

## 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

**Technical Services (TC)** 

Morton Mitchnick Chairperson

Gary Cwitco
Representative of the interests of the Employees

Kathryn Butler Malette Representative of the interests of the Employer

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## PART 1

## **INTRODUCTION**

#### **COMPOSITION OF BARGAINING UNIT**

The Technical Services (TC) Group is composed of six different categories of employees certified by the Public Service Labour Relations Board (PSLRB). 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:

<ul> <li>Drafting and Illustration (DD):</li> <li>59 employe</li> </ul>
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•	Engineering and	Scientific Su	pport (EG):	5,862 employees

<ul> <li>Primary Products Inspection (PI):</li> </ul>	137 employees
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•	Technical Inspection (TI):	1,439 employees
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Total:	9 840 employees

#### **Technical Services Group Definition**

The Technical Services Group comprises positions that are primarily involved in the performance, inspection and leadership of skilled technical activities.

#### **Inclusions**

Notwithstanding the generality of the foregoing, for greater certainty, it includes positions that have, as their primary purpose, responsibility for one or more of the following activities:

- 1. the planning, design and making of maps, charts, drawings, illustrations and art work;
- 2. the design of three-dimensional exhibits or displays within a predetermined budget and pre-selected theme;
- 3. the conduct of analytical, experimental or investigative activities in the natural, physical and applied sciences; the preparation, inspection, measurement and analysis of biological, chemical and physical substances and materials; the design, construction, modification and assessment of technical systems and equipment or the calibration, maintenance and operation of instruments and apparatus used for these purposes; and the observation, calculation, recording and the interpretation, presentation and reporting of results of tests or analyses, including:
  - the performance of activities involving the application of the principles, methods, and techniques of engineering technology and a practical knowledge of the construction, application, properties, operation and limitations of engineering or surveying systems, processes, structures, buildings or materials, and machines or devices;
  - the planning of approaches, the development or selection and application
    of methods and techniques, including computer software, to conduct
    analytical, experimental or investigative activities; the evaluation and
    interpretation of results; and the preparation of technical reports;
  - the observation and recording of events and the analysis of information relating to such fields as meteorology, hydrography, or oceanography and the presentation of the results of such studies; and the provision of data and information relating to meteorology;

- the monitoring and investigating of environmental hazards or the provision of advice on those issues impacting upon compliance with public health legislation; and
- the design, development or application of tests, procedures and techniques in support of the diagnosis, treatment and prevention of human and animal diseases and physical conditions;
- 4. the application of statutes, regulations and standards affecting agricultural, fishery and forestry products;
- the capture and development of images involving the operation and use of cameras, accessories and photographic processing and reproduction equipment;
- the operation of television cameras and video recording systems and equipment;
- 7. the inspection and evaluation of quality assurance systems, processes, equipment, products, materials and associated components including electronic equipment used in trade measurement; the development, recommendation or enforcement of statutes, regulations, standards, specifications or quality assurance policies, procedures and techniques; and the investigation of accidents, defects and/or disputes;
- 8. the construction and repair of prostheses and orthoses;
- 9. the writing of standards, specifications, procedures or manuals related to the above activities;
- 10. the performance of other technical functions not included above; and
- 11. the planning, development and conduct of training in, or the leadership of, any of the above activities.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Treasury Board of Canada Secretariat, *Occupational Group Definitions* (2011)

#### **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 25 days over 10 sessions. Despite this, the parties have reached agreement on very few issues. The Union would characterize all signed off language as housekeeping. All the substantive issues remain outstanding. On May 1<sup>st</sup> 2019, the Employer tabled a comprehensive offer to settle all outstanding collective bargaining issues (Exhibit C). However, this offer did not address key member concerns and on May 7<sup>th</sup>, 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 the outstanding issues.

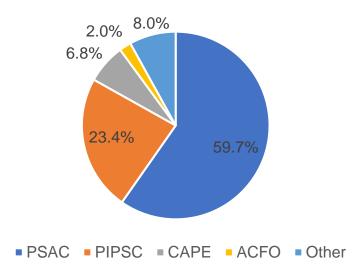
#### Federal Public Sector Context

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 C).

On September 1<sup>st</sup> 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 unionized employees in the Federal Public Administration and is in no place to accept a pattern that is imposed by smaller bargaining agents. The next biggest bargaining agent in the sector has close to one third of PSAC's membership. The tail does not wag the dog.

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





As expected, considering the size of the bargaining units, traditionally, PSAC has set the pattern with the Employer in bargaining. In every round in recent memory, PSAC has settled first and the other bargaining agents have followed suit.

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 non-PSAC 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 their ability to implement any agreement

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

as the Employer that they do not expect PSAC to follow the pattern set by the smaller groups' agreements, and that there is a strong likelihood that the pattern will be exceeded by PSAC.

As with any other set of negotiations, the large groups generally set the pattern. Consider, for example, a situation where PSAC represents Teaching Assistants at a university. Reaching 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 Public Interest Commission (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 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 essentially identical to what is presented for the PA table.

#### **PSAC BARGAINING TEAM**

During the course of the Public Interest Commission process, Team members may be called upon to provide a more detailed explanation of specific issues of the enclosed proposals. The PSAC Technical Services Bargaining Team is:

Jean Cloutier (EG)

Richard Dollimount (GT)

Scott Hodge (GT)

Karen Houlahan (TI)

Jean Lipari (EG)

Kevin Lundstrom (EG)

Scott McNab (TI)

Sheri Parent (TI)

Pat St-Georges (EG)

Sharon DeSousa, PSAC Regional Executive Vice-President, Ontario

Appearing for the PSAC are:

Seth Sazant, Negotiator, PSAC

Silja Freitag, 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**

#### June 22, 2018:

- 1. Expand and roll all current allowances into salary. All such allowances will be subject to all future economic increases.
- 2. Wage restructuring add two increments to the top of all pay scales, drop the lowest two increments from the bottom of all pay scales. All members to immediately move up their pay scales by two increments.
- Create/apply new and expanded occupational allowances to restructured rates of pay. These allowances will increase in all years by the general economic increases negotiated by the parties.
- 4. Economic increase of 3.25%

#### June 22, 2019:

Economic increase of 3.25%

#### June 22, 2020:

Economic increase of 3.25%

#### **RATIONALE**

The issue of pay for the TC group is central to this dispute. The Union submits that there are significant gaps in compensation for the bargaining unit generally as well as a large number of critical wage gaps for smaller groups. The evidence in this section will lay out the Union's case for general wage increases, followed by a section detailing TC-specific compensation issues. The latter section will rely predominantly on a market pay study. Due to the nature of the duties of many of the regulatory enforcement positions, many positions do not have natural comparators outside of the federal government. As such, for some positions, the Union will rely on comparators that are internal to the federal public service. Results determined by both of these methods will show a clear disparity in compensation for TC positions.

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's 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

In this section, we discuss 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 meager 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, need to 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<sup>2</sup>

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

<sup>&</sup>lt;sup>2</sup> H. W. Arthurs, Award Re Building Service Employees Local 204 and Welland County General Hospital, 16 L.A.C.-1, 1965.

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 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<sup>3</sup>.

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." <sup>4</sup>

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;

<sup>4</sup> O.B. Shime, Q.C., Re: *McMaster University and McMaster University Faculty.* Interest Arbitration, Ontario. July 4, 1990

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<sup>&</sup>lt;sup>3</sup>Kenneth P. Swan, Re: Kingston General Hospital and OPSEU, Unreported, June 12, 1979.

- 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;
- 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"<sup>5</sup>;

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.

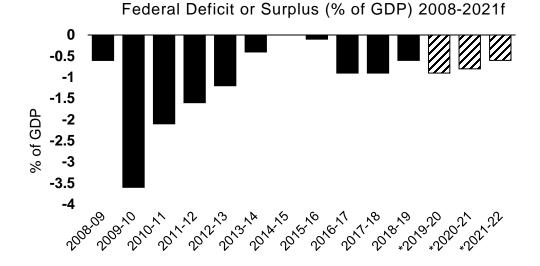
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<sup>&</sup>lt;sup>5</sup> Jeffrey Sack, Q.C., "Ability to pay in the Public Sector: A Critical Appraisal", *Labour Arbitration Yearbook*, 1991, vol. 2, 277 to 279.

#### 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 (please see graph below)<sup>6 7 8</sup>.



Source: Finance Canada, Fiscal Reference Tables, October 2018

The current deficit in relation to GDP is historically small and the 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 prioritized increased program spending over fighting the deficit.

<sup>\*</sup> Projected in Budget 2019. Maintaining Canada's Low-Debt Advantage

<sup>&</sup>lt;sup>6</sup> Budget 2019 https://www.budget.gc.ca/2019/docs/plan/overview-apercu-en.html

<sup>&</sup>lt;sup>7</sup> Finance Canada, Fiscal Reference Tables, October 2018, https://www.fin.gc.ca/frt-trf/2018/frt-trf-18-eng.pdff

<sup>&</sup>lt;sup>8</sup> 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<sup>9</sup> 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." These statements oppose 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 economic activity to pick up later in 2019 and that this activity will spill over into 2020, supporting Canadian economic growth *of* 2.1% <sup>10</sup>.

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<sup>&</sup>lt;sup>9</sup> Budget 2019, Maintaining Canada's low-debt advantage

<sup>&</sup>lt;sup>10</sup>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<sup>11</sup>. The Bank of Canada and Fitch's Ratings<sup>12</sup> 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<sup>13</sup>. Canada's largest banks<sup>14</sup> 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		

#### A decreasing debt-to GDP ratio

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

<sup>&</sup>lt;sup>11</sup> Bank of Canada Monetary Policy Report July 2019

<sup>&</sup>lt;sup>12</sup> Fitch Affirms Canada's Ratings at 'AAA'; Outlook Stable. Fitch's Ratings. July 17, 2019

<sup>&</sup>lt;sup>13</sup> Bank of Canada Monetary Policy Report, July 2019

<sup>&</sup>lt;sup>14</sup> 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/subbrands/scotiabank-economics/english/documents/provincial-pulse/provincial\_outlook\_2019-07-15.pdf; Bank of Canada Monetary Policy Report July 2019

"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<sup>15</sup>."

Federal tax revenues surpassed budget expectations, contributing to a surplus of 0.4% of GDP on a Government Finance Statistics (GFS) basis for 2018<sup>16</sup>. 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<sup>17</sup>:

"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 forecasted to remain steady throughout 2019-2021 and decrease through 2022. With Program expenses trending down and budgetary revenues remaining constant, the Fiscal Position of the Federal Government is "in the green" and deficits are expected to stay within risk adjustments<sup>18</sup>.

eng.pdf)

<sup>&</sup>lt;sup>15</sup> 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/

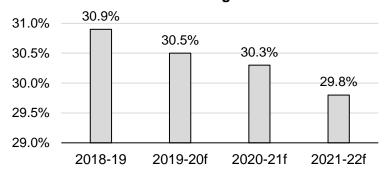
<sup>&</sup>lt;sup>16</sup> Fitch Affirms Canada's Ratings at 'AAA'; Outlook Stable. Fitch's Ratings. July 17, 2019 (as above)

<sup>&</sup>lt;sup>17</sup> Federal Budget 2019, Maintaining Canada's Low Debt Advantage, https://www.budget.gc.ca/2019/docs/plan/overview-apercu-en.html

<sup>&</sup>lt;sup>18</sup> Budget 2019: Highlights of Bill Morneau's fourth federal budget, CBC, March 19<sup>th</sup>, 2019,

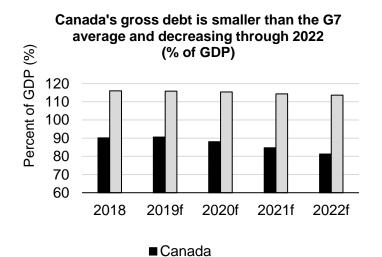
https://www.cbc.ca/news/politics/bill-morneau-budget-2019-highlights-1.5061661 (accessed September 16, 2019) <sup>19</sup> Fall Economic Statement 2018 https://www.budget.gc.ca/fes-eea/2018/docs/statement-enonce/fes-eea-2018-

## Federal debt as percent of GDP is decreasing

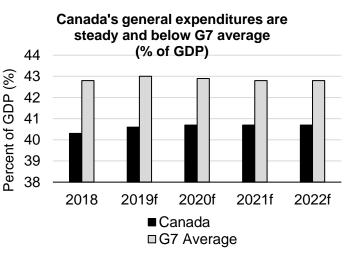


#### Canada has better fiscal sustainability than the other G7 countries<sup>20</sup>

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).



□G7 Average



22

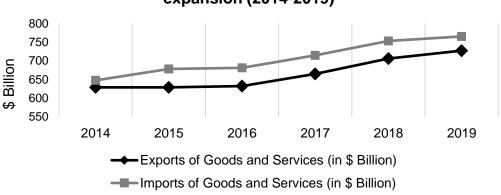
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<sup>&</sup>lt;sup>20</sup> Data from: International Monetary Fund - Fiscal Monitor, April 2019 https://www.imf.org/external/datamapper/datasets/FM/1 (accessed September 16, 2019) Note: IMF indicators include Federal and Provincial Governments.

#### 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.<sup>21</sup>. 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.<sup>22</sup> The signing and anticipated ratification of the Canada, U.S., and Mexico, the USMCA trade agreement (successor to NAFTA) has alleviated some trade uncertainty<sup>23</sup>.

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-



Canada's Trade of Goods and Services continues its expansion (2014-2019)\*

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<sup>24</sup>. This trend continues with a jump in second quarter foreign investment to \$21.7 billion, the highest in the five years.<sup>25</sup>

https://www150.statcan.gc.ca/n1/daily-quotidien/190829/dq190829b-eng.htm

<sup>&</sup>lt;sup>21</sup> 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

 <sup>&</sup>lt;sup>22</sup> Budget 2019
 <sup>23</sup> Fitch Affirms Canada's Ratings at 'AAA': Outlook Stable, Fitch's Ratings, July 17, 2019

<sup>&</sup>lt;sup>24</sup> Why Canada saw a 60% increase in foreign direct investment last year. Globe and Mail. May 22, 2019

<sup>&</sup>lt;sup>25</sup> Statistics Canada The Daily August 29, 2019.

#### Canada has a strong labour market and low unemployment

According to Budget 2019, Canada's job creation is on track<sup>26</sup>

"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."

Canada added 224,000 net jobs in the first seven months of 2019 and another 81,000 positions in August, beating economists' expectations of 15,000. Compared with August 2018, employment increased by 471k with gains in both full-time (+360,000) and parttime (+165,000) work <sup>27</sup> <sup>28</sup>.

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.

<sup>&</sup>lt;sup>26</sup> Federal Budget 2019

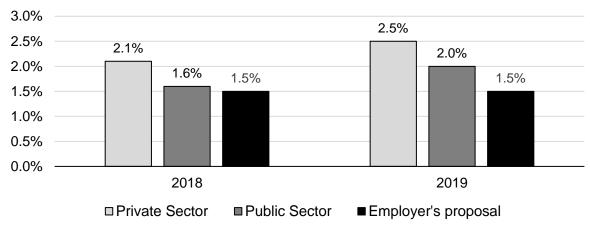
<sup>&</sup>lt;sup>27</sup> Labour Force Survey, August 2019 https://www150.statcan.gc.ca/n1/daily-quotidien/190906/dq190906a-eng.htm <sup>28</sup> Canada's economy blows past expectations with gain of 81,100. Financial Post. Kelsey Johnson. September 6, 2019. jobshttps://business.financialpost.com/news/economy/canada-gains-81100-jobs-in-august-as-national-election-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 the Federal Public Administration and Private Sector as per data published by the Human Resources and Social Development Canada's *Labour Program* (Employment and Social Development Canada) (see graph below). <sup>29</sup>

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



_	20	18	2019		
	Collective		Collective		
_	Agreements	<b>Employees</b>	Agreements	Employees	
Private					
Sector	64	118,380	42	65,255	
<b>Public Sector</b>	117	456,955	60	234,010	

<sup>&</sup>lt;sup>29</sup> 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

#### 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 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)

		General Economic Increase		Additional Market	
Group	Union	2018	2019	2020	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.

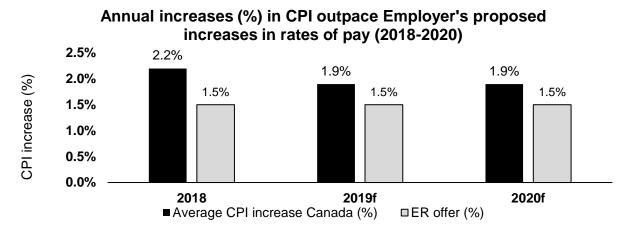
Wage increases for PSAC signed with separate agencies & federally funded organizations for 2018-2020

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
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<sup>30</sup> and by the Bank of Canada for 2020<sup>31</sup> indicate future losses if the Union was to accept the Employer's losses<sup>32</sup>.

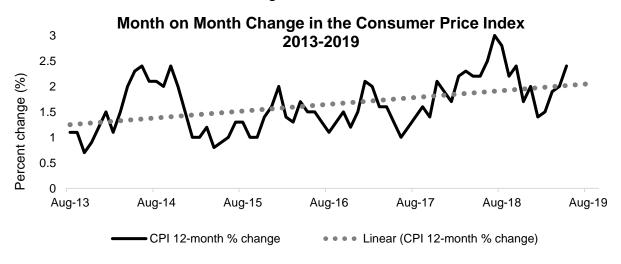


Source: Statistics Canada Consumer Price Index, monthly, not seasonally adjusted,

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.



<sup>30</sup> Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01

<sup>&</sup>lt;sup>31</sup> Bank of Canada, January 2019 Monetary Report, https://www.bankofcanada.ca/2019/01/mpr-2019-01-09/

<sup>32</sup> Statistics Canada Consumer Price Index, monthly, not seasonally adjusted, Table: 18-10-0004-01

Source: Statistics Canada. Consumer Price Index, monthly, not seasonally adjusted Table 18-10-0004-01 33

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<sup>34</sup>. 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%.

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
ВМО	2.3	1.9	2.0
Scotia Bank	2.0	1.9	1.9
National Bank of	2.3	2.0	1.9
Canada			
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.

<sup>&</sup>lt;sup>33</sup> Statistics Canada (accessed August 16, 2019) https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401 <sup>34</sup> 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

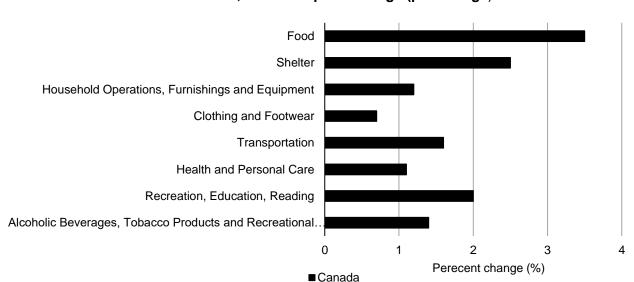
http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/provtbl.pdf;

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/subbrands/scotiabank-economics/english/documents/provincial-pulse/provincial\_outlook\_2019-07-15.pdf; Bank of Canada Monetary Policy Report July 2019

#### The rising cost of Food and Shelter

If CPI increases outpace wage increases, as per the Employer's proposal, members would lose buying power and would find it more difficult to meet their basic needs. For example, the cost for shelter increased 2.5% in the past 12 months as of June 2019. Canadians also paid an overall 3.5% more for food in June compared to the same month last year (Statistics Canada)<sup>35</sup>. Vegetable prices are especially volatile and continue to increase year over year, even in the summer months (Statistics Canada)<sup>36</sup>.



CPI detail, 12-month price change (percentage)

Source: Statistics Canada Consumer Price Index, monthly, not seasonally adjusted (as of July 2019). Table 18-10-0004-01 (accessed September 17, 2019) and Table 18-10-0007-01 Basket weights of the Consumer Price Index, Canada, provinces, Whitehorse, Yellowknife and Iqaluit (accessed September 17, 2019)

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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
 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<sup>37</sup> 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

The predicted six percent 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<sup>38</sup>. 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<sup>39</sup>". 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 consumes 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

7100d-galide.cailada.ca/static/assets/pdi/ODO-E14-2010.pdi

<sup>&</sup>lt;sup>37</sup> 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

<sup>&</sup>lt;sup>38</sup> 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)

<sup>&</sup>lt;sup>39</sup> Canada's Food Guide Appendix A (accessed August 12, 2019) https://food-guide.canada.ca/static/assets/pdf/CDG-EN-2018.pdf

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 Center for Policy Alternatives' (CCPA) latest housing report<sup>40</sup> 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 considering 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)."

According to the Canadian Real Estate Association's latest report<sup>41</sup>, 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 their latest monthly housing market update, RBC Economics<sup>42</sup> also raised their 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 account for 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<sup>43</sup>, 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.

<sup>41</sup> Canadian Real Estate Association, Housing Market Stats/National Statistics, September 16, 2019, https://creastats.crea.ca/natl/index.html

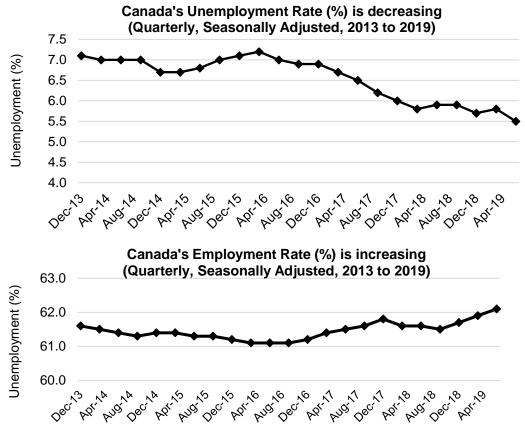
<sup>&</sup>lt;sup>40</sup> Unaccommodating, Rental Housing wage in Canada, CCPA, David MacDonald, July 18<sup>th</sup>, 2019, https://www.policyalternatives.ca/unaccommodating

<sup>&</sup>lt;sup>42</sup> Monthly Housing Market Update, RBC Economics, September 16<sup>th</sup>, 2019, http://www.rbc.com/economics/economic-reports/pdf/canadian-housing/housespecial-sep19.pdf

<sup>&</sup>lt;sup>43</sup> 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)

## 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 below figures). Given a consistently strong labour market and low unemployment, the Union believes salaries and wages should reflect these trends and remain competitive.



Source: Statistics Canada. Labour force characteristics by census metropolitan area, three-month moving average, seasonally adjusted and unadjusted, last 5 months Table 14-10-0294-01  $^{44}$ 

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

<sup>&</sup>lt;sup>44</sup> 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)

hearing about new opportunities<sup>45</sup>. 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 a regular basis, while 2% were *very* or *extremely* stressed<sup>46</sup>. 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<sup>47</sup>.

## Salary Forecasts within a tight Canadian labour market (2019)

The labour market certainly influence 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 staff should the right opportunity present itself.<sup>48</sup> 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 at 4.5%, the fastest rate in a decade<sup>49 50</sup>. 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<sup>51 52</sup>.

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<sup>&</sup>lt;sup>45</sup> 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)

<sup>&</sup>lt;sup>46</sup> Welcoming wage increases. Canadian HR Reporter. Sarah Dobson. July 8, 2019 (accessed August 19, 2019)

<sup>&</sup>lt;sup>47</sup> 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)

<sup>&</sup>lt;sup>48</sup> Most Canadian employees are ready to quit their jobs, survey fins. CBC Business. December 16, 2018 (accessed August 13, 2019)

<sup>&</sup>lt;sup>49</sup> 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

<sup>&</sup>lt;sup>50</sup>Canadian wages hit fastest growth pace in 10 years. CTV News/The Canadian Press. Andy Blatchford. August 9, 2019. (accessed August 13, 2019)

<sup>&</sup>lt;sup>51</sup> CPQ Salary Forecasts Special Report 2019

<sup>&</sup>lt;sup>52</sup> 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
Conference Board	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 31<sup>st</sup>, 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<sup>53</sup>.

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

	50-59	60+	Above 50	Average Age of sub-group
DD	32.20%	16.95%	49.15%	49.16
EG	34.10%	9.74%	43.84%	46.74
GT	32.35%	8.04%	40.39%	46.18
PI	33.58%	4.38%	37.96%	45.32
PY	50.00%	16.67%	66.67%	49.01
TI	39.75%	14.94%	54.69%	49.75

35

<sup>&</sup>lt;sup>53</sup> 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

Staffing levels and increased workload was presented by Public Services and Procurement Canada as a key risk in their 2017-2018 Departmental Results Report:

"The simultaneous implementation of complex, transformational initiatives within PSPC and throughout the Government of Canada, coupled with budget and time restrictions, can expose the department to risks associated with increased workload and resource constraints, and lead to employee disengagement and stress." <sup>54</sup>.

In the current tightening labour market, the pool of qualified and performing new 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.

## 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, 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<sup>55</sup>.

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<sup>&</sup>lt;sup>54</sup> Operating context and key risks—2017 to 2018 Departmental Results Report, Public Services and Procurement Canada, https://www.tpsgc-pwgsc.gc.ca/rapports-reports/rrm-drr/2017-2018/rrm-drr-02-eng.html#a2

<sup>&</sup>lt;sup>55</sup> 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, <a href="https://cdn.iris-recherche.gc.ca/uploads/publication/file/Public Service WEB.pdf">https://cdn.iris-recherche.gc.ca/uploads/publication/file/Public Service WEB.pdf</a>

## 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's 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 a percent 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 forecasted 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 is soon to be facing a significant reduction in staffing levels;
- xii. Public Sector jobs contribute to a social context which favors growth and the prosperity of the middle-class on which Canada's economy heavily relies on;

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 out of sync with all recent settlements in the core public administration. If PSAC was 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.

## **TC Group**

The section above laid out the general context for wage increases, but this tells only one small part of the story for the TC group. Based on the technical nature of the jobs in this bargaining unit and the dynamic market for the skills of the members, there are significant problems related to compensation. The Union has quantified these issues using a consulting firm to run a market study.

## **Pay Study**

In 2015, PSAC commissioned AON to perform a pay study for the TC group. The PSAC was consulted on the parameters of the study, but the gathering of data, as well as the analysis and presentation were performed by a third party. The entire study is provided in Exhibit E, but this section will summarize the data contained therein.

According to AON's report, the objectives of the study were:

- To design and carry out a compensation study according to generally accepted principles in statistics and compensation study methodology
- To determine how and at what level other public and private organizations are compensating for the jobs in question

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The pay study surveyed a total of 34 jobs from a variety of classifications and levels. The sample contained almost every bargaining unit job with more than 50 incumbents. Of the 34 surveyed positions, data was received for only 18 of the positions. These 18 positions cover approximately 40% of the bargaining unit. The 'capsules' which were used to describe the job and let comparator organizations identify their employees who do similar work, were all taken from a previous joint pay study that was agreed upon by the parties in 2008. These capsules were used in the joint pay study a decade ago and still reflect the general nature of the jobs that were surveyed.

## Pay Study Results

Three tables are presented below, breaking down the results of the pay study. All of these tables were made using the following assumptions:

- The data reflects all jobs that were surveyed and matched to comparators that had the same level of responsibility
- The TC group job rate is the reference point for their jobs the vast majority of TC members are at their job rate, making this the most relevant measure of their salary
- Jobs are compared to the salary structure in the market i.e. the obtainable maximum rate (job rate to job rate). The Union used the median rate in the market as the fairest comparison point. That is to say that 50% of comparator jobs have a higher obtainable maximum and 50% have a lower obtainable maximum.
- With respect to columns that contain percentages, positive numbers signify the
  percentage that the TC group members are behind their comparators. Negative
  numbers signify that the TC members are paid more than their comparators

The first table below contains information directly from the pay study. The following information is contained in the table:

Basic Information: Job Title, Number of Incumbents in that position (FTE), Treasury
Board Classification (Class), and the Current Annual Job Rate of Pay for that
Classification (TB Job Rate).

- Comparison at the Median: These columns show the comparators' annual rate of pay at the median and show the difference between that rate of pay and the TC group's rate of pay in dollars and in percentages.
  - Note that all weighted averages are calculated using the number of incumbents working each job in the TC group. For example, if there are 100 Labour Affairs Officers and 10 Draftspersons, the gap shown for Labour Affairs Officers will have 10 times the weight of the gap for the Draftspersons.
  - Data was aged from the pay study to update the figures from 2015 to 2018. The pay study data was increased by the average wage growth in the federal jurisdiction<sup>56</sup> in each of the years 2016-2018 (increases of 1.3%, 1.5% and 1.7% respectively).

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<sup>&</sup>lt;sup>56</sup> The Union applied the average wage growth for the federal jurisdiction to age this rate to 2018. Notably, since the Union made its proposals, the rate for 2018 has been revised upwards from 1.7% to 1.8%. If anything the aged data is slightly underestimating the wage gap for the TC group. <a href="https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data/wages/wages-year-sector.html">https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data/wages/wages-year-sector.html</a>

## **Results by Position**

Job Title	FTE	Class.	TB Job Rate	Median Mkt Job Rate	% PSAC Behind
Regional Auditor (Senior)*	100	TI-05	78,051	95,296	22.1%
Labour Affairs Officer (Intermediate)	100	TI-05	78,051	88,345	13.2%
Draftsperson (Intermediate)	91	DD-04	59,386	67,428	13.5%
Publications Designer (Intermediate)	150	GT-02	56,118	70,450	25.5%
Agriculture/Foods Inspector (Intermediate)*	83	PI-01	56,844	62,550	10.0%
Inspector (Senior)	85	TI-04	67,049	72,846	8.6%
Quality Assurance Representative (Senior)	100	TI-05	75,051	84,357	12.4%
Team Leader Aircraft Maintenance Engineer (Senior)*	45	EG-06	88,091	92,438	4.9%
Aircraft Maintenance Engineer (Intermediate)*	114	EG-05	80,083	76,976	-3.9%
Environment Technician (Intermediate)	147	EG-05	80,083	83,783	4.6%
Environmental Inspector (Intermediate)	60	EG-05	80,083	89,434	11.7%
Environmental Health Officer (Intermediate)	141	EG-05	80,083	93,031	16.2%
Environmental Officer (Senior)	29	GT-05	82,832	98,086	18.4%
GIS Technician (Senior)	71	EG-05	80,083	94,874	18.5%
Working Level GIS Technician (Intermediate)	96	EG-04	72,804	77,060	5.8%
GIS Technician (Junior)	103	EG-03	66,185	69,012	4.3%
Engineering Technician/Project Manager (Specialist)	188	EG-06	88,091	117,727	33.6%
Engineering Technician/Project Manager (Senior)	78	EG-05	80,083	97,353	21.6%
Engineering Technician/Project Manager (Intermediate)	37	EG-04	72,804	83,337	14.5%
Biological/Life Sciences Research Technician (Senior)*	915	EG-05	80,083	94,298	17.8%
Biological/Life Sciences Research Technician (Intermediate)	644	EG-04	72,804	80,417	10.5%
Biological/Life Sciences Research Technician (Junior)*	500	EG-03	66,185	61,898	-6.5%
Weighted averages	3,877		74,534	83,708	12.3%

<sup>\*</sup> Where data related to the salary structure was not available due to insufficient responses, the actual salary paid to employees in the market was used. This figure <u>underestimates</u> the market gap for PSAC members since it compares maximum PSAC salary to actual salary in the market.

