



**SUBMISSION OF THE  
TREASURY BOARD  
TO THE PUBLIC INTEREST COMMISSION  
IN RESPECT OF THE  
OPERATIONAL SERVICES (SV) GROUP**

**CHAIRPERSON: Mr. Lorne Slotnick**  
**MEMBERS: Mr. Anthony Boettger**  
**Mr. Joe Herbert**

**OTTAWA January 22, 23 and 24, 2020**

IN THE MATTER of the *Federal Public Service Labour Relations Act* and a dispute affecting the Public Service Alliance of Canada and Her Majesty in Right of Canada as represented by the Treasury Board in respect of all of the employees in the Operational Services (SV) Group bargaining unit as determined in the certificate issued by the Federal Public Service Labour Relations Board and Employment on June 16, 1999.

## **FOREWORD**

This brief is being presented without prejudice to the Employer's right to present any additional facts or arguments it considers appropriate and relevant during the proceedings of the Commission.

## INTRODUCTION

The Public Service Alliance of Canada (PSAC) and Treasury Board were engaged in negotiations between May 2018 and May 2019 to renew the collective agreement for the Operational Services (SV) group, which expired on August 4, 2018 (Exhibit #1).

The SV group is defined in the Canada Gazette as:

*“The Operational Services Group comprises positions that are primarily involved in the fabrication, maintenance, repair, operation and protection of machines, equipment, vehicles, government facilities and structures such as buildings, vessels, stationary and floating plants, stores, laboratories, and equipment; and the provision of food, personal or health support services.”*

In accordance with the *Federal Public Sector Labour Relations Act* (FPSLRA), the PSAC served notice to bargain with the Employer by letter dated April 12, 2018. The parties met for negotiations for a total of 10 days in four (4) sessions between May and November 2018.

The PSAC declared impasse and filed for the establishment of a Public Interest Commission (PIC) on December 11, 2018. The Chairperson of the Federal Public Sector Labour Relations and Employment Board (FPSLREB) advised the parties on January 29, 2019, that she was not recommending the establishment of the PIC and encouraged the parties to resume negotiations. In her decision, the Chairperson indicated that she was not satisfied that the parties had bargained sufficiently and seriously, nor was she convinced that impasse had been reached.

After additional negotiation meetings in the winter and spring of 2019, the PSAC submitted a request to the Board on May 7, 2019 for the reactivation of their request.

This document presents the Employer's position on the outstanding issues between the parties, including rates of pay. The document also provides relevant contextual information pertaining to the current round of bargaining and the SV group.

Please note that the French version of the Employer's proposals will be solely in the French version of the Employer's brief, which will be provided to the parties on January 22, 2020.

The Employer brief is organized as follows:

- **Executive Summary**
- **Part I** provides a status update on the current round of negotiations for the Core Public Administration (CPA) as a whole, and for the SV group.
- **Part II** presents information on recruitment and retention, external comparability, internal relativity, the government's economic and fiscal circumstances, and provides total compensation figures for the SV group and its sub-groups.
- **Part III** presents the Employer's submission for rates of pay and duration, and the associated rationale, as well as a response to PSAC's proposals.
- **Part IV** details the Employer's position on other outstanding proposals.
- **Part V** provides information on the SV bargaining unit, including the group definitions and qualifications standards.

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## EXECUTIVE SUMMARY

The Government of Canada is committed to good faith negotiations and has a history of negotiations that are productive and respectful of its dedicated workforce. Its approach to collective bargaining is to negotiate agreements that are reasonable for Public Service employees, bargaining agents, and the Canadian taxpayers.

Through good faith bargaining, the Government of Canada has reached 34 agreements during the current round of negotiations, covering more than 65,000 employees in the federal public service. This includes 17 agreements with 11 bargaining agents representing employees working in the CPA, as well as 17 agreements with four (4) bargaining agents representing employees working in separate agencies, including the Canada Revenue Agency (CRA), the National Research Council (NRC) and the National Film Board (NFB).

All 34 agreements cover a four-year period, and include pattern economic increases of 2.0%, 2.0%, 1.5% and 1.5%.

The settlements also include targeted improvements valued at approximately 1% over the term of the agreements. For most of the 34 groups, these improvements take the form of wage adjustments staggered over two years: 0.8% in year 1 and 0.2% in year 2. This includes the Economics and Social Services (EC) group represented by the Canadian Association of Professional Employees (CAPE), the Financial Management (FI) group represented by the Association of Canadian Financial Officers (ACFO), and the Architecture, Engineering and Land Survey (NR) groups represented by the Professional Institute of the Public Service of Canada (PIPSC). For some other groups, including the Audit, Commerce and Purchasing (AV), the Health Services (SH) groups represented by PIPSC, and the Foreign Service (FS) group represented by the Professional Association of Foreign Service Officers (PAFSO), the parties jointly agreed to distribute the 1% differently based on the specific circumstances of each group; however, the total value of those targeted adjustments does not exceed 1%.

For all the agreements settled to date, the overall average annual increase is 2.0% per year over four years, before calculating the compounding effect. This takes into account the pattern economic increases of 2%, 2%, 1.5% and 1.5%, and the targeted increases valued at 1% over the term of the agreements.

Moreover, the settlements include a number of government-wide improvements that increase the overall value of the changes to the collective agreements. These include the introduction of new leave provisions for domestic violence and caregiving, improvements to the maternity and parental leave and allowance

provisions, as well as an expansion to the definition of family that broadens the scope of certain leave provisions.

In addition, all the 34 agreements include the identical Memorandum of Understanding (MOU) on the implementation of collective agreements. The MOU outlines the new methodology for calculating retroactive payments and provides for longer timelines for implementing the agreements. The MOU also includes accountability measures and reasonable compensation for employees in recognition of the extended timelines.

Given the pay and HR systems in place and the ongoing challenges with pay administration, the Government of Canada has no flexibility to implement agreements on a different basis than what is included in the negotiated MOU. Agreeing to a different implementation process and timelines would represent bad faith bargaining on behalf of the Government, as it would be agreeing to something that it cannot fulfill.

The evidence and analysis included in this presentation, which include information on recruitment and retention, external comparability, and the total compensation package provided to employees in the SV group, does not support providing economic increases and other non-monetary improvements to the SV group that deviate from the established pattern with the 34 groups in the federal public service. The information demonstrates that these employees benefit from competitive terms and conditions of employment and that the Employer's offer is reasonable and fair in the current economic environment.

### Recruitment and Retention

Section 175 of the Federal Public Service Labour Relations Act (FPSLRA) (Exhibit #2) states that a public interest commission must take into account recruitment and retention considerations in the conduct of its proceedings and in making its report:

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

The evidence on recruitment and retention strongly suggests that compensation levels for the SV group are appropriate to attract and retain a sufficient number of employees. There is no indication that increases above the pattern established to date for the federal public service with represented employees are needed to recruit and retain employees in the SV group.

The hiring departments of SV employees, which include Agriculture and Agri-Food Canada, Correctional Service Canada, Fisheries and Oceans Canada, National Defence, Public Services and Procurement Canada and the Royal Canadian

Mounted Police (Civilian Staff), have not identified widespread recruitment and retention issues for the SV group. External separations, especially as they pertain to voluntary separations for reasons other than retirement, are very low – only 0.7% of employees in the SV bargaining unit. In addition, departments run successful recruitment processes for the SV group.

The Public Service Employee Survey (PSES) results indicate a very high level of job satisfaction in the SV group as a whole, with approximately 88% of employees in the group reporting to liking their job. This further supports the notion that the SV group is healthy from a recruitment and retention standpoint.

### External Comparability

Section 175 of the FPSTLR also states that a public interest commission must take into account external comparability in the conduct of its proceedings and in making its report:

*(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;*

As noted in the 2019 pay study conducted by Mercer Canada LLC, an independent HR firm with significant expertise in conducting wage comparability studies, evaluated the 2017 salaries paid to employees in 18 benchmark positions in the SV group. The results of the study show that SV wages are either competitive with or leading with the 2018 salaries paid in the external the market for comparable jobs for all but one position.

Moreover, the wage growth for the majority of the SV sub-groups (40.5% to 93.9%) has significantly outpaced cumulative increases as represented by the change in the Consumer Price Index (CPI) inflation (36.8%) between 2000 and 2017.

It should also be noted that Mercer performed a joint wage study with the PSAC to determine market relativity for the Ships' Crews (SC) group positions within the SV Group. Primary research was completed based on the benchmark roles for the SC group. The results showed that the SC group currently have wages that are comparable with the market.

### Bargaining Agent Proposals

The Bargaining Agent has submitted an extensive list of proposals in this round of bargaining.

The PSAC has tabled 19 proposals that are common to all PSAC groups, including above pattern economic increases, two additional Designated Paid Holidays per year, and increased vacation leave entitlements.

The PSAC has also tabled 55 changes that are specific to the SV table, within 22 articles and 6 appendices. These changes include increases to leave provisions, new allowances, and other monetary and non-monetary elements that currently do not exist in the SV agreement and /or in other collective agreements in the CPA.

As noted in the table below and detailed in Part II, Table 4, the PSAC monetary proposals are significant and represent a total ongoing cost of over \$268M or 37.87% of the SV group wage base.<sup>1</sup>

<b>BARGAINING AGENT MONETARY PROPOSALS</b>	<b>ONGOING COST</b>	<b>% OF WAGE BASE</b>
<b><u>Common Proposals</u></b>	<b><u>\$9,771,593</u></b>	<b><u>1.38%</u></b>
<b>SV-Specific proposals</b>		
<u>Economic increase of 3.25% over three years</u>	\$73,114,585	10.33%
<u>Wage Adjustments</u>	\$84,470,416	11.93%
<u>Wage Restructures</u>	\$14,645,436	2.07%
<u>Other Monetary Improvements</u>	\$86,103,481	12.16%
<b>TOTAL</b>	<b>\$268,105,510</b>	<b>37.87%</b>

The Employer's position is that the Bargaining Agent's proposals violate the replication principle, where the results of a third party process should replicate as closely as possible what would have been achieved had the parties negotiated a settlement on their own. The Employer submits that the Bargaining Agent's proposals do not reflect what the parties would have bargained.

Additionally, the PSAC's proposals are unsubstantiated based on available data and associated metrics related to recruitment and retention and internal and external comparability.

### Employer Proposals

The Employer is of the view that the SV agreement is a mature agreement that does not require major changes. As such, the Employer is submitting a reduced package of proposals that includes modest economic increases and changes to

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<sup>1</sup> The ongoing costs are based on March 2018 population and compensation data for SV employees – this is referred to the wage base throughout this document.

leave provisions that are aligned with what has been agreed to with 34 other groups in the current round of bargaining.

The Employer's monetary proposals, with the associated costs, are included below.

<b>EMPLOYER MONETARY PROPOSALS</b>	<b>ONGOING COST</b>	<b>% OF WAGE BASE</b>
<b>Common proposals</b>		
10 days of paid leave for Domestic Violence	\$94,671	0.01%
Expanded provisions for definition of Family (various articles)	\$411,612	0.06%
Parental leave without pay (standard/extended period)	Cost neutral	0.00%
Caregiving Leave without Pay related to critical illness	\$520,278	0.07%
<b>SV-Specific proposals</b>		
Pattern economic increases over four years: 2.0%, 2.0%, 1.5%, and 1.5%	\$50,880,482	7.18%
An additional 1% for group-specific adjustments	\$7,496,919	1.06%
<b>TOTAL</b>	<b>\$59,403,962</b>	<b>8.39%</b>

The Employer's proposal also includes the MOU on the implementation of the collective agreement negotiated with the 34 other groups in the federal public service (Exhibit #3). Given the pay and HR systems in place and the associated challenges, the Government of Canada has no flexibility to implement agreements on a different basis. Agreeing to a different implementation process and timelines would represent bad faith bargaining on behalf of the Government, as it would be agreeing to something that it cannot fulfill.

Given the high volume of outstanding proposals submitted by the Bargaining Agent, the Employer requests that the PSAC target a limited number of proposals that take into account the current collective bargaining landscape and recent negotiation outcomes with other federal public service bargaining agents. The large number of proposals make it challenging for the parties to identify and focus their work on key priorities; a more limited number of proposals is expected to meaningfully improve the likelihood of settlement. The Employer respectfully suggests that the Commission issue a direction in that regard and direct the parties to return to negotiations with a reduced number of proposals, prior to the issuance of the Commission's report.

### Damages related to the Phoenix Pay System

In 2017, the PSAC and other CPA Bargaining Agents chose to create and mandate a joint senior level Employer-Union Phoenix sub-committee to resolve the issue of damages incurred by employees related to the Phoenix pay system. Between 2017 and 2019, this committee worked independently from the collective bargaining tables.

On June 12, 2019, an agreement was reached between the Employer and 15 Bargaining Agents on Phoenix damages (Exhibit #4). The PSAC did not agree to the terms of the agreement, which includes up to five days of paid leave, and compensation for monetary and non-monetary losses. This agreement settled the damages portion of the pending recourse by these Bargaining Agents and their members following the filing of unfair labour complaints, as well as policy and individual grievances.

The Employer is open to continuing discussions with the PSAC to conclude an agreement on Phoenix damages, recognizing that PSAC employees should be compensated for the damages incurred related to the Phoenix pay system. However, the Employer respectfully submits that Phoenix-related damages should not influence this Committee's deliberations. This issue is pending resolution at a different forum, and in the event that the parties fail to reach an agreement, the FPSLREB is the appropriate forum for third party resolution.

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## **Part I – Status of Negotiations**

## 1.1 Negotiations in the Federal Public Service

The Government of Canada is committed to bargaining in good faith with all federal public sector Bargaining Agents. The Government's approach is to negotiate agreements that are reasonable for employees, Bargaining Agents and Canadian taxpayers.

Through meaningful and good faith negotiations, the Government of Canada has reached 34 agreements during this round of bargaining, covering more than 65,000 employees in the federal public service. This includes settlements with 15 different Bargaining Agents representing 17 bargaining units in the CPA and 17 employee groups in separate agencies.

### Core Public Administration

Since the spring of 2018, the Treasury Board of Canada Secretariat (TBS) has been engaged in negotiations on behalf of the the Treasury Board, the Employer of the CPA, with more than 11 Bargaining Agents for the renewal of collective agreements representing more than 175,000 employees.<sup>2,3</sup>

TBS successfully concluded collective agreements for 17 CPA groups with 11 Bargaining Agents. These 17 collective agreements cover employees represented by some of the largest Bargaining Agents, including the PIPSC, CAPE and ACFO.

Table 1 below lists the bargaining units with new collective agreements, their union affiliation and population as of March 2018.

**Table 1: Bargaining Units with New Collective Agreements - CPA**

CPA BARGAINING UNIT	BARGAINING AGENT	POPULATION
EC - Economics and Social Science Services	CAPE	14,777
SP - Applied Science and Patent Examination	PIPSC	7,647
AV - Audit, Commerce and Purchasing	PIPSC	5,783
FI - Financial Management	ACFO	4,776
NR - Architecture, Engineering & Land Survey	PIPSC	3,541
SH - Health Services	PIPSC	3,100
LP- Law Practitioner	AJC	2,832

<sup>2</sup> The Treasury Board of Canada negotiates the collective agreements for more than 80 departments and agencies named in Schedule I and Schedule IV of the *Financial Administration Act*.

<sup>3</sup> Population figures as of March 2018.

RE - Research	PIPSC	2,630
FS – Foreign Service	PAFSO	1,512
EL - Electronics	IBEW	1,059
TR - Translation	CAPE	811
SR(W) - Ship Repair West	FGDTLCW	642
SR(E) - Ship Repair East	FGDTLCE	590
RO - Radio Operations	UNIFOR	272
UT- University Teaching	CMCFA	180
SR(C) - Ship Repair Chargehands	FGDCA	52
AI – Air Traffic Control	UNIFOR	9
<b>Total Population</b>		<b>50,195</b>

### Separate Agencies

The 27 active separate agencies listed in Schedule V of the *Financial Administration Act* conduct their own negotiations for unionized employees. They are distinct from the CPA; they have different job duties and specific wage levels according to their business purpose. The largest separate agencies include the CRA, Parks Canada, and the Canadian Food Inspection Agency. The CPA and separate agencies share many of the same bargaining agents, including the PSAC and PIPSC.

As part of the federal public administration, separate agencies follow the same broad government objectives; they are committed to negotiating agreements in good faith that are fair and reasonable for employees, bargaining agents and Canadian taxpayers.

During the current round of negotiations, six separate agencies have concluded 17 collective agreements with four bargaining agents representing 17,000 employees. Table 2 below lists the separate agencies, and bargaining units with new collective agreements, their union affiliation and population.

**Table 2: Bargaining Units with New Collective Agreements - Separate Agencies**

SEPARATE AGENCY	BARGAINING AGENT	BARGAINING UNIT	POPULATION
Canada Revenue Agency (CRA)	PIPSC	Audit, Financial and Scientific (AFS)	11,447
Canadian Nuclear Safety Commission (CNSC)	PIPSC	Nuclear Regulatory Group (NUREG)	730
Canada Energy Regulator (formerly the National Energy Board (NEB))	PIPSC	All Unionized Employees	377
National Film Board (NFB)	PIPSC	Administrative and Foreign Services Group Scientific and Professional Group	174
	SGCT/CUPE	Technical Group	103
	CUPE	Administrative Support Group Operation Group	88
National Research Council Canada (NRC)	RCEA	Administrative Services Group (AS)	244
		Administrative Support Group (AD)	268
		Computer Systems Administration (CS)	214
		Operational Group (OP)	62
		Purchasing and Supply Group (PG)	22
		Technical Group (TO)	999
	PIPSC	Information Services (IS)	64
		Library Services (LS)	43
		Research Officer / Research Council Officer (RO/RCO)	1,596
		Translator Group (TR)	8
Office of the Superintendent of Financial Institutions (OSFI)	PIPSC	Professional Employees Group (PEG)	551
<b>Total Population</b>			<b>16,990</b>

## 1.2 Common Items Negotiated for the Core Public Administration and Separate Agencies

The 34 agreements reached in the CPA and separate agencies include some common items, including basic economic increases and other monetary and non-monetary elements.

