusted according to the hours that they work, while their pension and benefits continue at the same level as if they were working full time.

Introducing a provision for Pre-retirement Leave, in line with the Union's proposal, would be in line with the aims stated in the Employer's Pre-retirement Transition Leave policy, but rather than turn these employees into a part-time work force, they would remain full-time employees benefiting from additional time away from the workplace without experiencing a precipitous drop in pay. In a time when there will be a massive wave of retirements coming, it is imperative to ensure that the Employer introduces enticements for employees to stay longer and to impart the corporate memory to the new group of employees.

Furthermore, the Union's proposal is comparable to provisions that exist elsewhere in the federal public administration. The Canada Revenue Agency (CRA) and the PSAC, as well as the Canada Post Corporation and Canadian Union of Postal Workers (CUPW), have included in their collective agreements a provision that is like the one proposed in this brief.

Canada Revenue Agency and PSAC

Article 52: Pre-retirement Leave

52.01 The Employer will provide thirty-seven decimal five (37.5) hours of paid leave per year, up to a maximum of one-hundred and eighty-seven decimal five (187.5) hours, to employees who have the combination of age and years of service to qualify for an immediate annuity without penalty under the *Public Service Superannuation Act.* (Exhibit B54)

Canada Post Corporation and CUPW

19.12 Pre-retirement Leave

a) In addition to vacation leave provided for under this agreement, a regular employee who attains fifty (50) years of age and completes twenty (20) years of continuous employment or, attains sixty (60) years of age and completes five (5) years of continuous employment, shall be entitled to be paid a pre-retirement leave of one (1) week in the vacation year in which he or she becomes eligible for such leave and in every vacation year thereafter until the employee's retirement up to a maximum of six (6) weeks pre-retirement leave from the time of eligibility until the time of retirement

b) An employee may elect to take his or her fifth (5th) and sixth (6th) weeks of pre-retirement leave during the same year.

c) Pre-retirement leave with pay shall be scheduled in one (1) week blocks separate from the scheduling of vacation leave at a time to be determined by the Corporation, taking into consideration the employee's wishes, seniority and operational requirements.

d) It is understood that there shall be no payment made to or on behalf of any employee in lieu of unused pre-retirement leave.

e) No employee shall be required or authorized to work during his or her pre-retirement leave.

f) When any day scheduled as pre-retirement leave falls on a designated paid holiday, the employee shall be entitled to an alternate day at the end of his or her pre-retirement leave.

g) In the event of termination of employment, for reasons other than death or lay-off, the Corporation shall recover from any monies owed to the employee an amount equivalent to pre-retirement leave taken by the employee after the beginning of the vacation year and prior to his or her birthday or anniversary date, whichever is later.

h) In the event that an employee exercises his or her right under paragraph (b), the Corporation shall not recover the fifth (5th) or the sixth (6th) week of pre-retirement leave if the Corporation would not otherwise be able to recover the fifth week pursuant to paragraph (g). (Exhibit B55).

In addition to the Pre-retirement Leave language listed above, CRA employees also have access to a Pre-retirement Transition Leave policy.

The PSAC submits that a pre-retirement leave entitlement benefits both the Employer and the employee. It provides employees with an easier transition to retirement. And it increases the ability of the Employer to retain long-serving employees at a time when a large proportion of these employees are approaching retirement. In addition, the PSAC respectfully notes that certain federal public service employees already enjoy access to pre-retirement leave.

NEW ARTICLE
DUTY TO ACCOMMODATE

As amended and tabled with the Employer on 20 March 2019

The duty to accommodate is the obligation to meaningfully incorporate diversity into the workplace. The duty to accommodate involves eliminating or changing rules, policies, practices and behaviours that discriminate against persons based on a group characteristic, such as race, national or ethnic origin, colour, religion, age, sex (including pregnancy), sexual orientation, marital status, family status and disability.

XX.01 With respect to pay and benefits, an employee who stays in the same position shall continue to receive the same pay and benefits, no matter the nature or the duration of the accommodation. If it is not possible to accommodate the employee in their own position or in a comparable position and the new position is of a group and/or level with a lower attainable rate of pay, the employee shall be salary protected, as defined in XX.02.

XX.02 Salary protection under this article shall mean the rate of pay, benefits and all subsequent economic increases applicable to the employee's former classification and level.

RATIONALE:

Due to the operational and physical nature of their duties, workers within the SV group face numerous challenges when attempting to continue to contribute within their position following injury, disability or due to another matter requiring accommodation. It is the Union's position that any accommodation that respects an individual workers dignity should be the paramount goal. Such an accommodation have the greatest potential for success, which is beneficial to all parties involved.

Instrumental in maintaining dignity is for a worker to continue to meaningfully contribute within the workplace *and* to sustain equivalent remuneration. The Union's proposal strives to further incentivize the Employer in their efforts to work with the Union and the worker to construct an accommodation that respects this, and in particular, the worker's certifications, knowledge and experience within their respective trade or profession.

Recognition of maintaining a worker's rate of pay for such a situation exists elsewhere. For example, the in the main collective agreement between the Government of the Province of British Columbia and the B.C. Government and Service Employees' Union (BCGEU).

27.7 Salary Protection and Downward Reclassification of Position

(a) An employee shall not have their salary reduced by reason of:

(1) a change in the classification of their position; or

(2) placement into another position with a lower maximum salary, that is caused other than by the employee.

That employee shall not receive negotiated salary increases until the salary of the employee's new classification equals or exceeds the salary which the employee is receiving.

When the salary of the employee's new classification equals or exceeds the salary which the employee is receiving, the employee's salary will be implemented at the maximum step of their new classification.

That employee shall receive the full negotiated salary increases for their new classification thereafter.

(b) Such changes in classifications or placements made pursuant to Article 13 - Layoff and Recall, and/or Clause 29.4(b) are covered by (a) above.

(Exhibit B56)

The Union respectfully requests that the board includes a recommendation in favour of this proposal.

LETTER OF UNDERSTANDING
BETWEEN THE
TREASURY BOARD
AND THE
PUBLIC SERVICE ALLIANCE OF CANADA

PSAC PROPOSAL

This letter is to give effect to the understanding reached between the Employer and the Public Service Alliance of Canada in negotiations for the renewal of the Operational Services Collective Agreement.

Accordingly, the parties agree, during the life of the Agreement, to conduct a compensation comparability study **on all SV group classifications**.

The parties further agree to meet within ninety (90) days of the signing date of this Agreement to establish the scope and the terms of reference of the study.

RATIONALE:

The government has the responsibility to recruit, hire, and retain strong candidates to serve in the federal public service. Fair and competitive compensation is central to this responsibility. It is the Union's position that the pay study conducted in 2015 did not complete compensation comparisons for all operational services group trades. Only seventeen trades were included in the wage comparison. Relevant here, is the necessity of offering compensation and other terms and conditions of employment in the public service that are comparable to those employees in similar occupations in the private and public sectors, including any geographic, industrial or other variations that the public interest commission considers relevant.

As previous round's in which pay studies have been conducted have shown, the wages of the operational services group classification continue to lag its provincial and municipal public sector and private sector counterparts. The Union submits that the Chair replicate

the recommendations of previous Commissions and recommend the proposed compensation comparability study on all SV group classifications

PART 5
EXHIBITS