As depicted in the table above, virtually all of the TC positions are behind the market, and most are substantially behind.

The following two tables combine the information from the table above in various ways. In these tables, the figures are expressed as weighted averages by classification and level, or by classification. Again, positive numbers signify that the TC group is behind its comparators and negative numbers show where it is ahead of the outside comparators.

## **Results by Classification and Level**

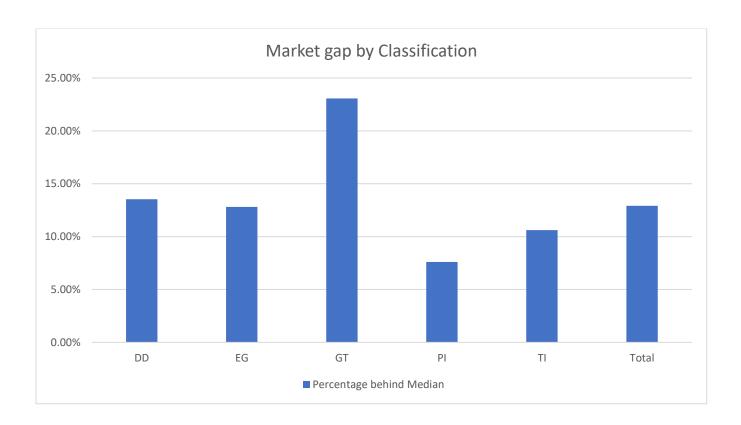
Classification	Incumbents Surveyed	PSAC Rate*	Weighted Average	% Behind
EG-03	603	66,185	69,013	4.27%
EG-04	777	72,804	80,141	10.08%
EG-05	1,526	80,083	90,803	13.39%
EG-06	233	88,150	117,727	33.64%
TI-04	85	69,212	72,846	8.65%
TI-05	300	77,112	86,350	15.06%
GT-02	150	56,783	70,451	25.54%
GT-05	29	82,112	98,086	22.87%
DD-04	91	59,386	67,428	13.54%
PI-01	83	56,844	62,550	10.04%
Total Average	3,877	74,637	84,270	12.91%

<sup>\*</sup>Note that the total average difference is not the same as the previous table as the previous table factors in some of the existing job-specific allowances. The PSAC rate listed above factors in allowances within those classifications, proportionate to the number of incumbents in each of those classifications in receipt of that allowance.

# **Results by classification**

Classification	Percentage behind Median
DD	13.54%
EG	12.81%
GT	23.06%
PI	7.60%
TI	10.62%
Total	12.91%

Shown another way, the population and the market gap for each classification can be seen below.



## **Summary of the Results**

Based on the results of the pay study, it is clear that the TC group's salary is significantly behind that of its comparators: almost 13% on average. This is strong evidence that PSAC members of the TC group are underpaid by a fair margin.

There is variation between the jobs, classifications and levels regarding the amount by which they are behind their comparators, however, in almost every case, TC salaries are significantly behind that of their comparators.

A significant number of jobs were not included in the pay study as these jobs are rare, or due to the fact that there are no appropriate external comparators for these groups. Thus, considering the trend and the range of results, the weighted average of the results can be used as a proxy for an overall market increase for the TC group.

## **CFIA Comparability**

During the last round of bargaining, there was significant discussion about the compensation for EG members. These are members who work in Engineering and Scientific Support. There has been a long-standing issue that members who work for the Canadian Food Inspection Agency (CFIA) and are also classified as EGs, are paid more than TC members. The parties arranged to study the issue between rounds. Based on the results, the parties agreed that there is no discernable difference regarding the classification of the two groups. To quote from the June 2018 agreement coming from this joint PSAC-TB committee:

The CFIA ... confirmed that they use the Treasury Board of Canada Secretariat (TSB) EG Job Evaluation standard.

. . .

[T]he parties agree that the EG Classification in the TC bargaining unit and at CFIA are essentially equivalent and directly comparable for the purposes of collective bargaining. (Exhibit F)

The EGs at CFIA, however, earn 3.3% more than those who work for TC. According to both the Union and the Employer, there is no rationale to justify this difference. They are classified according to the exact same standard and, in many cases, do identical work.

While the gap between TC and CFIA is smaller than what the pay study shows, both of these pieces of evidence clearly support the Union's contention that there is a large wage disparity for the bargaining unit. To reiterate, the Union's proposals that would impact the entire bargaining unit are:

- 1) Annual economic increases of 3.25%
- 2) Wage restructuring consisting of adding two increments to the top of each classification's pay grid (worth 4% each)

The large compensation gap for this group, revealed by the pay study, would not even be fully closed by the Union's proposal for all groups to receive two new increments of 4% each on the top of their scale. The Union respectfully submits that the wide gap that exists across the entire bargaining unit merits such a recommendation from the PIC.

Additionally, a bargaining unit as diverse and complex at the Technical Services group features certain small groups within each classification that are even further out of step with the market or with internal comparators to the federal government. The following section will provide rationale for group-specific allowances that are in addition to what is proposed for the entire bargaining unit. For reference, Exhibit F provides a visual depiction of the entire wage proposal for this group.

As will be addressed further in the section on the Occupational Group Structure, the large number of allowances and market adjustments proposed for smaller groups relates directly to the archaic classification system that exists for the TC group. Jobs are classified and measured according to classification standards that date back to the 1960s. As work has evolved, the classification standards have become progressively less applicable to the types of work done in this bargaining unit. Where the classification

standard is unable to measure the work, jobs are given no credit for certain duties and, in turn, are not compensated for such duties. Under the PSLRA, Unions are prohibited from negotiating classification. Although the Employer has promised updates to the classification system for decades, nothing has occurred.

In this section, there will be explicit reference made to the groups which were meant to be included in the pay study, but for lack of data or lack of proper comparators, they were not. In most cases, these jobs have clear comparators internally in the Federal Public Administration.

The pay study clearly highlights the degree of pay disparity between the jobs in the TC group and their comparators. The data presented in each case will show the significant wage gap and support the Union's reasonable and justified proposal.

## Methodological Note

The following example shows how the Union used the pay study data to formulate its proposals for the smaller groups. Using the example of a member who is a GT-02 to illustrate, this group was found to have a 25.54% gap between it and its comparators.

#### **Before Restructure**

	Step 1	Step 2	Step 3	Step 4	Step 5
Wage	49,647	51,087	52,521	53,962	56,118
% between steps		4%	4%	4%	4%

For all such groups, the Union proposes to:

- Delete lowest two steps on pay scale
- Add two new steps at the maximum (each worth 4%)
- Move members up by two steps

#### **After Restructure**

	Step 1	Step 2	Step 1	Step 2	Step 3	Step 4	Step 5
Wage	49,647	51,087	52,521	53,962	56,118	58,363	60,697
% between steps				4%	4%	4%	4%

After the addition of the two steps at the top, the market gap of 25.54% is reduced to 16.07%. In this case, the Union would therefore propose an occupational allowance of 16.07% to close the wage gap. In all the subsequent sections which address the compensation issues of smaller groups, this methodology is used to formulate the proposed allowance.

## **Aircraft Maintenance Engineers**

EG-05 and EG-06 members located in Prince Rupert shall receive an annual allowance of \$5,000.

## **RATIONALE**

Aircraft Maintenance Engineers (AMEs) do the required maintenance and technical work to keep aircraft flying. They certify an aircraft's airworthiness after maintenance, inspection, repair, or modification. AMEs also repair or overhaul the aircraft and supervise, perform, and document routine maintenance.

To obtain their certification from Transport Canada and the Canadian Council for Aviation and Aerospace (CCAA), AME trainees must complete 48 months of practical experience in addition to a two-year college program. AMEs act on behalf of Transport Canada to ensure the safety of the Canadian public as it pertains to the maintenance of certified aircraft. They can supervise the work of unlicensed workers, bearing the responsibility that the work was completed correctly<sup>57</sup>.

Across Canada, the Canadian Coast Guard (CCG) has 20 rotary aircraft at 11 bases, including in Prince Rupert, BC, a port city located near the Alaskan panhandle. CCG helicopters based there primarily service the Northern coast of BC and remote locations. They cover the zone from Port Hardy at the northern tip of Vancouver Island to the International Boundary north of Prince Rupert. Five AMEs support the helicopters at Prince Rupert base and allow the CCG to fulfil their mandate. CCG uses helicopters to ensure the safety of marine traffic, to monitor ice conditions and to transport cargo and personnel to remote sites not accessible by any other means. AMEs may also be dispatched for Search and Rescue duties if they are available and close to an incident, or to support Fisheries Officers and various research projects.

<sup>&</sup>lt;sup>57</sup> AME Licensing and Training https://www.tc.gc.ca/en/transport-canada/corporate/acts-regulations/regulations/sor-96-433/part5-standards-566s-1826.htm

Recruitment and retention issues have been an ongoing challenge at this site. Over the last 20 years there was turn-over of nine team leaders (EG-06) and 30 AMEs (EG-05). Of the five AMEs who departed in the last ten years, three left for positions with higher salaries and better working conditions (Exhibit G). Four EG-05s and one EG-06 (Regional Team Leader) working as AMEs at Prince Rupert are responsible for the helicopters performing two thirds of all flying hours by CCG rotary wing aircraft in Canada. Many AMEs started working at Prince Rupert on the premise the hours and working conditions would allow them to have good work-life balance and the opportunity to spend time with their families. In reality, working conditions and hours are more demanding than those at other CCG bases. The small group of four EG-05s and one EG-06 is expected to cover all required shifts. This becomes especially problematic when one of the helicopters along with one of the AMEs, is sent to other communities for weeks at a time. AMEs in Prince Rupert are also required to perform additional duties that would normally not fall to this employee group, including acting as Storespersons and working on the facility's fuel farm. Their rigorous working conditions make it very difficult to maintain any kind of work-life balance.

In Canada, between now and 2025, approximately 5,300 new AMEs will be needed to keep up with industry growth and retirement. Out of the 17,662 active AME license holders, half are between the ages of 50 and 79 - either at or near retirement age. In Canada, only approximately 600 AMEs graduate every year. Almost half of aviation companies face immediate and persistent recruitment challenges to find skills they need in a reasonable amount of time. Experienced AMEs are among the most difficult aerospace industry workers to attract, and companies that expect retirements of the next five years anticipate labour challenges. The situation is especially dire in the North where there is no local AME training. To attract recruits, companies are actively recruiting at, and developing co-op programs with post-secondary institutions.<sup>58</sup>

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<sup>&</sup>lt;sup>58</sup> CCAA 2018 Labour Market Report for Aviation & Aerospace https://www.avaerocouncil.ca/sites/default/files/files/ccaa\_lmi\_report\_march\_2018\_-\_final.pdf https://www.skiesmag.com/features/help-in-the-hangar-tackling-the-ame-shortage/ August 2019

In BC, over the next 10 years, 68% of the expected AME 1,400 job openings will be to replace retiring workers (Exhibit G). The most common complaint cited in the 2016 British Columbia Aerospace Industry Sector Labour Market Partnership Final Engagement Report was attracting and retaining qualified/skilled employees: 85% of respondent BC companies indicated poor to fair labour market conditions due to a lack of qualified personnel. AME training programs once had waiting lists, today it is not uncommon to see partially full programs that take on "whoever is available", often leading to unsuitable applicants and future employees. Following graduation, it takes roughly two years for a new AME hire to become fully competent. It is in an employer's interest to retain highly sought-after fully qualified workers. AMEs in the initial stages of employment are also vulnerable to "poaching" by other employers offering higher starting wages. The geographic isolation for locations like Prince Rupert makes it difficult to convince skilled workers to relocate due to concerns about jobs not working out, lay-offs, lack or alternative opportunities, or lack of spousal employment opportunities. The report identified employee attraction, retention and advancement, cost-of-living, and other geographic challenges as major factors that require analysis and exploration in the sector.<sup>59</sup>

Canada is experiencing a critical and worsening shortage of AMEs and new graduates and qualified personnel will have many opportunities to accept positions with reasonable working conditions at the location of their choice. Some employers offer allowances as an incentive to recruit AMEs work in remote areas. For example, Canadian Helicopters offers a range of incentives on top of a base salary, including a Designated Remote Area Allowance (e.g. \$2,512 for Terrace, BC) (Exhibit G). Unless appropriate compensation is provided, current provisions, the rural/remote location, and a worsening shortage of AMEs will make it very difficult to retain current employees and recruit new AME to work at the CCG base in Prince Rupert.

<sup>&</sup>lt;sup>59</sup> British Columbia Aerospace Industry Sector Labour Market Partnership Final Engagement Report (November 2016) https://www.workbc.ca/getmedia/983846ac-2ed9-4203-a6bc-604cd2e80659/Aerospace\_Industries\_Assoc\_Canada\_Pacific\_Sector\_Engagement\_Rpt\_-Nov-2016.pdf.aspx

These AMEs must inspect, ensure, and certify that aircraft are ready to fly safely and allow the CCG to fulfil their mandate. AMEs are expected to be alert and perform their duties with no errors to keep CCG pilots, and those requiring their services, safe. Under current conditions, these employees are exhausted and continue to endure unreasonable hours. While these employees face a substantially increased workload and hours, they do not receive additional compensation. The \$5,000 allowance will not make up for lost family time, however it is the first step in compensating these employees for the conditions they work under. This allowance will only affect AMEs located in Prince Rupert at a total cost of \$25,000/year for the current complement of five AMEs.

In light of these reasons, the Union respectfully asks that the Board includes this proposal in their recommendation.

## EGs and TIs at DND in Fleet Maintenance (Appendix BB)

Employees at the Department of National Defense in fleet maintenance facilities, contractor's ship repair yards, or in a maintenance facility that performs 3<sup>rd</sup> and 4<sup>th</sup> line maintenance. The following occupational allowances shall be paid to members:

- EG-04: 7.77% of salary
- EG-05: 7.77% of salary
- EG-06: 5.01% of salary (after existing allowance of \$2,500 rolled into salary)
- EG-07: 7.77% of salary
- TI-04, TI-05, TI-06 and TI-07: 8.36% of salary

## **EMPLOYER PROPOSAL**

Extend the existing \$2,500 allowance currently payable to the EG-06 level to all employees who perform duties at a Fleet Maintenance Facility or the Formation Technical Authority, as of June 22, 2020.

## **RATIONALE**

There are two different groups that work on maintaining ships and other vehicles for the Department of National Defence (DND): EGs and Tis at fleet maintenance facilities and contractors' ship yards (the dockyards group), and employees at 202 Workshop Depot in Montreal.

## EGs and Tis at Fleet Maintenance Facilities and Contractors' Ship Yards

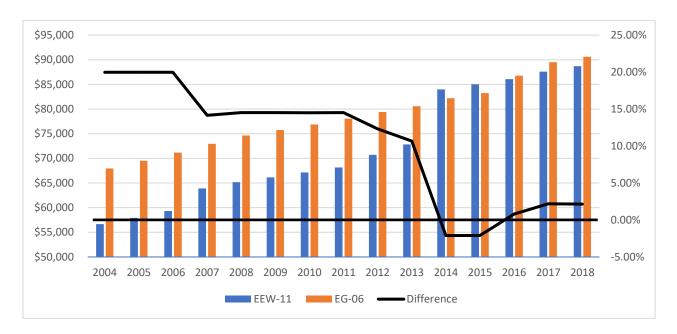
There are approximately 100 EGs and Tis who work at the fleet maintenance facilities on the east and west coasts. Their work contributes to the availability, safety, and the efficient operation of DND vessels. The employees provide technology-level services such as project oversight, quality assurance and equipment/system certification on ships. They also conduct safety, equipment, and operational inspections on these ships.

For EGs in this workplace, there has traditionally been a career progression from the trades to trades supervisors (represented by the Federal Government Dockyard Trades and Labour Council – FGDTLC) to project management in the TC group. Over the past

few years, due to settlements with the FGDTLC bargaining units, this career progression was inverted. The trades supervisors began to earn more than the TC members.

Historically, there was a considerable difference between the salaries of Electronics Technologists (EGs) in the Engineering Departments and the Electronics Technicians (Trades) in the various Shops at Fleet Maintenance Facility. This has occurred even though the differences in the roles and responsibilities associated with the Shops Technicians' positions have not changed when compared with the increased roles and responsibilities associated with Electronics Technologists' positions in the Engineering Departments.

Often, a prerequisite for becoming an Electronics Technologist (EG-06) in the Engineering Departments is being an Electronics Technician (EEW-11) in the Shops. Ln order to move into the EG-06 positions, trades people from the Shops had to win a competition, which consisted of a technical exam and interview. It made sense that there would be a progression in the compensation from EEW-11 to EG-06, as was historically the case. The Engineering positions continue to require the same skill sets as those in the Shops but with many additional responsibilities. The chart below shows the salary differential between these two groups, with the axis on the right showing the percentage by which the EG-06 salary exceeds that of the EEW-11.



The chart above shows the inversion of this progression. In 2016, the inversion was reversed due to the parties negotiating a modest allowance last round of \$2,500 for the EG-06 position in this area. This has provided a technical fix for the inversion of the career progression between EEW-11s and EG-06s. However, clearly, it has done very little to provide the incentives for career progression. The difference in salary has dropped from a 20% premium for taking the higher responsibility job which existed in the early 2000s, to a mere 2% premium. The Union submits that it is important to expand this premium for taking on the added responsibilities and duties in the EG category.

Although the rationale has focused on the EG-06 level, many similar arguments can be made for the internal relativity of the EG group. The modest allowance of \$2,500 agreed to by the parties in the last round of bargaining only applied to the EG-06 classification. This has created a serious problem for morale and for internal relativity in this area. Members in the EG classification working alongside the EG-06s do very similar work and have expressed serious concerns as to why they are not also getting an allowance. The Employer has offered to extend the existing allowance to other classifications, but the same arguments can be made for the EG-04, EG-05 and EG-07 levels in terms of relativity and the requirement to increase the allowance.

Members in these classifications do very similar work. This problem is particularly acute for the EG-07 level where there is now little incentive for an EG-06 to take on the higher responsibility for little more compensation. The EG-07s are indeed part of the existing career progression. Just like the difference between the EEW-11 and the EG-06 position, the smaller step between these two positions makes taking on the extra responsibility of the higher position much less attractive.

### **Technical Inspectors**

The Union would like to draw two parallels between the work of Tis and that of other PSAC members. First, these Tis do very similar work to that of EGs at Fleet Maintenance Facilities. This group has similar scope of work and similar duties. Tis mainly conduct the quality assurance duties while the ships are docked. The TI position is primarily performed at the Contractor Repair Facility where they are the direct link between the Department and the contractor. EGs, on the other hand tend to be subject matter experts on the equipment and systems and perform their duties at the Fleet Maintenance Facilities located in the Dockyards. Tis provide detailed assessments and monitor the Contractor's quality assurance program and procedures to verify compliance with the standards expected for DND work. This requires a high level of technical knowledge to research and develop solutions to correct any deficiencies. Dealing with contractors in this area is not easy as they tend to be experienced in dealing with government contracts, and monitoring compliance is extremely important.

Second, Tis in this position do very similar work to Tis at Transport Canada, but on HMC ships, not commercial craft. This group of employees conducts safety, equipment, and operational inspections on HMC ships, including hull, mechanical, electrical and combat systems. They work in contractor's ship yards. They are excluded from the additional wages paid to Tis under Appendix A-1 which will be addressed in a depth later in this brief. At the various levels from TI-05 through TI-07, there is a substantial difference in salary, as shown in the table below:

	Regular Rate	A-1 Marine Rate	Difference
TI-04	67,049	n/a	n/a
TI-05	75,051	85,854	14.4%
TI-06	84,534	100,695	19.1%
TI-07	92,894	108,340	16.6%

While the proposed allowance here would not equalize this group with the Tis who work for Transport Canada, it would help to close the wage gap that currently exists for this group.

The pay study has no direct comparators for the EG or TI group here, but the Union's proposal is based on the average gap, as per the pay study for the EG and TI groups respectively. It should be noted that the proposal for the EG-06 level is less than the other amounts since it assumes a roll-in of the allowance of \$2,500 which was agreed upon during the last round of bargaining. Again, the Employer has proposed to extend the existing allowance to all relevant classifications, but this amount remains insufficient.

## 202 Workshop Depot

The Union respectfully submits that similar work done by other members in other locations should benefit equally from the allowances negotiated for the dockyards groups. Members at 202 Workshop Depot in suburban Montreal do virtually the same work as the dockyards group does, but instead of working on ships, they work on land-based vehicles used by DND. This unit is acknowledged as the centre of excellence for equipment life extension, refurbishment and repair projects for the Land Force.

This group is distinctive in that they are the only group in the country that performs third-line and fourth-line (depot level) maintenance on such vehicles. Third-line maintenance involves extensive and complex maintenance tasks such as the repair or complete refurbishment of a wide range of specialized combat equipment and/or vehicles. This includes verifying adjustments and repairs, and ensuring alignment of various systems. Fourth-line maintenance involves complete repair and overhaul of equipment and systems, which is by its nature the most complex. This is often required to upgrade the

performance specifications of the equipment in response to operational requirements and to restore the equipment to full performance specifications. From its inception, 202 Workshop Depot, in conjunction with industry, has performed this essential function.

In addition to the fact that this group has many similarities to the dockyards group, according to an Employer presentation, they expect to lose 35-50% of the workforce in the next 3-5 years and that they have difficulty hiring and attracting new talent (Exhibit H). The aging workforce and the Employer's contention that there will be difficulties to recruit the proper talent all argue in favour of providing an allowance for this group to make the jobs more attractive.

Materiel sustainment demands have increased over the past five years and, going forward, are expected to continue to increase with the acquisition of new and modernized equipment fleets as part of the Canada First Defence Strategy (CFDS). A Departmental Renewal Committee recently stated that, "There is also a growing expectation that readiness levels of fleets must be maximized in order to meet operational demands in a security environment that continues to be unpredictable and volatile." 60

To clarify, the EG-06s at 202 Workshop Depot are not paid the existing \$2,500 allowance. The Union's proposal would be to have all EGs and Tis in this group be paid equal to those at the dockyards, including the existing \$2,500 allowance that is currently paid elsewhere.

## Costing

Taking all groups together, there are approximately 115 employees covered by this proposal. The estimated cost of the proposed allowance would be \$616,000 or 0.08% of TC payroll.

<sup>60</sup>http://www.dnd.ca/assets/FORCES\_Internet/docs/en/about-reports-pubs-audit-eval/248p1258-211-eng.pdf

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# Fishery, Environmental Enforcement and Wildlife Officers (Appendices Z and AA)

After existing allowance rolled into salary, an additional occupational allowance in the following amounts shall be introduced as a part of salary:

- GT-02, GT-03, GT-04 and GT-05: 12.31% of salary
- GT-06 and GT-07: 15.47% of salary (Catch up to GT-02-05 plus additional allowance to equal the rates)

### EMPLOYER PROPOSAL

- 1) Amend language to refer to Enforcement Officers at Environment Canada rather than Enforcement **and Wildlife Officers** at Environment Canada.
- 2) Extend the existing \$3,000 allowance currently payable to the GT-02 through GT-05 levels to the GT-06 and GT-07 levels for Enforcement Officers at Environment Canada as of June 22, 2020.

## **RATIONALE**

There are three different types of Enforcement Officers under the TC Collective Agreement. All three are Peace Officers, perform difficult and dangerous jobs, and are undercompensated relative to their duties, due to the archaic and broken classification system: Fishery Officers, Environmental Enforcement Officers and Wildlife Officers.

Fishery Officers by far, comprise the largest group in the GT classification. They are responsible for enforcing the Fisheries Act and other related Acts and Regulations. They protect fishery resources and the fish habitat by patrolling land, sea and air. Fishery Officers perform difficult and dangerous tasks. They carry out their enforcement activities to protect and conserve Canada's freshwater and marine fisheries resources and habitat. They ensure safe navigation of Patrol Vessels, protect the environment during emergencies, sustainably manage fisheries and aquaculture, and protect oceans and other aquatic ecosystems. Recent investments to support conservation and enhance

enforcement capacity have led to increases in staffing<sup>61</sup>, where up to 200 additional Fishery Officer positions need to be filled by the end of 2020<sup>62</sup>.

Fishery Officers require a high level of training. They take part in a three-year apprenticeship program, which involves classroom and hands-on training. Recruits attend the RCMP academy for firearms and legal training. Officers start their careers on probation for 36 months, during which time they must complete two extensive log books and are tested for a variety of competencies. It is one of the most extensive training systems for any enforcement group in Canada. This makes sense since their job forces them to make life and death decisions in the moment, with no opportunity to consult upward. Fishery Officers are exposed to dangerous situations in the course of their duties, including surveillance, pursuit, armed boarding, seizure, arrests, and crowd control. These duties are often done in bad weather conditions, rough seas and in stormy weather on land, sea, and air.

There have been serious problems with their classification, in large part due to the inability of the current classification system to rate their enforcement activities. These activities, of course, form one of the largest parts of their work. Fishery officers wear bullet-proof vests, carry firearms, pepper spray and batons issued by the Employer as defensive weapons so they may safely do their jobs.

In 2003, the Department of Fisheries and Oceans, Treasury Board and PSAC tried to remedy the classification problems of the GT standard pertaining to the Fishery Officer position. At that time, the Union received written correspondence from the Employer stating that there is no way to rate enforcement duties under the classification standard. As a result, these enforcement workers cannot receive proper compensation for the work they are assigned by the Employer. The classification standard actually awards Fishery

<sup>&</sup>lt;sup>61</sup>https://www.dfo-mpo.gc.ca/campaign-campagne/fisheries-act-loi-sur-les-peches/enforcement-application-eng.html <sup>62</sup>https://www.dfo-mpo.gc.ca/campaign-campagne/fisheries-act-loi-sur-les-peches/enforcement-application-eng.html

Officers points for keeping their firearms clean, but does not award points for any safetyrelated reasons.

Another comprehensive review of Fishery Officer work descriptions was conducted from 2009 to 2014. This exercise reconfirmed that in the eyes of the Employer, the classification system has appropriately rated Fishery Officer positions. This decision did not recognize that the classification system is broken and cannot properly rate their duties. The Employer further acknowledged that this situation contributes to low morale, poor labour-management relations and recruiting challenges. (Exhibit I).

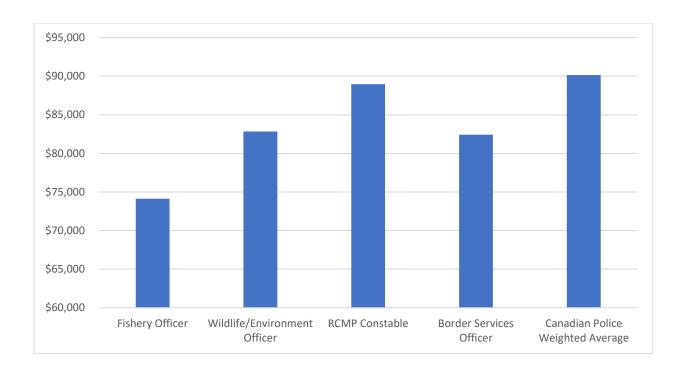
## Comparators

The enforcement of our nation's Fisheries Act is a crucial and dangerous task. The pay study did not provide an "exact match" for this position since there are no comparable jobs in Canada. The Union submits that there are some very similar comparators within the Federal Public Administration.

As there is no way to rate enforcement duties under the current classification standard, these employees are not properly compensated for the work that they do. In part for these very reasons, most workers at the Canada Border Services Agency were converted to a new classification standard in the 2011 round of negotiations: the Frontière/Border (FB) group. After years of pressure by the Union, the Employer finally recognized that enforcement workers should have a classification standard that recognizes their enforcement duties. Once these enforcement duties were properly rated, FB workers received a large salary adjustment of 19.5% over four years in their first round of negotiations, and an additional 17.5% increase in their second round of negotiations. Consequently, a Border Services Officer now earns 15.9% more than a Fishery Officer.

Similarly, when looking at other law enforcement groups, the job rate (after 36 months of service) for a regular constable at the Royal Canadian Mounted Police is \$88,975 (20.0%)

above a Fishery Officer).<sup>63</sup> Provincial and municipal police forces offer competitive wages, even above the rates for a constable at the RCMP, with the weighted average earnings of a Constable across Canada being \$90,150 (21.6% above that of a Fishery Officer). Even the Environmental Enforcement and Wildlife Officers are rated higher on the GT scale than the Fishery Officers and earn substantially more.



There is strong evidence that Fishery Officers' compensation is far behind their fellow enforcement officers in the federal public administration. The Union's proposal to roll in the current allowance, and to provide an additional occupational allowance which is equal to the average gap for the GT classification would help to close that gap.