Annual economic increases over 4 years

- Year 1: 2%
- Year 2: 2%
- Year 3: 1.5%
- Year 4: 1.5%

Group-specific wage adjustments of approximately 1% over the 4 years of the agreements

For most of the groups, such as the NR and the SP groups represented by PIPSC, these improvements take the form of wage adjustments staggered over two years: 0.8% in year 1 and 0.2% in year 2.

Some other groups, such as the FS group represented by PAFSO, received different targeted measures to address their specific needs, but the overall value of these group-specific improvements was approximately 1% over the four years of their agreements.

An MOU on the implementation of collective agreements

At the outset of this round of negotiations, the Government made it clear to all Bargaining Agents that retroactivity and the implementation of the agreements were key issues given the ongoing challenges surrounding the Phoenix pay system and the implementation of the agreements concluded during the previous round of bargaining.

In the spring of 2019, the Government developed a new methodology for the calculation of retroactive payments to facilitate its implementation. The Government also negotiated extended implementation timelines, reasonable compensation for employees in recognition of the extended timelines and accountability measures. All of these measures are outlined in the MOU that is included in all 34 federal public service agreements. The new methodology has proven to date that the timelines agreed to through the MOU are being respected (Exhibit #5).

The key elements of the MOU include the following:

- Changes to existing or new compensation elements that do not require manual intervention from compensation advisors will be implemented within 180 days after the signature of the agreements.
- Changes to existing or new compensation elements that require manual intervention from compensation advisors will be implemented within 560 days after the signature of the agreements.

- All employees in the group covered by a new agreement will receive a \$400 lump-sum payment upfront in recognition of extended implementation timelines.
- Employees for who the implementation takes longer than 180 days will receive a \$50 payment for each 90-day delay beyond the initial implementation period of 180 days, to a maximum of \$450 per employee.
- Employees for who the implementation takes longer than 180 days will be notified within 180 days after the signature of the agreement.

Given the pay and HR systems in place and the ongoing challenges, the Government of Canada has no flexibility to implement agreements on a different basis than what is included in the negotiated MOU. Agreeing to a different implementation process and timelines would represent bad faith bargaining on behalf of the Government, as it would be agreeing to something that it cannot fulfill.

#### Extended/new leave provisions

Several improvements were negotiated with the other bargaining units that provide for new and improved leave entitlements for employees:

- Up to 10 days of paid leave per year for situations of domestic violence.
- Extension of the parental leave without pay provision to allow employees to choose an extended leave period, with the top-up allowance paid by the Employer spread over the longer period, and extension of the maximum payable top-up period to cover paternity leave (Québec) and shared parental leave (rest of Canada).
- Caregiving leave without pay of up to 35 weeks to allow employees to benefit from critical illness and compassionate care benefits available under the Employment Insurance program.
- Improvements to the definition of family – specifically the introduction of 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 improves access to bereavement leave with pay, leave with pay for family-related responsibilities, and leave without pay for the care of family.

The Employer proposes a settlement for the SV group that contains improvements that are similar to those negotiated in the rest of the federal public service. The Employer

recommends that the Commission provide recommendations that are aligned with the recently established pattern.

As per the Replication Principle, the Employer suggests that the Commission's report replicate the result, as closely as possible, to that which would have been achieved had the parties negotiated a settlement on their own. The Employer submits that the Bargaining Agent's proposed economic increases do not reflect what the parties would have bargained.

The Employer is of the view that there is no evidence to justify providing wage increases for the SV group that exceed the cumulative increases that employees in the 17 CPA groups and the 17 federal separate agency groups will receive over a four-year agreement. There is no rationale supporting the significantly higher economic increases sought by the PSAC, in addition to market adjustments between 9% and 39%.

### 1.3 Negotiations with the Operational Services (SV) Group

In this round of bargaining, PSAC and TBS officials were engaged in six (6) negotiation sessions for the SV group between May 2018 and May 2019. The parties were also engaged in three (3) negotiations sessions at a separate bargaining table mandated to negotiate proposals that are common across the four (4) bargaining units represented by the PSAC: Program and Administrative Services (PA), Technical Services (TC), Education and Library Science (EB), Operational Services (SV), between June 2018 and December 2018.

As noted in table 3 below, the parties "agreed in principle" to the following items during negotiations, which are all administrative, or housekeeping in nature.

**Table 3: Proposals Agreed to by the Parties (In Principle)**

ITEM	DETAILS
Clauses: 2.01, 2.02, 7.01, 7.02, 11.05, 14.01, 14.03, 16.01, 18.02, 18.03, 18.04, 18.27, 18.29, 16.01, 41.02, 43.02, 52.01, 65.01	Replace: "Public Service Labour Relations Act" with "Federal Public Sector Labour Relations Act"; and "Federal Public Service Labour Relations Board" with "Federal Public Sector Labour Relations and Employment Board".
Clauses 2.01, 37.11, 37.12, 67.09, 68.01 Appendix A (6.01), Appendix B – Annex E (3.4), (4.4), (6), (8) Appendix B – Annex H (1), Appendix B – Annex J (5), Appendix C (2.05), Appendix D (3.06), Appendix F (3.02), (5.10) Appendix G (1.01), (2.03), (3.04), (14), (16),	Delete references to "cash" and replace with "payment".

Appendix G – Annex B (7), Appendix G – Annex C (6.04), Appendix G – Annex D (7.01), Appendix G – Annex E (1), (4), (6), (10), Appendix G – Annex J Appendix I (English version only)	
Article 27.01 – Shift and Weekend Premium	Correction to references regarding Appendix B (from 2.02 to 1.02) and Appendix E (from 2.03 to 1.03).
Clause 28.06(e) – Designated Paid Holidays	Reinsertion of sub-paragraph numbering for reference purposes
Clauses 37.11 – Vacation Leave	Deletion of transitional language.
Clause 37.15 – Vacation Leave	Deletion of legacy language “and the tenth (10 <sup>th</sup> ) year of continuous employment in the case of resignation.”
Clauses 37.16	Replace:  “Part II of Schedule I of the <i>Public Service Staff Relations Act</i> ” with “Schedule V of the <i>Financial Administration Act</i> ”.
Clause 38.08 – Sick Leave with Pay	Correction to reference – <i>Financial Administration Act</i> from 11(2)(g) to 12(1)(e).
Article 46 and Clause 56.02	Removal of transitional language – Volunteer & Personal Leave.
Clause 67.11 – CBSA Pay Notes	Removal of legacy language.
Appendix A – Volunteer leave	Removal of transitional language.
Appendix A – 7.01 & 7.02	Removal of clauses regarding the High Angle Rescue Allowance (7.01) and the Nuclear Emergency Response Team Allowance (7.02).
Appendix B – deletion of “WFE”	Removal of “WFE” in the title for the Construction Inspecting Sub-Group (COI)(WFE) 10.
Appendix B – Annex D	Deletion of 3(a) transitional language regarding horse allowance
Appendix B – Annex E	Change clause reference from 32.05 to 32.07.
Appendix B – Annex I	Change clause reference from 2.04 to 1.04.
Appendix E	Hours of Work: change clause reference from 2.02 to 1.02.
Appendix F	5.0: changes clause reference from 35.10 to 36.09.

The PSAC declared impasse and filed for the establishment of a PIC on December 11, 2018. The Chairperson of the FPSLRB advised the parties on January 29, 2019, that she was not recommending the establishment of the PIC and encouraged the parties to resume negotiations. In her decision, the Chairperson indicated that she was not satisfied that the parties had bargained sufficiently and seriously, nor was she convinced that impasse had been reached.

After additional negotiations meetings in the winter and spring of 2019, the PSAC submitted a request to the Board on May 7, 2019, for the reactivation of their request, which was granted by the Chairperson.

## 1.4 Bargaining Agent Proposals

The Bargaining Agent has submitted an extensive list of proposals during this round of bargaining. The union proposals include above pattern economic increases, as well as increases to leave provisions, new allowances, and other monetary and non-monetary elements that currently do not exist in the SV agreement and/or in other collective agreements in the CPA.

The PSAC has tabled 23 proposals that are common to all PSAC groups, including two additional Designated Paid Holidays per year, and increased vacation leave entitlements.

The PSAC also tabled 55 changes that are specific to the SV group. These proposals deal with 22 collective agreement articles and six (6) appendices, in addition to new articles and memoranda and/or allowances.

As noted in table 4 below, the PSAC monetary proposals, which include annual economic increases of 3.25% over three years totaling 10.33%, are equivalent to an overall increase of 37.87%, compared to the 2018 SV wage base. This overall increase does not include certain proposals that could not be costed by the Employer due to data availability issues.

**Table 4: Bargaining Agent Monetary Proposals**

BARGAINING AGENT MONETARY PROPOSALS <sup>1</sup>	COST (Ongoing)	% OF WAGE BASE
<b>Common proposals</b>		
Caregiving Leave Enhancements	\$1,195,833	0.17%
Parental Allowance for extended leave – 61 weeks with top up of 93%	\$1,010,000	0.14%
<b>Increase accrual of vacation leave entitlements:</b> <ul style="list-style-type: none"> <li>• 4 weeks at 5 years (instead of 4 weeks at 8 years)</li> <li>• 5 weeks at 10 year (instead of 5 weeks at 18 years)</li> <li>• 6 weeks at 23 years (instead of 6 weeks at 28 years)</li> </ul>	\$4,124,490	0.58%
Designated Paid Holidays – 2 additional days	\$2,869,364	0.41%
Revised Definition of Family – broaden scope of certain leave provisions	\$464,964	0.07%
10 days of leave with pay for situations of domestic violence	\$106,942	0.02%
<b>SV-specific proposals (all effective August 5, 2018)</b>		
Economic increase of 3.25% over three years	\$73,114,585	10.33%
<b>Wage Adjustments</b>		
19.5% wage adjustment for all FR rates	\$11,033,891	1.56%
9% wage adjustment for all GL-COI rates	\$2,340,108	0.33%
9% wage adjustment for all GL-EIM rates	\$3,451,511	0.49%

9% wage adjustment for all GL-ELE rates	\$1,719,976	0.24%
9% wage adjustment for all for GL-MAM rates	\$3,854,318	0.54%
9% wage adjustment for all GL-PIP rates	\$2,037,093	0.29%
9% wage adjustment for all GL- VHE rates	\$4,701,295	0.66%
9% wage adjustment for all GL-WOW rates	\$2,133,066	0.30%
9% wage adjustment for all GL-AIM rates	\$53,726	0.01%
9% wage adjustment for all GL-INM rates	\$123,963	0.02%
9% wage adjustment for all GL-MAN rates	\$6,303,431	0.89%
9% wage adjustment for all GL-MDO rates	\$2,819,384	0.40%
9% wage adjustment for all GL-MOC rates	\$670,075	0.09%
9% wage adjustment for all GL-MST rates	\$138,417	0.02%
9% wage adjustment for all GL-PCF rates	\$1,238,569	0.17%
9% wage adjustment for all GL-PRW rates	\$411,507	0.06%
9% wage adjustment for all GL-SMW rates	\$745,206	0.11%
39% wage adjustment for all HP rates	\$15,176,315	2.14%
21% wage adjustment for all SC-DED rates	\$14,564,043	2.06%
21% wage adjustment for all SC-ERD rates	\$3,652,237	0.52%
21% wage adjustment for all SC-STD rates	\$5,501,956	0.78%
21% wage adjustment for all SC-SPT rates	\$409,622	0.06%
21% wage adjustment for all LI rates	\$1,390,707	0.20%
<b>Wage Restructures</b>		
Add two steps with 5% increments to all SC sub-groups	\$10,641,432	1.50%
Remove the Recruitment Rate from the FR rates	\$38,958	0.01%
Add one step with a 5% increment for FR-01 rates	\$2,094,984	0.30%
Remove the first step and add one step with a 5% increment for the FR-02 rates	\$595,515	0.08%
Increase the rate by 10% for the FR-03, FR-04, FR-05 and FR-06 rates	\$1,033,539	0.15%
Remove the first step from the LI-03, LI-04, LI-05, LI-06, LI-07, LI-08 and LI-09 rates	\$148,685	0.02%
Remove the first two steps from the HP-06, HP-07, HP-08 and HP-09 rates	\$55,427	0.01%
Remove the first four steps from all of the levels of the PR(S) rates	\$36,895	0.01%
<b>Changes to Entitlements</b>		
<b>Appendix A, FR:</b> convert long service pay to a percentage of salary: <ul style="list-style-type: none"> <li>5 to 9 years: from \$750 annually to 1% of annual salary</li> <li>10 to 15 years: from \$850 annually to 2% of annual salary</li> <li>15 to 19 years: from \$980 annually to 3% of annual salary</li> <li>20 to 24 years: from \$1,110 annually 4% of</li> </ul>	\$720,700	0.10%

<ul style="list-style-type: none"> <li>• annual salary</li> <li>• 25 to 29 years: from \$1,240 annually to 5% of annual salary</li> <li>• 30 years or more: from \$1,370 annually to 6% of annual salary</li> </ul>		
<p><b>Appendix B, GL</b> – amend the calculation for Height pay allowance from:</p> <p>“25% of the employee’s basic hourly rate of pay on a pro rata basis for actual time worked” to “an additional one-half (1/2) their straight-time rate of pay for every fifteen (15) minute period, or part thereof worked”</p>	\$14,613	0.00%
<p><b>Appendix B, GL – Annex E:</b> new provisions to pay employees an additional thirty (30) minutes per shift to allow for shift change-over communications, which shall be credited to compensatory leave account</p>	\$32,818	0.00%
<p><b>Appendix B, GL – Annex N:</b> increase the Refrigeration HVAC technician allowance to \$10,500 and expand eligibility from GL-MAM group to all GL sub groups</p>	\$1,882,998	0.27%
<p><b>Appendix F, LI:</b> acceleration to the accumulation of vacation leave:</p> <ul style="list-style-type: none"> <li>• 4 weeks’ vacation upon appointment (instead of current 3 weeks)</li> <li>• 4 weeks and 2.8 days at 8 years (instead of current 4 weeks at 8 years)</li> <li>• 4 weeks and 4.2 days at 16 years (instead of current 4 weeks and 2.8 days at 16 years)</li> <li>• 5 weeks at 17 years (instead of current 4 weeks and 4.2 days at 17 years)</li> <li>• 5 weeks and 2.8 days at 18 years (instead of current 5 weeks at 18 years)</li> <li>• 6 weeks at 27 years (instead of current 5 weeks and 2.8 days at 27 years)</li> <li>• 7 weeks at 28 years (instead of current 6 weeks at 28 years)</li> </ul>	\$104,063	0.01%
<p><b>Appendix F, LI – Annex B:</b> increases to the Supplementary allowance as follows:</p> <ul style="list-style-type: none"> <li>• Full-time station <ol style="list-style-type: none"> <li>1. In 1 and 2 man person stations: from \$2237 to \$2800</li> <li>2. In 4 man person stations: from \$1917 to \$2400</li> </ol> </li> </ul>	\$47,812	0.01%
<p><b>Appendix F, LI:</b> provide for two (2) days of travel time leave with pay for time required for the journey out from and returning to the Lightstation for every employee proceeding on vacation leave of a minimum of two weeks duration</p>	\$48,190	0.01%
<p><b>Appendix G, SC</b> – increase Meal &amp; Quarters allowance from \$10.50 to \$13, and from \$11.50 to \$14</p>	\$5,295	0.00%

<b>Appendix G, SC – Annex G:</b> increase the Rescue specialist allowance from \$136 to \$250 per month	\$437,666	0.06%
<b>Appendix G, SC – Annex G:</b> increase the Armed boarding allowance from \$158 to \$250 per month	\$38,532	0.01%
<b>Appendix G, SC – Annex G:</b> increase the Diving duty allowance from \$821 to \$1,400 per year	\$12,260	0.00%
<b>Article 25 – Hours of Work:</b> change the hours of work to 37.5 for all groups without any reduction in the yearly salary, leave credits or benefits	\$55,046,243	7.78%
<b>Article 27 – Shift and Weekend Premiums:</b> <ul style="list-style-type: none"> <li>• increase the shift premium from \$2.00 to \$3.00 per hours for all hours worked, including overtime hours, between 4:00pm and 8:00 pm</li> <li>• increase the weekend premium from \$2.00 to \$3.00 for all hours worked on Saturday or Sunday, including overtime hours</li> </ul>	\$2,389,934	0.34%
<b>Article 29 – Overtime:</b> all overtime to be paid at <u>double-time</u> instead of time and one-half (1 ½) for each fifteen minute period of overtime worked by the employee	\$15,074,261	2.13%
<b>Article 29 – Overtime Meals:</b> increase allowance from \$10 to \$12	\$43,314	0.01%
<b>Article 31 – Standby:</b> increase compensation from one half (1/2) hour to one (1) hour for each four hour period or part thereof for which the employee has been designated as being on standby duty	\$6,352,402	0.90%
<b>Article 34 – Travelling Time:</b> Increase stop-over time from 3 hours to 5 hours and increase overtime pay applicable for additional travel time to 15 hours pay from 12 hours at the straight-time rate.	\$191,212	0.03%
<b>Article 47 – Leave with Pay for Family-Related Responsibilities:</b> Increase leave from 37.5 hours in fiscal year to 75 hours and expand provisions for <ul style="list-style-type: none"> <li>• all school or daycare closures,</li> <li>• attending appointments with legal or financial professionals and</li> <li>• to allow for visits with a terminally ill family member</li> </ul>	\$1,301,898	0.18%
<b>NEW Pre-Retirement Leave</b> – provide 37.5 hours of paid leave per year up to a maximum of 187.5 hours for the five years before retirement	\$2,359,270	0.33%
<b>TOTAL</b>	<b>\$268,105,510</b>	<b>37.87%</b>

Note: Due to data availability, some proposals were not costed and were not included in this table, including:

- 9% wage adjustment for the GL-AMW and GL-GHW sub-groups
- 21% wage adjustment for the SC-EQO sub-group
- Restructures to the LI-01 and LI-02 rates
- Amendments to the Dirty Work allowance in Appendix B, Appendix D and Appendix G

- Expansion of shift premium eligibility in Appendix D
- New overtime provisions in Appendix G – Annex E
- New parking cost provisions in Appendix G – Annex G.

