

## **TC bargaining update: Employer wage offer unacceptable, impasse declared**

Our TC bargaining team met with the employer on April 29-30 to make progress on key priorities. The employer's insulting wage proposal was the final straw for our bargaining team after the employer spending months ignoring our top issues, leaving us with no choice but to declare impasse.

The employer tabled a wage proposal that falls short of keeping up with the cost of living. There was also no movement on our proposals to improve job security, remote work, market adjustments or allowances – key issues for our members. To add insult to injury, the employer is calling for concessions that would limit access to family-related leave, personal needs leave, and roll back hours of work provisions, including overtime and standby.

## **Treasury Board tables insulting wage offer after almost a year of delays**

After more than four months without responding to [our economic proposal](#), Treasury Board finally provided their wage offer:

- 2.0% in 2025
- 0.5% in 2026
- 0.5% in 2027
- 0.5% in 2028

The insulting wage proposal amounts to less than 1% per year. It's a clear pay cut at a time when the cost of living has far outpaced wages. It also sends a clear message about how little value the employer places on the work you do every day to deliver critical public services across the country.

PSAC's wage proposal, tabled in December, called for economic increases of 4.75% per year. Without supporting Canada's federal public service workers, projects like Prime Minister Carney's "Build Canada Strong" plan are set to fail. Slashing public services and offering pay cuts to the workers who provide them plainly shows this government's disrespect for the services that keep our country running. Public service workers deserve better.

## **Cost of living continues to outpace wages**

Over the past several years, the cost of living has soared with food, housing, and everyday essentials rising well above typical wage growth.

While wages in the federal public service have historically aligned with inflation, that pattern has been thrown out the window. Instead, you are being asked to absorb the impact of sustained inflation without meaningful wage adjustment.

The federal government regularly talks about affordability and cost-of-living pressures across the country. But when it comes to federal public service workers, the wage offer on the table tells a different story. It would make life less affordable for the people who deliver federal public services every day.

Recent private-sector wage settlements come in well above what is being offered here, averaging 4.4% in 2024, 3.9% in 2025, and 4.2% in 2026. This is what the government used to set the wages for its MPs. Those increases are designed to keep pace with changing economic conditions. Federal public service workers deserve the same fair treatment.

## **What else happened at the table**

### **Job security**

The employer failed to respond to our job security proposal, one of our members' top concerns.

### **Aircraft Maintenance Engineers (AMEs)**

Our team raised concerns about the growing wage gap for AMEs, along with ongoing recruitment and retention challenges and declining morale. These members play an important role in supporting search and rescue and law enforcement operations.

### **Remote Work**

With expanded in-office requirements looming, remote work remains a top priority. The employer's decision to meet virtually these round highlights what we already know: remote work works. We emphasized its importance for accessibility, caregiving responsibilities, and rising commuting costs.

### **Reproductive Health**

We tabled proposals to better support members experiencing reproductive health issues, including menopause, endometriosis, and infertility. They also include paid time off when pregnancies do not result in a live birth. These provisions aim to provide paid leave and protect members' dignity — something the current accommodation process fails to do.

### **What comes next**

Declaring an impasse triggers the next step in the collective bargaining process. PSAC will request conciliation through the Federal Public Sector Labour Relations and Employment Board.

## Show your support for your bargaining team

You are our strength at the bargaining table. There are many ways to get engaged and show support, including:

- [Invite a bargaining team member](#) to your next union meeting or event.
- [Show your support at work and online](#) with our "I Support My Bargaining Team" materials.
- [Watch and share our new video series](#) on the *Federal Public Sector Labour Relations Act*, and learn why PSAC is fighting to modernize federal labour laws.
- [Connect with your PSAC regional office](#) to learn about upcoming events and actions.

Members can also strengthen our collective voice in other ways, including:

- [Update your contact information](#) to receive the latest bargaining updates.
- [Sign a PSAC membership card](#) if you haven't already.
- [Read the bargaining proposals](#) to learn what we're fighting for.
- [Get to know your bargaining team](#) so you know who represents your interests.