**Environmental Enforcement Officers** are part of Environment and Climate Change Canada's (ECCC) Enforcement Branch. Approximately 145 enforcement officers across Canada enforce Acts and Legislation that deal with risks to the environment and its

<sup>&</sup>lt;sup>63</sup> The most current rate is as of 2016. As with other salary rates that are out of date, it has been aged by two years, using the average wage increase in the federal jurisdiction.

biodiversity. This includes laws that regulate activities that may pose a risk to the environment and/or human health, such as the use of toxic substances and their release into the air, water, or land, greenhouse gas emissions, and the import and export of hazardous substances. Environmental Enforcement Officers have a variety of backgrounds, including law enforcement, science, engineering, criminology, and natural resources management. They work in all weather conditions, often in remote locations requiring access by boat, aircraft, or all-terrain vehicle<sup>64</sup>,<sup>65</sup>.

**Wildlife Officers** work under the Wildlife Enforcement Directorate, which is a part of ECCC's Enforcement Branch. The team of approximately 75 Wildlife Officers work in the field at extreme temperatures and in all terrains, enforcing federal wildlife legislation that protects Canada's plant and animal species, migratory birds, and foreign and endangered or threatened species in trade. Wildlife Officers watch over 400 species of migratory birds across 10 million square kilometers and protect 550 species at risk. They are up against organized crime, corporations trying to evade regulations, and individuals who poach or traffic organisms, and destroy or pollute habitats<sup>66</sup>.

Not all Environmental Enforcement Officers carry firearms, but they deal with the direct enforcement of laws and regulations and put themselves in harm's way in the same way that Fishery Officers do. Wildlife Officers do carry sidearms and virtually all arguments made above with respect to Fishery Officers apply equally to Wildlife Officers. Once again, both groups of Enforcement Officers have peace officer status, but not the commensurate pay that comes with this responsibility. These jobs have a high level of risk; officers are required to be prepared to use force, and they have responsibility to make independent decisions and actions. Like Fishery Officers, the classification system doesn't adequately respond to the tasks that they do. Both Environmental Enforcement

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<sup>&</sup>lt;sup>64</sup> https://emploisfp-psjobs.cfp-psc.gc.ca/psrs-srfp/applicant/page1800?toggleLanguage=en&poster=1349956

<sup>&</sup>lt;sup>65</sup>https://www.canada.ca/en/environment-climate-change/services/environmental-enforcement/annual-reports-statistics/directorate-summary-2016-2017.html

<sup>&</sup>lt;sup>66</sup>https://www.canada.ca/en/environment-climate-change/services/environmental-enforcement/wildlife-legislation/annual-summary-2017-2018.html

and Wildlife Officers are classified higher than Fishery Officers, with a working level at the GT-05 rate. However, when looking at the comparators listed above, they remain far behind their enforcement comparators: essentially on par with the Border Services Officers, but 7.4% behind RCMP constables and 8.4% behind the weighted average of a Canadian Police Constable.

Note that the Union has proposed an elevated amount for the GT-06 and GT-07 classifications. This amount is required to catch up from last round. The parties agreed to a modest \$3,000 allowance for GT-02, GT-03, GT-04, and GT-05 enforcement positions. This inadvertently excluded the supervisors, who are in the bargaining unit. The Union proposes a higher rate since that would roll in the existing allowance of \$3,000 for the supervisory positions before adding in the subsequent allowance to make up the market gap. The same issue occurred for the supervisors of Fishery Officers, but supervisors are classified as PMs and, as such, are part of the PA group.

The Union does not oppose the Employer's proposal to change the reference to Enforcement Officers at Environment Canada since that also encompasses Wildlife Officers.

#### Costing

	Proposal	<b>Employees</b>	Total Cost \$M (% of payroll)
Fishery Officers	12.31%	450	\$4.0 (0.54%)
Supervisory	In the PA Group	-	-
Fishery Officers			
Wildlife/Environmental	12.31%	185	
Enforcement Officers			\$2.3 (0.32%)
Supervisory WEO/EEO	15.47%	35	
	(12.31% + \$3,000)		
Total		670	\$6.3 (0.86%)

## **Labour Affairs Officers (Appendix DD)**

After existing allowance rolled into salary, an additional occupational allowance in the following amounts shall be introduced as a part of salary:

• TI-05: 4.65% of salary

• TI-06: 7.93% (Catch up to TI-05 plus additional allowance to equal the rates)

## **EMPLOYER PROPOSAL**

Extend the existing \$3,000 allowance currently payable to the TI-05 level to the TI-06 level as of June 22, 2020.

#### **RATIONALE**

The Labour Program is responsible for protecting the rights and well-being of both workers and employers in federally regulated workplaces. Labour Affairs Officers (LAOs) are classified as Tls. They work closely with provincial and territorial governments, unions, employers, international partners, and other stakeholders to promote fair, safe and productive workplaces and collaborative workplace relations.

The Labour Program oversees federal labour responsibilities, including labour laws, occupational health and safety, labour standards, labour relations and mediation services in federally regulated workplaces. LAOs hold positions as Technical Inspectors of Labour Standards, of Occupational Health and Safety, and of Fire Inspections. Among their responsibilities are the enforcement of legislation (i.e. Canada Labour Code, Part II and III) and inspections of workplaces. Qualifications to become an inspector include experience in interpreting, applying, and enforcing legislation or regulatory powers, and/or a degree, diploma, or a certificate in Occupational Health and Safety.

Overall responsibilities for Labour Affairs inspectors include work-place inspections to identify non-compliance with legislation. Inspectors obtain compliance through enforcement actions up to and including prosecution. They review accident, injury and illness reports to detect problem areas related to employee health and safety. Inspectors also provide mediation services to employers and employees involved in unjust dismissal cases and prepare prosecutions. Senior Investigators are classified as TI-06s and have

subject matter expertise in all aspects of investigations and work on large-scale, high-profile, and sensitive investigations that involve media attention<sup>67</sup>. They also provide ongoing training and mentoring to new officers. In their advisory role they liaise with various stakeholders, including the federal government.

The working conditions for inspectors are highly stressful and require extensive flexibility in work hours. Inspectors must be willing to work on weekends and after hours, to travel on short notice (sometimes to remote locations), and to be on stand-by rotation 24/7 for one-week periods every few weeks.

The pay study identified considerable pay disparities across the Technical Services population with their private and public sector comparators. TI wages fall short for LAOs. The Union is proposing a 4.65% allowance for TI-05 level inspectors (after rolling in the existing \$3,000 allowance). A 7.93% allowance for TI-06 level inspectors would close the wage gap with comparators and at the same time restore the wage difference between TI-05s and TI-06s. TI-05 inspectors received a \$3000 allowance in the last round of negotiations, however this does not fully address the wage gap with comparators. The Employer proposed to extend the \$3,000 allowance to TI-06 level inspectors effective June 22, 2020.

An evaluation of the Labour Standards Program at ESDC, released in May 2019, resulted in several recommendations to address emerging challenges in employment practices, such as the rise in precarious employment, which includes an increase in virtual, and contract-work, part-time, temporary, and contractual arrangements, and a growing use of temporary foreign workers. Recommendations included increasing pro-active activities, particularly in high-risk sectors such as trucking. Program officials noted that increasing the number of proactive activities would "risk the timeline of reactive activities due to limited resources". Due to time constraints, inspectors are already spending less time on

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<sup>&</sup>lt;sup>67</sup> Police radios didn't work in casino shooting https://www.stalberttoday.ca/local-news/police-radios-didnt-work-in-casino-shooting-1291439

proactive activities than they are expected to. Other findings included the need for timely and standardized training and quality.<sup>68</sup> These initiatives would no doubt make workplaces (and highways) safer if inspectors were given enough time to devote to them. Inspectors already struggle to achieve some of their current goals, including the percentage of Labour Standards activities devoted to prevention. It is therefore unlikely that more ambitious targets will be met unless the department attracts and retains additional qualified inspectors.

38% of ESDC-Labour respondents to the 2018 Public Service Employee Survey indicated that they will leave their positions in they next two years. Of those 65% are planning to pursue another position within or outside of the department or agency. Closing the wage gap with comparators in other sectors would help to retain LAOs and prevent departures to other OHS positions, for example at provincial/territorial Ministries of Labour, Transport Canada, or the private sector.

## Costing

Taking TI-05s and TI-06s together, there are 150 employees covered by this proposal. Of the total, there are approximately 10 TI-06s. The overall estimated cost of the proposed allowance would be \$530,000 or 0.07% of TC payroll.

In light of these reasons, the union respectfully asks the Board to include this proposal in their recommendations.

<sup>68</sup>Evaluation of the Labour Standards Program https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/labour-standards-program.html; /

**Measurement Canada TI (Appendix EE)** 

After existing allowance rolled into salary, an additional occupational allowance in the following amounts shall be introduced as a part of salary:

• TI-03 to TI-07: 12.88% of salary

**RATIONALE** 

Protecting Canadians and businesses from loss through inaccurate measurements at all levels of trade is essential to maintain domestic and international consumer confidence for goods and services that are based on measure. TIs allow Measurement Canada (MC), an Agency of Industry Canada, to fulfill its mandate to ensure the integrity and accuracy of trade measurement in Canada through the administration and enforcement of the Weights and Measures Act, the Electricity and Gas Inspection Act, and related regulations.

Approximately 175 MC inspectors inspect and certify devices to ensure that they measure accurately and are not used fraudulently. When inaccurate measurement or fraudulent activity is found, MC uses a graduated enforcement approach to resolve non-compliance including warning letters and the removal of devices from service until corrective actions are taken.

In 2013, the most recent time this group was in front of a PIC, based on the agency's difficulty in retaining both TI-03 recruits and experienced TI-04 staff, the PIC recommended yearly allowances from \$3,012 to \$4,176 (Exhibit J). In the last round of bargaining, following this recommendation, the Union negotiated a \$3,000 annual allowance for TI's at MC.

MC now brings this allowance to the attention of potential applicants, indicating that this is an important part of attracting new employees to fill inspector positions.

The pay study, however, identified continuing considerable pay disparities across the Technical Services population. The pay study included a Regional Auditor (Senior) position, which is the MC TI-05 position. Even after factoring in the existing \$3,000

allowance, there is a 22% gap. After the Union's proposal for two increments to be added to all salaries, the Regional Auditor position is still 12.88% behind its comparators.

	2015	2018	Difference
TI-05 Salary + \$3,000 allowance:		\$78,051	- 22.1%
Actual Salary of Comparators per the Pay study	\$91,134	\$95,296	- 22.1/0

In 2014, the Fairness at the Pumps Act (FAPA) enhanced the Agency's enforcement capability though higher and additional court-imposed fees and monetary penalties. The FAPA enabled amendments to the Weights and Measures Act and the Electricity and Gas Inspection Act, resulting in updates to related regulations including an increase in required annual inspections. The annual number of required inspections increased starkly from 42,000/year to 250,000 leading to the introduction of Authorized Service Providers (ASPs) to perform inspections. This arrangement was put into place to save costs associated with the increase in annual inspections. Even with the addition of ASPs MC had to dedicate more human resources to oversee audits, as MC inspectors took on an oversight role. However, staffing levels for TIs at MC were problematic even before more staff was required.69

MC was subject to several hiring freezes, budget cuts, and restructuring exercises for 20 years until 2005. When hiring was reinstated in 2005, the Agency had lost many of their experienced technical personnel through promotions or retirement. MC was forced to hire new recruits at the TI-03 level (instead of TI-01) and put them through a two-year developmental/training program. This program is still in existence today – for example, a 2018 college recruitment drive sought to fill 20 positions: "Measurement Canada seeks to recruit individuals who have the qualifications to fill entry-level positions and to develop them to a level of competency that permits them to deliver the full range of working level duties, on a quasi-independent basis. Management will use this TI Recruitment and Development Program to staff Inspector (TI-03) positions and to promote these

<sup>69</sup> Canada Gazette Vol. 147, No. 44, November 2, 2013 http://publications.gc.ca/collections/collection\_2014/gazette/SP2-2-148-12.pdf

individuals to the TI-04 level employing the merit principles provided by this program" (Exhibit J).

Recruitment and retention at the Agency remain problematic. Chronic understaffing of inspectors makes it very difficult for MC able achieve its legislated mandate, potentially putting consumers and business at risk. The highly specialized training for inspection employees is predicated on many years of experience. Thus, to perform the full range of inspections falling under their responsibility, inspectors require several more years of practical experience and mentoring by an experienced inspector. Unfortunately, the Agency was not able to retain those new recruits over the long term. They lost 34 TIs between 2005 and 2009, most of them at the TI-04 level (Exhibit J).

Experienced inspectors mentor and train new hires in addition to performing their regular inspector duties. This puts a proportionally larger burden on overworked inspectors in regions that are understaffed. Some regions are unable to replace inspectors who have either retired or moved to better positions in different departments or the private sector. As a result, inspectors who are still with MC are at risk of burn-out and likely to consider alternate positions elsewhere. Where trained officers are scarce, they are often too burnt out to mentor new hires, causing new hires to leave before completing their practical training.

Training and mentorship at MC produces fully qualified inspectors that would greatly relieve under-staffing if fully trained recruits stayed with the Agency. Unfortunately, once trained and fully comfortable with the ins and outs of legislation, there is a pattern of new hires leaving MC for jobs with significantly better salaries. Due to the value of the training and work experience to other organizations, inspectors can use the Agency as a springboard to get hired for other positions. For example, MC inspectors with a few years of experience are successful in the Oil and Gas sector, or at large utility companies such as BC Hydro and Hydro Quebec. They may also find work as an ASP in any number of private sector companies. Positions outside of MC are often less challenging, have fewer

responsibilities, yet pay much higher salaries. This practice will persist unless the agency offers appropriate, and competitive compensation.

After losing personnel to other employers or retirement, the hiring process to fill the vacancy with an inexperienced person begins again. There is a relatively small pool of candidates with the appropriate technical and scientific background and the staffing process to recruit qualified personnel is cumbersome. Posting jobs, screening, interviewing, hiring, and training new staff is costly and time-consuming. This has made running competitions difficult or impossible in some regions, forcing the Agency to rely on hiring out of a pool of co-op students to bridge the gap. To relieve anticipated staff shortages, MC is undergoing an anticipatory staffing process in some regions. Usually, when staff is retained, over time they gain valuable knowledge and experience and progress within a department, which makes up for this initial investment by the Employer. Here, this is not the case and the Agency continues to serve as a free training ground for other employers, relying on experienced inspectors to perform double duty as inspectors and trainers.

According to the 2018 Public Service Employee Survey, almost a quarter of MC's employees intend to leave their current position within the next two years. Of those, 60% plan to pursue a position outside of the agency and 5% will enter retirement. 85% of respondents indicated 'not enough employees to do the work' as the cause of stress at their workplace, with 42% reporting that this applied to a 'large' or 'very large' extent.<sup>70</sup> Overtime and long hours cause stress for over 60% of respondents.

The union's proposed allowance will help ensure that there is more incentive for inspectors who train new hires and for the new inspectors to stay with MC once they are fully trained and qualified.

 $<sup>^{70}</sup>$  2018 Public Service Employee Survey Results for SBTMS - Measurement Canada https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/10/207/321/org-eng.aspx#wb-cont

#### Costing

The cost for this allowance is modest and amounts to approximately \$1.63 million or 0.22% of total payroll.

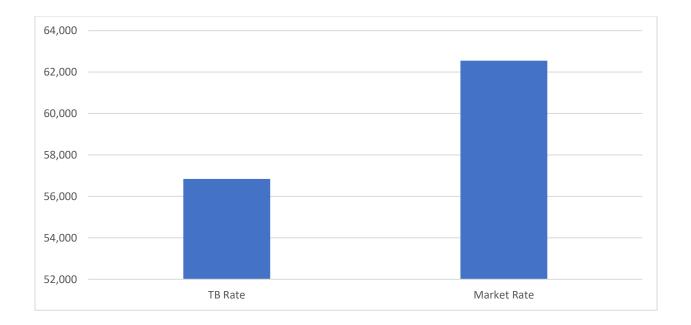
The proposed allowance would compensate members for MC's mandate by performing their highly specialized work and ensuring that inspectors who receive the necessary training and expertise stay with the Agency. In light of these reasons, the union respectfully requests that the Board includes this proposal in their recommendation.

## **Canadian Grain Commission (CGC)**

- Roll-in pay note #4 (\$2,000 annual allowance) to all PI scales, and apply this new rate to all PIs, regardless of location.
- Increase all PI pay scales by an additional 1.74%
- Apply Appendix EE to all TIs at the CGC, roll the \$3,000 allowance into the salary of all TIs who work at CGC, and provide an additional occupational allowance in the following amounts as a part of salary:
  - TI-03 to TI-07: 12.88% of salary

#### **RATIONALE**

PIs work for the Canadian Grain Commission (CGC). The pay study results confirm the long-standing wage gap for Primary Inspectors, comprising the PI classification.



As shown in the introduction to the pay proposal, there is a 10% gap between the PI-01 rate and the market rate for similar jobs. This was the only PI classification for which there was data from the pay study.

#### **Public Sector Comparators**

In addition to the pay study data, there are some clear comparisons that can be made within the broader public service. PI positions at the Canadian Food Inspection Agency (CFIA) were reclassified to reflect the changing nature and duties of the work.

In May 1999, the CFIA determined there was a need for major restructuring of PI work and classifications. This was based on the results of an internal classification committee, as well as years of grievances submitted by PI members. A new structure, supportable within the current classification standards and in sync with the needs of CFIA and industry was needed.

Two classification levels for supervisory positions and three classification levels for front-line workers were created. The highest working level is the same classification as the lower supervisory level (EG-04). Four classification levels which cover the vast majority of the operational PI positions: EG-02, EG-03, EG-04, and EG-05. The conversion to the new EG classification became effective June 30, 2000, applied retroactively to April 1, 1997. Upwards of 2,000 CFIA PIs were impacted by this reclassification, representing a significant investment in the CFIA workforce by this employer. It should be noted that this represents a far greater number than the approximately 150 PIs in the TC group.

CFIA PIs were already paid at a superior rate to TC group PIs, and their conversion to EGs has widened this pay disparity even further. This is because CFIA EGs are also paid at a superior rate to TC group EGs. The following table outlines this disparity. It is important to note that former PIs were moved to various levels in the EG classification, depending on their job descriptions and duties.

TC	TC Max	CFIA – EG	CFIA - EG	% that CFIA
Classification	Salary	(new)	Max Salary	exceeds TC salary
PI-1	56,844	EG-2	62,168	9.4%
DI O	60.702	EG-2	62,168	2.4%
PI-2	60,703	EG-3		12.6%
		EG-2	68,380	-4.8%
PI-3	65,279	EG-3		4.8%
		EG-4		15.2%
		EG-2	62,168	-4.8%
PI-3	65,279	EG-3		4.8%
		EG-4		15.2%
PI-5	78,607	EG-5	68,380	5.3%

While there are some inconsistencies depending on the exact job match between the work at the TC table and the classification at CFIA, the pattern shows that the CFIA rates of pay are substantially higher at CFIA. Both internal and external comparators show there is a clear and substantial market gap for the PI classification.

There is an existing pay note, which provides a \$2,000 allowance to employees in the PI classification for those working in Vancouver or Prince Rupert:

4. A supplement of two thousand dollars (\$2,000) per year for the performance of grain inspection duties shall be added to the pay of incumbents of positions at levels PI-1-CGC through PI-6-CGC located in Vancouver and Prince Rupert.

Across various PSAC tables, not just the TC group, the Union and Employer have agreed to eliminate regional rates of pay in almost all cases. This pay note is one of the few such rates that continues to exist. As such, the Union is proposing that this amount be rolled into salary for all employees, eliminating regional rates of pay, and also working towards shrinking the market gap.

As the Union has calculated that the PI classification is 10.04% behind the market, after factoring in the proposal of two increments for all classifications (4% each), the net market gap that continues to exist is 1.74%. As such, the Union proposes for an addition market adjustment of 1.74% for all PIs.

Additionally, members are required to do large amounts of overtime to fill in for the vacant posts, or the reduced staffing levels at the CGC. Members have spoken with the Union about burning out due to the intense pressures of their heavy workload, and the large amounts of mandatory overtime that they must work. Often, this overtime comes with little notice, and is a source of huge frustration to these members.

#### TIs at the Canadian Grain Commission

There is a small group of employees at the CGC who are classified as TIs. This group of TIs does work that is virtually identical to the work of TIs at Measurement Canada. Based on the allowance and arguments advanced in that section of this brief, the Union submits that this group of TIs should be paid the same allowance as the TIs at Measurement Canada. This would entail rolling the allowance under Appendix EE (\$3,000 per year) to their salary and adding the Union's proposed allowance of 12.88%.

#### Costing

Based on the population of employees at the CGC, the market adjustments, and roll-in of the existing allowance, as proposed here, would cost approximately \$346,000 or 0.05% of total TC payroll.

# Search and Rescue Coordination and other Coast Guard Positions (Appendix CC)

After existing allowance rolled into salary of all members, an additional occupational allowance in the following amounts shall be introduced as a part of salary:

- GT-05: 18.01%
- GT-06 and GT-07: (Regional Supervisor): 22.01% (4% allowance from last round plus 18.01%)
- Introduce new occupational allowance equivalent to the existing allowance under Appendix CC plus the increases listed above to all employees who possess Transport Canada or Canadian Coast Guard Marine certificates of competency in the following jobs:
  - Officers in Regional or Emergency Operations Centres (GT-05) as well as the superintendents and deputy superintendents (GT-06 and GT-07)
  - Any Officers qualified at the rank of First Officer (GT-04), Craft Captain (GT-05), Officer in Charge (GT-06 and GT-07), or Engineers (EG) at a Hovercraft Base.
    - The GT-04 and EG positions shall receive an increase of 22.01% and the other classifications at the amounts listed above.
  - Senior Response Officers (GT-05) or Supervisors thereto (GT-06 and GT-07) employed at Coast Guard

#### **EMPLOYER PROPOSAL**

Extend the existing \$3,154 allowance currently payable to the GT-05 level to the GT-06 level as of June 22, 2020.

#### **RATIONALE**

GT employees at the Canadian Coast Guard (CCG) are facing multiple pressures. A recent arbitration decision has significantly increased the wages of the federal government's Ship's Officers (SO). This group has historically been a primary source of recruitment for shore-based positions in the TC group, but the SO group's wages are now substantially higher than the equivalent jobs in the TC group. For some jobs in this group, the long-standing problem regarding internal comparators has not been solved. Additionally, the Employer has not adequately addressed the serious recruitment and retention problems for this skilled group of employees.

#### Marine Search and Rescue Coordinators

TC group members working as Marine Search and Rescue (SAR) Coordinators provide services and facilities in support of programs of the Department of Fisheries (DFO) and Oceans, the Canadian Coast Guard (CCG) and the Department of National Defence. They work in five different locations across the country: 3 Joint Rescue Coordination Centres (Victoria, BC; Trenton, ON; and Halifax, NS) and 2 Marine Rescue SUB-Centres (Quebec City, QC; and St. John's, NF).

These services help to ensure safe and environmentally sound use of Canada's oceans and waterways for commercial and recreational purposes. Marine SAR Coordinators perform such tasks as planning, co-ordination, conduct and control of SAR operations. Once a Joint Rescue Coordination Centre is notified that a person(s) is in danger, the TC members begin to organize the rescue. All available information about the person(s) in danger is gathered and recorded, and the positions of potential assisting resources in the area of the incident are determined. SAR Coordinators are trained to evaluate various situations and send the most effective resources to deal with a particular incident. In complex and major incidents, many resources are often sent or tasked to assist.<sup>71</sup> At the JRCC, there are Coast Guard employees, who are members of the TC group, as well as Armed Forces members.

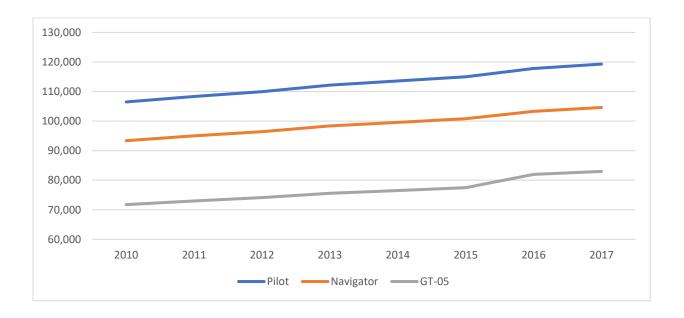
There are two significant compensation issues for this group. First, at the Joint Rescue Coordination Centres (JRCC), two sets of employees do virtually the exact same work, but one group gets paid substantially less. The Search and Rescue (SAR) Coordinators at the JRCC plan, co-ordinate, conduct and control SAR operations. They work alongside Armed Forces employees, specifically Air Force Pilots and Navigators who are classified as Captains.

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<sup>&</sup>lt;sup>71</sup> Canadian Coast Guard Website: < http://www.ccg-gcc.gc.ca/eng/CCG/SAR\_Maritime\_Sar>

Both groups of employees perform the exact same functions. The TC members are involved in the Marine SAR cases, while the Armed Forces employees take care of Aeronautical SAR cases. The duties for each type of SAR operation are exactly the same. Both groups have the same training. In fact, the TC members go through specialized Air Force training.

But despite carrying out the same work, the TC members of this team earn 43.8% less than the pilots and 26.1% percent less than the navigators.



Last round, the parties agreed to a modest allowance of \$3,154 for the GT-05 position. As shown the graph above, that slightly narrowed the gap in salary from a 48% gap to a 43.8% gap. The Navigator position went from earning 30.1% more than the GT-05 position to earning 26.1% more. The differential is still immense. Additionally, the graph does not account for the military's cost of living allowance, which would make this gap grow even wider.

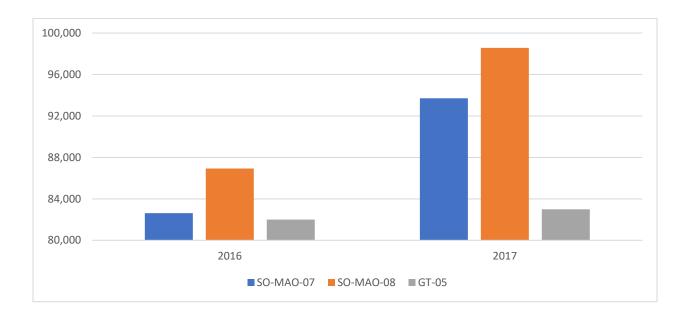
This situation is especially problematic when the workload is examined. The TC members of this team perform approximately 80% of the work. The Air Force members usually come in to do a stint of about four years at the SAR Centre. The TC members, on the

other hand, tend to work at the Centre for long periods of time. This expertise is clearly undervalued by their Employer.

Making matters worse, in a 2018 interest arbitration award, the Ship's Officers group (SO), as represented by the Canadian Merchant Service Guild, was provided a market adjustment of 12%, effective April 1, 2017. Ship's officers are required, in certain locations, to work on land for a period of years to progress up the ranks. JRCC Victoria used to be a centre for training and gaining important shore-side experience that would allow SOs to compete for higher-level Commanding Officer positions.

These CCG employees, when working on land, would often move into the TC group as a GT and then when they are back at sea will be an SO, as part of the CMSG bargaining unit. Recruitment for many of these GT positions has taken place from the ranks of this group of SOs. However, with the large increase received in negotiations, there is a large pay disparity between the GT-05 working level and the SO rate.

The majority of these positions that normally would become a GT-05 have come from the SO-MAO-07 level, which would be a Senior Chief Officer on a large Coast Guard Ship, or the SO-MAO-08 level, which would be a Commanding Officer on a small to medium patrolling Coast Guard ship. As shown below, the salaries were very similar between the groups in 2016 after the parties agreed to the new SAR allowance at the TC table. Following the market adjustment, however, the SO rates have surpassed the GT-05 rate by 14-20%. It is unlikely that SOs working on shore will take a job at such a substantial pay cut.



Recruitment and retention for this group is a clear problem. In 2017, the Employer issued a document stating that over 10% of the workforce is eligible to retire. They go on to state that since they are competing with industry, there is a shortage of qualified marine personnel interested in shore-based positions. They state that they have problems with attracting people to work there and to keep them with the CCG. (Exhibit K)

With the average age of CCG employees at almost 46 years old, recruitment and retention is of utmost importance. Given the specialized skills of a large proportion of CCG employees, the task of replacing staff is very challenging as the highest areas of forecasted attrition lie within operational and specialized skills groups.

Joint Rescue Coordination Centres (JRCCs) and Maritime Rescue Sub-Centres (MRSCs) across the country are experiencing recruitment problems. JRCC Halifax had difficulty attracting qualified bilingual employees during MRSC Consolidation. JRCC Trenton has long had difficulty recruiting sufficient staff to fill all positions and the recent attempt to close the MRSC Québec failed largely due to JRCC Trenton being unable to attract bilingual employees. During national recruitment drives, the Employer experienced difficulty attracting people with the appropriate certificate of competency that was required to hold the position of Maritime SAR Coordinator and so the requirement was reduced to

Watch-keeping Mate to allow them to attract sufficient staff. The list of certificates was then expanded to include Navy certificates as recruitment continued to be a problem. The department is also reducing the amount of sea experience required to be hired. Over time the required experience has been consistently reduced from "extensive" to one year, and now to none beyond what is required for the possession of the certification. We are aware of a proposal being discussed in Ottawa to start an *ab initio* training program for Maritime SAR Coordinators that would hire people with no marine experience as a way to improve recruitment. JRCC Victoria and Trenton and MRSC Quebec currently have unfilled positions.

This is an operational context where coverage is often needed 24 hours a day. One member reported that he worked almost 1,000 hours in overtime in the last year, which is equivalent to working 1.5 times a full-time job. This is not sustainable. Staffing levels are critically low. According to our members, staffing for this group is at 60% of the optimal level across the country.

The allowance last round was clearly a small step in the right direction. However it was both insufficient and it created some inadvertent problems. The allowance was exclusively for the GT-05 position. The supervisors for this group are in-scope and classified at the GT-06 and GT-07 levels. These supervisors are as equally subject to a large wage gap as the working level members. Additionally, when GT-05 members act at a higher level when a supervisor is on leave, or the group is short-staffed, the GT-05 member is actually paid less than what they otherwise would be. Treasury Board's assessment for acting pay excludes the \$3,154 allowance agreed to by the parties in the last round. When the calculation is done for the acting rate, by excluding this allowance, the biweekly pay is less than it is at the GT-05 rate with the allowance. The Employer has agreed to extend the initial allowance to the GT-06 level. Both to end this absurd situation, and to respond to the large disparity in salary, the Union submits that both the existing allowance, as well as any addition to the allowance should be extended to the supervisors at the GT-06 and GT-07 rate.