## 1.5 Employer Proposals

The Employer proposes to negotiate improvements for the SV group that are similar to those negotiated to date with 34 groups in the federal public service.

The Employer's detailed position on each outstanding items can be found in parts III and IV of the Employer's brief.

The Employer's monetary proposals, with the associated costs, are included in table 5 below.

**Table 5: Employer's Monetary Proposals**

<b>EMPLOYER MONETARY PROPOSALS</b>	<b>ONGOING COST</b>	<b>% OF WAGE BASE</b>
<b>Common proposals</b>		
10 days of paid leave for Domestic Violence	\$94,671	0.01%
Expanded provisions for definition of Family (various articles)	\$411,612	0.06%
Parental leave without pay (standard/extended period)	Cost neutral	0.00%
Caregiving Leave without Pay related to critical illness	\$520,278	0.07%
<b>SV-Specific proposals</b>		
Pattern economic increases over four years: 2.0%, 2.0%, 1.5%, and 1.5%	\$50,880,482	7.18%
An additional 1% for group-specific adjustments	\$7,496,919	1.06%
<b>TOTAL</b>	<b>\$59,403,962</b>	<b>8.39%</b>

The Employer's proposal also include the MOU on the implementation of the collective agreement negotiated with all the groups in the CPA and separate agencies.

Given the high volume of outstanding proposals submitted by the Bargaining Agent, the Employer requests that the PSAC target a limited number of proposals that take into account the current collective bargaining landscape and recent negotiation outcomes with other federal public service Bargaining Agents. The large number of proposals make it challenging for the parties to identify and focus their work on key priorities; a more limited number of proposals is expected to meaningfully improve the likelihood of settlement. The Employer respectfully suggests that the Commission issue a direction in that regard and direct the parties to return to negotiations with a reduced number of proposals, prior to the issuance of the Commission's report.

## 1.6 Common Proposals

Twenty-three provisions, listed below, have been identified jointly by the parties as common proposals that apply to all four tables (PA, SV, TC and EB) currently in the PIC process.

On November 25, 2019, the Employer and the Bargaining Agent agreed that it was appropriate to make representations on these provisions only once and to do so during the PIC process for the PA group. This avoids unnecessary duplication in the respective submissions for the four groups, and limits the risk of having different recommendations on the same topics.

1. Article 10 – Information
2. Article 11 – Check-Off
3. Article 12 – Use of Employer facilities
4. Article 13 – Employee Representatives
5. Article 14 – Leave with or without pay for Alliance business: cost recovery
6. Article 17 – Discipline
7. Article 20 – Sexual Harassment
8. Article 24 – Technological Change
9. Article 30 – Designated Paid Holiday
10. Article 34 – Vacation Leave with Pay
11. Article 35 – Sick Leave with Pay
12. Article 40 – Parental Leave without Pay
13. Article 42 – Compassionate Care and Caregiving Leave
14. Article 57 – Employee Performance Review and Employee Files
15. Article 65 – Pay Administration
16. New Article – Domestic Violence Leave
17. New Article – Protections against Contracting Out
18. Appendix D – Workforce Adjustment
19. Appendix F – Memorandum of Understanding Between the Treasury Board of Canada and the Public Service Alliance of Canada with Respect to Implementation of the Collective Agreement
20. Appendix M – Memorandum of Understanding between the Treasury Board and the Public Service Alliance of Canada with respect to Mental Health in the Workplace
21. Appendix N – Memorandum of Understanding between the Treasury Board and the Public Service Alliance of Canada with respect to Child Care
22. Appendix O – Memorandum of Agreement on Supporting Employee Wellness

23. New Appendix – Memorandum of Understanding Between the Treasury Board of Canada and the Public Service Alliance of Canada (RCMP)

### **1.7 Damages related to the Phoenix Pay System**

In May 2017, the PSAC and other CPA Bargaining Agents chose to create and mandate a joint senior level Employer-Union Phoenix sub-committee to resolve the issue of damages incurred by employees related to the Phoenix pay system. Between May 2017 and June 2019, this committee worked independently from the collective bargaining tables.

On June 12, 2019, an agreement was reached between the Employer and 15 Bargaining Agents on Phoenix damages. The PSAC did not agree to the terms of the agreement, which includes up to five days of paid leave, and compensation for monetary and non-monetary losses. This agreement settled the damages portion of the pending recourses by these Bargaining Agents and their members following the filing of unfair labour complaints, as well as policy and individual grievances.

The Employer is open to continuing discussions with the PSAC to conclude an agreement on Phoenix damages, recognizing that PSAC employees should be compensated for the damages incurred related to the Phoenix pay system. However, the Employer respectfully submits that Phoenix-related damages should not influence this Committee's deliberations. This issue is pending resolution at a different forum, and in the event that the parties fail to reach an agreement, the FPSLRB is the appropriate forum for third party resolution.

## **Part II – Considerations**

In its approach to collective bargaining and the renewal of collective agreements, the Employer's goal is to ensure fair compensation for employees and, at the same time, to deliver on its overall fiscal responsibility and commitments to the priorities of the government and Canadians.

Section 175 of the FPSLRA outlines four principles for consideration by public interest commissions:

- Recruitment and retention
  - (a) the necessity of attracting competent persons to, and retaining them in, the public service in order to meet the needs of Canadians;*
- External comparability
  - (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;*
- Internal relativity
  - (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*
- The state of the economy and the government's fiscal situation
  - (e) the state of the Canadian economy and the Government of Canada's fiscal circumstances*

In addition, the Employer appeals to replication as a guiding principle to set compensation and suggest that the Commission consider all elements of total compensation when making its recommendations for the SV group.

## 2.1 Recruitment and Retention

TBS sets compensation levels that enable it to recruit and attract qualified and motivated employees. Recruitment and retention indicators show that the SV group is relatively healthy and provides no evidence that increases above the established pattern is needed to recruit and retain employees.

The public service went through a restraint period from 2011-12 to 2015-16. The data presented in this section reflect the Government of Canada's restraint measures that affected employment. During this period, the Government of Canada undertook the Deficit Reduction Action Plan, strategic and operating reviews, and implemented an operating budget freeze through to 2015-16.<sup>4</sup> These measures had direct effects on hiring and employment levels across the Government of Canada. The data tables below present information for the SV occupational groups in comparison to the average for the core public administration.

Table 5 shows the SV group population over the last five (5) fiscal years. Over the reference period, the FR, GS and SC groups have all shown strong growth, while the populations for the GL and HP have stabilized over the same period. These are the types of changes in population that one would expect coming out of a period of restraint. It is also important to note that while the HS group experienced a significant decrease in population over the reference period, this was due to the transfer of Ste-Anne's hospital employees to the Government of Quebec in 2016, and not due to any recruitment or retention problems.

**Table 5: Population**

Population	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Population variation - FR group</b>					
<b>12-months average population</b>	491	482	481	487	513
<b>Year-to-year (y/y) increase</b>	-	-1.9%	-0.2%	1.2%	5.3%
<b>Core Public Administration (CPA) y/y increase</b>	-	-2.8%	-1.6%	0.4%	2.1%
<b>Population variation - GL group</b>					
<b>12-months average population</b>	4,740	4,453	4,297	4,289	4,255
<b>Year-to-year (y/y) increase</b>	-	-6.1%	-3.5%	-0.2%	-0.8%
<b>Core Public Administration (CPA) y/y increase</b>	-	-2.8%	-1.6%	0.4%	2.1%

<sup>4</sup> The operating budget freeze held departmental budgets at their existing reference levels. Further, it required that departments fund wage increases from their existing funding levels in perpetuity, which is contrary to the convention of a central government fund providing for negotiated wage increases. This is an important consideration because departments would have to set aside contingency funds for wage increases as a trade-off for program spending.

Population variation - GS group					
12-months average population	3,216	3,058	3,008	3,078	3,116
Year-to-year (y/y) increase	-	-4.9%	-1.7%	2.3%	1.2%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%
Population variation - HP group					
12-months average population	440	418	413	407	405
Year-to-year (y/y) increase	-	-4.9%	-1.1%	-1.6%	-0.5%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%
Population variation - HS group					
12-months average population	582	560	583	328	260
Year-to-year (y/y) increase	-	-3.8%	4.1%	-43.8%	-20.6%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%
Population variation - LI group					
12-months average population	92	90	84	84	80
Year-to-year (y/y) increase	-	-2.1%	-7.0%	0.3%	-4.4%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%
Population variation - PRS group					
12-months average population	4	2	3	3	4
Year-to-year (y/y) increase	-	-37.0%	24.1%	0.0%	27.8%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%
Population variation - SCgroup					
12-months average population	1,225	1,221	1,186	1,238	1,232
Year-to-year (y/y) increase	-	-0.3%	-2.9%	4.4%	-0.5%
Core Public Administration (CPA) y/y increase	-	-2.8%	-1.6%	0.4%	2.1%

Source: Incumbent file

**Notes:**

1. Figures include employees working in departments and organizations of the core public administration (FAA Schedule I and IV).
2. Figures include all active employees and employees on leave without pay (by substantive classification) who were full- or part-time indeterminate and full- or part-time seasonal.

Table 6 shows that the hirings were very healthy for the SV groups since 2013-2014. Hires for the GS and HP groups were very strong over the reference period, while the GL group hires have increased by almost 3 times since 2013-2014. The SC group has demonstrated even stronger hires being more than enough to compensate for separations shown in Table 7. While the hiring rate for the FR group were lower than the CPA average, it is important to keep in mind that separations have been extremely low for this group and departments have not needed to hire at the same rate as other groups. Finally, the volatile hiring rate for the HS group can once again be explained by the departure of employees to the Government of Quebec.

**Table 6: Hiring**

Hiring	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Hiring FR</b>					
External Hiring	30	26	23	48	29
Internal Hiring	1	1	0	0	2
<b>Total Hiring (external and internal)</b>	<b>31</b>	<b>27</b>	<b>23</b>	<b>48</b>	<b>31</b>
<b>Total Hiring Rate</b>	<b>6.3%</b>	<b>5.6%</b>	<b>4.8%</b>	<b>9.9%</b>	<b>6.0%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>
<b>Hiring GL</b>					
External Hiring	102	165	295	314	334
Internal Hiring	27	22	25	50	36
<b>Total Hiring (external and internal)</b>	<b>129</b>	<b>187</b>	<b>320</b>	<b>364</b>	<b>370</b>
<b>Total Hiring Rate</b>	<b>2.7%</b>	<b>4.2%</b>	<b>7.4%</b>	<b>8.5%</b>	<b>8.7%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>
<b>Hiring GS</b>					
External Hiring	80	186	281	268	301
Internal Hiring	17	25	31	45	26
<b>Total Hiring (external and internal)</b>	<b>97</b>	<b>211</b>	<b>312</b>	<b>313</b>	<b>327</b>
<b>Total Hiring Rate</b>	<b>3.0%</b>	<b>6.9%</b>	<b>10.4%</b>	<b>10.2%</b>	<b>10.5%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>
<b>Hiring HP</b>					
External Hiring	14	14	26	19	33
Internal Hiring	5	7	21	10	9
<b>Total Hiring (external and internal)</b>	<b>19</b>	<b>21</b>	<b>47</b>	<b>29</b>	<b>42</b>
<b>Total Hiring Rate</b>	<b>4.3%</b>	<b>5.0%</b>	<b>11.4%</b>	<b>7.1%</b>	<b>10.4%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>
<b>Hiring HS</b>					
External Hiring	10	15	82	25	11
Internal Hiring	5	2	2	1	1
<b>Total Hiring (external and internal)</b>	<b>15</b>	<b>17</b>	<b>84</b>	<b>26</b>	<b>12</b>
<b>Total Hiring Rate</b>	<b>2.6%</b>	<b>3.0%</b>	<b>14.4%</b>	<b>7.9%</b>	<b>4.6%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>
<b>Hiring LI</b>					
External Hiring	7	1	0	6	5
Internal Hiring	1	0	0	1	0
<b>Total Hiring (external and internal)</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>5</b>
<b>Total Hiring Rate</b>	<b>8.7%</b>	<b>1.1%</b>	<b>0.0%</b>	<b>8.3%</b>	<b>6.2%</b>
<b>CPA Total Hiring Rate</b>	<b>4.1%</b>	<b>5.5%</b>	<b>6.9%</b>	<b>9.2%</b>	<b>11.6%</b>

<b>Hiring PR (S)</b>					
<b>External Hiring</b>	0	0	0	0	2
<b>Internal Hiring</b>	0	1	0	1	2
<b>Total Hiring (external and internal)</b>	0	1	0	1	4
<b>Total Hiring Rate</b>	0.0%	41.4%	0.0%	33.3%	104.3%
<b>CPA Total Hiring Rate</b>	4.1%	5.5%	6.9%	9.2%	11.6%
<b>Hiring SC</b>					
<b>External Hiring</b>	119	74	84	195	162
<b>Internal Hiring</b>	2	5	5	4	7
<b>Total Hiring (external and internal)</b>	121	79	89	199	169
<b>Total Hiring Rate</b>	9.9%	6.5%	7.5%	16.1%	13.7%
<b>CPA Total Hiring Rate</b>	4.1%	5.5%	6.9%	9.2%	11.6%

Source: PSC Appointments file

**Notes:**

1. Figures include employees working in departments and organizations of the core public administration (FAA Schedule I and IV).
2. Figures include all active employees and employees on leave without pay (by substantive classification) who were full- or part-time indeterminate and full- or part-time seasonal.
3. External hiring includes hires from outside the CPA. It also includes employees whose employment tenure changed from casual, term or student to indeterminate or seasonal.
4. Internal hiring includes hires to the group from other groups within the CPA.
5. Total hiring rates are calculated by dividing the number of external and internal hires in a given fiscal year by the average number of employees.

Table 7 shows separation rates for the SV bargaining unit from 2013-2014 to 2017-2018. The FR group has demonstrated extremely low separation rates that are consistently below that of the CPA average. In terms of the remaining groups, the GL, GS and HP have had separation rates that are comparable to that of the CPA average while the SC group has had separations slightly above. As mentioned earlier, the higher separation rates for the HS group were due to the transfer of some employees to the Government of Quebec.

As noted in Table 7, the SV group has experienced very few employees leaving the public service due to non-retirement, with the majority of groups experiencing a decline for this statistic. This further demonstrates that the federal government continues to offer attractive terms and conditions, stable employment and very competitive wages which makes it a highly sought after establishment for employment.