Overall, this has been a long-standing problem for this group of employees and has been repeatedly raised at conciliation and arbitration boards and with Parliamentarians. Both the Ministry of Fishery and Oceans, as well as Treasury Board, know of this disparity. The allowance last round was not enough to correct this issue.

#### Employees at Hovercraft Bases

The CCG has two hovercrafts bases across the country in Trois Rivieres and on Sea Island in Richmond, BC. The base in BC is primarily a Search and Rescue Station situated adjacent to Vancouver International Airport. Two hovercraft exist at Sea island. Both craft are 28.5 metres long and are capable of speeds approaching 50 knots. Typical crew complement aboard the hovercraft is six, two pilots who operate the hovercraft and supervise four rescue specialist/rescue divers. The station staff also includes on-site engineering support. Despite its primary focus, the two hovercraft and the crews who operate them are multi-functional. The hovercraft can be configured for buoy tending and servicing aids to marine navigation or can operate as a mobile construction platform. They are capable of responding to and dealing with many different aspects of environmental response. This station is also integral to Vancouver Airport's Emergency Rescue Plan as the area surrounding much of the airport is a tidal marsh that can only be properly accessed by hovercraft. Sea Island Hovercraft station stores and maintains specialized rescue equipment in the event an aircraft crashes or lands in this area. The staff at the station exercise regularly with the airport utilizing this equipment and the hovercraft itself.

The Sea island station also maintains Canada's only maritime rescue diving fleet. The Pilots and the crews are very specialized in "penetration" dives into overturned or submerged vessels or anything that may have entered the water within the station's area for the purpose of saving lives. This station will also inspect diving gear and equipment on behalf of investigative authorities from other government departments during accident investigations involving recreational or commercial divers.

Trois Rivieres is more focused around winter ice breaking, although it also provides a number of other services, including support for summer aids to navigation.

Engineers and Officers working at hovercraft bases share a lot of similarities with those at JRCCs. This group draws from the same group of SOs and this group requires the same types of certifications from internationally recognized marine organizations. Over the past few years, they have come to have slightly different and more extensive responsibilities as the hovercrafts that they crew are more than 93 feet long and require a crew of six. The older models were 40 feet long and required a crew of only three.

There has been a long-standing shortage of qualified pilots trained to operate hovercraft. There are unique training requirements of individuals occupying a hovercraft position, as opposed to positions in the general fleet.

With the large increase to the SO group's wages, the recruitment and retention problems will be severely exacerbated for this entire group, which consists of members with the skill and qualifications to move into the SO group as openings arise.

#### Regional Operations Centre Employees and Senior Response Officers

Regional Operations Centres (ROCs) facilitate the overall scheduling & coordination of the CCG's Fleet, to ensure the best use of available resources for regular program delivery, as well as during emergency situations. There are three ROCs, located in Victoria, Montreal and St. John's.

The ROC coordinates Fleet operations for vessels located at various locations along the entire West Coast of British Columbia. Staff facilitate the overall scheduling and coordination of the CCG Pacific Region Fleet for regular program delivery, as well as providing emergency response planning during events. Staff at the ROC in Victoria consist of a mix of GT and SO-MAO staff levels. They organize Coast Guard helicopter schedules, ships and assign work plans to the CCG Fleet per requests from other

Canadian Coast Guard programs or requests from other government departments. Also situated at the ROC in Victoria BC are staff who monitor the "Alerting Desk". This staff member answers calls from other departments or the general public reporting environmental spills or incidents requiring CCG Environmental Response. The calls are directed to the appropriate ER duty staff.

GT members at ROCs are work in an operational context and work 24/7 shifts. In at least one ROC in St. John's members were given exact same training as the SAR coordinators. Within a given group of people who were hired out of the CCG College, some were divided into two groups: half were sent to be SAR coordinators and the other half were sent to the ROCs. Many have the same qualifications but were arbitrarily divided. Although this was discontinued in St. John's, there is a mix of staff with Transport Canada Marine certificates of competency and those without.

Maintaining trained and qualified staff in this group is equally important to the safety of the Canadian public as any other groups mentioned in this section. The same arguments can be brought to bear regarding the competition for trained and certified employees, as well as the comparisons to other groups such as the SOs. The certifications held by members at ROCs are valued by many employers and without proper compensation, these areas will be understaffed and pose a threat to CCG's ability to properly carry out its mandate.

Senior Response Officers carry out environmental response duties in the marine environment. They provide supervision for environmental response specialists and assume regulatory authority for environmental response in the marine environment. This includes environmental emergency management activities and response activities in the field, preparedness and readiness activities and project management. They tend to be based in cities along the coast and are on rotation being on standby. These officers occupy a critical role when there's a pollution event in determining the response and coordinating resources to address the issue.

Again, while not all of these officers have the same marine certificates of competency, it is reasonable that all officers who possess this certification be provided with the same allowance for the same type of qualifications.

#### Costing

The Union estimates that there are approximately 100 members in all of the positions for the proposed allowance. The entire cost of the proposal for the allowances would be approximately \$1.5 million or 0.21% of the bargaining unit payroll.

All of the groups in this section face recruitment and retention pressures. The Union respectfully submits that any member who has a Transport Canada or Canadian Coast Guard Marine certificate of competency in any of the jobs should be paid the allowance as proposed.

Employees in the Engineering and Scientific Support (EG) and General Technical (GT) Groups Working Shore-Based Positions at Canadian Coast Guard (CCG) (Appendix W)

#### PSAC PROPOSAL

Roll in current allowances paid under this appendix and match the language under appendix A-1

Appendix W: Memorandum of Understanding in Respect of Employees in the Engineering and Scientific Support (EG) and General Technical (GT) Groups Working Shore-Based Positions at Canadian Coast Guard (CCG)

3. Employees working at Canadian Coast Guard for the Integrated Technical Services and Vessel Procurement who are required in the performance of their duties to have knowledge of and extensive experience in the design, construction, operation or maintenance of vessels as demonstrated by possession of the appropriate marine certificate of competency, or university degree/diploma, combined with extensive experience in the field. Transport Canada Marine Engineering or Canadian Coast Guard Marine Electrical certificates of competency.

#### **EMPLOYER PROPOSAL**

	Monthly payments				
Group and level	Effective 22, 2018	Effective June 22, 2020			
EG-6	\$483	\$483			
EG-7	\$370	\$370			
GT-6	\$390	\$570			
GT-7	\$353	\$529			
GT-8	\$353	\$353			

3. Employees working at Canadian Coast Guard for the Integrated Technical Services and Vessel Procurement who are required in the performance of their duties to have knowledge of and extensive experience in the design, construction, operation or maintenance of vessels as demonstrated by possession of marine certificate of competency, or post-secondary degree/diploma, Transport Canada Marine Engineering or Canadian Coast Guard Marine Electrical certificates of competency, combined with extensive experience in the field.

#### **RATIONALE**

With respect to the additional allowance proposed by the Employer, the Union does not object to that increased amount being in the PIC's recommendation, however the Union does submit that all such allowance should be rolled into salary.

On the balance of proposals in this Appendix, the Union and Employer have very similar proposals to update the language. The Union's intention in this Appendix is to include naval architects in the eligibility for the allowance therein. Currently, approximately five employees with Naval Architecture credentials are working at Canadian Coast Guard for the Integrated Technical Services and Vessel Procurement. Although they are working in identical positions as the employees already receiving the allowance, they are excluded from the allowance. The proposals from both parties would achieve that goad and to that end, the Union does not object to including the Employer's proposal in the PIC's recommendation.

#### Costing

The Union believes that there are approximately five architects that would be covered by its proposal, which would result in a cost of about \$21,000 or 0.003% of bargaining unit payroll.

### **Transportation Inspectors (Appendix A-1)**

Appendix A-1 shall be increased and expanded to provide allowances to more members. Values are the following:

- TI Aviation (including CASI-OSH, Aerodromes, Aviation Security and Aviation Enforcement): 13.42% increase to the A-1 rates for TI-05 to TI-08.
- TI Marine (including Marine Security): 13.42% for TI-05 to TI-08.
- TI Rail (including Rail Security): 13.42% for TI-06 to TI-08.
- TI-TDG, and any other discipline not covered above at Transport Canada or the Transportation Safety Board: Incorporate into the Rail portion of Appendix A-1
- Add **TIs who work for the Department of National Defence**, and who meet the existing criteria, into this Appendix
- **TI-Marine Examiners and Investigators** who have a certificate of proficiency related to marine emergency duties shall have the Employer arrange and pay for their refresher courses every five years.

#### **RATIONALE**

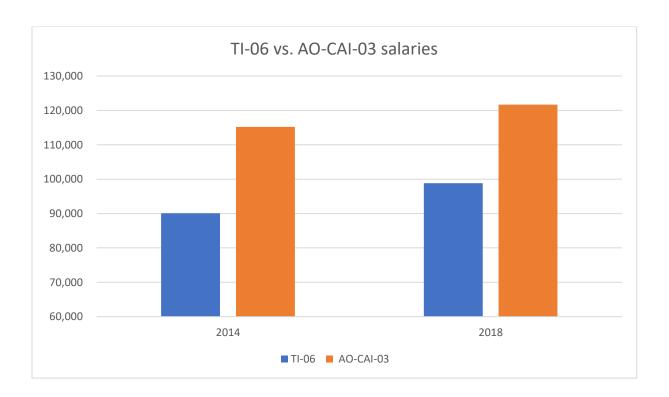
There are some very clear pay disparities for TIs within the federal public service. Technical Inspectors regulate the relevant portion of the transportation industry by performing certification activities, conducting regulatory surveillance for compliance with legislative requirements and taking enforcement action for non compliance found within the industry. They have the Minister's delegated authority. There are few, if any, direct relevant comparators outside of the public service. However, for this group, there are some directly relevant internal comparators. Additionally, good data exists for Marine Inspectors. This section will detail those comparisons, as well as the pay disparities for a variety of TIs.

#### **Civil Aviation Inspectors - Airworthiness**

Civil Aviation Inspectors work at Transport Canada (TrC) and the Transportation Safety Board (TSB), examining and inspecting the airworthiness of aircraft. Members in these positions perform regulatory compliance investigations, safety investigations and aircraft crash investigations. In addition to examining and inspecting aircraft for airworthiness they evaluate the maintenance and maintenance control systems as well as training control systems of approved organizations. They work alongside another classification of

employees who do virtually identical work. The TC members are classified at the TI-06 level and their counterparts, represented by the Canadian Federal Pilots Association (CFPA) are classified at the AO-CAI-03 level. These two groups of employees do the exact same work with only one exception: the CFPA members are qualified to fly an airplane, although they are seldom called on to do so. Despite this difference, their job descriptions are almost identical (Exhibit L). There is no differentiation in terms of which employee can be in charge of an inspection or investigation. The decision for leadership is driven by workload, not qualification or classification. Despite these similarities, one group of employees is paid thousands of dollars more than the other. This disparity has existed for decades and still hasn't been adequately rectified.

The graph below shows salary data for the CAI-AO-03 classification vs. the TI-06 classification. These are the working levels of the respective jobs. The data presented includes all monetary compensation that is paid to all members of the bargaining unit. Some universal allowances for these groups were rolled into salary at various points. In all cases, such universal allowances are included in the figures.



As of 2014, the most recent date where up-to-date salary data exists for the AO group, TI-06 members were paid 27.9% lower than their counterparts doing identical work. In the 2014 round of PSAC – Treasury Board negotiations, the Employer agreed to make up part of this gap, by providing a new 4% increment at the top of the pay scale for this group. While this should reduce the wage gap to 23.1%, this outcome is not guaranteed. CFPA was due to have their binding arbitration hearing in September 2019. Therefore, depending on the decision of arbitration panel, there is a strong likelihood that the pay disparity has grown ever wider. The graph above assumes that the AO category obtains the same settlement as PSAC did last round (5.5% over 4 years). The gap may well have further increased between the TI-06 and AO-CAI-03 groups once again.

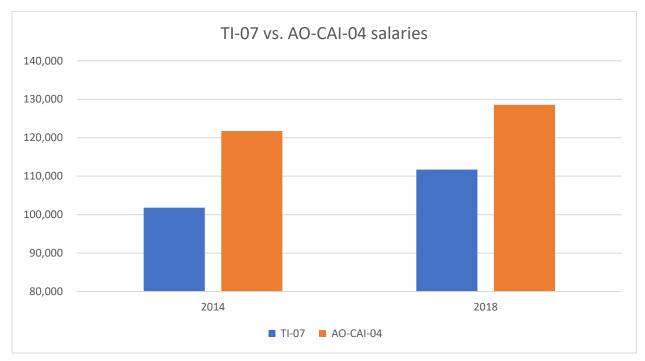
At TrC and TSB, this pay disparity has been long-standing issue. It has been the subject of negotiations between the parties for over two decades. The Union and its members have conducted lobbying campaigns, and the Union has pursued action through almost every possible avenue. Even with some movement on the issue, the gap in salary between these groups remains frustratingly vast.

The difference in salary between TIs and AO-CAIs is significant. It is an issue that depresses morale as it is one of fundamental fairness. The Union questions how the same Employer can provide such vastly different levels of salary to two groups who perform virtually identical work.

#### **Transportation Safety Board Accident Investigators**

There is another group of members classified at the TI-07 level who work at the Transportation Safety Board (TSB). They work alongside a group of pilots, who are classified at the AO-CAI-04 level. Again, these two groups of employees do the same work with only one exception: the pilots are qualified to fly an airplane. Despite this difference, their job descriptions are virtually identical. Again, there is no differentiation in terms of which employee can be in charge of an investigation.

With all the same assumptions, the chart below illustrates the large gap in the salaries paid to these groups. Again, the rates in 2018 are assuming that the AO group only receives the basic economic settlement of last round; a very conservative assumption. They stand a good chance of securing more than the pattern.



The jobs of the TI Investigators with the Investigations Directorate at the TSB are all extremely technical and highly skilled positions. Investigation work has evolved and increased over the last decade, becoming much more complex, specialized, and requiring advanced knowledge, skills, use of technology and experience. However, this significant inequity in compensation remains a very serious problem for TI members at TrC and the TSB.

#### **Marine Inspectors**

Marine Inspectors are specialized positions requiring certifications, such as Marine Engineer – Class 1 or Class-2, specific qualifications, and extensive years of experience. These employees are required to have knowledge of Canadian and international regulations and conventions. Ships enter Canadian ports from many countries and

embark from Canadian ports to many others. International conventions require that marine inspectors have mandatory certification.

In its *Marine Safety Strategic Plan 2009-2015*, Transport Canada states that the demographic trends and the growth of the marine activities put the Marine Safety program as well as marine industries "in a difficult and highly competitive environment for highly trained and experienced mariners".<sup>72</sup> It is interesting to note that Transport Canada acknowledges that highly skilled and experienced mariners are important to the safety of marine activities, while at the same time being unwilling to compensate them in accordance with industry standards.

Private industry offers significantly better compensation packages for employees who have such certificates. But instead of addressing the relatively low compensation levels for this group of employees, and resulting difficulties recruiting new employees, the Employer appears to have chosen to deal with this issue by reducing qualification standards when hiring. In the marine sector, competitions to recruit a TI-07 were held where certification requirements have been lowered, apparently to attract people to these jobs. If the Employer tried to recruit new employees with the proper levels of certification, it would have no candidates to fill the positions. This situation contributes to a work overload issue for members who do hold the appropriate certifications. They are now called upon to review the work of the inspectors without the appropriate certification as the latter lack the delegated authority to sign off those inspections. Additionally, this places risk on the ability of the Canadian government to look after the safety and security of the public.

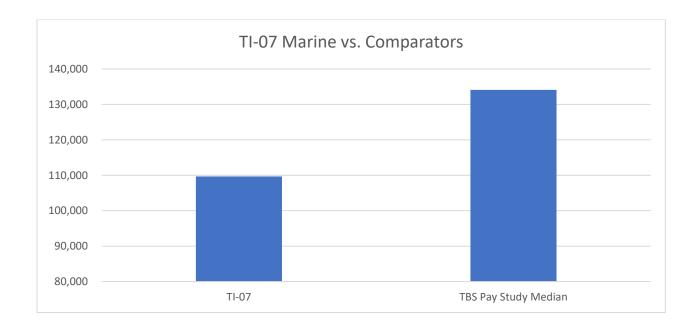
There is ample evidence that this group is underpaid. The pay study could not report an exact match for the marine inspectors because there are no comparators in Canada in either the public or the private sector. However, the data below shows that this group lags

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<sup>72</sup> http://publications.gc.ca/collections/collection\_2009/tc/T29-49-2009E.pdf

far behind its comparators and that the Union is justified in its proposal to increase the allowance for these positions, keeping the same relativity between the Aviation and Marine allowances as currently exists in the collective agreement.

Even the Treasury Board's own pay study data reflects the Union's contention that this group is far behind market. During the last PIC process in 2013, Treasury Board commissioned their own pay study for the TI group. The Marine Inspectors at the TI-07 level were found to have comparators at the median paid at \$121,100 (Exhibit L). When adjusting for wage growth, this amount would be at \$134,100 as of 2018<sup>73</sup>. The graph below illustrates that the TC rates for this position are more than 22% behind comparators as shown by the Employer.



Indeed, the recommendation from the last PIC stated that:

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<sup>&</sup>lt;sup>73</sup> The TB rate in the pay study was effective for 2012. The Union applied the average wage growth for the federal jurisdiction to age this rate to 2018 <a href="https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data/wages/wages-year-sector.html">https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data/wages/wages-year-sector.html</a>

"[T]he Commission has taken note that both parties recognized that a disparity exists between the external comparators and the existing salary structure of the Marine Inspectors. Therefore the Commission has concluded ... to increase the monthly allowance for this group." (Exhibit L)

PSAC is proposing a market adjustment which would make wages more competitive and consequently allowing TrC to attract qualified candidates holding the required certifications.

PSAC is additionally proposing refresher training for this group. Marine TIs are often required to hold certificates of competency to be hired for or to do their jobs. Where these certificates require refresher training or to be kept up to date, the Employer should bear the cost of ensuring that these are maintained by employees.

#### **Rail Inspectors**

The rail investigators and inspectors are required to have qualifications in the following disciplines: locomotive engineer, conductor, brake person, track specialist, rail traffic controller/dispatcher, equipment/car/locomotive inspector, mechanical officer, signal maintainer and operations officer. Again, for these positions at the TI-06, TI-07 and TI-08 classifications and levels, no internal or external comparators could provide an "exact match" in the pay study. The positions cannot be compared since their requirements and responsibilities don't have matches in the private or public sector.

The inspectors hired by TrC are "industry trained", which means they don't have certifications but have acquired extensive expertise by working for industry for many years. When they come to TrC, they have already been trained in one or more of the disciplines mentioned above. Therefore, the PSAC proposal is to keep the same historical relativity between the Aviation and Railway Safety allowances as is currently in the collective agreement.

The retention and recruitment issues in Railway Safety are not as alarming as among the Aviation and Marine Technical Inspectors, but with an aging workforce, this is looming in the near future. According to members in these positions, 45 percent of the workforce will retire within the next five years. In the private sector, the railway industry is struggling with the same issue. Competitive wages and benefits would ensure that the Employer is able to attract qualified candidates to these positions. Transport Canada's *Rail Safety: Oversight and Expertise, Strategic Plan 2010-2015* reports that the department undertook an organizational review in 2008 (recommendations of which came into effect in March, 2010) which states that: "... it quickly became apparent that demographics and resources also needed to be addressed in the context of the organizational review. Similar to other government organizations, Rail Safety is facing an aging workforce, impending retirements and the need to recruit new staff." 74

#### Inspectors Excluded from Appendix A-1

Over the past few rounds of bargaining, there has been some recognition by the Employer that the compensation for aviation, marine and rail TIs has been lacking. The modest improvements to their salaries have slightly narrowed the gap for the airworthiness TIs with their AO counterparts and with others in industry. However, this has caused friction within the TI community and has impacted career progression for TIs at TrC.

There are TIs who work at TrC to inspect and regulate transportation in areas such as Security, Cabin Safety and Occupational Health and Safety, Transportation of Dangerous Goods and Aerodromes. But these inspectors are paid significantly less than the members who work in aviation, marine and rail. Aviation, Marine and Rail TIs have their own Appendix with separate and elevated salary scales. The other TIs at TrC and TSB have equally significant investigatory and regulatory responsibilities, but are excluded from Appendix A-1 of the TC collective agreement.

74 http://publications.gc.ca/collections/collection\_2011/tc/T33-14-2010-eng.pdf

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All TIs at TrC and TSB are required to keep up with changes in industry and technologies. Through surveillance, regular inspection activities and trend analysis, they make recommendations for national program and legislative changes. The individual tasks will be outlined below, but based on their significant responsibilities and classification rating, the Union respectfully submits that all such TIs at Transport Canada and the TSB should be placed in Appendix A-1, under the appropriate mode of transportation. The following sections will touch on a number of these positions and their responsibilities.

#### **Security Inspection:**

Transportation Security Inspectors are the ultimate decision maker in the management of security and terrorist threats and incidents respecting aviation, something that the current Minister of Transport has recognized as a pressing priority.

They work closely with a large variety of other Canadian and International agencies on an almost daily basis. For example, these inspectors are the federal regulators responsible for the security of approximately 45,000 people work at Toronto Pearson airport. All of these employees fall under TrC security regulations, which are regulated by these inspectors. The Tls' duties include recalling and grounding aircraft, conducting threat risk assessments and making decisions based on their accumulated experience and training to safeguard the travelling public in the face of ever-increasing threats from around the globe.

Transportation Security Inspectors are responsible for reviewing security training programs for all stakeholders. They are required to be current on all technologies (e.g. screening equipment, biometrics, RFID) that are available and recognized by TrC with respect to all aspects of passenger and cargo movement. This requires knowledge about explosives, weapons and other devices that may pose threats to mass transit. When incidents occur at a local, national or global level, they are required to activate situation centres, operate, observe and report to various levels of governments and stakeholders. Through daily routine inspection activities, they make evaluations with respect to

deficiencies, violations, vulnerabilities and assessments on trends in industry that need to be addressed through possible legislative changes.

Transportation Security Inspectors are the final decision makers respecting aviation incidents, such as hijackings, bomb threats, etc. They make crucial decisions impacting the police and others in times of crisis. In such events, they represent the Minister directly and have decision-making power. Their actions and decisions affect countless lives - and a single wrong decision can impact a world-wide position on aviation security. Transportation Security Inspectors are a critical part of Canada's commitment to the safety and security of the travelling public in the face of security threats at home and abroad. They balance their decisions with prudence and make them with their best judgement, gleaned from years of training and experience. As the transportation environment has become more complicated, their workload has increased without the proportionate change to their pay. The Union proposes that the Security Inspectors be placed in A-1 under the respective mode of transportation that they inspect. Aviation Security Inspectors under the Aviation rates, Marine Security Inspectors under the Marine rates, and so on.

# <u>Civil Aviation Safety Inspectors, Cabin Safety – Occupational Safety and Health (CASI-OSH)</u>

This group has a unique role as inspectors responsible for investigations and safety oversight within civil aviation and also having a full second delegation under a separate minister (Labour), that mandates investigations and health and safety oversight.

Similar to the aviation TIs under Appendix A-1, this group regulates the aviation industry, performing certification activities and regulatory surveillance for compliance as well as taking enforcement action for non-compliance found within the industry. Their dual mandate, however, is unique to this group. These members investigate injuries, incidents and fatalities involving onboard employees of Canadian aircraft, or onboard employees of Canadian enterprises on foreign aircraft and alleged violations of the *Canada Labour* 

Code- Part II, and of the Aviation Occupational Health and Safety Regulations. They establish whether a violation has been committed; prepare detailed reports and Assurance of Voluntary Compliance documentation; issue directions and provide recommendations which may be used for judicial inquiries and/or safety improvement measures for the air operator. The Inspector also conducts investigations in response to any air operator employee's refusal to work and/or to official complaints.

In this regard, they are often faced with making immediate decisions which may impact on the aircraft working environment and certification, affect the health and safety of onboard employees, and involve expense for the operator through flight delays, or result in loss of revenue. Investigations are conducted in accordance with judicial requirements (e.g., executing search warrants), and typically in collaboration with the TSB, the RCMP and/or other domestic and international law enforcement agencies.

CASI-OSH Inspectors have the authority to take immediate action when a serious threat to safety exists. This may include executing search warrants, seizing evidence, detaining aircraft, and ordering cessation of the work activities. In addition, the Inspector represents the Minister of Labour by assisting and supporting the Crown Counsel in the gathering of evidence and the preparation of briefs for presentation before judicial bodies.

Members of this group manage surveillance teams, inspect aircraft, companies and facilities, assess, write reports and findings, evaluate corrective action plans, recommend enforcement action, certification, and approve company manuals. They are also required to undertake initiatives that promote safety, including promotional and/or educational visits to enterprises, organizations and other government agencies. These visits are aimed at encouraging a safe work environment and verifying that operators are aware of their obligations under the Canadian Aviation Regulations and the *Canada Labour Code* - Part II.

#### **Dangerous Goods:**

Inspectors for the Transportation of Dangerous Goods (TDG) are multi-modal, meaning they must work with many different modes of transportation. There is a significant body of knowledge required for railway, maritime or aviation TDG inspections. The knowledge required is often extensive and can be quite different from one mode to the next.

In their professional capacity, TDG inspectors must maintain their knowledge on multiple subjects. Along with extensive knowledge of a suite of laws, regulations and standards, inspectors also perform inspections in situations that involve frequent exposure to dangerous materials, placing their health and safety at risk.

A TDG inspector must know the various standards pertaining to containers, including the standards for gas cylinders, tank trucks, railway cars and all the other small containers used for the transportation of dangerous goods. They must also have a comprehensive knowledge of the requirements of the applicable acts such as international shipping laws, civil aviation, the American transportation safety law and the Railway Safety Act.

To educate and inform the Crown consistently and appropriately on the application of these regulations, TDG inspectors must keep their knowledge and understanding of the Transportation of Dangerous Goods Regulations current, since these are extremely complex regulations.

TDG inspectors are required to collaborate with stakeholders and ensure a safe intervention in accordance with regulatory requirements in the case of incidents or accidents involving dangerous goods. The derailments at Lévis, Notre-Dame-du-Bon-Conseil and Lac-Mégantic are events where the expertise and knowledge of TDG inspectors were called upon.

The 2016 Federal Budget made significant commitments to:

"sustain existing measures and support new and expanded activities to strengthen oversight and enforcement, and to enhance prevention and response capabilities related to rail safety and the transportation of dangerous goods.

New measures will include: increased inspection capacity and improved training for stronger and more consistent oversight across the country; enhanced systems for testing, classifying, registering and mapping dangerous goods and their movements, to support better risk management."<sup>75</sup> (p.193)

The requirement to strengthen oversight and enforcement contrasts with the reality of a clear shortage of technical inspectors. Such a shortage raises questions over the effectiveness of safety enforcement – as rules are worthless without inspectors on the ground to enforce them.

These pages have highlighted some of the duties of the majority of TIs who are not included in Appendix A-1. Although not highlighted, there are a small groups of others, such as aerodrome inspectors who also have important complex and critical jobs to the safety of the Canadian travelling public.

As a result of this wage disparity, supervisors at the TI-07 level for the groups excluded from Appendix A-1 earn less than working level TI-06 members who are a part of Appendix A-1. There are cases where a TI-06 is a part of Appendix A-1 who reports to a supervisor excluded from A-1. The manager earns substantially less than an employee that s/he supervises, an absurd outcome of this situation.

Fair classification for this group has been lacking for many years. The tensions in the workplace caused as a result of elevated payments for only some, while all have the same classification, have been simmering for a long time. Fairness would dictate that all TIs at

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<sup>75</sup> https://www.budget.gc.ca/2016/docs/plan/ch5-en.html# Toc446106819

TrC and TSB should all be compensated at the rates in Appendix A-1, which are most relevant to the mode of transport that one inspects.

#### TIs at the Department of National Defence (DND)

Currently, under Appendix A-1, a TI who meets the criteria in the pay notes for the experience and/or education requirements is paid at the A-1 rates, rather than the regular Appendix A rates. This applies to employees who work at Transport Canada, the Transportation Safety Board, Public Services and Procurement Canada, Fisheries and Oceans Canada and the Canadian Coast Guard. DND is the only other department which has TIs doing this type of work, but who are not listed as being eligible for Appendix A-1. As there are already five other departments where TIs are eligible to be paid at the higher rates, the Union submits that there is no sound rationale to exclude those who do similar work at DND.

#### Costing

The Union estimates the population of each group and the costing associated with its proposal according to the following table:

	Proposal	Employees	Total Cost \$M (% of payroll)
Aviation	13.42%	270	\$3.5 (0.47%)
Marine	13.42%	280	\$3.9 (0.53%)
Rail	13.42%	100	\$1.3 (0.18%)
Others not currently in	Incorporate into relevant	200	\$4.9 (0.67%)
Appendix A-1	section of A-1		
Total		850	\$13.6 (1.85%)

#### Conclusion

PSAC is looking to the Public Interest Commission to take the steps necessary to end the current pay discrepancies that exist within the federal inspection community. The Employer now needs to take action to rectify the fact that the AO-CAI group is compensated at a much higher rate while doing essentially the same work as aviation TIs. The PSAC further submits that there should be recognition of the work, responsibilities and importance of <u>all</u> federal inspectors, regardless of mode or department.

**EGs at Percy Moore and Norway House Hospitals (Appendix X)** 

After existing allowance rolled into salary, an additional occupational allowance in the following amounts shall be introduced as a part of salary:

Laboratory Technologist: \$15,000

X-ray Technologist: \$15,000

**RATIONALE** 

Health Canada has the responsibility for direct program delivery in only two hospitals in

the country. These are the two small federal hospitals in Norway House and Hodgson,

Manitoba, providing care for a predominantly First Nations population.

Norway House, located at the north end of Lake Winnipeg, provides services for roughly

8,000 people in the community and surrounding area. A new \$100 million state-of-the-art

medical facility to help address the community's ongoing healthcare needs has recently

been announced by the Federal Government<sup>76</sup>. Percy E. Moore Hospital is a 16-bed

facility in Hodgson, Manitoba, situated on the Peguis First Nation Reserve 192 km north

of Winnipeg. It has a catchment population of approximately 15,000. The hospitals have

in-patient facilities, full-service laboratories, X-ray, pharmacy, social services and more.

Each hospital currently employs five laboratory technologists and two X-ray technologists,

therefore only a small number of bargaining unit members would be covered by this new

allowance.

Laboratory Technologists perform critical diagnostic services, including the collection of

blood and other samples. They run a variety of medical tests on samples, perform EKGs

(electrocardiograms), perform day-to-day maintenance of equipment, maintain records,

and order supplies. X-ray Technologists perform diagnostic imaging procedures using

radiology equipment at the hospital.

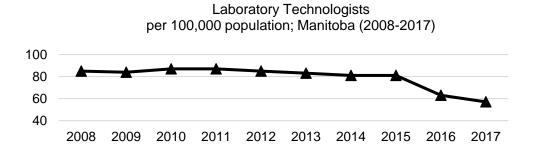
<sup>76</sup>Ottawa promises \$100M to build new hospital for Norway House Cree Nation. Ian Froese and Erin Brohman. Posted September 7, 2018 https://www.cbc.ca/news/canada/manitoba/new-norway-house-hospital-1.4814204;

https://www.canada.ca/en/indigenous-services-canada/news/2018/09/norway-house-cree-nation-receives-100-

million-commitment-from-government-of-canada-to-build-health-centre-of-excellence.html /

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Increases in the diversity of health testing along with human resource shortages are putting more pressure and demands on Laboratory and X-ray/Radiology Technologists. There are too few laboratory technologists to keep up with current demand, especially in rural areas. This shortage is set to worsen as approximately half of all laboratory technologists will be eligible to retire in the next 10 years and will not be replaced at the same rate. According to Mary Klement, president of the Canadian Society for Medical Laboratory Science, some hospitals are closing their doors in the absence of on-site laboratory services<sup>77</sup>. Manitoba will experience "significant labour tightness" for Medical Laboratory Technologists by 2020 (see below) and by 2023 for Medical Radiation Technologists (Exhibit M). Workload continues to increase as a larger proportion of the population ages and requires more complex care. This has led to an increased work load and higher incidence of night-time call-backs.



The operational context for these employees is not adequately captured in the current collective agreement which covers more than 10,000 members, none of whom work in the same type of environment as these employees. Bargaining unit members at the two hospitals experience difficult working conditions conducive to burn-out and increased staff turn-over. High rates of call-backs lead to prolonged periods of little or no sleep.

Nevertheless, these workers are expected to perform their work on time and with no margin of error. Currently, two X-ray technologists/supervisors employed at each of the

https://www.cihi.ca/sites/default/files/document/hcp-2017-data-tables-en-web.xlsx (accessed September 20, 2019)

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<sup>&</sup>lt;sup>77</sup> Canadian Journal of medical laboratory science. Winter 2016. Vol 78, No.4 pp25-28; Global News. Lab personnel shortage means you could wait longer for medical test results: association (Updated May 1, 2019 8:41 am). L. Young and A. Bimman https://globalnews.ca/news/5222813/lab-tech-shortage-medical-tests/ Canada's Health Care Providers: Provincial Profiles, 2008 to 2017 — Data Tables;

hospitals cover 24 hours/day without any back-up staff to take on relief shifts. Daily shifts are 8am-5pm and 9am-5pm. The remaining hours are covered by alternating "one week on, one week off" on-call shifts. Often, employees get called back to work many times in one night and are forced to subsequently work the next day shift with little to no sleep. In theory, employees get two days off every two weeks, however when one of the technologists is sick or unavailable, days off are less frequent. Laboratory technologists are on similar schedule, with variations in the on-call/off-call rotation. The mental physical and mental exhaustion poses a health risk to these employees and increases the likelihood of costly and dangerous errors. Employees are forced to use their sick days and vacation days to catch up on sleep so that they can be alert and rested enough to properly perform their duties and responsibilities (Exhibit M).

In a report on Standby and Call-back provisions, Health Canada recognized that they have been experiencing "serious challenges in recruiting and retaining Laboratory and X-Ray Technologists at the Percy E. Moore in rural Manitoba and Norway House hospitals in an isolated community in Manitoba" (Exhibit M). The situation compromises the department's "ability to meet its mandate and obligation to deliver health care services to these First Nations communities". The technologists at these two institutions all work very demanding jobs with little distance from their work. In Norway House, the employees live in a townhouse that is directly adjacent to their work place. Recent recruitment ads for casual Laboratory Technologist positions at both sites even caution candidates that there is limited housing (Exhibit M).

With their technical expertise, bargaining unit members provide analysis of accurate, life-saving results that guide the diagnosis and treatment of patients. Their job is high pressure, high stress work and requires a very quick turnaround with no room for error. By delivering crucial services, including urgent care after hours, these bargaining unit members positively contribute to the health status of these remote and isolated communities.

The negative effects of long hours, excessive overtime, call-backs, and standby shifts include increased sick leave and exhaustion and slower turn-around times for patient results (increasing both time and cost). Employee recruitment and retention remains challenging, which further burdens the healthcare system. Together this has a direct effect on the health care available to residents serviced in these communities.

Canadians, regardless of where they live, must have access to accurate and timely healthcare, including radiology and laboratory services. For those living in Hodgson and Norway House and the surrounding areas, there are no alternatives for essential health care services. Significant gaps remain in the overall health status of Indigenous peoples compared to non-Indigenous Canadians.<sup>78</sup>

Ensuring access to responsive health services, an interdisciplinary healthcare work force, and safe and modern health infrastructure are fundamental elements to sustainable and effective health systems. The employer is attempting to attract more staff to the two hospitals and will need to augment staffing levels further to operate the new facility in Norway House. Canada is experiencing an overall shortage of medical laboratory technologists and new graduates will have the opportunity accept positions with reasonable working conditions at the location of their choice. Unless appropriate compensation is provided, current provisions, the rural/remote location, and a worsening shortage of technologists will make it very difficult to retain current employees and recruit new employees to come to these Hospitals.

#### Costing

There are currently ten laboratory technologists and four X-ray technologists employed at the two sites. The total cost of this proposal is therefore \$210,000/year or 0.03% of the bargaining unit payroll.

<sup>&</sup>lt;sup>78</sup> Indigenous Services Canada: Departmental Plan 2019-20 https://www.sac-isc.gc.ca/eng/1553090854386/1553090905214?wbdisable=true

In light of these reasons, the Union respectfully asks the Board to include its proposal to introduce a new allowance for technologists in these two Manitoba Hospitals in its recommendations.

#### Ammunition Technicians

Introduce new occupational allowance for all Ammunition Technicians in the GT classification which shall form part of salary of 16.07%.

#### **RATIONALE**

Civilian Ammunition Technicians (CATs) in the General Technical (GT) group, ensure that members of the Canadian military receive fully serviceable ammunitions and explosives of all types, from small arms to missiles and torpedoes. Every day, CATs are exposed to all types of ammunition and explosives (A&E). Any lapse in attention or error in judgement could result in the catastrophic injury, maiming or death of the employee, their colleagues, military personnel or the public. Consequences may also include the loss of tactically crucial ammunition stocks and infrastructure. CATs work in unforgiving climates and environments, exposed to extreme temperatures, freezing rain, noxious odors, noises, sleet, dirt, dust, and mud for prolonged periods of time and at high levels of stress. Our members risk their health and lives without receiving appropriate compensation to acknowledge the hazardous working conditions. The Union is proposing a new occupational allowance, commensurate with the highly specialized, dangerous work performed by the GTs working in CAT positions.

The pay study showed considerable wage disparities across the GT group. The gap for Ammunition Technicians is 16.07% after wage restructuring has been applied (4%+4%). As such, the Union proposes an occupational allowance to close this wage gap

#### Role of the Civilian Ammunition Technician

CATs perform ammunition maintenance, technical inspections, proof and test and logistical disposal of A&E for support of the Canadian Armed Forces (CAF). Typical functions include:

- inspecting, certifying, and reclaiming ammunition, ammunition salvage, and ammunition scrap,
- the materiel management, repair, assembly, disassembly, refurbishment, modification and logistical disposal of A&E,
- investigating of ammunition incidents/accident,

- handling (loading, unloading, packing, or unpacking) Class 1 (i.e. substances or articles with a mass explosion hazard)
- providing technical advice on A&E safety matters,
- operating equipment in support of static domestic or deployed ammunition operations,
- logistical and materiel management functions associated with the storage and maintenance of ammunition, and
- voluntary deployment during armed conflict to provide a range of ammunition support activities

#### Recruitment and Retention

The introduction of CATs was meant to address chronic staffing challenges in the Ammunition Technician occupation (i.e. a 25% shortfall) exacerbated by an aging pool of qualified personnel in the CAF. With the exceptions of tasks that are considered of a purely military nature CATs have a skill set and structure that is equivalent to that of their military counterparts. Indeed, some CATs in this Bargaining Unit are former CAF members. Staffing shortages are exacerbated by the wages paid to this group, and the national pool of CATs has decreased from 190 in 2009 to approximately 125 over the last decade. Multiple job postings for CATs and their CAF counterparts point to ongoing recruitment efforts through 2019. Sub-optimal staffing can have serious negative consequences, as workers who are tired due to increased overtime and shift frequency are more prone to mistakes, endangering themselves and others. Achieving optimal staff levels remains a challenge, contributing to a serious lapse in safety inspections of degrading ammunition and explosives, potentially endangering personnel and CAF operational capabilities<sup>79</sup>.

Review from the 1st of January to the 31st of December 2009. Report to the Deputy Minister and Chief of Defense Staff by the DAER http://publications.gc.ca/collections/collection 2013/dn-nd/D3-27-2009-eng.pdf

<sup>&</sup>lt;sup>79</sup> First report to the Deputy Minister and Chief of Defense Staff by the Director of Ammunition and Explosive Regulation (DAER) (2008) http://publications.gc.ca/collections/collection\_2013/dn-nd/D3-27-2008-eng.pdf

Tenth report to the Deputy Minister and the Chief of Operations – A review from 1 April 2017 to 31 March 2018 http://publications.gc.ca/collections/collection\_2018/mdn-dnd/D3-27-2018-eng.pdf

Eighth Report to the Deputy Minister and the Chief of the Defense Staff – A Review from 1 January 2015 to 31 March 2016 http://publications.gc.ca/collections/collection\_2017/mdn-dnd/D3-27-2015-eng.pdf (all accessed August 29, 2019)

The proposed occupational allowance would compensate our members for the considerable expertise required to perform this highly specialized, hazardous work, and significant responsibility that falls on them to provide crucial support to the CAF. Further, it would help to attract and retain competent staff to augment CAT personnel to a level that ensures reasonable hours. Further, this would help to maintain safe and appropriate levels of A&E inventory.

#### Costing

There are approximately 125 ammunition technicians. Based on the Union's proposal for this allowance, the cost of awarding this allowance would be approximately \$1.31 million per year or 0.18% of bargaining unit payroll.

These workers, who perform safety inspections in very dangerous conditions, should receive this occupational allowance to close the wage gap with their comparators, as shown by the pay study. In light of these reasons, the union respectfully requests that the Board includes this proposal in their recommendation.

### **Pharmacy Technicians**

Introduce a new allowance to reimburse Pharmacy Technicians (EG-03) for the cost of the annual license that is required to perform their duties.

### **RATIONALE**

The Union will withdraw on this proposal and seeks no recommendation.

## **Pay Proposal Conclusion**

The TC group is composed of employees in a large number of highly skilled and technical jobs. Due to the broken classification system and due to the market pressure for technical skills, a lot of groups' wages are behind their comparators. The table below summarizes the group-specific allowance proposals made by the Union.

Group	Members	Proposal	Annual Cost (\$M)	Cost as % of Payroll
Aircraft Maintenance Engineers	6	\$5,000/year	0.03	0.004%
EGs and TIs at the Dockyards and 202 WD	110	EG: 7.77% TI: 8.36%	0.62	0.08%
Fishery Officers	450	GT-02-	4.02	0.54%
Environmental and Wildlife Enforcement Officers	221	5:12.31% GT-06/7: 15.47%	2.34	0.32%
Labour Affairs Officers	150	TI-05: 4.65% TI-06: 7.93%	0.53	0.07%
Measurement Canada	175	12.88%	1.62	0.22%
PIs at the Canadian Grain Comm.	145	PI: 1.74% + \$2,000 TI: 12.88%	0.35	0.05%
Search and Rescue Coordinators and Coast Guard groups	100	GT positions and EG engineers: 18.01-22.01%	1.53	0.21%
Marine Architects at the Coast Guard	5	Include in App. W	0.02	0.003%
TIs at Transport and the TSB	650	A-1: 13.42% All TIs into A-1	13.65	1.85%
EGs at Percy Moore and Norway House	14	\$15,000/year	0.21	0.03%
Ammunition Technicians	125	16.07%	1.31	0.18%
Total			\$26.24	3.54%

## 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 President for the Union of Canadian Transportation Employees (UCTE), a component of PSAC, has received several reports from Ship's Crew members (Canadian Coast Guard) about obtaining printed copies of the Agreement. Some members do not have access to an

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 had difficulties navigating through TB and Union websites when trying to access specific articles.

Beyond Ship's Crews, countless employees amongst PSAC's 100,000 members in the core public administration perform a majority of their job duties outside of 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 do not have internet access, and 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 N). 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. The Union submits that this 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.
- 11.087 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 likely affect all employers using the system. Hence, any recalculation of dues in the pay system 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 by the Employer to calculate dues would require significant additional resources on their part. A number of common activities affect an individual member's 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. Since the Employer is not in a position to know which Component/Local would represent the member, 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 that 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, the PSAC determines the correct dues and any adjustments based on the job information provided by the Employer and submits these via the automated dues process.

Hence, the Employer's proposed new language in Article 11.06 would require the Employer to calculate 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 rationale for proposing to strike Article 11.07 as this has not been adequately provided at the bargaining table. 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 O)

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 O)

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 O)

Considering 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.

The second reason 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 O). 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, 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 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 prevent interference with the Union's statutory rights in the workplace.

Given that the Board has clearly ruled that the law provides Union representatives with rights that extend beyond what is contained in the current Article 12.03, and given that the Union's proposal 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 1<sup>st</sup>, 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, 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. 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 practices exist 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 <u>Royal Canadian Mounted Police Act</u> 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, in the parties' current Collective Agreement, is inconsistent with protections afforded to 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 P).

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.

To allow 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 were 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

- 14.15 Leave without pay, recoverable by the Employer, shall be granted for any other union business validated by the Alliance with an event letter.
- 14.1416 Effective January 1, 2018, ILeave 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.

#### **EMPLOYER PROPOSAL**

14.1415 Effective January 1, 2018, Lleave granted to an employee under articles clauses 14.02, 14.07, 14.08, 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**

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 business of their Union for legitimate activities is straining labour relations and resulting in grievances. 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

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 Q). 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.

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 therefore cannot 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 put into place during the last round of negotiations 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.

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 proposal.

#### 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 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 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 PIC 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.

#### <del>20.02</del> 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.

#### <del>20.03</del> 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)©).

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 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 R). 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 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 T, 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 23.04. This deletion was agreed to by Treasury Board in last round of bargaining with the FB group. (Exhibit R).

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 by the Employer. 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;
  - (I) (k) two (2) ene 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) (1) one additional day when proclaimed by an Act of Parliament as a national holiday.

#### 32.05

- (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
- (ii) 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
- (iii) 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.

#### **EMPLOYER PROPOSAL**

Add to 32.01:

For greater certainty, employees who do not work on a Designated Paid Holiday are entitled to seven decimal five (7.5) hours pay at the straight-time rate.

#### **RATIONALE**

The Union is proposing two modifications to the current Article 32.02 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 28 – 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 3<sup>rd</sup> 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 closed 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. 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 S)

Based on this report, a private member's bill, C-369, was introduced and 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 S).

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 ensure 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.

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

### **Employer Proposal**

The Employer is proposing to clarify that employees who do not work on a Designated Paid Holiday are entitled to seven and a half (7.5) hours pay at the straight time rate. This clause already exists in the Collective Agreement in Article 25.15. d) i. under the subhead *Specific application of this agreement:* 

# d. Designated paid holidays (clause 32.05)

- i. A designated paid holiday shall account for seven decimal five (7.5) hours.
- ii. When an employee works on a designated paid holiday, the employee shall be compensated, in addition to the pay for the hours specified in subparagraph (i), at time and one-half (1 ½) up to his or her regular scheduled hours worked and at double (2) time for all hours worked in excess of his or her regular scheduled hours.

The Employer has provided no rationale at the bargaining table for adding the proposed "for greater certainty" language to Article 30.03 when it already exists in the Collective Agreement.

The Union therefore respectfully requests that the Employer's proposal not be considered in the Commission's recommendations.

#### **ARTICLE 38 – VACATION LEAVE WITH PAY**

# **PSAC PROPOSAL**

Accumulation of vacation leave credits

- **38.02** 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 (5<sup>th</sup>) year of service occurs;
  - b) twelve decimal five (12.5) hours commencing with the month in which the employee's eighth (8th) fifth (5<sup>th</sup>) 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 (23<sup>th</sup>) anniversary of service occurs.;

# 38.07 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.

## **EMPLOYER PROPOSAL**

# **Entitlement to Vacation Leave with Pay**

**38.03** 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.

NEW: Employees are expected to take all their vacation leave during the vacation year in which it is earned.

### **RATIONALE**

For Article 38, 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.

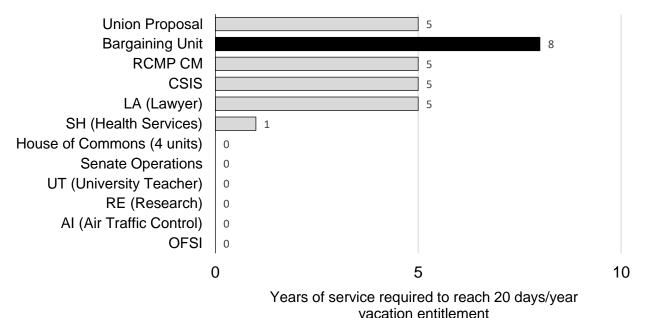
Over a 30-year career, Bargaining Unit members in the TB core public administration can expect 5 per cent (CSIS) to 10 per cent (RCMP Civilian Members) fewer vacation days compared to other groups in the federal public sector (see below).

# 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%
Al (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 accrual 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

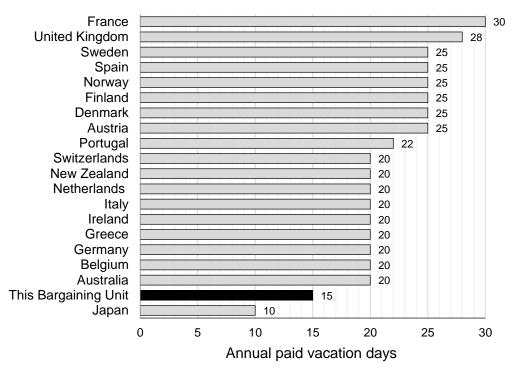
# Other groups in the Public Service reach 20 days/year vacation entitlement sooner than this Bargaining Group



vacation leave three years earlier: after five years of service, instead of eight. This is reasonable as it already exists for other groups in the public sector as well as the Civilian Members of the RCMP. Many groups in the federal public service have an initial entitlement 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

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



days per year or more<sup>80</sup> (please see graph below). Increasing vacation days to 20 per year after five years is reasonable.

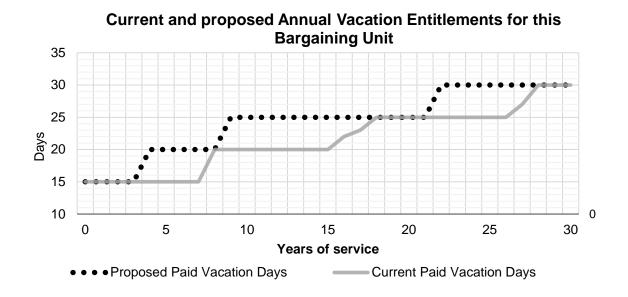
With this proposal, employees would also earn 25 vacation days sooner, after 10 years of service. Matching vacation entitlements to the RCMP Civilian Member (CM) pattern

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<sup>&</sup>lt;sup>80</sup> 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

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. In the coming months, 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%).<sup>81</sup>Offering attractive benefits including more paid vacation days sooner, will help to continue attracting and retaining talented Millennials and Generation Xers to the federal public service.

Vacation leave is a win-win for employees and organizations alike. Recent studies showed that 64 per cent of people are refreshed and excited to return to their jobs

<sup>&</sup>lt;sup>81</sup> 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

following vacations. Employees cite avoiding burnout as their most important reason to take vacation days (Exhibit T). 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 T). 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<sup>82</sup>.

Taking time off has many 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.

# Carry-over language

The Union proposes to amend the wording in Article 38.07 to provide clarification to the interpretation of leave carry-over provision. 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 members 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 T). Following the UMC consultation, the Employer

<sup>&</sup>lt;sup>82</sup>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

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 the Union submits that 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 would allow 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 38 in its recommendation.

### **Employer Proposals**

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.

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 seeks 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)."<sup>83</sup> Continuous *employment* is "one or more periods of service in the public service, as defined in the Public Service 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.

#### 38.03

**h.** For the purpose of this clause 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.

The Employer has proposed that all employees be expected to take their vacation in the year that it was earned. The Employer has not provided a clear rationale to why this is required. They have not provided the Union with a clear explanation of the problem that it solves and they have not provided evidence that this proposal is based on demonstrated need.

The proposed clause does not provide more clarity around vacation scheduling. In practice, the proposal contradicts article 38.04 a. This clause gives the Employer the

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<sup>&</sup>lt;sup>83</sup> Directive on Terms and Conditions of Employment http://publications.gc.ca/collections/collection\_2017/sct-tbs/BT43-125-2017-eng.pdf

power to deny vacation leave during the fiscal year it was earned, subject to operational requirements if the request was made after June 1 in the year the vacation was earned.

- **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:

Therefore, according to the Employer's proposal, an employee would be expected to take their vacation in the fiscal year it was earned. At the same time, the Employer may not grant the vacation leave during that year if leave was requested after June 1. The proposed clause would cause confusion for both employees and managers trying to arrange vacation leave equitably, while maintaining operational requirements. Overall this clause would decrease flexibility and increase scheduling conflicts for vacations. Employees may want to save some of their vacation to take a longer break from work, and the Employer has not provided rationale as to why that is a hardship on them or why that should not be able to happen.

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

#### **ARTICLE 39 – SICK LEAVE WITH PAY**

#### **PSAC PROPOSAL**

#### **Medical Certificate**

- 39.XX In all cases, a medical certificate provided by a legally qualified medical practitioner shall be considered as meeting the requirements of paragraph 35.02(a).
- 39.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.

### **EMPLOYER PROPOSAL**

The sick leave provisions of this agreement will be amended by mutual consent to address a new Employee Wellness Plan, when an agreement is reached between the parties.

# **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 39.02(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 in principle 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 39 of the parties' current Collective Agreement provides the Employer with excessive and unnecessary flexibility. As a result of the language in the current 39.02 (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 U). Furthermore, after having presented its case to a PIC 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 U)

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.

### **Employer Proposal**

The Union does not believe that the Employer's proposal is necessary. It is not necessary to insert such language as it is redundant. If and when the parties do agree to any amendments to the sick leave program, a mutually agreeable re-opener of the Agreement would be required and there needs not be a statement in this article.

# ARTICLE 44 – PARENTAL LEAVE WITHOUT PAY

### **PSAC PROPOSAL**

### 44.01 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:** 
  - a single period of up to thirty-seven (37) consecutive weeks in the fifty-two (52) week period (standard period),
  - 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:
  - a single period of up to five (5) consecutive weeks in the fifty-seven (57) week period (standard period),
  - 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:
  - a single period of up to thirty- seven (37) consecutive weeks in the fifty-two (52) week period (standard period),
  - 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©(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 (**bc**) above, at the request of an employee and at the discretion of the Employer, the leave referred to in the paragraphs (a) and (**bc**) above may be taken in two periods.
- f. Notwithstanding paragraphs (a), **(b)**, **(c)** and (bd):
  - 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.

#### 44.02 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 © to (ij), 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:

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 benefits 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 benefits, 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©(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©(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 paragraphs © 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 paragraphs © 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 (fg)(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.
- I. Under option 1, the 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;
  - i. 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 ©, 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.

 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 44.01 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 44.02, 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 V). 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 C). 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 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 to 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 illustrated below.

# PARENTAL ALLOWANCE UNDER THE CURRENT COLLECTIVE AGREEMENT FOR AN EMPLOYEE CLASSIFIED AS A GT-02.

	Weekly Rate of Pay (maximum)	Weekly 93% Rate of Pay	Weekly El Benefit	Weekly Employer SUB Cost	EE Total Remun- eration
First 35 weeks	\$1,076	\$1,000	\$355	\$645	\$1,000
Next 26 weeks	\$1,076		\$355		\$355

	Salary	Weeks	El Overall Payments Received by EE	ER Overall SUB Cost	EE Total Remun- eration
First 35 weeks	93%	35	\$12,431	\$22,601	\$35,032
Next 26 weeks	33%	26	\$9,234		\$9,234
Total		61	\$21,665	\$22,601	\$44,266

61 weeks of full pay for an employee classified as a GT-02 would equal \$65,609, therefore, as illustrated by the table above, the existing arrangement is worth 67.4 per cent of a GT-02's salary over the same period. A supplementary allowance below 67.4 per cent of a GT-02 weekly salary would result in cost savings 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 GT-02 would see overall compensation reduced by approximately \$7,650 over a 61-week period.

# WEEKLY EXTENDED PARENTAL ALLOWANCE UNDER THE EMPLOYER PROPOSAL FOR AN EMPLOYEE CLASSIFIED AS A GT-02.

	Weekly Rate of Pay (maximum)	Weekly 33% El Benefit	Employer SUB	Weekly Employer SUB Cost	EE Weekly Remun- eration
61 weeks	\$1076	\$355	22.8%	\$245	\$600

	Salary	Weeks	Employer Overall SUB Cost	EE Overall Remun- eration	EE Overall Loss
61 weeks	55.8%	61	\$14,965	\$36,620	-\$7,646

Contrary to the Employer proposal, 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. 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,<sup>84</sup> the Federal Government is by far the biggest employer in the country and as such, its 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

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

women.<sup>85</sup> 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."<sup>86</sup> 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.<sup>87</sup>

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. They 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."

Many parents who choose an extended leave do so because they cannot find childcare space 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.

<sup>87</sup> Length of maternity leave, parental leave, and paid father-specific leave, OECD, https://stats.oecd.org/index.aspx?queryid=54760

<sup>&</sup>lt;sup>85</sup> 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

<sup>&</sup>lt;sup>86</sup> Use-it-or-lose-it' extended parental leave coming in 2019, CTV News, September 26, 2018 <a href="https://www.ctvnews.ca/canada/use-it-or-lose-it-extended-parental-leave-coming-in-2019-1.4110069">https://www.ctvnews.ca/canada/use-it-or-lose-it-extended-parental-leave-coming-in-2019-1.4110069</a>

Once again, the Union's 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 retain qualified and experienced 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."88The 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 44 in its recommendations.

 $<sup>^{88}</sup>$  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 – LEAVE WITHOUT PAY FOR THE CARE OF FAMILY

#### **PSAC PROPOSAL**

Amend 45.02 e). Move to a new stand-alone article titled Compassionate Care Leave and Caregiving Leave and amend as follows:

- XX.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.
- XX.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.

Leave granted under this clause may exceed the five (5) year maximum provided in paragraph 45.02© 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.

- **XX.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.
- **XX.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, clauses 45.01 and 45.02 above ceases to apply.
- XX.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.
- XX.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.

XX.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**

The Union believes that both parties are mostly in agreement for the majority of the changes in this article. Most amendments consist of housekeeping changes brought about by the 2016 Review of the EI system.<sup>89</sup>

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 clauses XX.06 and XX.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, more than three million families in Canada identify as a single-income earner or lone-parent earner and the number of these families has grown by more than 64,000 between 2015 and 2017<sup>90</sup>. Moreover, remaining at work for financial reasons instead of taking care of a loved one is

<sup>&</sup>lt;sup>89</sup> Employment Insurance –Recent Improvements & Overview, Employment & Social Development Canada, https://www.canada.ca/en/employment-social-development/programs/results/employment-insurance.html

<sup>&</sup>lt;sup>90</sup> 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

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. As discussed in the previous section, employers and employees are meant to gain from this type of program.

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 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 W).

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

# ARTICLE 59 – EMPLOYEE PERFORMANCE REVIEW AND EMPLOYEE FILES

### **PSAC PROPOSAL**

59.04 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 TC 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.<sup>91</sup>

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 collective agreement (Exhibit X), and respectfully requests that the Commission include this language in its recommendations

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<sup>&</sup>lt;sup>91</sup> 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.

# ARTICLE 60 – CORRECTIONAL SERVICE SPECIFIC DUTY ALLOWANCE

# **PSAC PROPOSAL**

Although this doesn't appear in the documents, the Union's position has consistently been that the TC group should mirror the provisions that are negotiated at the PA table.

# **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.

- 60.01 The Correctional Service Specific Duty Allowance (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.
- 60.02 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 60.04 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.
- 60.03 Where the employee's basic monthly pay entitlement (including any applicable allowances) in the position to which he or she is temporarily acting or assigned is less 6 than his or her monthly pay entitlement plus the CSSDA in his or her substantive position, the employee shall retain the CSSDA applicable to his or her substantive position for the duration of that temporary period.