**Table 7: Separations**

<b>Separations</b>					
	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>Separations - Voluntary - Non-Retirements group - FR group</b>					
<b>External Separations</b>	31	26	33	25	29
<i>Voluntary - Non-Retirements</i>	12	7	7	8	5
<i>Voluntary - Retirements</i>	18	17	25	15	16
<i>Involuntary</i>	1	2	1	1	2
<i>Unspecified</i>	0	0	0	1	6
<b>Internal Separations</b>	0	1	1	1	0
<b>Total Separations (internal and external)</b>	31	27	34	26	29
<b>Total Separation Rate</b>	6.3%	5.6%	7.1%	5.3%	5.7%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - GL group</b>					
<b>External Separations</b>	487	327	359	303	309
<i>Voluntary - Non-Retirements</i>	67	52	40	43	27
<i>Voluntary - Retirements</i>	207	203	242	194	229
<i>Involuntary</i>	213	72	77	56	37
<i>Unspecified</i>	0	0	0	10	16
<b>Internal Separations</b>	57	55	74	76	82
<b>Total Separations (internal and external)</b>	544	382	433	379	391
<b>Total Separation Rate</b>	11.5%	8.6%	10.1%	8.8%	9.2%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - GS group</b>					
<b>External Separations</b>	287	218	227	198	191
<i>Voluntary - Non-Retirements</i>	42	33	33	22	21
<i>Voluntary - Retirements</i>	163	125	159	149	149
<i>Involuntary</i>	82	60	35	17	9
<i>Unspecified</i>	0	0	0	10	12
<b>Internal Separations</b>	61	74	68	75	88
<b>Total Separations (internal and external)</b>	348	292	295	273	279
<b>Total Separation Rate</b>	10.8%	9.5%	9.8%	8.9%	9.0%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - HP group</b>					
<b>External Separations</b>	39	31	36	33	26
<i>Voluntary - Non-Retirements</i>	10	9	5	3	3
<i>Voluntary - Retirements</i>	24	20	29	27	22
<i>Involuntary</i>	5	2	2	3	0
<i>Unspecified</i>	0	0	0	0	1

<b>Internal Separations</b>	8	3	5	16	9
<b>Total Separations (internal and external)</b>	47	34	41	49	35
<b>Total Separation Rate</b>	10.7%	8.1%	9.9%	12.0%	8.6%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - HS group</b>					
<b>External Separations</b>	46	23	22	340	55
<i>Voluntary - Non-Retirements</i>	7	7	6	4	2
<i>Voluntary - Retirements</i>	38	15	12	8	13
<i>Involuntary</i>	1	1	4	327	38
<i>Unspecified</i>	0	0	0	1	2
<b>Internal Separations</b>	12	6	6	3	4
<b>Total Separations (internal and external)</b>	58	29	28	343	59
<b>Total Separation Rate</b>	10.0%	5.2%	4.8%	104.7%	22.7%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - LI group</b>					
<b>External Separations</b>	6	3	8	3	10
<i>Voluntary - Non-Retirements</i>	0	0	0	0	0
<i>Voluntary - Retirements</i>	6	3	7	3	10
<i>Involuntary</i>	0	0	1	0	0
<i>Unspecified</i>	0	0	0	0	0
<b>Internal Separations</b>	0	1	2	0	1
<b>Total Separations (internal and external)</b>	6	4	10	3	11
<b>Total Separation Rate</b>	6.5%	4.4%	11.9%	3.6%	13.7%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - PRS group</b>					
<b>External Separations</b>	1	1	0	0	0
<i>Voluntary - Non-Retirements</i>	0	0	0	0	0
<i>Voluntary - Retirements</i>	1	1	0	0	0
<i>Involuntary</i>	0	0	0	0	0
<i>Unspecified</i>	0	0	0	0	0
<b>Internal Separations</b>	0	0	0	2	1
<b>Total Separations (internal and external)</b>	1	1	0	2	1
<b>Total Separation Rate</b>	26.1%	41.4%	0.0%	66.7%	26.1%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%
<b>Separations - Voluntary - Non-Retirements group - SCgroup</b>					
<b>External Separations</b>	98	94	81	99	85
<i>Voluntary - Non-Retirements</i>	11	19	19	15	14
<i>Voluntary - Retirements</i>	77	71	59	70	58
<i>Involuntary</i>	10	4	3	10	9
<i>Unspecified</i>	0	0	0	4	4

<b>Internal Separations</b>	14	28	28	56	67
<b>Total Separations (internal and external)</b>	112	122	109	155	152
<b>Total Separation Rate</b>	9.1%	10.0%	9.2%	12.5%	12.3%
<b>CPA Total Separation Rate</b>	8.3%	7.5%	7.9%	8.3%	8.5%

**Notes:**

1. Figures include employees working in departments and organizations of the core public administration (FAA Schedule I and IV).
2. Figures include all active employees and employees on leave without pay (by substantive classification) who were full- or part-time indeterminate and full- or part-time seasonal.
3. External separations are separations to outside the CPA. Voluntary non-retirement separations include resignation from the CPA for: outside employment, return to school, personal reasons, abandonment of position; it also includes separation to a Separate Agency. Voluntary retirement separations includes all retirements due to illness, age, or elective. Involuntary separations include resignation under Workforce Adjustment, discharge for misconduct, release for incompetence or incapacity, cessation of employment - failure to appoint, dismissed by Governor-in-Council, layoff, rejected during probation, and death.
4. Internal separations are separations from the group to other groups within the CPA.
5. Total Separations rates are calculated by dividing the number of external and internal separations in a given fiscal year by the average number of employees.

Table 8 presents job advertisement figures for the SV groups. The analysis shows that the total number of screened-in candidates per job advertisement has been consistent high over the 5-year period, providing departments with a large pool of qualified applicants.

It is important to note that highly specialized groups, such as the SV group, have a more limited pool to draw from, compared to groups requiring less specialized skills, such as the PA group. This explains the results shown below.

**Table 8: Job advertisements**

<b>Job Advertisements</b>					
	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Total Advertisements</b>					
FR	7	7	10	8	2
GL	108	155	217	173	162
GS	62	59	118	87	75
HP	14	20	23	15	12
HS	5	7	8	5	1
LI	1	2	0	2	5
PRS	0	0	1	1	0
SC	10	20	21	18	24
CPA median	9	8	10	9	14
<b>Total Applications per Advertisement</b>					
FR	106	38	30	51	113

GL	28	32	30	49	42
GS	84	104	73	61	97
HP	54	22	19	20	30
HS	80	67	38	31	69
LI	33	64	-	48	38
PRS	-	-	27	12	-
SC	39	56	61	112	116
CPA median	82	84	95	74	132
<b>Total Applications Screened-In Per Job Advertisement</b>					
FR	91	38	26	42	91
GL	23	24	22	33	29
GS	66	72	58	47	79
HP	44	17	14	14	21
HS	79	57	31	26	63
LI	9	20	-	32	31
PRS	-	-	27	10	-
SC	39	56	61	112	116
CPA median	82	84	95	74	132

**Notes:**

1. Figures include applications to external job advertisements from departments and organizations of the core public administration (FAA Schedule I and IV).
2. Data are for closed advertisement. Cancelled advertisements are excluded.
3. Screened-In applications are those that meet the essential criteria of the advertisement.

**Public Service Employee Survey Results for the SV bargaining unit**

The Public Service Employee Survey results include certain indicators for measuring retention and overall job satisfaction.

Table 9 shows that the majority of employees in the SV group like their job. The federal government continues to offer attractive terms and conditions, stable employment and very competitive wages, which makes it a highly sought after establishment for employment.

This further demonstrates that the Employer's wage offer, replicating the pattern negotiated with 34 other groups in the federal public service, is very reasonable.

**Table 9: Overall Job Satisfaction**

<b>Q14. Overall, I like my job.</b>		<b>Positive (%)</b>
		<b>2018</b>
SV	FR	82
	GL	80
	GS	81
	HP	82
	HS	91
	LI	82
	PR	93
	SC	88
<b>Public Service Average</b>		<b>80</b>

Table 10 shows that employees in the SV group are less likely to leave their position over the next two years, as compared to the Public Service average. This once again points to evidence that SV employees have an overall high sense of job satisfaction and that they are not actively looking to leave their current position.

**Table 10: Intention to Leave Current Position**

<b>Q46. Do you intend to leave your current position in the next two years?</b>				
<b>2018 PSES Survey</b>				
	<b>Yes (%)</b>	<b>No (%)</b>	<b>Not Sure (%)</b>	
SV	FR	12	60	28
	GL	16	52	32
	GS	21	45	34
	HP	14	57	29
	HS	11	48	41
	LI	25	62	14
	PR	8	85	7
	SC	21	50	29
<b>Public Service Average</b>		<b>27</b>	<b>39</b>	<b>35</b>

## 2.2 External Comparability

This section compares SV group pay rates to those offered in the external market. The Government of Canada's stated objective is to provide compensation that is competitive with, but not leading, compensation provided for similar work in relevant external labour markets. TBS reviews labour market trends nationally and it commissions third-party

human resources experts to conduct research at the occupational group level. National trends guide compensation decisions.

This section will demonstrate that SV wages are competitive with the external labour market.

### **Summary of External Wage Studies**

In 2019, Mercer Canada LLC completed a study to evaluate the competitiveness of its base salary levels for 18 positions in the SV group relative to the external market (a copy of the final report can be found in Exhibit #6). For the selected positions, secondary research salary surveys from the HR firms Mercer, Towers Watson, and Morneau Shepell were used to conduct the market analysis. Matches for these 18 benchmark positions were determined based on job content and professional judgement, as survey capsule descriptions are typically brief relative to organizational descriptions. As a rule of thumb, positions are considered a “good match” if at least 80% of the role is represented in the survey position capsule description.

There were five (5) positions where Mercer was unable to provide market data due to insufficient data from the salary surveys or no appropriate job match (Firefighter, Fire Inspector, Pipefitter, Automobile/Heavy Duty Mechanic, and Construction/Maintenance Supervisor).

TBS' incumbent data was compared to the 50th percentile of the market using the maximum salary range for its annualized base salary. The maximum level of a salary range is a good indicator of the expected salary of federal government employees. Generally, federal public sector base pay practices are calibrated such that employees will achieve the maximum base salary rate of pay (job rate) of their salary band based on a combination of tenure and performance. External to the public sector at any given level, the 50th percentile of a defined labour market, typically represents the expected salary for “fully competent” job performance. Progression beyond the 50th percentile midpoint is generally reserved for a high relative performance and advanced competency growth. The choice of the 50th percentile as an acceptable benchmark is consistent with TBS' key guiding compensation principle that TBS wants compensation in the public service to be competitive with, but not lead, relevant external labour markets that provide similar work.

Compensation within plus or minus 10% of TBS's target market positioning are generally considered to be within competitive norms and market-aligned. By assuming a single competitive rate, one would impose too high a level of precision on an analysis that requires subjective decisions in defining and comparing work across organizations.

Overall, Table 11 indicates that SV wages are either competitive with or leading the market for all but one position. However, the one position that lagged the market, Driver, Heavy vehicle (GL-MDO-05), when comparing TBS 2017 rates to 2018 markets rates; applying the Employer's first year proposal would shift the GL-MDO-05 within the competitive range. In addition, adjusting the wages by the Employer's proposal for the first year would shift the Construction Labourer (GL-ELE-03), Building Systems Maintenance Technician (GL-MAM-08) and Cook (GS-FOS-06) ahead of the market, while improving the competitiveness for the remainder of the positions.

**Table 11: SV Wage Study Results**

<i>Compensation Data in \$000s</i>				<b>Actual Base Salary</b>	
<b>Stream</b>	<b>TBS Position</b>	<b>Classification Level</b>	<b>TBS Max Salary</b>	<b>P50 (\$)</b>	<b>TBS Max vs Market P50</b>
Firefighters	Firefighter	FR-01	\$77.6	N/A	N/A
	Fire Inspector	FR-02	\$81.7	N/A	N/A

<i>Compensation Data in \$ Hourly</i>				<b>Actual Hourly Rate</b>	
<b>Stream</b>	<b>TBS Position</b>	<b>Classification Level</b>	<b>TBS Max Rate</b>	<b>P50 (\$)</b>	<b>TBS Max vs Market P50</b>
General Labour and Trades	Construction Labourer	GL-ELE-03	\$22.30	\$20.51	9%
	Driver, Heavy Vehicle	GL-MDO 5	\$24.63	\$27.84	-12%
	Building Systems Maintenance Technician	GL-MAM-08	\$29.13	\$26.66	9%
	Painter/Sign Painter	GL-PCF-07	\$30.32	\$32.11	-6%
	Carpenter	GL-WOW-09	\$30.68	\$32.82	-7%
	HVAC / Mechanical Technician	GL-MAM-10	\$35.30	\$34.48	2%
	Pipefitter	GL-PIP-09	\$32.27	N/A	N/A
	Automobile/Heavy Duty Mechanic	GL-VHE-10	\$33.47	N/A	N/A
	Construction/Maintenance Supervisor	GL-COI-11/C3	\$39.02	N/A	N/A
	Electrician	GL-EIM-11	\$35.46	\$37.19	-5%
Sheet Metal Worker	GL-SMW-10	\$35.62	\$35.77	0%	
General Services	Building Cleaner	GS-BUS-02	\$20.26	\$21.30	-5%
	Food Service Helper	GS-FOS-02	\$20.26	\$19.58	3%
	Storeperson	GS-ST5-04	\$24.90	\$26.69	-7%
	Cook	GS-FOS-06	\$28.65	\$26.46	8%
Heating, Power and Stationary Plant Operations	Shift Engineer (non-supervisory)	HP-4	\$35.19	\$29.59	19%

As shown in Table 12, Mercer also performed a joint wage study with the PSAC to determine market relativity for the SC positions within the SV Group (a copy of the final report can be found in Exhibit #7). Primary research was completed based on the TBS

benchmark roles for the SC group. The results showed that the SC group currently have wages that are comparable with the market.

**Table 12: SC Wage Study Results**

<i>Compensation Data in \$</i>				<b>Actual Base Salary</b>	
<b>Stream</b>	<b>TBS Position</b>	<b>Classification Level</b>	<b>TBS Max Salary</b>	<b>P50 (\$)</b>	<b>TBS Max vs Market P50</b>
Ships Crews	Deckhand	SC-2	\$54,072	\$54,140	0%
	Boatswain	SC-5	\$59,496	\$56,420	5%
	Engine Room Assistant	SC-3	\$55,824	\$55,968	0%
	Steward	STD-1	\$52,896	\$50,450	5%

The results of the Mercer studies further support the Employer's position that exceeding 2.0%, 2.0%, 1.5% and 1.5% over four years and deviating from the current pattern established with the core public administration's represented population is unwarranted.

### **Analysis of SV Pay Study Results from 2015 and 2019**

This section explains how the 2014 collective bargaining settlement provided sufficient funding to fully address the market gaps identified in the joint 2015 study. The 2019 study shows that SV group occupations are broadly competitive with their market comparators, examined as a whole. Consequently, the 1% available for group-specific measures is sufficient to address any outstanding gaps, if it is the PSAC's decision to do so.

The section reviews methodological issues related to the use of pay studies in determining wage increases.

### **The 2015 Joint Hay Study**

In February 2015, a joint compensation review with the PSAC was completed by the Hay group. The study surveyed 21 SV positions agreed upon by both parties.

The survey consisted of primary research inviting 360 organizations to participate. The invitees were either large private sector corporations or public sector organizations.

The Hay group developed a custom survey with data elements for each of the benchmark positions, which were sent to the potential participants. Participating organizations completed the surveys and returned the information directly to the

contractor. In total, 47 organizations provided responses for 23,517 incumbent positions and 17 occupations. The Hay group then vetted the data, as well as the job matching information, and followed up where necessary based on their professional judgement. The data was then aggregated and market wage estimates were determined.

As indicated in Table 13, the 2015 Joint Hay Study results showed that wages for some SV sub-groups were behind their external comparators, with many being within a plus or minus 10% range. The results also indicated that some SV sub-groups were ahead of their external comparators.

**Table 13: 2015 Joint Compensation Review Results**

Study Position	Job Group Level	ALL ORGANIZATIONS - INCUMBENT WEIGHTED	ALL ORGANIZATIONS - ORG WEIGHTED	Annual Salary (Effective Aug 5, 2013)	% difference from Incumbent P50	% difference from Organization P50	2014 round of negotiations
		Base Salary (P50)	Base Salary (P50)		Base Salary (P50)	Base Salary (P50)	2016 Market Adjustment
1. Fire Fighter	FR01	\$ 90,600	\$ 81,500	\$ 64,177	-29.2%	-21.3%	15%
2. Fire Lieutenant / Chief	FR02	\$ 113,300	\$ 102,200	\$ 67,580	-40.4%	-33.9%	15%
3. Construction / Maintenance Supervisor	GLCOI11	\$ 50,300	\$ 80,800	\$ 67,057	33.3%	-17.0%	0.50%
4. Electrician	GLEIM11	\$ 72,400	\$ 66,500	\$ 66,430	-8.2%	-0.1%	6%
5. General Labourer / Trades Helper	GLELE03	\$ 35,600	\$ 47,100	\$ 44,057	23.8%	-6.5%	0.50%
6. Refrigeration / HVAC Technician*	GLMAM08	\$ 108,300	\$ 64,100	\$ 56,434	-47.9%	-12.0%	2.5%*
7. Driver, Heavy Vehicle	GLMDO05	\$ 40,900	\$ 45,900	\$ 48,670	19.0%	6.0%	0.50%
8. Painter / Sign Painter - Construction	GLPCF07	\$ 57,800	\$ 57,800	\$ 59,919	3.7%	3.7%	0.50%
9. Plumber / Pipefitter	GLPIP09	\$ 64,500	\$ 63,600	\$ 62,820	-2.6%	-1.2%	2%
10. Sheet Metal Worker	GLSMW10	\$ 69,300	\$ 57,400	\$ 70,396	1.6%	22.6%	0.50%
11. Automotive / Heavy Duty Equipment Mechanic	GLVHE10	\$ 89,900	\$ 65,800	\$ 60,962	-32.2%	-7.4%	9%
12. Carpenter	GLWOW09	\$ 64,500	\$ 62,800	\$ 59,731	-7.4%	-4.9%	2%
13. Cleaner / Janitor	GSBUS02	\$ 37,100	\$ 40,700	\$ 39,925	7.6%	-1.9%	0.75%
14. Food Service Helper	GSFOS02	\$ 34,900	\$ 35,400	\$ 39,925	14.4%	12.8%	0.75%
15. Cook	GSFOS06	\$ 41,500	\$ 42,500	\$ 56,475	36.1%	32.9%	0.75%
16. Storesperson	GSSTS04	\$ 39,200	\$ 47,900	\$ 49,087	25.2%	2.5%	0.75%
17. Stationary Engineer (2nd Class)	HP04	\$ 107,700	\$ 69,600	\$ 60,775	-43.6%	-12.7%	15%
18. Deckhand	SCDED02				N/A	N/A	5%
19. Boatswain	SCDED05				N/A	N/A	5%
20. Engine Room Assistant	SCERD03				N/A	N/A	5%
21. Steward	SCSTD01				N/A	N/A	5%

\* Note the GL-MAM refrigeration HVAC technicians received an \$8,000 HVAC Allowance

A critical issue between the parties, in determining the nature of the market gap, was whether the results were *incumbent-weighted* or *organization-weighted*. As noted in Table 13, the difference in results between *incumbent-based* and *organization-based* weighting in the 2015 Joint Hay Study were mixed. For 8 of the 17 occupations, the incumbent-weighted results showed higher external salaries than the organization-weighted data. However, for two occupations salaries of external comparators were almost 70% higher on an incumbent-weighted basis than an organization-weighted basis (HVAC Technician and Stationary Engineer).

Details on the two methodologies are provided below:

- Under *incumbent-weighting*, each job response was counted equally in calculating average wages for external comparators. The difficulty with this approach is that organizations that provided multiple responses for a particular occupation were over-represented in calculating average wages, as compared to other organizations, even though their relative importance was the same. *In other words, two similar organizations could be provided significantly different weight in determining results, as a result of the manner in which they completed the survey.*
- Under *organization-weighting*, the wage rates for each occupation within an organization were given equal weight in determining average external wages, irrespective of the number of individual responses an organization provided for the occupation.

The Employer based its analysis on the *organizational-weighted* results, on the basis that these results were more representative of the external labour market, this approach reduced the impact of outlying data and it avoided individual organizations having an undue influence on the results. Moreover, organization-weighted results are the generally accepted industry standard.

## **2014 Round of Negotiations**

To address the results of the 2015 Joint Hay study, the Employer allocated an amount for wage adjustments in the 2014 round of bargaining based on a weighted average of the wage gap across sub-groups, taking into consideration occupations that were both above and below market comparators<sup>5</sup>. Taking account of the annual economic increases as part of the pattern settlement, the allocated mandate was sufficient to allow wages for all sub-groups covered by the study to be aligned to their external comparators.

A tentative settlement was reached by the parties on February 4, 2017 with pattern economic increases for the SV group of 1.25% per year over four years, which was consistent with the rest of the Core Public Administration, and wage increases to address the gaps identified by the Employer's analysis of the study.

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<sup>5</sup> The calculation was weighted by the number of employees in each sub-group, so that larger sub-groups were given more importance than smaller sub-groups.

Market adjustments of 15% were provided to the FR and the HP groups, which were the highest increases in the 2014 round of bargaining. The GL-VHE group received a 9% market adjustment, the GL-EIM group received a market adjustment of 6% and the GL-MAM group received a market adjustment of 2.5%, plus an annual HVAC allowance of \$8,000. Groups that had results with rates higher than the market also received a wage adjustment in year three of the agreement. A complete listing of the market and wage adjustments provided in the 2014-2018 round can be found in Exhibit #8.

It should also be noted that the union negotiated a 5% wage adjustment for the SC group even though they were not included in the 2015 Joint Hay Study results. The effect of this was to divert a significant amount of funds that could have been otherwise used to fully close the market gap identified by the study for other sub-groups. In effect, the union chose to prioritise internal relativity considerations over external comparability.

The 2014 negotiations were intended to provide a final resolution to the external comparator market gaps identified in the 2015 Joint Hay Study. The parties acknowledged this in the settlement report in noting that wage adjustments were “to resolve issues identified in the March 30, 2015 TBS/PSAC 2014 compensation survey result” (Exhibit #8).

### **The 2019 Mercer Study**

In 2019, the Employer engaged Mercer Canada for a wage study using the same positions included in the 2015 Joint Hay Study (minus the SC groups). Similar to the latest PA and TC wage studies, this study was done using secondary research and compared SV wages with the external market.

Secondary research such as this is common practice in determining compensation in the market and has often been used by the Employer in collective bargaining, arbitration and conciliation. Recently, secondary research was used in a joint wage study with the EL Group (IBEW) and led to a deal in this current round of bargaining.

The research used in the 2019 Mercer study contains 2018 market data from the Mercer Benchmark Database, Willis Towers Watson Survey, and the Morneau Shepell Survey. Mercer matched benchmark positions based on job content and professional judgement. The results of this survey are outlined in Table 14.

**Table 14: 2019 SV Wage Study Results**

Compensation Data in \$000s				Actual Base Salary		
Stream	TBS Position	Classification Level	TBS Max Salary	P50 (\$)	Converted Annual	TBS Max vs Market P50
Firefighters	Firefighter	FR-01	\$77.6	N/A	N/A	N/A
	Fire Inspector	FR-02	\$81.7	N/A	N/A	N/A

Compensation Data in \$ Hourly				Actual Hourly Rate		
Stream	TBS Position	Classification Level	TBS Max Rate	P50 (\$)	Converted Annual	TBS Max vs Market P50
General Labour and Trades	Construction Labourer	GL-ELE-03	\$22.30	\$20.51	\$ 42,805	9%
	Driver, Heavy Vehicle	GL-MDO 5	\$24.63	\$27.84	\$ 58,103	-12%
	Building Systems Maintenance Technician	GL-MAM-08	\$29.13	\$26.66	\$ 55,640	9%
	Painter/Sign Painter	GL-PCF-07	\$30.32	\$32.11	\$ 67,015	-6%
	Carpenter	GL-WOW-09	\$30.68	\$32.82	\$ 68,497	-7%
	HVAC / Mechanical Technician	GL-MAM-10	\$35.30	\$34.48	\$ 71,961	2%
	Pipefitter	GL-PIP-09	\$32.27	N/A	N/A	N/A
	Automobile/Heavy Duty Mechanic	GL-VHE-10	\$33.47	N/A	N/A	N/A
	Construction/Maintenance Supervisor	GL-COI-11/C3	\$39.02	N/A	N/A	N/A
	Electrician	GL-EIM-11	\$35.46	\$37.19	\$ 77,617	-5%
Sheet Metal Worker	GL-SMW-10	\$35.62	\$35.77	\$ 74,653	0%	
General Services	Building Cleaner	GS-BUS-02	\$20.26	\$21.30	\$ 44,454	-5%
	Food Service Helper	GS-FOS-02	\$20.26	\$19.58	\$ 40,864	3%
	Storeperson	GS-ST5-04	\$24.90	\$26.69	\$ 55,703	-7%
	Cook	GS-FOS-06	\$28.65	\$26.46	\$ 55,223	8%
Heating, Power and Stationary Plant Operations	Shift Engineer (non-supervisory)	HP-4	\$35.19	\$29.59	\$ 61,756	19%

The results in Table 14 show that the HP-04 position is currently leading the market while the remaining positions other than the GL-MDO-05 were deemed to be comparable. It is important to note that the study shows that TBS wages are highly competitive with the market even though the study compares 2017 TBS wages to market data from 2018. Adjusting for this would move the GL-MDO-05 into the comparable range.

There were five (5) positions where Mercer was unable to provide results due to insufficient data.

### Comparing the 2015 Joint Hay Study and the 2019 Mercer Study

Table 15 shows a comparison between the 2015 Joint Hay and the 2019 Mercer studies (using an organisation-weighted approach). The results of the 2019 Mercer study are consistent with those of the 2015 Hay study. External wages in the 2019 Mercer study are about 11% higher than the 2015 Hay study, which is modestly higher than average wage growth over the 2015 to 2019 period. Nevertheless, there are significant differences in individual occupational results, which can be expected in small sample studies.

The key conclusion is that the Mercer study is not biased downward relative to the 2015 joint study. If anything, it is, on average, more favourable to the union than the 2015 study.

**Table 15: Comparison of 2015 and 2019 Wage Studies**

Study Position	Job Group Level	Hay 2015 Study	Mercer 2019 Study	2015 Hay vs. 2019 Mercer	CPA Salary
		2014 Annual Salary Org weighted / P50	2018 Annual Salary Org weighted / P50	% Difference	2017 Annual Salary
1. Fire Fighter	FR01	\$ 81,500	N/A	N/A	N/A
2. Fire Lieutenant / Chief	FR02	\$ 102,200	N/A	N/A	N/A
3. Construction / Maintenance Supervisor	GLCO11	\$ 80,800	N/A	N/A	N/A
4. Electrician	GLEIM11	\$ 66,500	\$ 77,617	16.7%	\$ 74,006
5. General Labourer / Trades Helper	GLELE03	\$ 47,100	\$ 42,805	-9.1%	\$ 46,541
6. Building Systems Maintenance Technician	GLMAM08	\$ 64,100	\$ 55,640	-13.2%	\$ 60,795
7. Driver, Heavy Vehicle	GLMDO05	\$ 45,900	\$ 58,103	26.6%	\$ 51,404
8. Painter / Sign Painter - Construction	GLPCF07	\$ 57,800	\$ 67,015	15.9%	\$ 63,279
9. Plumber / Pipefitter	GLPIP09	\$ 63,600	N/A	N/A	N/A
10. Sheet Metal Worker	GLSMW10	\$ 57,400	\$ 74,653	30.1%	\$ 74,340
11. Automotive / Heavy Duty Equipment Mechanic	GLVHE10	\$ 65,800	N/A	N/A	N/A
12. Carpenter	GLWOW09	\$ 62,800	\$ 68,497	9.1%	\$ 64,030
13. Cleaner / Janitor	GSBUS02	\$ 40,700	\$ 44,454	9.2%	\$ 42,283
14. Food Service Helper	GSFOS02	\$ 35,400	\$ 40,864	15.4%	\$ 42,283
15. Cook	GSFOS06	\$ 42,500	\$ 55,223	29.9%	\$ 59,794
16. Storesperson	GSSTS04	\$ 47,900	\$ 55,703	16.3%	\$ 51,967
17. Stationary Engineer (2nd Class)	HP04	\$ 69,600	\$ 61,756	-11.3%	\$ 73,443

### 2019 Ships' Crew Study

Missing from the 2015 Joint Hay Study results was the Ships' Crews (SC) group as there was not enough participation to allow for meaningful results. Nonetheless, this group settled with a 5% wage adjustment along with the pattern established for economic increases. In addition, an MOU was included in the agreement to establish a joint committee with the union and the Employer to examine their compensation (Annex L).

In order to fulfill Annex L of the collective agreement, the PSAC and the Employer proceeded with a joint wage study for the SC group. This primary research study was completed by Mercer Canada in March of 2019 and was vetted by both the union and the Employer. The wage study consisted of four different SC jobs and the results showed that the SC positions surveyed all had wages which were comparable with the market (Table 16).

**Table 16: SC Wage Study Results**

<i>Compensation Data in \$</i>				<b>Actual Base Salary</b>	
<b>Stream</b>	<b>TBS Position</b>	<b>Classification Level</b>	<b>TBS Max Salary</b>	<b>P50 (\$)</b>	<b>TBS Max vs Market P50</b>
Ships Crews	Deckhand	SC-2	\$54,072	\$54,140	0%
	Boatswain	SC-5	\$59,496	\$56,420	5%
	Engine Room Assistant	SC-3	\$55,824	\$55,968	0%
	Steward	STD-1	\$52,896	\$50,450	5%

**Comments on the use of wage studies**

Survey-based wage studies are one of many tools the Employer uses to determine fair salaries for their employees. They provide useful information in benchmarking occupation-specific salaries to external comparators. Nevertheless, their methodological limitations need to be taken into account; accordingly, they also need to be used in conjunction with other indicators of market comparability, such as recruitment and retention data and broader data on wage trends and economic conditions.

As is indicated by the comparison of the 2019 Mercer study and the 2015 Hay study, there can be significant variability in the results for individual occupational sub-groups, due to the small sample sizes used in the studies, and other methodological limitations (e.g., inexact job matching). Accordingly, only results where there is a market gap greater than plus or minus 10% should be regarded as evidence of a misalignment with external comparators. Doing so otherwise imposes too high a level of precision on an imprecise tool, and risks adjusting wages for statistical artifacts rather than underlying wage trends. The use of plus or minus 10% is a generally accepted industry threshold among firms undertaking a wage comparison study.

In general, salary adjustments should only be provided where there is clear evidence of a sustained misalignment of salaries with comparators. There is no practical means of adjusting salaries downward in the future, if subsequent studies determine that federal government salaries for a particular occupation are significantly ahead of their comparators.

Group-specific wage adjustments also need to take account of internal relativity considerations. The government needs to ensure equal pay for equal value work, in order to respect its human rights obligations and to ensure a consistent approach in managing a diverse workforce. The government's objective is to ensure overall

alignment of wage rates with external comparators. However, it may not be possible to align wages with external comparators for some specific sub-groups, where pay rates are not supported by internal relativity comparisons of value of work.

Finally, the studies completed also use the 50th percentile (P50) of the market as the relevant comparator to the TBS maximum salary range. The maximum level of a salary range is a good indicator of the expected salary of federal government employees. Generally, federal public sector base pay practices are calibrated such that employees will achieve the maximum base salary rate of pay (job rate) of their salary band based on a combination of tenure and performance. Currently approximately 70% of employees in the CPA are situated at the maximum salary in their pay range. External to the public sector at any given level, the 50th percentile of a defined labour market, typically represents the expected salary for “fully competent” job performance.

Progression beyond the 50th percentile midpoint is generally reserved for a high relative performance and advanced competency growth. The choice of the 50th percentile as an acceptable benchmark is consistent with TBS' key guiding compensation principle; TBS wants compensation in the public service to be competitive with, but not lead, relevant external labour markets that provide similar work. Mercer also prefers P50 as it represents the middle of the market as the average could be skewed due to outliers.

### **Total Compensation Comparability Study**

In 2014, Mercer was commissioned to develop a methodology to provide a value for pensions and benefits model for the federal government employees and external labour markets. This information can be combined with a base wage comparability study to estimate pensions and benefits and thereby total compensation. The Mercer report was updated in August 2019 to reflect changes in both the federal public service and the external market.

Mercer has a proprietary database containing detailed information on provisions, costs and eligibility for pensions and supplementary benefits, on an industry-by-industry basis. Using the Mercer study, Statistics Canada data and data from TBS incumbent system, TBS is able to compare pensions and benefits available for a specific public service position to that of an external market comparator, based on the industry in which the comparator works.

Included in table 17 below are the results of this analysis. The results for the Construction Labourer (GL-ELE-03), Building Systems Maintenance Technician (GL-MAM-08), Food Service Helper (GS-FOS-02), Cook (GS-FOS-04), Shift Engineer (Non-supervisory) (HP-04) and Steward (SC-SCT-01) were found to be leading the market,

while all of the remaining positions were deemed to be comparable with the market, with no position lagging.

It should also be noted that the results in the study compares TBS 2017 rates vs 2018 markets rates, and that applying the Employer's first year proposal would further improve its relativity with the market results.

**Table 17: Total Compensation Study Results**

**Summary Table - by Stream**

The tables below provide the competitive positioning for TBS' base salary compensation levels relative to the market median (P50) for all benchmark positions by stream.

Stream	Job	TBS Position	Classification Level	TBS Total Compensation			Base Salary			TBS vs. Market Total Compensation Variance <sup>3</sup>		Legend
				TBS Max Salary <sup>1</sup>	Estimated Pensions and Benefits <sup>4</sup>	Total Compensation	Avg. Market P50 Salary <sup>2</sup>	Estimated Pensions and Benefits <sup>4</sup>	Total Compensation	(\$)	(%)	
<b>Compensation Data in \$</b>												
Firefighters		Firefighter	FR-01	\$77,564	\$15,468	\$93,032	N/A	N/A	N/A	N/A	N/A	
		Fire Inspector	FR-02	\$81,676	\$16,123	\$97,799	N/A	N/A	N/A	N/A	N/A	
<b>Compensation Data in \$ Hourly</b>												
General Labour and Trades		Construction Labourer	GL-ELE-03	\$22.30	\$5.17	\$27.47	\$20.51	\$4.14	\$24.65	\$2.82	11.4%	Above Comparator Market (Greater than +10%)
		Driver, Heavy Vehicle	GL-MDO 5	\$24.63	\$5.48	\$30.11	\$27.84	\$4.93	\$32.77	-\$2.65	-8.1%	Below Comparator Market
		Building Systems Maintenance Technician	GL-MAM-08	\$29.13	\$6.13	\$35.26	\$26.66	\$5.16	\$31.82	\$3.44	10.8%	Above Comparator Market (Greater than +10%)
		Painter/Sign Painter	GL-PCF-07	\$30.32	\$6.32	\$36.64	\$32.11	\$5.27	\$37.38	-\$0.74	-2.0%	Within Comparator Market (+/-10%)
		Carpenter	GL-WOW-09	\$30.68	\$6.38	\$37.06	\$32.82	\$5.43	\$38.25	-\$1.19	-3.1%	Below Comparator Market
		HVAC / Mechanical Technician	GL-MAM-10	\$35.30	\$7.11	\$42.41	\$34.48	\$5.65	\$40.13	\$2.28	5.7%	Above Comparator Market (Greater than +10%)
		Pipefitter	GL-PIP-09	\$32.27	\$6.63	\$38.90	N/A	N/A	N/A	N/A	N/A	
		Automobile/Heavy Duty Mechanic	GL-VHE-10	\$33.47	\$6.82	\$40.29	N/A	N/A	N/A	N/A	N/A	
		Construction/Maintenance Supervisor	GL-COI-11/C3	\$39.02	\$7.71	\$46.73	N/A	N/A	N/A	N/A	N/A	
		Electrician	GL-EIM-11	\$35.46	\$7.14	\$42.60	\$37.19	\$6.44	\$43.63	-\$1.03	-2.4%	Below Comparator Market
	Sheet Metal Worker	GL-SMV-10	\$35.62	\$7.17	\$42.79	\$35.77	\$6.33	\$42.10	\$0.68	1.6%	Within Comparator Market (+/-10%)	
<b>Compensation Data in \$ Hourly</b>												
General Services		Building Cleaner	GS-BUS-02	\$20.26	\$4.89	\$25.15	\$21.31	\$3.93	\$25.24	-\$0.09	-0.3%	Within Comparator Market (+/-10%)
		Food Service Helper	GS-FOS-02	\$20.26	\$4.89	\$25.15	\$19.58	\$2.74	\$22.32	\$2.83	12.7%	Above Comparator Market (Greater than +10%)
		Storeperson	GS-STS-04	\$24.90	\$5.52	\$30.42	\$26.69	\$4.02	\$30.71	-\$0.29	-1.0%	Below Comparator Market
		Cook	GS-FOS-06	\$28.65	\$6.05	\$34.70	\$26.46	\$3.26	\$29.72	\$4.98	16.8%	Above Comparator Market (Greater than +10%)
<b>Compensation Data in \$ Hourly</b>												
Heating, Power and Stationary Plant Operations		Shift Engineer (non-supervisory)	HP-4	\$35.19	\$7.10	\$42.29	\$29.59	\$5.76	\$35.35	\$6.93	19.6%	Above Comparator Market (Greater than +10%)
<b>Compensation Data in \$</b>												
Ships' Crews		Deckhand	SC-02	\$54,072	\$11,803	\$65,875	\$54,140	\$10,350	\$64,490	\$1,385	2.1%	Within Comparator Market (+/-10%)
		Boatswain	SC-05	\$59,496	\$12,588	\$72,084	\$56,420	\$10,679	\$67,099	\$4,985	7.4%	Above Comparator Market (Greater than +10%)
		Engine Room Assistant	SC-03	\$55,824	\$12,040	\$67,864	\$55,968	\$10,575	\$66,543	\$1,321	2.0%	Within Comparator Market (+/-10%)
		Steward	SC-STD-01	\$52,896	\$11,646	\$64,542	\$50,450	\$7,890	\$58,340	\$6,202	10.6%	Above Comparator Market (Greater than +10%)

**Notes:**

- (1) Reflects the maximum base salary range effective as of August 5, 2017 provided by TBS.
- (2) Reflects the average of all benchmark jobs in the classification. Market data presented for all survey sources is on an organization weighted basis.
- (3) Represents the market variance between TBS' total compensation to the external market total compensation calculated using the following formula: (TBS Total Compensation – Market Total Compensation) / Market Total Compensation.
- (4) Estimates based on a calculator developed by Mercer designed to estimate the value of pensions and benefits for the TBS and the market results for a given job. The following elements are included in the Pensions and Benefits estimate: Pensions, Medical, Dental, HCSA, STD, LTD, Life Insurance, Retiree Medical, Retiree, Dental, Retiree HCSA, and Retire Life Insurance. Other than STD and LTD, estimates provided do not control for other forms of paid leave. Due to data limitations, maternity and parental top-ups, personal leave, family related leave, and Retirement Compensation Arrangement for senior levels are not included in these estimates.