60.04 An employee will be entitled to receive the CSSDA, in accordance with 60.01:

- a. during any period of paid leave up to a maximum of sixty (60) consecutive calendar days; or
- b. during the full period of paid leave where an employee is granted injury-onduty leave with pay because of an injury resulting from an act of violence from one or more inmates.
- 60.05 The CSSDA shall not form part of an employee's salary except for the purposes of the following benefit plans:
  - Public Service Superannuation Act
  - Public Service Disability Insurance Plan
  - Canada Pension Plan
  - Quebec Pension Plan
  - Employment Insurance
  - Government Employees Compensation Act
  - Flying Accident Compensation Regulations

# **RATIONALE**

This allowance is payable to members who work in correctional facilities. There are a number of TC members in this situation, although this provision has traditionally been negotiated at the PA table and applied to other PSAC bargaining units. The Union seeks to maintain this pattern and abide by whatever is negotiated at the PA table.

#### **ARTICLE 65 – PAY ADMINISTRATION**

### **PSAC PROPOSAL**

- **65.02** 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.

### 65.07 Acting Pay

- a. When an employee is required by the Employer to substantially perform the duties of a higher classification level in an acting capacity and performs those duties for at least three (3) one (1) consecutive working days or shifts, the employee shall be paid acting pay calculated from the date on which he or she commenced to act as if he or she had been appointed to that higher classification level for the period in which he or she acts.
- b. When a day designated as a paid holiday occurs during the qualifying period, the holiday shall be considered as a day worked for purposes of the qualifying period.

#### 65.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.

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.

#### **EMPLOYER PROPOSAL:**

#### 65.03

- a. The rates of pay set forth in Appendix A shall become effective on the dates specified
- b. Where the rates of pay set forth in Appendix A have an effective date prior to the date of signing of this agreement, the following shall apply:
  - i. "retroactive period" for the purpose of subparagraphs (ii) to (v) means the period from the effective date of the revision up to and including the day before the collective agreement is signed or when an arbitral award is rendered therefor:
  - ii. a retroactive upward revision in rates of pay shall apply to employees, former employees or in the case of death, the estates of former employees who were employees in the groups identified in Article 9 of this agreement during the retroactive period;
  - iii. for initial appointments made during the retroactive period, the rate of pay selected in the revised rates of pay is the rate which is shown immediately below the rate of pay being received prior to the revision;
  - iv. for promotions, demotions, deployments, transfers or acting situations effective during the retroactive period, the rate of pay shall be recalculated, in accordance with the Employer's Directive on Terms and Conditions of Employment, using the revised rates of pay. If the recalculated rate of pay is less than the rate of pay the employee was previously receiving, the revised rate of pay shall be the rate, which is nearest to, but not less than the rate of pay being received prior to the revision. However, where the recalculated rate is at a lower step in the range, the new rate shall be the rate of pay shown immediately below the rate of pay being received prior to the revision;
  - v. no payment or no notification shall be made pursuant to paragraph 65.03(b) for one dollar (\$1) or less.

# **RATIONALE**

Under Article 65.02 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 that is the 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<sup>92</sup>.

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 1).

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 expenses incurred because of inaccurate pay. Treasury Board has since provided a list of expenses that are eligible to claim.<sup>93</sup> 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

<sup>&</sup>lt;sup>92</sup> Treasury Board of Canada Secretariat, 2018 Public Service Employee Survey: <a href="https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/00/org-eng.aspx">https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/00/org-eng.aspx</a>

<sup>93</sup> Treasury Board of Canada Secretariat, Claims for expenses and financial losses due Phoenix: claim out-of-pocket expenses: <a href="https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-pocket-expenses-phoenix.html">https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-pocket-expenses-phoenix.html</a>

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 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 1):

- 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 extensive 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. 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

<sup>&</sup>lt;sup>94</sup> Treasury Board of Canada Secretariat, Claims for expenses and financial losses due to Phoenix: reimbursement for tax advice: <a href="https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-fees-tax-advisory-services.html">https://www.canada.ca/en/treasury-board-secretariat/services/pay/submit-claim-fees-tax-advisory-services.html</a>

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 65.X1 and 65.X2, time spent by employees in acting assignments currently does 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 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 1). 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

With respect to Article 65.07, the current language states that an employee only receives acting pay after working in an acting assignment for three or more days or shifts. What this has meant in practice is that an employee may work for two days in an acting assignment, taking on the responsibilities associated with the position, and not receive

any additional compensation for it. Indeed, the employee would not receive compensation commensurate with the job being undertaken on behalf of the Employer.

Article 65.02 of the parties' current agreement states that:

An employee is entitled to be paid for services rendered at:

(a) the pay specified in Appendix A 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 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.

The Union submits that the three-day threshold contained in the current Article 65.07 is inconsistent with the current Article 65.02, in that an employee working in an acting assignment under the current language for two days is not being "paid for services rendered". The Union's proposal would rectify this inconsistency and ensure that employees asked to perform duties in a higher classification are paid accordingly.

What the Union is proposing for the Phoenix-related portions of Article 65 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 65 be included in the Commission's recommendations.

## **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 68 – DURATION**

# PSAC PROPOSAL

**68.01** The duration of this Collective Agreement shall be from the date it is signed to June 21, 2018-2021.

# **EMPLOYER PROPOSAL**

**68.01** The duration of this Collective Agreement shall be from the date it is signed to June 21, 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**

<u>Domestic violence is a workplace issue: Research and Statistics</u>

One-third (33.6%) of Canadian workers have experienced or are experiencing domestic violence (Exhibit 2)<sup>95</sup>. 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 2). 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 2). With an 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

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<sup>&</sup>lt;sup>95</sup> 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.

hours for the purpose of continuing the conflict, emotional abuse and/or monitoring. 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%). 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 2).

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. 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. 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.

#### Domestic violence is an equity issue

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. 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 2). According to the Department of Justice, spousal violence in Canada costs employers nearly \$78-million due to direct and indirect impacts of domestic violence. <sup>96</sup> 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 2). They found that domestic violence is a significant drain on an economy's resources, and in their cross-country comparison they revealed that 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 2). 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. 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. Therefore,

<sup>&</sup>lt;sup>96</sup> 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). 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 estimate".

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 C).

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 2).

## 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 2).

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 2)

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 C). 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 53.03 (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 agree 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. A 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 C).

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". 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 2).

The Employer's proposal at Article 53.03 (b) fails to provide sufficient flexibility for survivors of domestic violence and their families who may need to use paid leave time during stressful and exhausting episodes of violence (Exhibit C). 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 53.03 (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%). 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.

# Confidentiality XX.06

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 2).

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 2)

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 2)

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 2). 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 2).

# 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 2). 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 2).

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.

## Evidence: Employer proposal 53.03 (d)

The Union believes that the Employer's language at 53.03 (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".

The Union fears 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 2). 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 2). Among the many reasons people do not report family violence are stigma, shame, and fear that they will not 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 2)

## Domestic violence charges: Employer proposal 53.03 (e)

The Union has serious concerns about the Employer's proposal at Article 53.03 (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 53.03 (b) and 53.03(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 2). 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 2).

Because of pro-charging policies that require police to lay dual charges without sufficient regard to self-defence, 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 congratulations 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 3*)

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 3*).

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 3). 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 3)

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. <sup>97</sup>

"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).

<sup>&</sup>lt;sup>97</sup> Government of Canada to Repeal Changes to Federal Public Service Labour Relations Measures, May 25, 2016 <a href="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">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</a>

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 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" <sup>98</sup>

And leading up to that CCPA report, the Public Service Commission of Canada conducted a study<sup>99</sup> 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. <sup>100</sup> Throughout that process, the PSAC has raised concerns around the lack of transparency

100 http://psacunion.ca/unions-turn-heat-against-cooling-and-heating-plant

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<sup>&</sup>lt;sup>98</sup> 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

<sup>99</sup> Use of Temporary Help Services in Public Service Organization: A study by the Public Service Commission of Canada, October 2010 <a href="http://publications.gc.ca/collections/collection\_2010/cfp-psc/SC3-152-2010-eng.pdf">http://publications.gc.ca/collections/collection\_2010/cfp-psc/SC3-152-2010-eng.pdf</a>

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 2019 study suggests that hiring more federal public sector workers would benefit the Canadian economy and support a strong, diverse middle class.<sup>101</sup> 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.

<sup>&</sup>lt;sup>101</sup> IRIS, The Public Services: an important driver of Canada's Economy, Sept 2019 <a href="https://cdn.iris-recherche.qc.ca/uploads/publication/file/Public Service WEB.pdf">https://cdn.iris-recherche.qc.ca/uploads/publication/file/Public Service WEB.pdf</a>

## APPENDIX T - WORKFORCE ADJUSTMENT

# **PSAC PROPOSAL**

# Changes proposed in this Appendix shall take effect on June 21, 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

## 1.1 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.

## Part II: Official notification

# 2.1 Department or organization

## **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 (WFA).

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 WFA. Second, there is a need for the recognition of years of service in the context of Appendix T. 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 T would address each of these deficiencies.

Currently, the provisions contained in Appendix T 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 T 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<sup>102</sup>.

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.

In the Vegreville instance, the Union's 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.

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<sup>&</sup>lt;sup>102</sup> 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.

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 4). 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 4). Furthermore, the 40-kilometre radius is currently the standard for more than 50,000 unionized workers at Canada Post (Exhibit 4).

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 often 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 4). 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 4). Additionally, it is already recognized under the parties' Collective Agreement for the PA group 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 departure 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 T 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. <sup>103</sup> 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 4). 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 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.

<sup>103</sup> Statistics Canada, September 5, 2018, Tuition fees for degree programs - 2018/2019: https://www150.statcan.gc.ca/n1/daily-quotidien/180905/dq180905b-eng.htm

In summary, the Union's proposals concerning Appendix T 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 T 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. <u>After consultation with the Treasury Board Secretariat</u>, 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 <u>authorized</u>, 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
  - <u>i.</u> 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

<u>ii.</u> 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 4).

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 does not 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 4).

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 4). 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 kilometres 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 D from its recommendation.

#### **APPENDIX S**

# 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 the implementation of a collective agreement. <sup>104</sup> 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 a timeframe that is longer than what the legislation envisions. This has been a reoccurring problem, as the government has frequently struggled to meet its implementation deadlines. For the TC group, the Employer failed to meet their 150-day timeline two rounds ago. Last round, due to Phoenix issues, the Employer came nowhere near meeting the 150-day timeline. 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

<sup>104</sup> https://laws-lois.justice.gc.ca/eng/acts/p-33.3/

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 TC 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. 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 puts forward 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 C).

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's 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 HH**

#### 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 <u>National Standard of Canada for Psychological Health and Safety in the Workplace (the Standard)</u> 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

#### **EMPLOYER PROPOSAL**

Delete this appendix in its entirety

#### **RATIONALE**

In March 2015, the President of the Treasury Board of Canada and the President of PSAC 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 PSAC and President of the Professional Institute of the Public Service of Canada (PIPSC). 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 PSAC.

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 5). 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.

#### **Employer Proposal**

Following the arguments above, the Union is unclear on the value of simply deleting this appendix.

#### APPENDIX II

#### 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 workfamily 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.

#### **EMPLOYER PROPOSAL**

Delete this appendix in its entirety

#### **RATIONALE**

In the next 10 years, to replace retiring workers, 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 child 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 in Appendix II of the Agreement to establish a Joint Committee to better address the child care needs of PSAC members. 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 22<sup>nd</sup>, 2019 (Exhibit 6). The core elements of this proposal are essentially a cut-and-paste of these recommendations by the Joint Committee.

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.

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 then the Union 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.

#### **Employer Proposal:**

After the time spent by the parties negotiating and working on this issue between rounds, the Union does not see the labour relations value in deleting this appendix without acting on any of the recommendations of the joint committee.

## APPENDIX KK MEMORANDUM OF AGREEMENT ON SUPPORTING EMPLOYEE WELLNESS

#### **PSAC PROPOSAL**

Delete the MOU.

#### **EMPLOYER PROPOSAL**

The Technical Committee will develop all agreements and documents needed to support the consideration of a wellness plan during the next round of collective bargaining. This work shall be completed by December 1, **2021** <del>2017</del>. The Technical Committee shall provide interim recommendations for review by the Steering Committee on the following matters through a series of regular meetings.

#### **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. 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, rather than extended the timelines as proposed by the Employer.

## NEW 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 (PA); Use of Employer Facilities (Article 12 (PA); Employee Representatives (Article 13 (PA) and Leave With or Without Pay for Alliance Business (Article 14 (PA) 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.

#### <u>RATIONALE</u>

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.<sup>105</sup>

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)

<sup>105</sup> 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.

- 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 TC SPECIFIC ISSUES**

#### **ARTICLE 25 – HOURS OF WORK**

#### PSAC PROPOSAL

25.11 The Employer shall not change day workers into shift workers nor change shift workers into day workers without mutual agreement between the Employer and the Alliance.

Before the Employer changes day workers into shift workers, or changes shift workers into day workers, the Employer, in advance, will consult with the Alliance on such hours of work, and in such consultation, will show that such hours are required to meet the needs of the public and/or efficient operations.

#### **EMPLOYER PROPOSAL**

#### 25.10 Notice of change of schedule for shift workers

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, the employee will receive a premium rate of time and one half (1 1/2) for work performed on the first shift changed. Subsequent shifts worked on the new schedule shall be paid for at straight time. Such employee 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 the overtime provisions of this collective agreement.

#### **RATIONALE**

#### Union Proposal

The Union proposes to ensure that there are negotiations between the parties where an issue as fundamental as the structure of employees' hours of work are involved. Where the Employer wants to make day workers into shift workers, or vice versa, the existing language only allows for consultation. Within that consultation, the bar that the Employer must pass is establishing a requirement regarding service or efficiency, both of which are almost completely defined by the Employer itself. There is little protection offered to employees under this language.

The Union is seeking better protections for its members' hours of work and schedules. There are sharp differences between the provisions for day workers and shift workers. The former can rely on a schedule in a fairly tight window of time, while shift workers can

be scheduled to work at virtually any time. While there are stipulations around scheduling and premiums for shift workers, it remains that rotating shifts are detrimental to the health of employees.

Employees base their lives around their work schedule. An employee who has been a day worker their entire career, would have built up supports and activities outside of work which accord with that schedule. Child care, pickups and drop-offs from school, elder care or other such family obligations would be based on the employee's expected working hours. Further, employees plan their leisure activities so as not to conflict with their work schedule. This may involve participation in the community through volunteering, in artistic or athletic activities, or any other such endeavours. The Union objects to a scenario where the Employer can unilaterally switch workers to shift patterns simply to help the employer balance the books.

For example, the Employer could claim that they must switch a day worker to a shift worker to avoid incurring overtime. They could even claim that this change is required for short periods of time to avoid such overtime. While the Union would strenuously argue that this violates the spirit of the Agreement, the language may well support the Employer's contention.

Even falling short of the Union's proposal for mutual agreement, under the current language, there is not even a requirement for the Employer to show that the change is necessary to meet operational requirements, which is a higher bar and which is a concept that is established through jurisprudence. The current bar is not high enough to make the change from day worker to shift worker or vice versa.

Changing a fundamental working condition such as hours of work should be the subject of negotiations between the parties. The Union respectfully requests for the panel to curtail the Employer's ability to unilaterally force employees to work shift patterns, which they were not necessarily hired to do.

#### **Employer Proposal**

The Employer has proposed reducing the period where a penalty would be payable for changing a shift worker's schedule on short notice. They have proposed a significant reduction from seven days to 48 hours.

The existing clause pays a penalty for the hardship of rearranging one's life with little notice. Short notice shift changes can result in added cost to employees including arranging for child care, elder care, or for cancelling plans. The substantial reduction proposed by the Employer 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 with no compensation. At its limit, managers could potentially wreak havoc with the lives of members through changes to employees' 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". This provision has been a part of the collective agreement since 1971 (Exhibit 7) and there has been no case made for its removal. The Employer has provided no evidence as to the hardship that the existing penalty imposes on them, nor have they provided any costing information on how much this change would save them.

#### ARTICLE 27 – SHIFT AND WEEKEND PREMIUMS

#### **PSAC PROPOSAL**

#### 27.01 Shift Premium

An employee working on shifts will receive a shift premium of **three** dollars (\$3.00) per hour for all hours worked, including overtime hours, between 16:00 and 08:00. The shift premium will not be paid for hours worked between 08:00 and 16:00.

#### 27.02 Weekend Premium

- (c) An employee working on shifts during the weekend will receive an additional premium of **three dollars (\$3.00)** per hour for all hours worked, including overtime hours, on Saturday and/or Sunday.
- (d) Where Saturday and Sunday are not recognized as the weekend at a mission abroad, the Employer may substitute two (2) other contiguous days to conform to local practice.

#### **EMPLOYER PROPOSAL**

#### **Excluded Provisions**

This article does not apply to employees on day work, covered by clauses 25.04 to 25.06, or clause **M**25.064 of Appendix M.

#### **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 increased 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 approximately \$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 8).

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 8), 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.

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.

The Employer's proposal is housekeeping in nature and the Union does not oppose its inclusion.

#### **ARTICLE 28 – OVERTIME**

#### PSAC PROPOSAL

- **28.01** Each fifteen (15) minute period of overtime shall be compensated for at **double time.** the following rates:
  - a. time and one-half (1 1/2) double (2) time except as provided for in paragraph 28.01(b);
  - b. double (2) time for each hour of overtime worked after fifteen (15) hours' work in any twenty-four (24) hour period or after seven decimal five (7.5) hours' work on the employee's first (1<sup>st</sup>) day of rest, and for all hours worked on the second (2<sup>nd</sup>) or subsequent day of rest. Second (2nd) or subsequent day of rest means the second (2nd) or subsequent day in an unbroken series of consecutive and contiguous calendar days of rest.

Consequential amendments through the agreement must be made pursuant to this concept being agreed upon.

#### 28.02

- a. Overtime shall be compensated on the basis of employee's preference either in cash or equivalent leave with pay except that, upon request of an employee and with the approval of the Employer, or at the request of the Employer and with the concurrence of the employee, overtime may be compensated in equivalent leave with pay.
- b. The Employer shall endeavour to make cash payment for overtime in the pay period following that in which the credits were earned.
- c. The Employer shall grant compensatory leave at times convenient to both the employee and the Employer.
- d. Compensatory leave earned in a fiscal year, and outstanding as of September 30<sup>th</sup> of the next following fiscal year will be paid on September 30 at the employee's rate of pay on March 31 of the previous fiscal year.

Consequential amendments through the agreement must be made pursuant to this concept being agreed upon.

### Meal allowance 28.10

a. An employee who works three (3) or more hours of overtime immediately before or immediately following the employee's scheduled hours of work shall be **compensated** reimbursed for one (1) meal in the amount of ten **fifteen** dollars (\$1015.00), except where free meals are provided.

- b. When an employee works overtime continuously extending three (3) hours or more beyond the period provided for in (a), the employee shall be **compensated** reimbursed for one (1) additional meal in the amount of ten fifteen dollars (\$4015.00) for each additional three (3) hour period thereafter, except where free meals are provided
- c. Reasonable time with pay, to be determined by the Employer, 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.
- d. Meal allowances under 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**

- **28.01** Each fifteen (15) minute period of overtime shall be compensated for at the following rates:
  - a. time and one-half (1 ½) except as provided for in paragraph 28.01(b);
  - b. double (2) time for each hour of overtime worked after fifteen (15) hours' work in any continuous period in any twenty-four (24) hour period or after seven decimal five (7.5) hours' work on the employee's first (1st) day of rest, and for all hours worked on the second (2nd) or subsequent day of rest. Second (2nd) or subsequent day of rest means the second (2nd) or subsequent day in an unbroken series of consecutive and contiguous calendar days of rest.

#### 28.02

- a. Overtime shall be compensated in cash except that, upon request of an employee and with the approval of the Employer, or at the request of the Employer and with the concurrence of the employee, overtime may be compensated in equivalent leave with pay.
- b. The Employer shall endeavour to make eash a payment for overtime in the pay period following that in which the credits were earned compensation by the sixth week after the request was approved.
- c. The Employer shall grant compensatory leave at times convenient to both the employee and the Employer.

#### Meal allowance

#### 28.10 (New)

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, employees' preference for how overtime is paid (either in leave or cash), 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, has been regularly missing or miscalculated by the Phoenix pay system. Currently, overtime can be earned at a 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.

With respect to 28.02, understanding that sometimes overtime is necessary, the Union submits that the Employer should not hold the discretion over how an employee is compensated for their overtime work. The Union proposes that the employee's preference must be respected relative to how the employee elects to receive that compensation, either in cash or equivalent leave with pay. The employee should be able to decide how they want to be compensated. As a result of the Phoenix pay system failure, employees may not even see their overtime pay for years if they opt to take it as compensation.

Third, the Union is proposing an increase in overtime meal allowance. The allowance has not been increased for this bargaining unit 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 costs 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 9). 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); EI (IBEW); FI (AFCO); FS (PAFSO); SR€ (FGDCA); SR€ 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 demonstrated need, when this situation does arise, the Union submits that it is difficult, if not impossible, to purchase 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 9).

#### **Employer Proposals**

The Employer's Overtime proposal would limit double overtime pay to instances where Employees work more than 15 hours **in any continuous** period. Under the current language any time (continuous or not) worked in excess of 15 hours in a 24-hour period would be compensated at double time. The double overtime rate in article 28.01 (b) is rarely used. It made up 0.1% of the total number of overtime hours performed by members of this bargaining unit as per the Employer's data disclosure for 2017-2018. The Employer's proposed language is not found in any other Treasury Board collective agreements. The Employer did not provide sound rationale nor evidence or financial or other hardship to warrant changing the language in this article.

With regard to the Employer's proposal for Article 28.02 (b) to 'endeavour to make a payment for overtime compensation by the sixth week after the request was approved'. The Employer has not provided clear reasons, nor evidence of financial hardship that would legitimize the proposal to delay compensating employees after overtime.

Working overtime hours is exhausting, stressful, has a negative effect on health and morale, and is often very inconvenient. Employees may incur additional costs, for example for childcare outside of regular hours, or other family obligations, often at considerable inconvenience. Employees take on overtime work, and the associated inconveniences and expenses, knowing that they will be compensated promptly, in the pay period following the one they performed the overtime in. It is unreasonable to expect employees to wait up to an additional six weeks to receive compensation, when they are expected to be available to do this work whenever it is necessary. Especially in the context of the ongoing Phoenix debacle, the Union is completely opposed to measures which will sees its members paid in a manner that is less timely than is currently envisioned.

The Employer's meal allowance proposal prohibiting the meal allowance for employee who has approval to work overtime from a location other than their designated workplace. The Employer's proposal is restrictive, lacks specificity, and no evidence of a financial hardship was provided to support the introduction of this new language.

#### Costing

Based on fiscal year 2017/18, moving to a system of double time for all overtime would have cost \$6.34 million or 0.85% of bargaining unit base payroll. The meal allowance increase would represent an additional cost of \$75,000 or 0.01% of bargaining unit payroll. The union submits that such increases are reasonable and appropriate and respectfully requests that the Board award its proposal.

Note that the Union proposed a change to Article 29 on Call-back Pay. This change is purely consequential to the proposal for double-time for all overtime and will not be addressed separately.

#### **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:
  - b. 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.
  - **a.** on a normal working day <del>on which the employee travels and works,</del> the employee shall be paid:
    - 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;
  - 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 members do when travelling. The Union is proposing to modernize this article that better matches 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 may involve employees travelling to remote places with minimal air service, requiring long periods of time waiting between flights. Flying to the Territories, or to other remote locations oftentimes may entail 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 wifi 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 of time 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 of the comparable, large provinces: Alberta, BC, 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 Union is proposing.

Provision	Province(s)	
Treat all travel time as time worked	d Alberta, BC, Ontario, Quebec, Saskatchewan	
Travel time to be compensated as	Newfoundland	
straight time		
No clear provision in the collective	Manitoba, New Brunswick, Nova Scotia, PEI	
agreement		

All provisions in Exhibit 10

While it is difficult to cost the Union's proposals precisely, the Union would raise the fact that the entire cost of overtime due to travel for the TC group in FY 2017/18 was \$2.3 million, or 0.31% of payroll. 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 therefore 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 41 – INJURY ON DUTY LEAVE**

#### **PSAC PROPOSAL**

- 41.01 An employee shall be granted injury-on-duty leave with pay for such period as may be reasonably determined by the Employer certified by a Workers' Compensation authority when a claim has been made pursuant to the Government Employees Compensation Act and a Workers' Compensation authority has notified the Employer that it has certified that the employee is unable to work because of:
  - a. personal injury accidentally received in the performance of his or her duties and not caused by the employee's willful misconduct,

or

b. an industrial illness, vicarious trauma, or any other illness, injury or a disease arising out of and in the course of the employee's employment,

if the employee agrees to remit to the Receiver General for Canada any amount received by him or her in compensation for loss of pay resulting from or in respect of such injury, illness or disease provided, however, that such amount does not stem from a personal disability policy for which the employee or the employee's agent has paid the premium.

#### **RATIONALE**

In virtually all cases where the Treasury Board is the Employer, employees disabled due to an occupational illness are entitled to injury-on-duty leave with full normal pay for such reasonable period as is determined by the Employer, where the disability is confirmed by a Provincial Worker's Compensation Board pursuant to the Government Employees Compensation Act [GECA]."106

Treasury Board guidelines allow the Employer to unilaterally decide when to end the benefits provided by injury-on-duty leave, even though the provincial and territorial workers' compensation board determines the appropriate period of recovery required to

<sup>&</sup>lt;sup>106</sup> Injury-on-duty leave https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12139
Government Employees Compensation Act https://laws-lois.justice.gc.ca/eng/acts/g-5/

heal and to return to work<sup>107</sup>. In addition, the levels of workers compensation benefits received via their respective provincial Worker's Compensation Boards (WCB) vary by province and territory.

The Union respectfully submits that the changes proposed to article 41.01 would

- 1. provide a clear and consistent standard for the implementation and scope of injury-on-duty leave for all members covered under this Collective Agreement;
- 2. ensure that injured members covered by this Collective Agreement receive injury-on-duty leave for 'such period as certified by a Workers' Compensation authority'; and
- 3. bring this Collective Agreement in line with those federal units that have negotiated language ensuring pay and benefits to all injured or ill workers for the complete period approved by the provincial or territorial workers' compensation boards.

WCB benefits and inclusions are not equal across provinces and territories. Under the same Collective Agreement, our members do not receive the same WCB benefits. Upon getting switched to direct WCB benefits, an injured member drops from 100 per cent of their regular pay to between 75 per cent to 90 per cent of their net income depending on which province or territory in why they reside. Maximum assessable salary caps also vary by jurisdiction<sup>108</sup>.

<sup>108</sup> Association of Workers' Compensation Boards of Canada; Benefits http://awcbc.org/?page\_id=75

<sup>&</sup>lt;sup>107</sup>https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/federal-worker-compensation-service.html Evaluation of the Federal Workers' Compensation Service

Jurisdiction	% of earnings benefits are based on	Max. assessable earnings (2018) <sup>109</sup>	Coverage of psychological illness due to workplace trauma <sup>110</sup>
SK	- - 90% net 	\$88,314	Acute and chronic trauma
NL		\$65,600	Acute and chronic trauma
QC		\$76,500	Acute and chronic, trauma and non-traumatic
NWT & NT		\$92,400	Acute and chronic, trauma only
AB		\$98,700	Acute and chronic, trauma and non-traumatic
MB		\$127,000	Acute trauma
ON	- 85% net	\$92,600	Acute and chronic, trauma and non-traumatic
PEI		\$55,000	Acute and chronic, trauma and non-traumatic
NB	85% loss of earnings111	\$64,800	Acute trauma
NS	75% net first 26 weeks, then 85% net	\$60,900	Acute trauma
YK	75% gross <sup>112</sup>	\$89,145	Acute trauma
ВС	90% net	\$84,800	Acute and chronic, trauma and non-traumatic

The current language in the Collective Agreement is problematic, causing hardship for injured members in various ways. The financial hardship of living on a reduced salary while on direct WCB payments is exacerbated when upon their return to work, an individual is responsible for repaying the Employer for their portions of Superannuation, Public Service Health Care Plan, Supplemental Death Benefit, and Disability Insurance. Members off for 10 days or longer also lose out on the accumulation of sick leave and annual leave credits. Periods of leave without pay are not counted for pay revision, pay increases, increment dates, and continuous employment purposes, thereby creating long-term cost implications for the member.

**Implementation practices of injury-on-duty leave are not consistent** from region to region and even within departments. "Departmental officials do not have any adjudication authority but must report all workplace injuries and occupational diseases..." Departments must obtain and verify notification of the period of disability from Labour

<sup>109</sup> Association of Workers' Compensation Boards of Canada; Statistics http://awcbc.org/?page\_id=599

<sup>&</sup>lt;sup>110</sup> HR Insider https://hrinsider.ca/hr-legal-trends-workers-comp-mental-stress/

<sup>111</sup> http://awcbc.org/?page\_id=9797 Loss of earnings is defined as average net earnings minus net estimated capable earnings...

<sup>&</sup>lt;sup>112</sup> Unless the worker earns equal to or less than the minimum compensation amount (25% of the maximum wage rate), in which case the worker receives 100% of gross.

<sup>&</sup>lt;sup>113</sup> Émployer's Guide to the Government Employees Compensation Act https://www.canada.ca/en/employment-social-development/services/health-safety/compensation/geca.html)

Canada before injury-on-duty leave is approved. However, there is no consistent standard of a 'reasonable' duration for injury-on-duty leave, nor when to switch the injured member to 'direct WCB benefits'. Leave should not be granted beyond the date certified through Labour Canada that the employee is fit for work and require a departmental review if the leave granted reaches 130 days<sup>114</sup>. Notwithstanding this guideline, the requirement for a departmental review is bound to be extremely rare: according to aggregated, long-term data, the average duration of granted loss-of-time workers compensation claims is far below 130 days (tables below). The likelihood that members of this bargaining unit would ever exceed 130 days is negligible. There is therefore no cogent reason why length of injury-on-duty leave should be a concern.