**Comparison of External Wage Growth**

As is shown in Table 18, the wage growth for the majority of the SV groups (40.5% to 93.9%) has significantly outpaced increases in the public sector (43.3%, as measured by HRSDC<sup>6</sup>), private sector (43.6%, as measured by HRSDC<sup>22</sup>), and cumulative

<sup>6</sup> Wage settlements as reported by HRSDC for Employers that have more than 500 unionized employees. These data are weighted averages of the annual percentage 'adjustments' in 'base rates' during the period covered by

increases as represented by the change in CPI inflation (36.8%) since 2000. This is despite the negative impact of the Expenditure Restraint Act in 2010-2011 and the Deficit Reduction Action Plan from 2011-2012 to 2015-2016.

**Table 18: SV Wage Growth vs. Other Sectors between 2000 and 2017**

External Cumulative Increase Comparison (2000 - 2017)											
	HRSDC Public Sector	HRSDC Private Sector	CPI	SV Group							
				FR	GL	GS	HP	HS	LI	SC	PR(S)
<b>Cumulative Increase</b>	43.3%	43.6%	36.8%	81.8%	66.7%	59.4%	93.9%	56.1%	55.0%	54.0%	40.5%

Notes: TC rates calculated by TBS from settlement rates (weighted average).

## 2.3 Internal Relativity

As stated in the FPSLRA, there is a need to maintain appropriate relationships with respect to compensation between classifications and levels. Moreover, as noted in the *Policy Framework on the Management of Compensation*, compensation should reflect the relative value to the Employer of the work performed, so ranking of occupational groups relative to one another is a useful indicator of whether their relative value and relative compensation align. Exhibit #9 shows a ranking of average salaries for occupational groups in the CPA as of March 31, 2018 and how the PSAC's proposed increases for the FR and HP groups would disrupt internal relativity between classifications.

Table 19 shows the cumulative increases for the SV sub-groups and the overall CPA average. As shown in the table, the cumulative increases received by the majority of the SV employees are significantly above the CPA average, more than double in the case of the HP group.

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the settlements. The 'base rate' is the wage rate of the lowest paid classification containing a significant number of qualified workers in the bargaining unit. The 'adjustments' include such payments as restructures and estimated cost-of-living allowance.

**Table 19: SV Wage Growth vs. CPA<sup>7</sup>**

Internal Cumulative Increase Comparison (2000 - 2017)									
	CPA Average	SV Group							
		FR	GL	GS	HP	HS	LI	SC	PR(S)
<b>Cumulative Increase</b>	45.5%	81.8%	66.7%	59.4%	93.9%	56.1%	55.0%	54.0%	40.5%

Notes: SV and CPA rates calculated by TBS from settlement rates (weighted average).

## 2.4 The State of the Economy and the Government's Fiscal Situation

The state of the economy and the government's fiscal circumstances are critical considerations for the federal government in its role as Employer.

The new collective agreement for the SV group will cover a timeframe of low to moderate economic growth. Moreover, there are negative risks associated with the economic outlook, which could lead to weaker labour markets and lower wage growth than what is now broadly expected. With interest rates at near record lows in major advanced economies and signs of a deteriorating global outlook, a focus on keeping federal government compensation affordable relative to the country's economic performance will allow the Government to pursue its budgetary commitments and better respond to future economic uncertainty.

The following sections outline Canadian economy and its outlook, labour market conditions for the public service relative to the private sector, and the government's fiscal circumstances. This includes an overview of gross domestic product (GDP) growth, consumer price inflation, employment growth, risks to the economic outlook, and how the public service compares against the typical Canadian worker, which is the ultimate payer of public services.

### Real GDP growth

Real GDP growth, which is the standard measure of economic growth in Canada, provides an indication of the overall demand for goods, services, and labour. Lower real GDP growth reduces demand for employment, which increases unemployment and curbs wage increases.

Real GDP growth recently peaked in 2017 at 3.2% before slowing markedly to 2.0% in 2018 (Table 20). The outlook for real GDP projects growth further deteriorating to

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<sup>7</sup> The CPA average is weighted by the population of each bargaining group forming five employment categories: scientific and professional, administrative and foreign service, technical, administrative support, and operational. Percentages include economic increases, restructures, and terminable allowances.

1.7% in 2019 and in 2020. Over the 2014 to 2017 period, real economic growth averaged 2.1%, higher than the average outlook for growth of 1.8% over the 2019 to 2021 period. The slowing growth profile of GDP comes despite the economy's continued reliance on historically low interest rates.

**Table 20: Real Gross Domestic Production, Year-over-year growth**

Real GDP Growth (y/y)	2016	2017	2018	2019(F)	2020(F)	2021(F)
Statistics Canada	1.1%	3.2%	2.0%	-	-	-
Consensus Forecasts	-	-	-	1.7%	1.7%	1.9%
Bank of Canada	-	-	-	1.5%	1.7%	-

Source: Statistics Canada, Consensus Forecasts December 2019, Bank of Canada MPR October 2019.

While forecasters are basing their modest expectations for growth on the assumption that economic conditions will not further deteriorate, the Canadian economy faces a number of risks that could further compromise growth prospects, weakening the labour market and the government's fiscal balance.

### The Consumer Price Index

The Consumer Price Index (CPI) tracks the price of a typical basket of consumer goods. Measuring price increases against wage growth demonstrates relative purchasing power over time.

Recent inflation has been persistently low, below the 2.0% mid-point of the Bank of Canada's 1.0 to 3.0% target rate since 2011. Inflation exceeded 2.0% for the first time in seven years in 2018, at 2.3%. However, inflation above 2.0% is forecast to be short-lived. According to Consensus Forecasts, inflation is expected to decline to 2.0% in 2019 and further decline to 1.9% in 2020 and 2021 (table 21). The Bank of Canada's October inflation forecast has a similarly low profile, with inflation at or below 2.0% until the end of 2021.

**Table 21: Canada's Major Economic Indicators, year-over-year growth**

Indicator <sup>o</sup>	2016	2017	2018	2019 (F)	2020 (F)	2021(F)
CPI (y/y) Consensus	1.4%	1.6%	2.3%	2.0%	1.9%	1.9%
CPI (y/y) BoC	1.4%	1.6%	2.3%	2.0%	1.8%	2.0%
Unemployment	7.0%	6.3%	5.8%	5.7%	5.7%	n/a

Source: Statistics Canada, Consensus Forecasts (April 2021 long-term forecast and December 2019 for 2019, 2020, 2021 forecast), BoC MPR October 2019.

<sup>o</sup> Data was taken from Statistics Canada and Consensus Forecasts, September 2019

## Canadian employment growth

Canadian labour market conditions have improved with the unemployment rate declining from a high of 6.8% in January 2017 to a 40-year low of 5.4% in May 2019<sup>9</sup> before recently jumping to 5.9% in November 2019<sup>10</sup>. A falling unemployment rate is unsurprising given that the net employment growth rate, which had lingered below 1.0% from November 2013 to March 2015, exceeded 2.0% in the summer and fall of 2017, and again in the summer of 2019 (Chart 1)<sup>11</sup>.

However, this labour market strength recently faded. "*Canada's labour market in November recorded its worst month for job losses in more than a decade*<sup>12</sup>", with employment declining almost 71,000, and the unemployment rate jumping 0.4 percentage points from 5.5% to 5.9% in the December 2019 release of Statistics Canada's Labour Force Survey.

The unemployment rate had been forecasted to remain flat at 5.7% for 2019 and 2020<sup>13</sup> (table 21), but it should be noted that these forecasts were made before the most recent release of the large and unexpected 71,000 in job losses, and it will take some time for forecasters to update their expectations.

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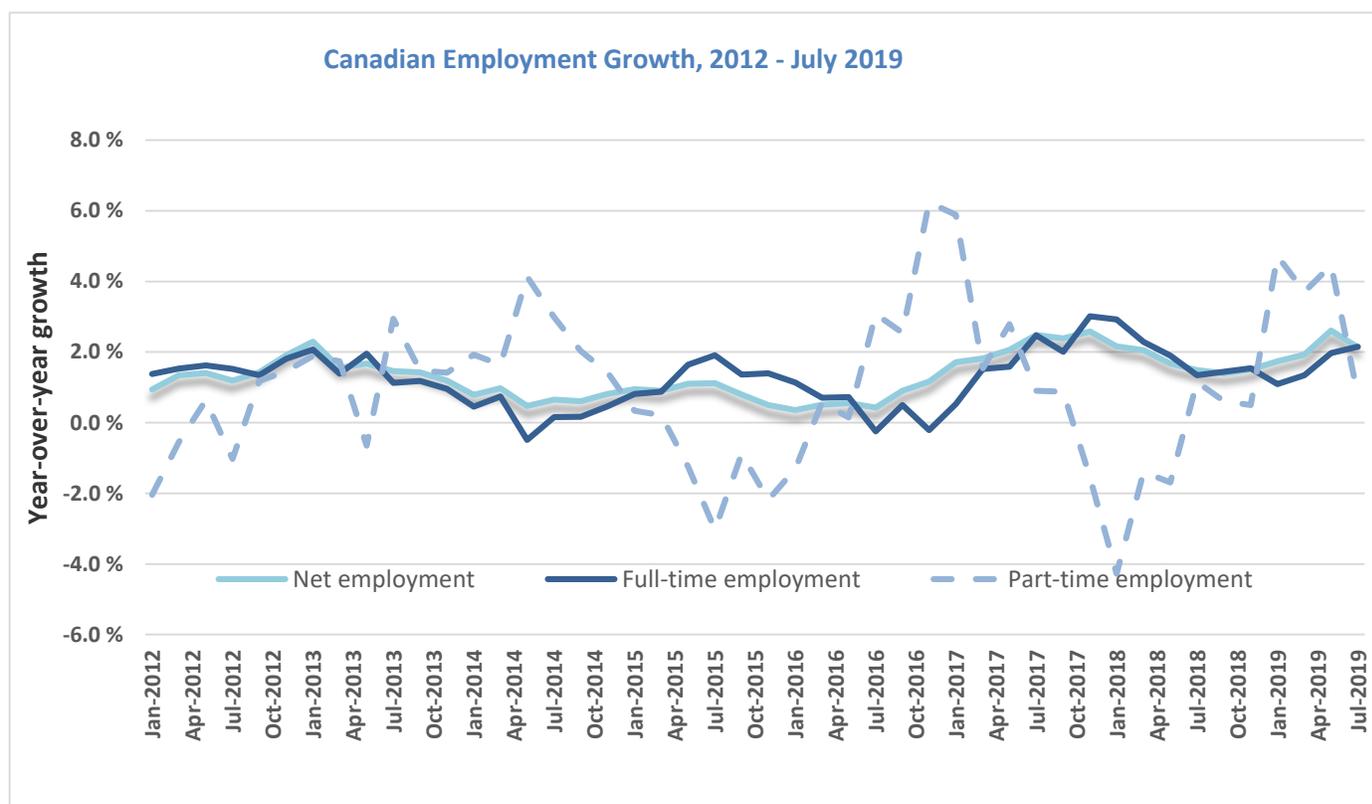
9 Statistics Canada, The Daily, Labour Force Survey, September 2019.

10 Statistics Canada, The Daily, Labour Force Survey, November 2019.

11 Statistics Canada, Labour Force Survey

12 Globe and Mail, Canadian economy posts worst month for job losses in more than a decade, December 6, 2019.

13 Consensus Forecasts, December 2019.

**Chart 1: Canadian Employment Growth**

Up until November's job losses and the sharp jump in the unemployment rate, it was surprising to many analysts that wage growth has fallen well short of expectations for a labour market with little unemployment and strong employment growth.

In Great Britain, weaker than expected wage growth in a strong labour market has been attributed to the new and quickly expanding informal or 'gig' economy. According to the Bank of England's chief economist<sup>14</sup>, "*the rise of insecure work in the gig economy has fuelled a "lost decade" in wage growth in Britain.*"

A recent analytical paper examining the informal 'gig' economy in Canada<sup>15</sup> uncovered similar evidence. The analysis found that just under one-third of Canadian survey respondents participate in gig work, especially younger workers, and that participation was often consistent with labour market slack.

<sup>14</sup> The Guardian, Gig Economy fuelled 'lost decade' in wage growth-Bank Economist, October 10, 2018.  
<sup>15</sup> The Size and Characteristics of Informal ("Gig") Work in Canada (June 2019), Staff Analytical Note, Bank of Canada.

*'Over a third of survey respondents who take part in informal work do so as a result of weak economic conditions, and over half would switch their hours worked for hours in formal employment with no increase in pay.'*

The 'employment'<sup>16</sup> conditions of gig workers, with temporary and irregular hours, no job security or opportunity for advancement, with little or no paid sick leave and other benefits, contrasts sharply with the stable and secure employment with generous pensions and benefits in the federal public service.

These advantageous working conditions, examined further in the following section, have continued to attract large pools of qualified applicants for every job opportunity.

### **Working conditions in the Public Sector versus the Private and other Sectors**

The public sector enjoys many privileges over what the average private sector worker experiences, with significant advantages in pension and benefit plan coverage and quality, better job tenure and stability, more paid-time off and an earlier average age of retirement.

Before examining the preferential working conditions in the federal public sector relative to the private sector, a quick reminder that wages are already higher in the federal government than in the private sector. Using 2015 data from the 2016 Census, the most comprehensive data set available, full-time, full-year wages and salaries for federal government workers were 17% higher than those in the private sector (\$77,543 versus \$66,065).<sup>17</sup>

Public sector workers are almost four times more likely to be covered by a registered pension plan than private sector ones (87.1% versus 22.7%)<sup>18</sup>. This advantage grows even larger when comparing defined benefit (DB) pension plan coverage, where pension benefits are guaranteed by the Employer, with public sector workers more than eight times more likely to be covered (79.1% versus 9.2%).

Defined Benefit pensions are quickly disappearing in the private sector, with DB plan coverage shrinking from 21.9% in 1997 to the most recent 9.2% figure in 2017. In fact, many existing DB plans in the private sector are already closed to new employees, indicating that DB pension plan coverage in the private sector will continue to decline<sup>19</sup>.

The advantage for public sector workers is not only limited to the much higher coverage rate for pension plans, but also in the value that those pensions provide. According to a

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<sup>16</sup> Gig workers are typically classified as independent contractors, not employees.

<sup>17</sup> Statistics Canada, Custom tabulation of 2015 wages and salaries from the 2016 Census.

<sup>18</sup> Pension plans in Canada, as of January 1, 2018, Statistics Canada, June 6, 2019.

study by the Healthcare of Ontario Pension Plan, every dollar contributed to a pension plan returns \$5.32 in retirement income compared to only a \$1.70 in for private savers (Exhibit #10 and #11). This is because a pension plan has the scale, risk pooling and internal fiduciary management that an individual can't match with high-fee mutual funds in an RRSP.

The benefit of a more secure retirement is further compounded with an earlier average age of retirement in the public sector. Public sector workers' average retirement age is 2.4 years younger than private sector workers.<sup>20</sup>

Public sector workers also have more job security than their private sector counterparts. When examining job losses as a percentage of total employment, a proxy for job security, public sector workers were five times less likely to experience job loss than those in the private sector (0.5% versus 2.5%).<sup>21</sup> This analysis excludes job losses as result of an end of temporary, casual, and seasonal jobs, which if included, would further widen the difference between the sectors.

The advantages for federal public service employees in pension and benefit coverage availability is further extended to a quality advantage. A recent comprehensive study prepared for TBS by Mercer<sup>22</sup>, which directly compared Employer costs of pensions and benefits determined that the public service's plans were 24% more expensive than those in the General Canadian Marketplace. At a base salary of \$73,000, close to the Public Service average salary, this represents a premium of over \$2,800 or 3.9% of base pay higher than those outside the public service. The study noted that the source of this federal public service premium:

*'...is reflective of high value provisions that are not typically available to Employers of all sizes, such as Defined Benefit pensions, retiree benefits, cost-of-living adjustments on long-term disability, and a higher than average portion of the cost being paid by the Employer for the Public Service active employee benefits.'*

Public sector workers are increasingly isolated from the labour market realities experienced in the private sector, enjoying higher wages, better pensions, better benefits, and much greater job security. Federal public service workers, SV members

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19 The extinction of defined-benefit pension plans is almost upon us, Frederick Vettese, The Globe and Mail October 4, 2018.

20 Comparing Government and Private Sector Compensation in Ontario, 2018, Fraser Institute. Calculations by the Fraser Institute using Statistics Canada Labour Force Survey custom tabulation data on the Average and Median Retirement Age by Sex, Class of Workers, Canada and Provinces, Annual Average.

21 Comparing Government and Private Sector Compensation in Ontario, 2018, Fraser Institute. Calculations by the Fraser Institute using Statistics Canada from custom tabulation Labour Force Survey data on Job losses by Reasons and Class of workers.

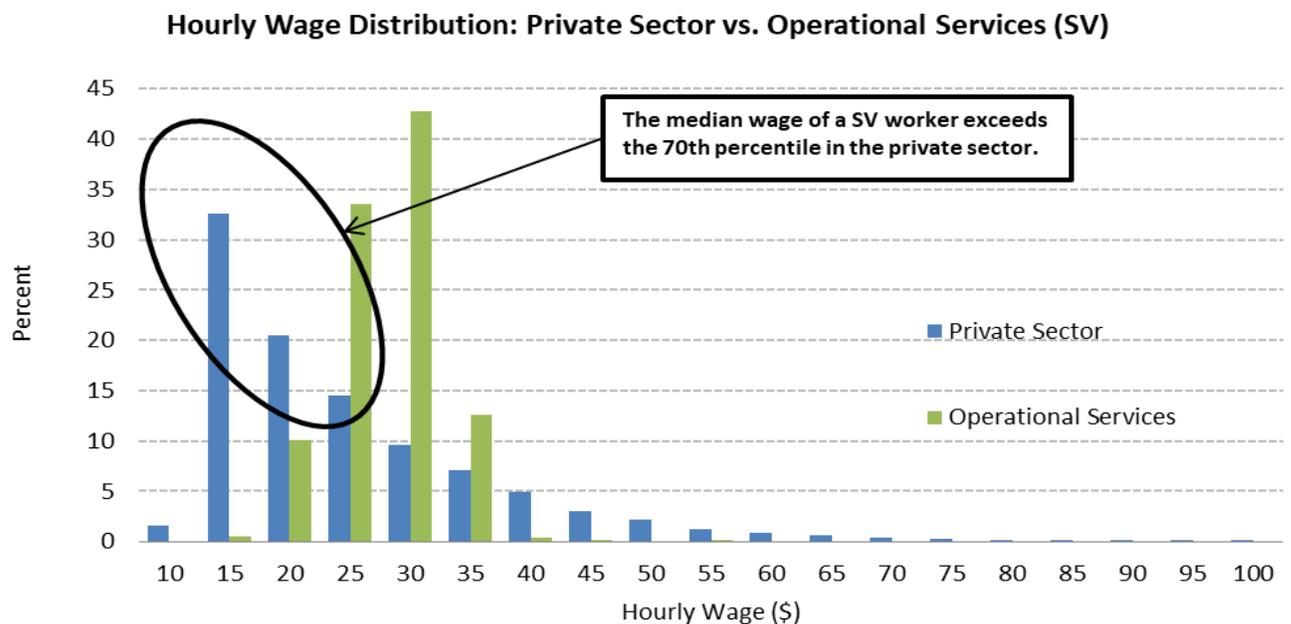
22 Results Report: Pension and Benefit Benchmarking by Industry Sector. Mercer (2019).

included, are the 'privileged among the privileged', with superior working conditions to many other public sector workers.

The wage pattern already established with other federal public service bargaining agents is higher than settlements for other provincial public sector employees and recommending above-pattern increases would only further entrench the advantages that the federal public service enjoys over private sector and other public sector workers.

### Hourly wages for the SV group relative to the Private Sector

Results for the Labour Force Survey show how SV hourly rates of pay compare to that of the private sector. As shown in the chart below, the median wage for SV workers exceeds the 70th percentile in the private sector. Even though the private sector is not a direct comparator for the SV group, the government needs to consider federal public service wages relative to the wages of the many Canadians whose taxes pay for government services, through income taxes and/or the GST.



*Source: Labor Force Survey (LFS) Data for June 2015 and December 2015. Operational Services data based on the March 2014 incumbent wage base, excluding allowances and other premiums.*

Wage data reported in this table accounts for usual hours worked and usual wages earned by respondents during a typical week. These are normal paid or contract hours not including overtime and overtime compensation. Similarly, the SV average hourly wages exclude overtime.

## Fiscal Outlook

The Government of Canada has adopted the position that reasonable deficit spending that targets Canada's middle-class can boost economic growth, provided that appropriate trade-offs are made to avoid accumulating excessive debt loads. Higher debt levels lead to higher borrowing costs, and as a result, fewer resources for spending priorities. The government is currently in a deficit situation. The deficit was \$14 billion<sup>23</sup> for fiscal year 2018-19 and Budget 2019 forecasted continued deficits throughout the forecast horizon to fiscal year 2023-24.

The Government's fiscal plan is to continue to invest to grow Canada's economy for the long term, in a fiscally responsible way that preserves Canada's low-debt advantage. To stay on its fiscal track, the government has the responsibility to manage its budget in a manner that serves the public interest.

Fiscal room to maneuver is especially important because very low interest rates restrict monetary policy from responding to an economic down-turn with further rate cuts. The current overnight rate of 1.75% set by the Bank of Canada is more than two and half times lower than the pre-recession peak of 4.5% in August 2007. According to TD Economics, central banks have limited room to provide stimulus in the event of a recession.<sup>24</sup>

Personnel costs of \$57.7 billion dollars in 2018-19 were the single largest component of direct program expenses, representing 38% of these costs.<sup>25</sup> Personnel costs have increased by \$9.2 billion since 2014-15. To put this amount in better context, \$9.2 billion dollars would cover almost 50% of the entire cost of the Employment Insurance program for all of Canada for 2018-19<sup>26</sup>.

A portion of the increase in personnel costs is attributable to higher 'legacy' costs for the Government's generous pensions and benefits promises due to low and falling interest rates.

These pension and benefit legacy costs are forecast to increase significantly, costing an additional \$4.9 billion in 2019-20, \$7.6 billion in 2020-21, \$6.3 billion in 2021-22, \$4.8 billion in 2022-23 and \$4.2 billion in 2023-24 for a total of \$27.8 billion dollars<sup>27</sup>. The impact on the fiscal outlook of this increase in legacy costs was so large that the

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23 Annual Financial Report of the Government of Canada Fiscal Year 2018–2019, Finance Canada.

24 TD bank, What to Expect from Central Banks in the Next Global Downturn, October 2019.

25 Public accounts of Canada 2018, Volume 1.

26 Employment insurance costs taken from Table 3 of the Annual Financial Report of the Government of Canada for 2018-19

27 Department of Finance, Economic and Fiscal Update 2019

Department of Finance separately identified its impact in their Economic and Fiscal Update 2019<sup>28</sup> and devoted an entire page<sup>29</sup> to explain the impact.

From the Employer's perspective, employees' total compensation costs have increased and are forecast to further increase significantly beyond just what has been provided in wage increases.

The Government must manage total compensation costs prudently on behalf of the taxpayer, and increasing costs from pensions and benefits would necessitate that wage growth slow to help mitigate the overall total compensation increase. While pensions and benefits are not bargained directly with the SV table, their representatives and members should be cognizant that their existing pensions and benefits are getting more expensive, which in the private sector would mean cuts and higher co-pays for employees or lower wage increases to maintain manageable total compensation cost growth.

In that context and given that compensation accounts for such a sizeable share of the government's expenses, responsible fiscal management dictates that the costs of wage settlements afford the Government of Canada the fiscal room necessary to react when the economy falters and to spur economic growth and job creation over the long term. Recommending wage increases above the already-established pattern reduces the fiscal room to maneuver, especially when it is awarded to the single-largest collective bargaining agent in the federal public service.

### **Risks to the Outlook**

According to the Bank of Canada<sup>30</sup>, the greatest risk to the economic outlook for the Canadian economy is 'global trade policies and related uncertainty'. The indecision and potential timing around the United Kingdom's leaving the European Union and other geopolitical risks stemming from Argentina, Chile, Iran and Hong Kong could further darken the economic outlook. Trade disputes, like that of US-China and more recently Canada-China have a dampening effect on trade by depressing commodity prices, disrupting supply chains and slowing economic growth.

The Organisation for Economic Co-operation and Development (OECD), in their recently-issued Interim Economic Outlook in September 2019 stated that *'The global economy has become increasingly fragile and uncertain, with growth slowing and downside risks continuing to mount'*<sup>31</sup>. The OECD warned that escalating trade conflicts are hurting confidence and investment, and aggravating risks in financial markets and

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28 Economic and Fiscal Update, Table 1.2 Economic and Fiscal Developments Since Budget 2019

29 Details of the increase in Pensions and Other Employee Future Benefit Expenses, page 33, Economic and Fiscal Update.

30 Bank of Canada Monetary Policy Report, October 2019.

31 OECD, Interim Economic Outlook, September 2019.

endangering already weak growth prospects worldwide. In fact, the OECD's Autumn 2019 outlook projection for the global economy for 2019 and 2020 shows the weakest annual growth rates since the financial crisis, with downside risks continuing to mount.

According to OECD Chief Economist Laurence Boone, *'The uncertainty provoked by the continuing trade tensions has been long-lasting, reducing activity worldwide and jeopardising our economic future.'* To illustrate the impact on Canada of a more pronounced slowdown in economic activity, an increasingly distinct possibility, the Bank of Canada unexpectedly provided an alternative economic scenario<sup>32</sup> of the effects on Canada if global GDP growth was only 2.25% lower by 2021 than in their base-case projections. This scenario essentially assumes what the impact on Canada would be if global GDP were to slow a little more than 1% per year for the next two years.

While the passage of the United States-Mexico-Canada Agreement (USMCA) in the United States House of representatives in December 2019 has reduced some trade anxiety, other geopolitical risks, such as increasing tensions in the Middle East have ratcheted tension up<sup>33</sup>.

This decline in global growth would weaken domestic and foreign demand and cause commodity prices, an important Canadian export category, to decline 20 to 25%. This would lead to lower employment, inflation, wages and household income. Lower household income would also contribute to lower housing prices. As a result, real Canadian GDP would be 4.5% lower than what is currently projected by the end of 2021.

Households in Canada are already especially vulnerable to an economic slow-down because of near-record household debt levels, where Canadians owed roughly \$1.74 in credit market debt for every dollar of household disposable income<sup>34</sup>. In fact, the household debt service ratio, measured as total obligated payments of principal and interest on credit market debt as a proportion of household disposable income, edged up to a record 14.93% of household disposable income.

Given these risks, a prudent approach to compensation would help contribute to preserve fiscal capacity to respond to an economic slow-down or recession.

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32 'Scenario with more pronounced global slowdown', October 30, 2019, Bank of Canada Monetary Policy Report.

33 'A lasting US-Iran conflict would cause 'broad economic, financial shock,' Moody's says', Pippa Stevens, CNBC, published January 6, 2020.

34 Statistics Canada, The Daily, September 13, 2019. National balance sheet and financial flow accounts, second quarter 2019.

## **2.5 Replication Principle**

The Bargaining Agent's economic proposals for the SV group far exceed the pattern established in the federal public service. They are also well in excess of broader public sector trends across Canada.

### **Settlements to Date in the Federal Public Service**

To date, 34 collective agreements have been reached in the federal public service. All agreements contain base economic increases of 2.0%, 2.0%, 1.5% and 1.5% over a four-year period, plus targeted wage measures of approximately 1% over the term of the agreement. A tentative agreement between the PSAC and the Royal Canadian Mint was reached on July 12, 2019 with base economic increases of 2.0%, 2.0%, 1.5% and 1.5% over a four-year period (Exhibit #12).

In addition to any group specific improvements, various government-wide measures were included in the settlements. These improvements included 10 days of paid leave for domestic violence, expanded provisions for caregiving leave, extended parental leave and allowance provisions, as well as an expanded definition of family that allows for more flexible use of paid family related leave provisions.

The Employer proposes to replicate the same or equivalent improvements to members of the SV bargaining unit, which would provide for a fair and reasonable collective agreement. The evidence provided in this brief does not suggest or support that the SV group receive more than the pattern that has been set in the 34 agreements settled during this round of bargaining.

### **Provincial and Territorial Government Compensation**

Wage increases in provincial and territorial governments have been modest during the period of negotiations due to the higher fiscal burden on governments from elevated debt levels and an uncertain economic outlook.

For example, the Government of Ontario has tabled legislation which imposes a 1% maximum on annual compensation increases provided through collective agreements for a 3-year period. The province of Alberta has introduced wage restraint regulations limiting the increases in base salary of executives from April 1<sup>st</sup>, 2018 to December 31<sup>st</sup>, 2019. The Alberta finance minister has also announced that it will also seek 2 to 5% wage rollbacks in arbitration with the vast majority of public sector employees. Manitoba introduced sustainability legislation which came into effect in March 2017 and limits wage increases at 0% for the first two years, 0.75% for the third year, and 1% in the fourth year. Finally, the Government of Newfoundland and Labrador implemented four

years of salary freezes from 2016-17 to 2019-20 and the Government of Nova Scotia legislated 0.75% annual wage increases from 2015-16 until 2018-19.

Covering similar periods, the Government of Canada has negotiated economic wage increases of 1.75% annually, plus targeted wage measures of approximately 1% over the term of the agreement, with 34 groups in the federal public service.

Examining wage increases negotiated in other Canadian governments supports that the Employer's wage offer for the SV group, which is aligned to the established pattern, is reasonable and sufficient.

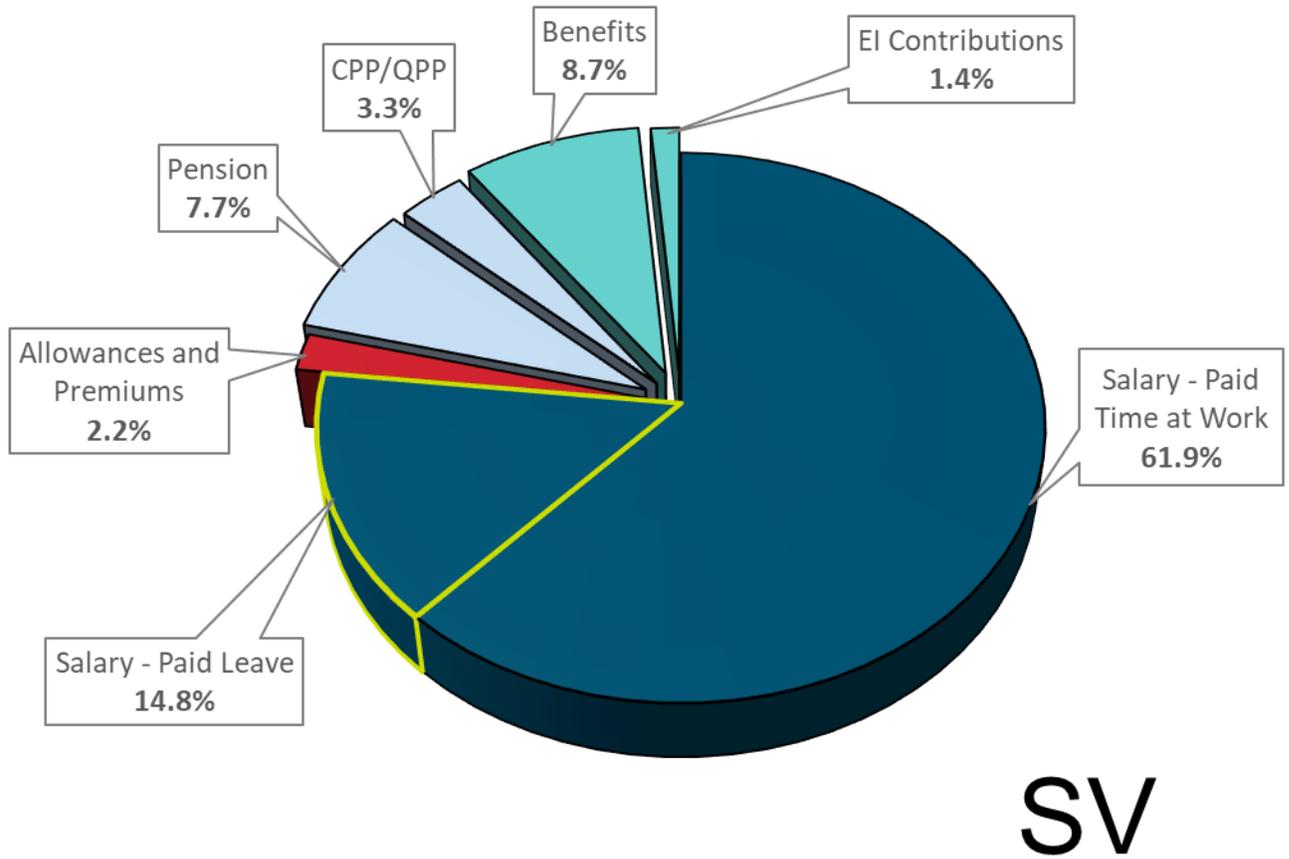
## **2.6 Total Compensation**

All terms and conditions of employment need to be taken into account in evaluating external comparability, even if they are not subject to negotiation. In addition to wages, total compensation is composed of paid and unpaid non-wage benefits, such as Employer contributions to pensions, other employee benefit programs (i.e., health and dental) and additional allowances.