Average duration of claims ()<sup>115</sup> Province/Territory Average duration of claim per year based on 2013-2017 NL 25.9 PE 14.0 NS 23.5 21.1 NB MB 6.9 SK 10.7 14.2 AB

14.8

5.9

Provincial/Territorial Boards' claim decisions are based on the type of injury and aim to allow the employee to heal and then safely return to work. Unlike these Boards, departments do not have a century of experience adjudicating workplace related injuries and decisions to terminate injury-on-duty leave. They can and are influenced by internal biases and circumstances and the relationship of the Employer with the individual

BC YT

<sup>\*</sup>The estimated total number of calendar days compensated for short-term disability over the first five calendar years of a typical Lost Time Claim (if current conditions are continued for future years)<sup>116</sup>.

<sup>&</sup>lt;sup>114</sup>Injury-on-duty Leave https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12139&section=html)

<sup>&</sup>lt;sup>115</sup> No data available for QC, ON, and NWT/NU Association of Workers' Compensation Boards of Canada

<sup>&</sup>lt;sup>116</sup> Canadian Workers' Compensation System http://awcbc.org/?page\_id=11803

involved in the accident. A manager who is kindly disposed towards a member may approve a longer period of leave than if they dislike the individual. Members have reported getting switched to direct WCB payments after only a few days.

The nature of the accident or illness can influence the Employer's decision to move members to direct WCB payments. Members suffering from a repetitive strain injury are more likely to be switched to direct benefits quickly; a workplace accident previously covered by the media can prompt the Employer to keep the member on injury-on-duty leave longer.

Whereas wages paid under the current injury-on-duty leave provisions are usually drawn from the respective section or branch of the department in which the injured member is working, direct WCB claim payments come out of a central budget at Federal Workers Compensation Program (FWCP)<sup>117</sup>. This can put pressure on the department to switch the injured member to direct WCB payments as soon as possible to free up salary money and replace the injured member with a 'fit' worker. This type of situation often becomes a barrier when trying to accommodate an injured member with modified duties or a gradual return to work program.

**Members cannot challenge or appeal the Employer's decision** to switch them to direct WCB payments, no matter how unreasonable the decision may appear to be.

#### **Previous recommendation by Conciliation Board**

It is significant that having presented its case to a Conciliation Board, the Board agreed with the Union that the Employer's discretion over the period of injury-on-duty leave should be removed<sup>118</sup>. The Board recommended that the first part of clause 41.01 read:

crtespf.gc.ca/fpslreb-crtespf/d/en/item/357499/index.do

258

 <sup>117</sup> Audit of the Federal Workers Compensation Programs - January 2018 https://www.canada.ca/en/employment-social-development/corporate/reports/audits/federal-workers-compensation-programs.html)
 118 Federal Public Sector Labour Relations and Employment Board Decisions https://decisions.fpslreb-

41.01 An employee shall be granted injury-on-duty leave with pay for the period of time that a Workers Compensation authority has certified that the employee is unable to work ...

#### Existing contract language in other collective agreements

The PSAC collective agreement with Canada Post has language ensuring pay and benefits to all injured/ill workers for the complete period approved by the provincial or territorial workers' compensation board. Similarly, the PSAC represents workers at the House of Commons in the Library Technician and Clerical and General Services, Library Sciences and Operational and Postal Workers groups at the House of Commons who have language in their collective agreements that does not give the Employer discretion to determine the term of injury-on-duty leave, but instead links it to the Worker's Compensation Authority claim decision (Exhibit 11).

Our proposal is grounded in sound rationale and these federal sector collective agreements prove that our proposal is fair to injured workers and workable for the Employer. In light of these reasons, the Union respectfully asks the Board to include this proposal in its recommendations.

# DEFINITION OF FAMILY UNDER: ARTICLE 45 – LEAVE WITHOUT PAY FOR THE CARE OF FAMILY; ARTICLE 47 – LEAVE WITH PAY FOR FAMILY-RELATED REPONSIBILITIES; AND ARTICLE 51 – BEREAVEMENT LEAVE

#### **PSAC PROPOSAL**

- 45.02 For the purpose of this article, "family" is defined per Article 2 and in addition:
  - a. any relative for whom the employee has a duty of care, irrespective of whether they reside with the employee or
  - b. 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.
- **47.01** For the purpose of this article, family is defined as:
  - a. spouse (or common-law partner resident with the employee);
  - b. children (including foster children, step-children or children of spouse or common law partner, children for whom is the legal guardian, or grandchild;
  - c. parents (including step-parents or foster parents);
  - d. father-in-law, mother-in-law, brother, sister, step-brother, step-sister, grandparents of the employee;
  - e. any relative permanently residing in the employee's household or with whom the employee permanently resides; or
  - f. any relative for whom the employee has a duty of care, irrespective of whether they reside with the employee.
  - g. 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.
- 51.01 For the purpose of this article, "family" is defined per Article 2 and in addition:
  - a. 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 be reavement leave with pay under 51.01 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 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 45.02, 47.01 and 51.01 currently exists in the EB Collective Agreement between the Treasury Board and the PSAC

#### 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.

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 and the Association of Justice Counsel (Exhibit C). 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 TC 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 REPONSIBILITIES

#### **PSAC PROPOSAL**

- **47.02** The total leave with pay which may be granted under this article shall not exceed thirty-seven decimal five (37.5) seventy-five (75) hours in a fiscal year.
- **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 an 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 functions 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. seven decimal five (7.5) hours out of the thirty-seven decimal five (37.5) 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 a terminally ill family member

#### **RATIONALE**

The Union has five proposals in this Article. 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 12)

This, 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. (Exhibit 12)

#### 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.

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 12)

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.

Employees at the Canada Revenue Agency, also PSAC members, have access to 45 hours per year of paid family-relative responsibility leave. This is 7.5 hours (or 20 percent) more per year leave than are available to PSAC members in the core public administration. (Exhibit 12)

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.

The Union believes that there is no justification for Treasury Board to provide familyrelated 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 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 find child care 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.

Fourth, the Union 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 situations that would require more time than 7.5 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. Employees should not be denied the opportunity to spend final moments with a terminally ill family member. 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 57 – STATEMENT OF DUTIES**

#### **PSAC PROPOSAL**

57.01 Upon written request and within 3 months of commencement of his or her duties, an employee shall be provided with a complete and current statement of the duties and responsibilities of his or her position, including the classification level and, where applicable, the point rating allotted by factor to his or her position, and an organization chart depicting the position's place in the organization, supervisory and reporting relationships, and classification levels of respective positions. Each aforementioned document shall require supervisor's and employee's signatures and receipt date and shall contain a paragraph explaining employees' right to grieve the content within prescribed timelines.

Every four years, the employer is to review every member's Statement of Duties to determine if it is current or if it requires updates.

#### **EMPLOYER PROPOSAL**

57.01 Upon written request, an employee shall be provided with a complete and current statement of the duties and responsibilities of his or her position, including the classification level and, where applicable, the point rating allotted by factor to his or her position, and an organization chart depicting the position's place in the organization.

#### **RATIONALE**

Employees in an organization as large as the federal government rely on their classification to be accurate, providing a link to fair compensation for the work that they do. A classification can only be accurate if the employee's statement of duties is accurate since it is that statement of duties that gets rated according to the relevant classification standard. This determines the number of points that a job is assigned, and thus the classification level of that job. The classification level, is of course linked to a specific salary rate.

While Treasury Board classification standards are archaic and in dire need of updating, this issue will be dealt with in a section later on, dealing with the Occupational Group

Structure. It remains that an accurate job description is required to ensure that an employee fully understands what is required of him/her, and as a link to fair compensation. The Union submits that this issue is also one of transparency for employees. It is good practice to ensure that all incoming employees, as well as employees who start a new job, be given their statement of duties within a reasonable period after beginning their job. However, the current situation sees many employees working for significant periods of time without being given their statement of duties. The Union submits that this should be rectified.

Similarly, it is good practice to conduct a mandatory review of the content of the statement of duties. The Union has proposed this be done every four years. Such a change would ensure that there where new duties have been added or, where the work has evolved in some substantive way, that the job description continues to reflect the duties being performed, and that employees are properly compensated for the work that they do.

#### **Employer Proposal**

The Employer has proposed to strike the words "current and complete" from the clause entitling an employee to their statement of duties upon request. The Union is unclear on what is to be gained from a labour relations perspective by allowing the Employer to provide a statement of duties to an employee which may be incomplete and/or outdated.

An employee's statement of duties provides clear guidance to evaluate performance, provide protection from arbitrary discipline and is the lynchpin to providing fair compensation through the classification system. A statement of duties which is not complete and/or not current could obviously provide misleading information, open an employee to unfair discipline and could result in an inappropriate classification. The Union does not believe that this proposal would serve the parties well, and respectfully submits that this should not be included in the Board's recommendations.

#### **ARTICLE 62 – DANGEROUS GOODS**

#### **PSAC PROPOSAL**

62.01 An employee certified pursuant to the *Transportation of Dangerous Goods Act* and who is assigned the responsibility for packaging, and labelling, **inspecting**, handling or the transportation of dangerous goods for shipping in accordance with the above Act, shall receive a monthly daily allowance of one hundred fifty dollars (\$150) during any month in which three dollars and fifty cents (\$3.50) for each day he or she is required to package, and label, **inspect**, handle or transport dangerous goods for shipping, to a maximum of seventy-five dollars (\$75) in a month and where the employee maintains such certification.

#### **RATIONALE**

The PSAC is seeking the extension of this allowance to all members who are trained and certified under the *Transportation of Dangerous Goods Act, 1992 ("the Act")* to inspect, handle or transport dangerous goods and perform those duties under the direction of the Employer.

The transportation of dangerous goods, ranging from industrial chemicals to manufactured goods, by any mode of transport in Canada is regulated under the *Transportation of Dangerous Goods Act.* The *Transportation of Dangerous Goods Regulations* ("TDG Regulations"), adopted by all provinces and territories, establishes the safety requirements for the transportation of dangerous goods.

Federal and provincial legislation provide for the regulation of an extensive list of products, substances or organisms classified as dangerous. The products fall into the following classes<sup>119</sup>:

<sup>119</sup> https://www.tc.gc.ca/fra/tmd/clair-partie2-339.htm https://www.tc.gc.ca/eng/tdg/clear-part2-339.html Regulations

Class 1: Explosives,

Class 2: Gases,

Class 3: Flammable liquids, Class 4: Flammable solids,

Class 5: Oxidizing substances and organic peroxides,

Class 6: Toxic and infectious substances,

Class 7: Radioactive materials,

Class 8: Corrosives

Class 9: Miscellaneous Products, Substances or Organisms.

Under the *TDG Regulations* employers must ensure that employees who handle dangerous goods are properly trained and certified to do so:

#### 6.1 Training Certificate Requirements

- "(2) An employer must not direct or allow an employee to handle, offer for transport or transport dangerous goods unless the employee
  - (a) is adequately trained and holds a training certificate in accordance with this Part; or
  - (b) performs those activities in the presence and under the direct supervision of a person who is adequately trained and who holds a training certificate in accordance with this Part." 120

Expanding this allowance to those who *handle, inspect, and transport dangerous goods* is in line with TDG Regulations: These regulations are clearly not restricted to the packaging and labeling of dangerous goods as these activities relate to shipping.

The Employer selects employees to perform TDG duties, ensuring that they are trained and certified pursuant to the Act. By directing an employee to handle dangerous goods, and by association, be trained and certified to do so, the Employer is effectively assigning TDG duties to an employee.

TDG duties are not necessarily fully captured in the current, often generic, job descriptions of those employees who are directed by the Employer to perform these

https://lois-laws.justice.gc.ca/PDF/T-19.01.pdf

<sup>&</sup>lt;sup>120</sup> Transportation of Dangerous Goods Regulations, Part 6 – Training <a href="https://www.tc.gc.ca/documents/SOR\_2019-101.pdf">https://www.tc.gc.ca/documents/SOR\_2019-101-101.pdf</a> Consolidated Transportation of Dangerous Goods Regulations including Amendment SOR/2019-101 <a href="https://lois-laws.justice.gc.ca/PDF/T-19.01.pdf">https://lois-laws.justice.gc.ca/PDF/T-19.01.pdf</a>

duties. The outdated Treasury Board classification standards have not kept pace with the evolving nature of our members' work, and their increased responsibilities under stricter federal health and safety-related legislation and regulations. Consequently, even though members are trained, certified, and required to handle and transport dangerous goods, they are only eligible for the allowance if the Employer considers the activities part of the action or intent of shipping the goods. It is the position of the PSAC that since the Employer is required to designate and train employees to do TDG work, they should also pay for the performance of this responsibility by the trained worker.

The Employer's current practice is to provide the allowance to employees who package, or label dangerous goods. Under this system, employees who handle the package as they sign the weigh bill are eligible for the allowance, but employees who handle the dangerous goods, or transport them are not. Signing of weigh bills does require TDG training and certification, and the signer verifies compliance with the Act and ensures that the required forms are filled out correctly. However, the signer does not oversee all steps of the packaging and shipping process. They rely on their co-workers to handle, inspect, package, and label the dangerous goods before they get to the point of weighing, yet they are eligible to receive the allowance while other employees in the work flow do not. The Union agrees that the person who signs the weigh bill should be entitled to the allowance because they handle dangerous goods. This employee, the signer, however, very well may not have played any role in packaging and instead relies on their qualified team members to prepare the shipment in compliance with TDG regulations.

By definition, dangerous goods are dangerous. They are dangerous goods before they are packaged or shipped, they are dangerous goods throughout the entire process of getting from point A to B and remain dangerous goods when they arrive at their destination. TDG status is not restricted to the acts of packaging, labelling, or shipping. Any worker who handles and/or (transports dangerous goods is at risk and should be eligible for the allowance.

The improved quantum speaks to the increased TDG responsibilities and increased danger when handling hazardous materials. A \$3.50/day allowance to handle goods that range from explosives to corrosive, to highly toxic or infectious bodily waste is not reasonable compensation for the considerable risk our members take in handling these goods. This allowance was not increased or amended since it was negotiated into the TC group's collective agreement in 2005and it certainly does not reflect increases in the cost of living. Awarding this allowance once per month would simplify the current practice of calculating the allowance of a daily basis and greatly reduce the associated administrative burden.

PSAC seeks to protect our members and the public in the most proactive means possible and believe that this is the intent of the TDG act. In light of this, the Union respectfully requests that the Board includes this proposal in their recommendation.

#### Costing

Although costing this proposal is difficult, the Union estimates that approximately 250 members would be eligible for this allowance. Discounting what would already be paid to these members, the additional annual cost of this proposal would be approximately \$337,000 or 0.05% of bargaining unit payroll.

#### APPENDIX C

## MEMORANDUM OF AGREEMENT CONCERNING FISHERY OFFICERS IN THE GENERAL TECHNICAL GROUP, WORKING ON OFF-SHORE SURVEILLANCE IN THE DEPARTMENT OF FISHERIES AND OCEANS

#### **PSAC PROPOSAL**

The Union is seeking the following changes to this appendix:

- Change the hours of work from 9.5 during surveillance mode to 11.5.
- Apply shift premiums to all employees who are working under this appendix while in surveillance mode.
- Allow work under this appendix to qualify for travel status leave under 34.09.

#### **RATIONALE**

As discussed in the section on wages, Fishery Officers perform enforcement duties. One such set of duties involves surveilling ships from the air or water. Officers working offshore will patrol Canadian and International waters. They do so to enforce Canadian laws and regulations under the *Fisheries Act*, to protect Canadian sovereignty over our national waters and to patrol international waters, as part of Canada's obligations as members of the Northwest Atlantic Fisheries Organization. The majority of this activity takes place by ship, although it also happens by plane.

Members will be assigned these duties by ship for a two-week patrol. During this time, members will be captive and will work to patrol and board ships. Under this appendix, members are compensated 9.5 hours each day at sea, regardless of the actual time they spend working. The Union submits that it is very frequent that members work more than 9.5 hours each day. The assigned duties require Officers to board ships, and to verify that the fish that they have in their hold matches the permits that they have. Many ships can be quite large and this is a time-consuming operation.

For the members who perform surveillance duties from the air, the existing planes only fly for five to six hours before they require refuelling. The Department plans to begin using bigger planes, such as Dash 8s and Auroras, which are able to fly for longer without

refueling. The Union expects patrols to last longer by air as well, further reinforcing the fairness of the Union's proposal to extend the compensation for being in surveillance mode.

This issue has been discussed numerous times at Labour-Management Meetings. The Department of Fisheries and Oceans has been in favour of increasing the number of hours to 11.5 to properly compensate members for the work they do in surveillance mode. Notes from a joint committee in May 2018 between Union members and management, including the Director of Enforcement at the Department of Fisheries and Oceans, show this as the preferred recommendation to change Appendix C. (Exhibit 13)

The Union estimates that there are approximately 2,000 member days per year spend by Fishery Officers in surveillance mode. Based on the average salary of a Fishery Officer, this proposal would add \$223,000 of cost to the Employer, or 0.03% of the TC payroll.

#### **Shift Premiums**

When at sea, Officers often work 14-day patrols during which they are required to work various hours and given credit for 9.5 hours of work per day. Although these employees are not shift workers, while on patrol, they often work extended hours. The Union submits that, due to the fact that the period of time on the vessel working surveillance involves work late at night, early in the morning, and over weekends, without necessarily accruing overtime, makes this period of time akin to shift work. As such, the Union submits that this should come with the benefits of shift work, namely the shift and weekend premiums associated with such work.

#### Access to Travel Status Leave

Travel status leave (clause 34.09) accrues to TC members after spending 20 nights away from home in a given year. Currently, nights spent away due to work by Fishery Officers under this appendix are excluded from counting towards that threshold. The Union submits there is no clear rationale to exclude these members from this benefit. Members working under this appendix are subject to the same pressures and issues due to

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spending nights away from home as any other TC members. When one spends many nights away from home, one is subject to negative impacts on family life, additional financial burdens, and potential issues with personal health.

If anything, we would suggest that this exclusion may have made sense before the Travel Status Leave was introduced into Article 34 – Travelling Time. There may have been a previous requirement to exclude them from the travel time part of this Article, but as Travel Status Leave was introduced later, the rationale does not hold up. There is no difference to the lives of our members who work under this appendix. If the benefit is there to compensate for time away from home, there is no substantive difference for any member.

#### APPENDIX I

# MEMORANDUM OF AGREEMENT CONCERNING EMPLOYEES IN THE ENGINEERING AND SCIENTIFIC SUPPORT GROUP IN THE SEA LAMPREY CONTROL UNIT

#### **PSAC PROPOSAL**

Delete the following appendix in its entirety:

Notwithstanding the provisions of Article 25: hours of work, and Article 28: overtime, the following provisions shall apply to employees of the Sea Lamprey Control Unit of the Department of Fisheries and Oceans during the defined field season, except when their work day begins and ends within the headquarters area.

It is agreed that representatives of local management and duly authorized local representatives of employees may jointly devise and decide on a mutually acceptable work schedule program, which shall include a specified number of consecutive calendar days of work in the field followed by a combination of days of rest and compensatory leave earned during the period of field duty. The schedule will not contain the hours of work on each day and the starting and quitting times shall be determined according to operational requirements on a daily basis except that the normal daily hours of work shall be consecutive, with the exception of a lunch break, and not in excess of seven decimal five (7.5) hours and, accordingly, clause 25.10 shall not apply.

Such a work schedule shall normally not exceed a combination of twenty (20) consecutive calendar days of work and eight (8) days of rest and compensatory leave. Should local management decide that operational requirements require an extension of the twenty (20) calendar days of work [up to a maximum of seven (7) calendar days] in order to preclude another trip to the area, the appropriate number of additional days shall be worked and the days of rest and compensatory leave extended as required.

Overtime shall be compensated in accordance with this collective agreement and shall be taken as compensatory leave at times convenient to both the employee and the Employer.

Seasonal employees may, at their option, remain on strength until they have exhausted such compensatory leave, have such leave paid in full at the end of the field season, or carry over such leave in accordance with paragraph 28.02(d).

#### **RATIONALE**

This Appendix allows the Employer to schedule this group of employees to less desirable hours while providing none of the additional benefits that are provided to employees who work such hours in the main body of the Collective Agreement.

As such, the Union is proposing that the special hours of work contained in this Appendix be struck and that sea lamprey control workers be deemed day workers who would fall under the main body of the collective agreement.

There are approximately thirty TC members in the sea lamprey control unit who apply lampricide to ensure that the fish stock in the Great Lake basin are not decimated by lampreys. They go out to remote locations to apply lampricide during their field season, which is generally between March and October.

With the exception of certain appendices, there are three structures for hours of work in the TC Collective Agreement: day work, shift work and variable hours. For day work, members work Monday to Friday within a window of 6am to 6pm. Shift work allows for 7.5 hour shifts to be worked daily, but in a rotating or irregular manner. Shift workers receive scheduling protections, as well as additional compensation through shift premiums for working less desirable hours. A variable hours schedule is like shift work but where the daily shift can be more or less than 7.5 hours. Such arrangements feature the benefits applicable to shift workers, as well as an elevated overtime rate of 1.75X.

Under this appendix, this group of employees are treated like shift workers for the most part, but they receive the worst of all worlds. They do not have the structure of day workers and can work late nights or very early mornings. But unlike shift workers, they are offered no schedule that must be posted in advance and receive no compensation for having such a level of flexibility. The Union submits that while there may have been a reason for this agreement to have been struck by the parties in the past, there is no good reason to exclude this small group of employees from some of the benefits related to shift work and all of the benefits associated with day work.

The Employer has maintained at the bargaining table that they want to retain the maximum flexibility possible for this group of employees. However, the flexibility of management to schedule this group is at the expense of the employees in question. Their

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conditions are inferior to what the parties have agreed is fair for the rest of the bargaining unit. This is an unreasonable situation with little justification.

The Union proposes that this group be put in the main body of the Agreement and treated as day workers. The vast majority of their work is done during the day. These members estimate that 10-13% of their field work falls outside of regular day hours. If that is the case, using the high end of the estimate, the additional cost of overtime for the approximately 30 members in the sea lamprey control unit would be approximately \$64,500. This is a very modest cost.

Additionally, these members work alongside members who are represented by PIPSC, as a part of the Biological Sciences classification (BI). The BI members have no such appendix. But in the recent collective agreement that has been signed between Treasury Board and PIPSC, the following language appears (bolded language represents the changes recently negotiated):

### ARTICLE 8 HOURS OF WORK

#### Shift work

8.09 **a.** An employee shall be granted at least two (2) consecutive and continuous days of rest during any eight (8) calendar day period commencing on a day of work, unless operational requirements do not permit.

A period of twenty-four (24) hours or less between shifts or within a shift cycle shall not be considered a day of rest.

b. For greater certainty, where an employee is required to work on a day of rest the provisions of Article 9: Overtime shall apply.

While this doesn't provide the exact language that the Union has proposed in this article, the changed language provides conditions for PIPSC members which are substantially superior to what PSAC members enjoy. This change, agreed to by the Employer means that our members, who often work 19 days straight at straight time, would work directly beside PIPSC members who will get paid overtime when working more than 8 days

straight. It is unclear why the Employer would agree to such a change for PISPC members who are already paid substantially more than our members, while refusing such agreement with PSAC members. This situation will clearly create morale issues in the workplace.

Employees in virtually every other situation under the TC Agreement either have the stability of day work or the stability of shift work schedules combined with the accrual of some financial advantages. This small group must remain completely flexible, but is offered nothing for being at the beck and call of the Employer. Further, this group will now work alongside others doing very similar work, but under conditions that are far inferior to that other group of workers. The Union respectfully submits that the Board recommend the deletion of Appendix I.

# APPENDIX K – SPECIAL PROVISIONS FOR EMPLOYEES CONCERNING DIVING DUTY ALLOWANCE, VACATION LEAVE WITH PAY, NATIONAL CONSULTATION COMMITTEE AND TRANSFER AT SEA

#### **PSAC PROPOSAL**

- K-2: vacation leave with pay (applicable to EG employees only)
- **K-2.01** At least eight (8) days' notice must be given for requests of vacation leave of four (4) days or less.
- **K-2.02** The Employer may for good and sufficient reason grant vacation leave on shorter notice than that provided for in clause K-2.01.

#### **RATIONALE**

Appendix K sets out allowances for diving duty and transfers at sea, as well as defining a national consultation committee. Hidden in this appendix is a provision that specifies a minimum period for an employee in the EG classification to notify the Employer for short periods of vacation leave.

For many years, this provision has not been used by the Employer. There are no differences in how an EG employee is treated for the purposes of requesting of vacation leave when compared to any other classification of employee, where this provision does not apply.

This change is essentially housekeeping as this language has been inoperable for many years. The Union submits that misleading language with no effect should be struck from the Collective Agreement, and would respectfully request that this form part of the PIC's recommendation.

## APPENDIX GG OCCUPATIONAL GROUP STRUCTURE REVIEW

#### **PSAC PROPOSAL**

Replace the existing appendix with the following:

This memorandum is to give effect to the agreement reached between the Employer and the Public Service Alliance of Canada in respect of employees in the Technical Services bargaining unit.

The Employer is committed to complete and finalize the review and redesign of the TC occupational group structure (OGS), including the development of job evaluation standards for the TC Occupational Group.

The parties agree that the job evaluation standards are to be consistent with the application of gender neutral job evaluation principles and practices and will follow the requirements under the Canadian Human Rights Act, or subsequent pay equity legislation applicable to employees in the federal public service.

The Employer is committed to engaging in meaningful consultation with the Alliance. Meaningful consultation on Classification Reform will include consultation with the Alliance on the development of job evaluation standards which reflect and evaluate, in a gender neutral manner, the work performed by employees in the TC Occupational Group.

The Employer agrees to pay to all employees in the bargaining unit, a pensionable lump sum payment of **one hundred dollars (\$100)** per month for all months from January 2020 onwards. **The penalty shall be increased by fifty dollars (\$50) every subsequent January** until the completion of the new job evaluation standards and the negotiation of new wage rates as set out below.

Upon completion of the new job evaluation standards, the Alliance agrees to meet with the Employer to negotiate the new pay rates and rules affecting the pay of employees on their movement to the new pay lines.

#### **EMPLOYER PROPOSAL**

The parties agree that meaningful consultation on the development of job evaluation standards shall take place within thirty (30) days of the signing of this collective agreement. New job evaluation standards shall be completed no later than December 30, 2019 June 30, 2021, for Treasury Board Minister's consideration toward the objective of negotiating new pay lines for these job evaluation standards in the subsequent collective agreement.

#### **RATIONALE**

Respected senior civil servant Stanley David Cameron and James Calbert Best, cofounder and first president of the Civil Service Association (one of the predecessor organizations to the Public Service Alliance of Canada) became lifelong friends after negotiating the job evaluation standards that first modernized the pay system in the federal public service in the mid-1960s.

Finally brought into effect in 1964 after long years of effort, which included battling senior politicians over the rug-ranking of their administrative assistants, the work of the Bureau of Classification Revision was a hallmark of the careers of both men. Their names were long associated with classification reform despite the fact that each of them moved on to accomplished careers that included other significant achievements. Stan Cameron was a senior associate deputy minister when he retired at age 60 in 1979. Cal Best was Canada's first black assistant deputy minister and first black Canadian high commissioner. He retired in 1990 after serving his term as High Commissioner to Trinidad and Tobago.

Much has happened since the Bureau of Classification Revision transformed the classification system in the public service in 1964. Man landed on the moon. The Berlin Wall was demolished. The Cold War as we knew it was vanquished when the Soviet Union unraveled. Apartheid was defeated in South Africa.

Closer to home, as well as around the world, the advent of the computer revolutionized the workplace, changing forever the face and nature of work.

Yet for the major PSAC bargaining units in the federal public service, covering more than 100,000 employees, the classification standards established 55 years ago under the watchful eyes of Cameron and Best remain in place. Today, the classification standards, once so promising, have outlived their times and are hopelessly outdated. Today, few of these classification standards accurately reflect the nature of the changed work, which

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means that most public service workers are not paid in accordance with a proper, modern job evaluation system.

Moreover, some employees are even being paid according to classification standards to which work that does not even exist anymore is ascribed. For example, OE (Office and Equipment); DP (Data Processing), and ST (Secretarial, Stenographic and Typing).

#### Tentative steps toward classification reform

By 1989, government employers could no longer ignore the unfairness of a classification system so obviously outdated by the changes that had occurred during the previous 30 years. In 1990, a task force was formed to review classification and job evaluation in the public service. It suggested developing a single job evaluation plan that would reflect the requirements of the *Canadian Human Rights Act*.

There were varying degrees of success throughout the public service as a whole. A Universal Classification System was negotiated for some bargaining units at the House of Commons in the early years of this century, notably by the Communications, Energy and Paperworkers Union (now UNIFOR) for the broadcast employees and technicians at the House of Commons.

New job evaluation systems were sporadically negotiated between Treasury Board and some smaller bargaining groups of federal public service workers, for example, the AO group, who are federal pilots represented by the Air Lines Pilots Association.

Meanwhile, it took less than eight years for the Canada Revenue Agency to transform from being part of the core public administration into a separate employer and to conclude an entire new classification system, including negotiating pay bands and rules surrounding conversation.

The Agency was formed in 1999, and by 2007 it had created two new classification standards for all staff, following meaningful consultation with the bargaining agent. Further

to that, additional memoranda were negotiated between the parties regarding the conversion exercise, including specific agreements on the right of employees to file grievances on job descriptions, pay, and classification.

A new classification standard and the conversion exercise around that standard was also achieved for employees of the Canada Border Services Agency, which was created on December 12, 2003 by an Order-in-Council amalgamating Canada Customs (from the former Canada Customs and Revenue Agency) with border and enforcement personnel from the Department of Citizenship and Immigration Canada and from the Canadian Food Inspection Agency. The negotiations on the new standard included all aspects of classification reform, which was implemented soon after CBSA became part of the core public administration again, as the FB bargaining unit.

Classification reform at CRA, CBSA, other federal bargaining units in the core public administration, and at bargaining units in the Parliamentary precinct all demonstrated that with focused attention and interest in moving forward, classification reform can become a reality.

However, in May 2002, after 12 years of effort, the government abandoned the planned universal pay structure approach.

With some public service workers in some bargaining units being reclassified, while their comparators in other bargaining units have not been, frustrations have been growing among many PSAC members who feel that their work is not being appropriately valued and that they are not being appropriately compensated.

Finally, a breakthrough came in the 2007 round of bargaining, when the Collective Agreement for the PA bargaining unit was reached in January, 2009. The agreement contained a Memorandum of Understanding that committed the Employer to meaningful consultation with PSAC on a review and redesign of the Occupational Group Structure, followed by meaningful consultation regarding classification reform. The MOU further

committed to the Employer to begin the consultations with respect to the PA bargaining unit within six months of signing the agreement, with a timeline for the other PSAC bargaining units to follow, and anticipated that the initial review and redesign of the Occupational Group Structure would take two years. (Exhibit 14)

The work was not completed for the PA group before the Collective Agreement expired in June, 2011. The MOU was renegotiated in the subsequent round of bargaining, this time committing the parties to meaningful consultation on the development of job evaluation standards to take place within 30 days of the signing of the Collective Agreement. The MOU went on to say that "New job evaluation standards shall be completed no later than December 30, 2017, for TB Ministers' consideration toward the objective of negotiating new pay lines for these job evaluation standards in the subsequent collective agreement."

Although discussions were held between the parties, Treasury Board again failed to meet the deadline for the development of new job evaluation standards that it had agreed to in the second MOU. Negotiations with respect to new pay lines should have taken place during this round of bargaining, but have not.

Treasury Board has subsequently announced that it has finally completed the job evaluation standards, However, it failed to negotiate or even propose new pay lines for this round of bargaining. Our members have waited long enough to be paid fairly, in accordance with an up-to-date and accurate gender-neutral evaluation of their work. As such, we are seeking damages of a pensionable lump sum of \$100 per month for each member in the bargaining unit until such time that a new classification system is established and new pay lines are negotiated that accurately compensate employees for the important service they provide every day to the public.

There is precedent for the concept of damages. As part of the agreement on the first MOU on Occupational Structure and Classification Reform in the 2007 round of bargaining (which anticipated redesign of the Occupational Group Structure to be complete within

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two years), PSAC withdrew a pay equity complaint filed on behalf of the PA Group, and in return, the Employer paid a "fine" of \$4,000 to each employee in the bargaining unit. Given the tortured history of this file and the fact that a precedent for damages has already been established, the Union is respectfully requesting that the Commission recommend its proposal.

As shown by the large number of group-specific allowance for the TC group, there is a dire need to ensure that the classification system is more responsive to the TC group and the work that its members do. Simply relying on the good will of the Employer to eventually do this work is insufficient.

## **Employer Proposal**

The Employer has not engaged in any meaningful discussion on Occupational Group Structure and/or classification reform at the bargaining table in this round of bargaining. They have simply proposed renewing the MOU contained in the last Collective Agreement. This is not a realistic proposal. The MOU contained in the last Collective Agreement commits the Employer to completing job evaluation standards by December 30, 2019, a deadline it missed, and does not speak to negotiating pay lines in the next Collective Agreement.

Hence the Employer's proposal is not meaningful and PSAC respectfully requests that the Commission does not recommend its adoption.

# VARIOUS ENFORCEMENT WORKERS

## **PSAC PROPOSAL**

## Paid meal breaks for Enforcement Workers

- Notwithstanding any other provisions related to hours of work, employees who are in Enforcement Positions, exceptionally, may be required to eat his or her meal at their work post when the nature of the duties makes it necessary.
- In the event that the Employer is unable to grant an employee a meal break, in lieu thereof the employee shall receive an additional one half (1/2) hour of compensation at overtime rates.

The Union proposes to implement a Use of Force Allowance for employees who are Use of Force Specialists, instructing other employees in either Basic Firearms training or in Defensive Tactics. The Union proposes that this allowance be for \$3,000 per year.

# **RATIONALE**

As laid out in the section on pay, enforcement workers in the GT classification include Fisheries Officers, Wildlife Officers, and Environmental Enforcement Officers. These rigorously trained Officers have the powers of peace officers for the purpose of enforcing a broad range of Acts, Regulations, and Legislation that protects the environment, species and their habitats, and, by extension, the health of Canadians.

## Use of Force Allowance

Enforcement Officers enforce these Acts as Peace Officers<sup>121</sup> and the application of authority and obligations under the Criminal Code of Canada<sup>122</sup>. The training to become a full-fledged GT-04 Enforcement Officer is extensive. To become a Fishery Officer, a recruit must go through a 36-month required training period resembling apprenticeship program - one of the most extensive training systems for any Enforcement group in

<sup>121</sup> Current job descriptions refer to the Use of Force Continuum: "Principles and techniques of the incident Management/Intervention Model to ensure the safety of the Officer, colleagues and the public in the application of the Use of Force Continuum. Situations vary widely in intensity and can go from cooperative behaviour to the necessity for the application of lethal force to protect the officer, colleague or member of the public from grievous bodily harm or death. The officer must consider independently the entire use of force options at a given time and choose the proper response based on training, experience, and circumstances. There is a requirement to possess the qualifications to handle and use firearms".

<sup>122</sup> http://www.dfo-mpo.gc.ca/career-carriere/enf-loi/description-eng.htm

Canada. Recruits are trained at the RCMP Academy in legal matters, enforcement methods, use of firearms, and mandatory exposure to pepper spray. Following the successful completion of this component, recruits must successfully complete 30 months of field training. Officers remain on probation for 36 months and are subjected to various competency testing during this time<sup>123</sup>. Wildlife and Environmental Officers go through a similar training plan.

To maintain their required certifications, Officers are trained and recertified by Use of Force Instructors annually. Use of Force Instructors are trained and certified Enforcement officers who provide Firearms and Defense Tactics training and testing to their colleagues on an annual basis. The annual training sessions they teach cover three areas:

Personal Defense Tactics (PDT)	Pepper Spray, Baton, Handcuffing, Ground Fighting,				
	Edged Weapon Defense, and Carotid Control				
Firearms	Shotgun, Rifle, Pistol,				
	MP5 semi-automatic assault rifle				
Reality-Based Training 124 (RBT)	Realistic scenarios that prepare officers for actual encounters				

The Union proposes to implement a Use of Force Allowance of \$3,000/year for employees who are Use of Force Specialists and instructing other employees. Training duties are extensive, and Instructors must obtain and maintain additional certifications prior to training others. Instructors provide annual training to Enforcement Officers, the Coast Guard's Armed Boarding Teams, and approximately 100 Fishery Guardians. Instructors' training duties may even take them outside of Canada: for example, in 2017, a Wildlife Officer trained two dozen national protected area officers in Bishkek, Kyrgyzstan<sup>125</sup>. The Department of Fisheries and Oceans aims to hire up to 200 additional officers before the end of 2020 and has started to offer a fast-track second-entry program (Exhibit 15) to address staffing difficulties. A 200 person increase in officers will substantially increase the number of trainees and time required to train them each year<sup>126</sup>.

<sup>123</sup> www.dfo-mpo.gc.ca/career-carriere/enf-loi/training-formation-eng.htm

<sup>124</sup> https://shsu-ir.tdl.org/bitstream/handle/20.500.11875/2153/1678.pdf?sequence=1&isAllowed=y

<sup>&</sup>lt;sup>125</sup>https://www.canada.ca/en/environment-climate-change/services/environmental-enforcement/wildlife-legislation/annual-summary-2017-2018.html

<sup>&</sup>lt;sup>126</sup>https://www.dfo-mpo.gc.ca/campaign-campagne/fisheries-act-loi-sur-les-peches/enforcement-application-eng.html

Instructors must have advanced course facilitation and instruction skills and re-certify every three years. To train others, Instructors must successfully complete a Basic Firearms Instructors course<sup>127</sup> and maintain sharpshooter qualification (minimum 90% of possible score). They are also required to take a Defense Tactics Instructors Course<sup>128</sup>, which includes practical defense tactics skills training and legal articulation, and a Reality-Based Training Course. Instructors undergo an annual one-week train-the-trainer session prior to commencing training duties. They then spend five to eight weeks per year providing the three types of re-certification training and offer remedial training for officers who did not pass their initial training module. In addition to providing training, certified Instructors administer physical and written tests, provide feedback to participants and report on their progress<sup>129</sup>.

While performing their Enforcement activities, Fisheries, Environmental, and Wildlife Officers are required to wear uniforms and body armour, and carry safety equipment such as a duty belt, hand cuffs, baton, sidearm and prohibited weapons including OC spray ("pepper" spray)<sup>130</sup>. Enforcement Officers rely on their Instructors to train (and re-train) them in Use of Force principles and techniques to ensure their own safety and that of their colleagues and the public, while performing their duties. Use of Force Instructors spend a considerable time training and (re)-certifying to maintain their qualifications to then spend five to eight weeks every year training their colleagues. They shoulder significant responsibility in ensuring that Officers remain effective and safe while performing their often difficult and dangerous jobs and should receive proper compensation for this. Although not as direct as an allowance for training others in use-of-force tactics, in other law enforcement agreements, there are examples of training allowances. Officers at the Ontario Provincial Police and Ottawa Police Services, are compensated to train their colleagues (Exhibit 15).

<sup>127</sup> http://www.rcmp-grc.gc.ca/depot/nlet-gfpn/catalogue/bfi-cbit-eng.htm

<sup>128</sup> http://www.rcmp-grc.gc.ca/depot/nlet-gfpn/catalogue/pdt-tdp-1-eng.htm

<sup>129</sup> http://www.dfo-mpo.gc.ca/career-carriere/enf-loi/description-eng.htm

<sup>130</sup>https://emploisfp-psjobs.cfp-psc.gc.ca/psrs-srfp/applicant/page1800?toggleLanguage=en&poster=1349956

## Paid meal breaks for Enforcement Officers

Enforcement Officers have the difficult and often dangerous task of protecting Canada's land, air, and oceans, helping to conserve habitats and biodiversity.

The nature and scope of their work often prevents Enforcement Workers to take a meal break during their work day. As these members wear uniforms, they are readily identifiable to the general public. As a result, while in populated areas, their lunch "break" is generally interrupted or cut short by clients or the public looking for information. When they patrol the land, air, and sea, their duties do not allow them to simply stop to take a lunch break. Enforcement activities take place in inclement weather and adverse conditions, too unsafe to break for lunch. When they are on duty, Officers can be called upon at any time – 24 hours a day, 7 days a week, including lunchtime. The Union therefore proposes that should the Employer be unable to grant a break for a meal period, due to circumstances of the nature of the duties, that Enforcement workers should receive an additional half hour of compensation at overtime rates. Our members should be compensated for the time they work, including when their duties prevent them from taking a reasonable meal break.

A recent arbitration decision in the Federal Public Administration reinforces that the Union's position on this issue is fair and reasonable. Members of the Parliamentary Protective Services bargaining unit, who are responsible for physical security at Parliament, were recently awarded a daily half-hour paid lunch. This group bears many similarities to TC enforcement officers in that they are uniformed, armed peace officers.

In the decision, the Board stated that "the evidence establishes that the lunch hour of Protection Officers is frequently disrupted thus the Board awards that for each day worked, Protection Officers are entitled to a paid half hour at lunch" (Exhibit 15). The Union's proposal here is much more modest that this comparator in that the proposal would only provide a paid lunch where taking a break is not feasible. The union therefore respectfully asks the Board to include this proposal in their recommendation.

Enforcement Workers	Proposal	Total Cost \$M (% of payroll)
Paid lunch hour	0.5 hour at 1.5 OT rate, 1/week Based on average salary <sup>131</sup>	\$1.01 (0.14%)
Use of Force Allowance	100 instructors	\$0.3 (0.04%)

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 $<sup>^{131}</sup>$  If the Board agrees to award the Union's proposal for double time for all overtime, the cost would increase slightly to \$1.35 million/year, or 0.18% of the payroll

# NEW ARTICLE WHISTLEBLOWING

## **PSAC PROPOSAL**

No employee shall be disciplined or otherwise penalized, including but not limited to, demotion, suspension, dismissal, financial penalty, loss of accumulated service, advancement or opportunity in the public service, as a result of disclosing any wrongful act or omission, such as: an offence against an Act of Parliament, an Act of a legislature of any province or any instrument issued under any such Act; an act or omission likely to cause a significant waste of public money; an act or omission likely to endanger public health or safety or the environment.

## **RATIONALE**

This proposal seeks to enhance the protection from reprisals for our members engaging in Whistleblowing.

Effective whistleblowing reinforces a speak-up culture that creates trust and confidence and enhances morale, health, and safety. The benefits of a well-functioning whistleblowing system are well documented<sup>132</sup>. Minor issues or misconduct that goes unchecked can develop into very serious, widespread, costly problems that may significantly harm employees, the organization, the public, or the environment. Our members must feel confident that their anonymity will be preserved and be assured that they are protected from reprisal when they report wrongdoing.

In 2015, the Office of the Public Sector Integrity Commissioner (PSIC) commissioned a study to explore the culture of whistleblowing in the federal government.<sup>133</sup> The researchers' final report summarizes the results of ten focus groups of federal government employees and managers across departments and confirmed that fear of reprisals was the central concern among employees (and managers):

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<sup>&</sup>lt;sup>132</sup> Canadian Standards Association, 2016, Whistleblowing systems – A guide.

<sup>&</sup>lt;sup>133</sup> "Exploring the Culture of Whistleblowing in the Federal Public Sector"; prepared by Phoenix Strategic Perspectives Inc. for The Office of the Public Sector Integrity Commissioner of Canada in 2015 <a href="http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/office-public sector integrity commissioner/2016/2015-12-e/report.pdf">http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/office-public sector integrity commissioner/2016/2015-12-e/report.pdf</a>

"Routinely identified potential types of reprisals included ostracism, getting fewer projects or losing projects/being blacklisted from assignments, loss of one's job, being re-assigned or transferred, being given work no one else wants or being given an increased workload, harassment, receiving poor evaluations, increased scrutiny of one's own work, inability to get references, and absence of promotion opportunities."

Other significant issues included concerns about the strength of evidence/proof and whether it meets the criteria of wrongdoing, and lack of anonymity/confidentiality.

The federal *Public Service Employee Survey* affirms the findings: in 2017<sup>134</sup> and 2018<sup>135</sup> less than half of employees felt they could initiate a formal recourse process without fear of reprisal.

The Employer's position at the table has been that there is legislation in place and that the Union's proposal to strengthen protections against reprisals in response to whistleblowing is unnecessary. However, there is overwhelming evidence that the current system fails to protect federal public service workers who report wrongdoing.

The intent of the *Public Servants Disclosure Protection Act* (PSDPA), enacted by the federal government in 2007, was to protect most of the federal public service from reprisals for reporting wrongdoing. However, public servants who report wrongdoing and risk reprisal have dismal chances of success when they file a complaint. Public servants who disclose wrongdoing and the subsequently file a reprisal complaint with the PSIC are extremely likely to have their complaint dismissed before even being heard by a tribunal. Only a 4.8% of such complaints went to a tribunal (see the table below). Of those that go to tribunal, even fewer are ruled to be founded. Employees are right to be fearful that the system is stacked against them. These low rates can be explained in part by the

<sup>&</sup>lt;sup>134</sup>http://publications.gc.ca/collections/collection\_2018/sct-tbs/BT1-34-2017-eng.pdf https://www.canada.ca/fr/secretariat-conseil-tresor/services/innovation/sondage-fonctionnaires-federaux/sondage-fonctionnaires-federaux-2017.html

<sup>135</sup>https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/index-eng.aspx https://www.tbs-sct.gc.ca/pses-saff/2018/results-resultats/bq-pq/index-fra.aspx

shortcomings in the PSDPA and suggest that the PSIC has not proven itself as a trusted independent office. Indeed, in response to numerous complaints, the Auditor General published two scathing reports on both Integrity Commissioners (Christiane Ouimet and Mario Dion)<sup>136</sup>.

	2011- 2012	2012- 2013	2013- 2014	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019	Total
Cases of Wrongdoing	1	3	4	2	1	2	3	0	16
Possible Reprisals Against Whistleblowers referred to tribunal	3	1	4	3	1	0	1	0	13
General Inquiries received	300	244	201	194	165	218	265	316	1903
Disclosures of Wrongdoing Received	94	113	84	90	86	81	147	148	843
Reprisal Complaints Received	43	24	29	28	30	31	38	54	277

Other limitations of the PSDPA for our Members include:

- Narrow understanding of what actions constitute harassment
- Exclusion of security agencies
- Inability for the Commissioner to investigate misconduct in former public servants
- Inadequate provisions for sanctions and corrective action
- Prohibition on usage of private sector information

The first statutory review of the PSDPA since its implementation included 52 witnesses and 12 briefs. The Committee's<sup>137</sup> review led to 15 key recommendations to improve the Act to ensure the protection of Canadian whistleblowers and the integrity of the public sector. The Committee's report (June 2017)<sup>138</sup> identified six major challenges that need to be addressed in the act, including that

<sup>138</sup>Strengthening the Protection of the Public Interest within the Public Servants Disclosure Protection Act https://www.ourcommons.ca/DocumentViewer/en/42-1/OGGO/report-9/

<sup>&</sup>lt;sup>136</sup> 2010 December Report of the Auditor General of Canada
<a href="http://www.oag-bvg.gc.ca/internet/English/parl">http://www.oag-bvg.gc.ca/internet/English/parl</a> oag 201012 e 34448.html
April Report of the Auditor General of Canada under the Public Servants Disclosure Protection Act
<a href="http://www.oag-bvg.gc.ca/internet/English/parl">http://www.oag-bvg.gc.ca/internet/English/parl</a> oag 201404 e 39215.html 2014

<sup>&</sup>lt;sup>137</sup> Standing Committee On Government Operations And Estimates

"The Act does not sufficiently protect whistleblowers from reprisals as most of them face significant financial, professional and health-related consequences;"

and that

"Public servants and external experts lack confidence in the adequate protection of whistleblowers under the Act, notably due to the potential conflicts of interest of those administering the internal disclosure process."

In his response to the Committee's report, the Honourable Scott Brison, former President of the Treasury Board, agrees and assures Canadians that

"The Government remains committed to providing public servants and the public with a secure and confidential process for disclosing serious wrongdoing in the federal public sector and enhancing protection from acts of reprisal. We remain committed to promoting and sustaining an ethical workplace culture, and to supporting and strengthening Canadians' confidence in the integrity of the federal public sector.<sup>139</sup>"

The Union submits that employees should not be required to wait and hope that the government of the day takes action to ensure that there are fair protections in place for whistleblowers. Current legislation concerning whistleblowing does not provide adequate protections for PSAC members.

In light of the overwhelming evidence demonstrating the need to improve protection for federal public servants who are whistleblowers, the recommendations coming out of the Standing Committee on Government Operations and Estimates, the Canadian government's commitment to provide a secure and confidential process for disclosing serious wrongdoing and enhance protection from acts of reprisal, and the amendments

<sup>&</sup>lt;sup>139</sup>Government response to the Ninth Report of the Standing Committee on Government Operations and Estimates <a href="https://www.ourcommons.ca/DocumentViewer/en/42-1/OGGO/report-9/response-8512-421-253">https://www.ourcommons.ca/DocumentViewer/en/42-1/OGGO/report-9/response-8512-421-253</a>

to the Act tabled in Bill C-432, the Union respectfully requests that its proposal whistleblowing be included in the Commission's recommendation.						

# APPENDIX M – HOURS OF WORK FOR EMPLOYEES IN THE PRIMARY PRODUCTS INSPECTION (PI) GROUP

# **EMPLOYER PROPOSAL**

- **M25.01** An employee's scheduled hours of work shall not be construed as guaranteeing the employee minimum or maximum hours of work.
- **M25.02** The Employer agrees that, before a schedule of working hours is changed, the changes will be discussed with the appropriate steward of the Alliance if the change will affect a majority of the employees governed by the schedule.
- **M25.03** Provided sufficient advance notice is given and with the approval of the Employer, employees may exchange shifts if there is no increase in cost to the Employer.

#### **Meal Period**

M25.04 A specified meal period of at least one-half (1/2) hour shall be scheduled as close to the midpoint of the shift as possible, unless an alternate arrangement is agreed to at the appropriate level between the Employer and the employee. It is also recognized that the meal period may be staggered for employees on continuous operations. However, the Employer will make every effort to arrange meal periods at times convenient to the employees. If an employee is not given a meal break, all time from the commencement to the termination of the employee's full shift shall be deemed time worked.

## **Rest Periods**

**M25.05** Two (2) rest periods of fifteen (15) minutes each shall be scheduled during each normal working day, **except where operational requirement do not permit.** 

## **Day Work**

M25.046 Except as provided for in clause M25.0725.05, the normal workweek shall be thirty-seven decimal five (37.5) hours exclusive of lunch periods, comprising five (5) days of seven decimal five (7.5) hours each, Monday to Friday. The workday shall be scheduled to fall within an eight (8) hour period where the lunch period is one-half (1/2) hour or within an eight decimal five (8.5) hour period where the lunch period is more than one half (1/2) hour and not more than one (1) hour. Such work periods shall be scheduled between the hours of 06:00 and 18:00 unless otherwise agreed in consultation with the Alliance and the Employer at the appropriate level.

#### **Variable Hours**

M25.067 Notwithstanding clause M25.06 the provisions of this article, upon request of an employee and the concurrence of the Employer, an employee may complete his or her weekly hours of employment in a period other than five (5) full days provided that over a period of twenty-eight (28) calendar days the employee works an average of thirty-seven decimal five (37.5) hours per week. As part of the provisions of this clause, attendance reporting shall be mutually agreed between the employee and the Employer. In every twenty-eight (28) day period such an employee shall be granted days of rest on such days as are not scheduled as a normal workday for the employee.

## **Shift Work**

**M25.058** For employees who work on a rotating or irregular basis:

- a. normal hours of work shall be scheduled so that employees work:
  - an average of thirty-seven decimal five (37.5) hours per week, and an average of five (5) days per week and seven decimal five (7.5) hours per day;

orand

- ii. either seven decimal five (7.5) hours per day;
- ii. an average of thirty-seven decimal five (37.5) hours per week and an average of seven decimal five (7.5) hours per day where so agreed between the Employer and the majority of the employees affected; and
- iii. subject to the operational requirements of the service, an employee's days of rest shall be consecutive and not less than two (2).
- b. Every reasonable effort shall be made by the Employer:
  - i. not to schedule the commencement of a shift within twelve (12) hours of the completion of the employee's previous shift;
  - ii. to avoid excessive fluctuations in hours of work:
  - iii. to consider the wishes of the majority of employees concerned in the arrangement of shifts within a shift schedule;
  - iv. to arrange shifts over a period of time not exceeding two (2) months and to post schedules at least seven (7) days in advance of the starting date of the new schedule.
- 25.06 Notwithstanding the provisions of this article, upon request of an employee and the concurrence of the Employer, an employee may complete his or her weekly hours of employment in a period other than five (5) full days provided that over a period of twenty-eight (28) calendar days the employee works an average of thirty-seven decimal five (37.5) hours per week. As part of the provisions of this

clause, attendance reporting shall be mutually agreed between the employee and the Employer. In every twenty-eight (28) day period such an employee shall be granted days of rest on such days as are not scheduled as a normal workday for the employee.

- 25.07 The Employer shall make every reasonable effort to schedule a meal break of at least one-half (1/2) hour during each full shift which shall not constitute part of the work period. Such meal break shall be scheduled as close as possible to the mid-point of the shift, unless an alternate arrangement is agreed to at the appropriate level between the Employer and the employee. If an employee is not given a meal break scheduled in advance, all time from the commencement to the termination of the employee's full shift shall be deemed time worked.
- **M25.089** When an employee's scheduled shift does not commence and end on the same day, such shift shall be considered for all purposes to have been entirely worked:
  - a. on the day it commenced where one-half (1/2) or more of the hours worked fall on that day;
     or
  - b. on the day it terminates where more than one-half (1/2) of the hours worked fall on that day.

Accordingly, the first (1st) day of rest will be considered to start immediately after midnight of the calendar day on which the employee worked or is considered to have worked his or her last scheduled shift; and the second (2nd) day of rest will start immediately after midnight of the employee's first (1st) day of rest, or immediately after midnight of an intervening designated paid holiday if days of rest are separated thereby.

- **25.09** Two (2) rest periods of fifteen (15) minutes each shall be scheduled during each normal working day.
- **M25.10** If an employee is given less than seven (7) days' advance notice of a change in that employee's shift schedule, the employee 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 straight time.

# Terms and conditions governing the administration of variable hours of work

- M25.11 The terms and conditions governing the administration of variable hours of work implemented pursuant to clause M25.07 and paragraph M25.08 a) ii) paragraph 25.05(a) and clause 25.06 are specified in clauses M25.11 to M25.14. This agreement is modified by these provisions to the extent specified herein.
- M25.12 Notwithstanding anything to the contrary contained in this agreement, the implementation of any variation in hours shall not result in any additional

overtime work or additional payment by reason only of such variation, nor shall it be deemed to prohibit the right of the Employer to schedule any hours of work permitted by the terms of this agreement.

## M25.13

- a. The scheduled hours of work of any day, may exceed or be less than seven decimal five (7.5) hours; starting and finishing times, meal breaks and rest periods shall be determined according to operational requirements as determined by the Employer and the daily hours of work shall be consecutive.
- b. Such schedules shall provide an average of thirty-seven decimal five (37.5) hours of work per week over the life of the schedule. The maximum life of a schedule for day shift workers shall be twenty-eight (28) days. The maximum life of a shift schedule for shift workers shall be one hundred and twenty-six (126) days.
- c. Whenever an employee changes his or her variable hours or no longer works variable hours, all appropriate adjustments will be made.
- **M25.14** For greater certainty, the following provisions of this agreement shall be administered as provided herein:

## a. Interpretation and definitions (clause 2.01)

"Daily rate of pay" shall not apply.

#### b. Minimum number of hours between shifts

Subparagraph M25.059(b)(i), relating to the minimum period between the end of the employee's shift and the beginning of the next shift, shall not apply.

# c. Exchange of shifts (clause M25.03)

On exchange of shifts between employees, the Employer shall pay as if no exchange had occurred.

## d. Designated paid holidays (clause 32.05)

- i. A designated paid holiday shall account for seven decimal five (7.5) hours.
- ii. When an employee works on a designated paid holiday, the employee shall be compensated, in addition to the pay for the hours specified in subparagraph (i), at time and one-half (1 1/2) up to his or her regular scheduled hours worked and at double (2) time for all hours worked in excess of his or her regular scheduled hours.

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#### e. Travel

Overtime compensation referred to in clause 34.04 shall only be applicable on a workday for hours in excess of the employee's daily scheduled hours of work.

## f. Acting pay

The qualifying period for acting pay as specified in paragraph 654.07(a) shall be converted to hours.

# g. Shift premium

Shift work employees on variable hour shift schedules pursuant to Appendix MD of this agreement will receive a shift premium in accordance with clause 27.01.

#### h. Overtime

Overtime shall be compensated for all work performed on regular working days or on days of rest at time and three-quarters (1 3/4).

## **RATIONALE**

The Employer is proposing a host of changes in this Appendix. The Union submits that many of the issues that are raised by the Employer relate to the understaffing of grain elevators. Members working for the Canadian Grain Commission (CGC) have been working with progressively fewer staff members to get their work done. The shift to fewer staff members has resulted in high levels of stress for the members and significant amounts of overtime, which can often be on short notice and involuntary.

The Employer's proposed changes to this Appendix would exacerbate the problems that already exist for this overworked group of employees. The Union submits that there are issues caused by understaffing and the Employer's response is to propose to take away the requirement for the Employer and the Union to agree before fundamental changes to the schedule can occur, to make breaks contingent on operational requirements, and to delete the language related to meal breaks being scheduled in advance.

The Union is open to some reorganization of this Appendix to ensure that the article flows better, however, on the substantive changes proposed by the Employer, the Union respectfully submits that they are not necessary and will worsen the employer/employee relationship.

Clause M25.04 is currently identical to clause 25.09 b) in the main body of the Agreement. The Employer's proposed change in M25.04 would alter that, and it is unclear why. The deletion of the words "scheduled in advance" denotes that management could arbitrarily move an employee's meal break period. The Union does not see the requirement to make this change and does not see good rationale for this to be included in the Board's recommendations.

The Union does not believe that breaks should be contingent on operational requirements. The work done by these employees is tiring and can be very physically taxing. Breaks are recognized as essential to safety and well-being at work. The Employer has not raised any situations where an employee refused to do work based on the entitlement to take a break. In fact, the Union has heard from members that many times they will voluntarily forego a break to ensure that the work gets done.

Finally, with respect to the most fundamental change proposed in this Appendix, they propose to allow the Employer to unilaterally replace a shift work schedule of 7.5 hours per day with a variable hours rotating shift schedule with shifts longer than 7.5 hours per day. Currently this change can be done, but only if the parties agree to make such a change. The Union is not opposed to any and all shift schedule changes, but expects that the parties should have such discussions as equals where a case can be made if such a change is warranted.

It should also be noted that the manner in which the Employer has proposed such changes would also alter the payment of overtime for members who work shifts. The Employer's language would take away shift workers' rights to earn overtime at time and

three quarters as they currently do. At the table, the Employer provided no rationale, no costing and no case for such a change to be made.

Again, similar to other Employer proposals, during the bargaining between the parties, the Employer's rationale centred on a vague notion of requiring "flexibility". The Union has held numerous conference calls with representatives of the members covered by this Appendix across the country. Members have confirmed that they have no knowledge of a situation where work has not been done. Other than asking for flexibility, the Employer has offered no concrete rationale for why this change would be required. They have offered no examples of the Union unreasonably refusing a change to the fundamental hours of work.

There is no evidence that the work is not getting done by the employees. There is no evidence that there are substantial costs accruing as a result of this work schedule. There has been no case presented at the table as to why the hours of work for this group of workers should be fundamentally altered with no recourse. As such, the Union respectfully submits that this Appendix be renewed with only the housekeeping amendments made.