Chart 2 provides a detailed breakdown of total compensation of a typical SV employee. As illustrated, employees in the SV group enjoy a substantial total compensation package:

- Base pay represents 61.9% of total compensation for employees in the SV Bargaining Unit.
- Pension and benefits, including life and disability insurance, health and dental plans, represents 16.4% of total compensation for groups in the SV Bargaining Unit.
- Allowances and premiums account for 2.2% of total compensation in the SV Bargaining Unit.

**Chart 2 –Total Compensation Components – Operational Services (SV) Bargaining Unit**



**Part III – Employer's Submission  
for Rates of Pay and Response to PSAC's Proposals**

Table 18 below compares the wage proposals from the Employer and the Bargaining Agent.

**Table 18: Employer and Bargaining Agent Wage Proposals**

	<b>EMPLOYER PROPOSAL</b>	<b>BARGAINING AGENT PROPOSAL</b>
<b>Economic increases</b>	<p><u>On August 5, 2018</u>, increase rates of pay by 2.0%.</p> <p><u>On August 5, 2019</u>, increase rates of pay by 2.0%.</p> <p><u>On August 5, 2020</u>, increase rates of pay by 1.50%.</p> <p><u>On August 5, 2021</u>, increase rates of pay by 1.50%.</p>	<p><u>On August 5, 2018</u>, increase rates of pay by 3.25%.</p> <p><u>On August 5, 2019</u>, increase rates of pay by 3.25%.</p> <p><u>On August 5, 2020</u>, increase rates of pay by 3.25%.</p>
<b>Wage adjustments or restructures</b>	<p>Aligned with the established pattern, additional monetary measures totalling 1% of the SV wage base.</p> <p>As part of the 1%, the Employer is prepared to consider the following measures (more details are found at Part IV of this brief):</p> <ul style="list-style-type: none"> <li>• Increase Long Service Pay for the Firefighter (FR) group (Appendix A);</li> <li>• Expand the HVAC allowance for the GL-MAM group (Appendix B);</li> <li>• Increase the Supplementary Allowance for the Lightkeepers (LI) group (Appendix F);</li> <li>• Increase Rescue Specialist, Diving Duty and Armed Boarding allowances for the Ships' Crews (SC) group;</li> <li>• Allocate the balance of the 1% for wage adjustments to the entire SV group.</li> </ul>	<p><u>Firefighter (FR) Group</u></p> <ul style="list-style-type: none"> <li>• Prior to applying the economic increase, a wage adjustment of 19.5% for all FR rates</li> <li>• Deletion of the Recruitment Rate</li> <li>• Addition of one step to the FR-01 pay grid</li> <li>• Removal of the first step and addition of one step with a 5% increment to the FR-02 pay grid</li> <li>• A 10% increase to the FR-03, FR-04, FR-05 and FR-06 pay grids</li> </ul> <p><u>General Labour and Trades (GL) Group</u></p> <ul style="list-style-type: none"> <li>• Prior to applying the economic increase, a wage adjustment of 9% at all steps for the following sub-groups: GL-AIM, GL-AMW, GL-COI, GL-EIM, GL-ELE, GL-GHW, GL-INM, GL-MAM, GL-MDO, GL-MOC, GL-MST, GL-PCF, GL-PIP, GL-PRW, GL-SMW, GL-VHE and GL-WOW</li> </ul> <p><u>Heating, Power and Stationary Plant (HP) Group</u></p> <ul style="list-style-type: none"> <li>• Prior to applying the economic increase, a wage adjustment of 39% for all HP rates</li> <li>• Deletion of the first two steps of the HP-06, HP-07, HP-08 and HP-09 pay grids</li> </ul> <p><u>Lightkeepers (LI) Group</u></p> <ul style="list-style-type: none"> <li>• Prior to applying the economic increase, a wage adjustment of 21% for all LI</li> <li>• Deletion of the first two steps of the LI-01 and LI-02 pay grids</li> </ul>

		<ul style="list-style-type: none"> <li>Deletion of the first step of the LI-03, LI-04, LI-05, LI-06, LI-07, LI-08 and LI-09 pay grids</li> </ul>
		<p><u>Ships' Crews (SC) Group</u></p> <ul style="list-style-type: none"> <li>Prior to applying the economic increase, addition of two steps with 5% increments to all SC sub-group pay grids</li> <li>A wage adjustment of 21% at all steps of the SC-DED, SC-ERD, SC-STD, SC-EQO and SC-SPT sub-groups</li> </ul>
		<p><u>Printing Operations (Supervisory) PR(S) Group</u></p> <ul style="list-style-type: none"> <li>Deletion of the first four steps of the PR(S) pay grids</li> </ul>
<b>TOTAL</b>	<b><u>\$59,403,962</u></b> <b><u>8.39%</u></b>	<b><u>\$268,105,510</u></b> <b><u>37.87%</u></b>

The Bargaining Agent's wage proposals are significant. The PSAC proposes a cumulative wage increase of 10.33% over three years. In contrast, the pattern established in the federal public service is 8.39% over a 4-year period.

The Employer submits that the Bargaining Agent's proposals are not supported by any rigorous analysis, as demonstrated in detail at Part II. They are also out of touch with the established pattern with other CPA and separate agencies groups in the current round of negotiations.

In turn, the Employer's offer is sufficient, reasonable, and aligned with the aforementioned pattern. The Employer proposes that its economic offer be recommended by the Commission. The Employer's wage proposals before this Public Interest Commission is in keeping with the analysis included in this document and is consistent with the overall proposals made to Bargaining Agents in negotiations.

As indicated above, the Employer is prepared to consider the above-noted economic group-specific measures as part of the 1% envelope. The Employer respectfully requests that the Commission focus on the areas that are most amenable to improvement. Part IV of the Employer's brief provides detailed remarks on these measures.

**Part IV – Employer's Submission  
On Other Outstanding SV Group-Specific Issues**

This section includes the Employer's recommendations for all outstanding proposals that are specific to the SV group.

Please note that the French version of the Employer's proposals will be solely in the French version of the Employer's brief, which will be provided to the parties on January 22, 2020.

As agreed by the parties on November 25, 2019, the Employer's recommendations for outstanding proposals that are common for all PSAC groups are being dealt with in the context of the PA group PIC proceedings.

1. Article 25 – Hours of Work
2. Article 27 – Shift and Weekend Premiums
3. Article 29 – Overtime
4. Article 30 – Call-back Pay
5. Article 31 - Standby
6. Article 34 – Travelling Time
7. Article 37 – Vacation Leave with Pay
8. Article 44 – Leave without Pay for the Care of Family
9. Article 47 – Leave with Pay for Family-Related Responsibilities
10. Article 50 – Bereavement Leave with Pay
11. Article 58 – Statement of Duties
12. Article 61 – Correctional Service Specific Duty Allowance
13. Article 68 – Compensatory Leave
14. Article 70 – Duration
15. NEW Article – Pre-Retirement Leave
16. NEW Article – Duty to Accommodate
17. NEW – Letter of Understanding between the Treasury Board and the Public Service Alliance of Canada
18. Appendix A – Firefighter (FR) Group, specific provisions and rates of pay - General – **Hours of work and overtime**

19. Appendix A – Firefighter (FR) Group, specific provisions and rates of pay -  
General – **Overtime compensation**
20. Appendix A – Firefighter (FR) Group, specific provisions and rates of pay -  
General – **Reporting pay**
21. Appendix A – Firefighter (FR) Group, specific provisions and rates of pay -  
General – **Long service pay**
22. Appendix A – Firefighter (FR) Group, specific provisions and rates of pay -  
**Annex “B”: Memorandum of Understanding Between the Treasury Board  
and the Public Service Alliance of Canada With Respect to Firefighters and  
the Provincial Workers of Compensation Acts**
23. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Hours of work and overtime**
24. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Dirty work allowance**
25. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Height pay**
26. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Annex “E”: special conditions applicable to Lockmasters,  
Bridgemasters and Canalmen**
27. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Annex “E”: Standby and call call-back**
28. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Annex “E”: New article (shift change-over communications)**
29. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Annex “M”: Apprenticeship program**
30. Appendix B – General Labour and Trades (GL) Group, specific provisions and  
rates of pay - **Annex “N”: GL-MAM, Refrigeration HVAC Technicians**
31. Appendix C – General Services (GS) Group, specific provisions and rates of pay  
- **General**
32. Appendix C – General Services (GS) Group, specific provisions and rates of pay  
- **Annex “F”: Apprenticeship program**
33. Appendix D – Heating, Power and Stationary Plant (HP) Group, specific  
provisions and rates of pay - **General**

34. Appendix D – Heating, Power and Stationary Plant (HP) Group, specific provisions and rates of pay - **Shift premium**
35. Appendix D – Heating, Power and Stationary Plant (HP) Group, specific provisions and rates of pay - **Dirty work allowance**
36. Appendix E – Hospital Services (HS) Group, specific provisions and rates of pay
37. Appendix F – Lightkeepers (LI) Group, specific provisions and rates of pay - **Vacation leave**
38. Appendix F – Lightkeepers (LI) Group, specific provisions and rates of pay - **Annex “B”: Supplementary allowance**
39. Appendix F – Lightkeepers (LI) Group, specific provisions and rates of pay - **Annex “C”: Accommodation and services**
40. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **General administration – Hours of work and overtime**
41. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **General administration – Meals and quarters**
42. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **Annex “E”: Lay-day work system**
43. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **Annex “F”: Dirty work allowance**
44. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **Annex “G”: Special allowances**
45. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **New article – Parking**
46. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **New article – Internet access**
47. Appendix G – Ships’ Crew (SC) Group, specific provisions and rates of pay - **Annex “L”: Memorandum of Understanding Between the Treasury Board of Canada and the Public Service Alliance of Canada With Respect to Ships’ Crews (SC) Group**
48. Inmate Training Differential – Appendices B (GL), C (GS) and D (HP)
49. Supervisory Differential – Appendices B (GL), C (GS) and E (HS)

**Article 25 – Hours of Work****Union Proposal**

**The weekly hours of work shall be 37.5 hours, without any reduction in the yearly salary, leave credits or benefits.**

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

**Remarks**

The SV agreement covers a diverse group of job types, covered in detail in the eight group-specific appendices:

- Appendix A – Firefighters Group;
- Appendix B – General Labour and Trades Group;
- Appendix C – General Services Group;
- Appendix D – Heating, Power and Stationary Plant Group;
- Appendix E – Hospital Services Group;
- Appendix F – Lightkeepers; and
- Appendix G – Ships' Crews and Appendix H – Printing Operations (Supervisory Group).

Employees in these eight groups and their sub-groups (where applicable) work a variety of standard and variable weekly schedules that range from 37.5 hours a week up to 46.6 hours a week. Moreover, work schedules vary in complexity with distinct provisions, such as lieu days, lay-day work systems and shift schedules of varying durations.

The Bargaining Agent is proposing to reduce the weekly hours of work for all employees covered by the SV agreement to 37.5 hours, without any reduction to entitlements related to salary, leave and/or other benefits.

The Employer submits that agreeing to such a change would have a significant financial impact and an unreasonable cost on departments. The change proposed by the Bargaining Agent would result in a significant cost to the Employer, representing an increase of approximately \$55M per year for the SV group, or close to 7.8% of the SV wage base.

This change would exceed the provisions contained in other CPA collective agreements without justification, since there is no evidence that the current hours of work and weekly work schedules included in the SV agreement are not functioning.

In addition, this change would have major pay system implications. The Bargaining Agent's proposed language would create an unnecessary administrative burden. A change of this magnitude would require a re-programming of the various HR systems

used in departments (there are 33 HR systems in total used in the CPA) and have a significant impact on the Phoenix pay system

An impact assessment on the MyGCHR system (1 of the 33 systems) finds that several aspects of the program would be affected – this includes data conversion/restructure in several modules to reflect new work schedules, changes to allowances and hourly rates of pay. This change would require the development of new scripts for the system and manual input of changes. Configuration of the Phoenix pay system would hold similar considerations to the change requirements for HR systems.

No sufficient justification supporting this proposal was provided by the Bargaining Agent. For these reasons, the Employer requests that the Commission not include this proposal in its report.

## Article 27 – Shift and Weekend Premiums

### Union Proposal

#### Exclusions

~~This article does not apply to the FR, LI and SC Groups.~~

Clause 27.01, Shift premium, does not apply to employees working hours of work not defined as a shift, covered by clause 25.02, Article 28 or clauses 2.02 and 2.03 of Appendix B; clauses 2.01 and 2.02 of Appendix C, clauses 2.03 and 2.04 of Appendix D, clauses 2.01 and 2.02 of Appendix E, and clause 1.01 of Appendix H.

#### 27.01 Shift premium

An employee working on shifts will receive a shift premium of ~~two dollars (\$2.00)~~ **three dollars (\$3.00)** per hour for all hours worked, including overtime hours, between 4:00 pm and 8:00 am. The shift premium will not be paid for hours worked between 8:00 am and 4:00 pm.

~~An employee working on shifts will receive a shift premium of five dollars (\$5.00) per hour for all hours worked, including overtime hours, between 00:00 and 08:00.~~

#### 27.02 Weekend premium

- a. An employee working during the weekend will receive an additional premium of ~~two dollars (\$2.00)~~ **three dollars (\$3.00)** per hour, including overtime hours, for all hours worked on Saturday or Sunday.
- b. Paragraph (a) shall not apply to employees whose regular hours of work are scheduled from Monday to Friday.

#### Remarks

The Bargaining Agent is proposing to amend the shift and weekend provisions of the Agreement as follows:

##### Increase to the shift premium

The Bargaining Agent is proposing to increase the shift and weekend premiums from two (\$2.00) dollars to three dollars (\$3.00) for evenings and weekends. The cost of this increase is over \$2.3M per annum, or 0.34% of the SV wage base.

The Employer submits that the SV group is not behind the market in terms of this benefit, which is consistent with what is provided in other collective agreements.

##### Exclusion of FR, LI and SC groups

The Bargaining Agent is proposing to remove the exclusion of this article for the Firefighter (FR), Lightkeepers (LI) and Ships' Crews (SC) groups.

The Employer submits that these groups are already compensated through the provisions in their respective appendices. Removing the exclusion would result in an unnecessary duplication of compensation for items already reflected in the overall pay and benefits for these groups:

- For the FR group (Appendix A), given the particular nature of their work (employees are regularly and normally required to work for periods of 24 consecutive hours), this is reflected in the wage rate. They also are entitled to Long Service pay.
- Employees in the LI group who are on duty for a period of 24 consecutive hours or more are entitled to a rotational day off in respect of each 24-hour period. As well, each employee in the LI group receives a Supplementary Allowance (Appendix F, Annex B).
- Employees in the SC group who work in the 42 Hour Averaging Work System, work 7 days a week, 12 hours per day and earn a day of rest for each 12-hour day that is worked. Employees in the SC group who are on the Lay-Day Work System (on a vessel 24 hours a day, 7 days a week) earn lay-day credits (days off with pay) to recognize the continuous nature of marine operations.

In the Employer's view, there is no justification to make the proposed change.

The Employer requests that the Commission not include these proposals in its report.

## Article 29 – Overtime

### Union Proposal

**29.02** Where overtime work is authorized in advance by the Employer, an employee is entitled to overtime compensation **at double time** for each completed fifteen (15) minute period of overtime worked by the employee.

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

**~~29.06~~ Overtime compensation**

~~Subject to clause 29.02, an employee is entitled to time and one-half (1 1/2) compensation for each hour of overtime worked by the employee.~~

**~~29.07~~** Notwithstanding clause 29.06, an employee is entitled to double (2) time for each hour of overtime worked by the employee,

~~a. on a scheduled day of work or a first (1st) day of rest, after a period of overtime equal to the normal daily hours of work specified in the Group Specific Appendix;~~

~~and~~

~~b. on a second (2nd) or subsequent day of rest, provided the days of rest are consecutive, except that they may be separated by a designated paid holiday;~~

~~and~~

~~where an employee is entitled to double (2) time in accordance with paragraphs (a) or (b) above and has worked a period of overtime equal to the normal daily hours of work specified in the Group Specific Appendix, the employee shall continue to be compensated at double (2) time for all hours worked until he or she is given a period of rest of at least eight (8) consecutive hours.~~

**29.09 Overtime meal allowance**

a. An employee who works three (3) or more hours of overtime,

i. immediately before the employee's scheduled hours of work and who has not been notified of the requirement prior to the end of the employee's last scheduled work period,

~~or~~

ii. immediately following the employee's scheduled hours of work.

shall be reimbursed for one (1) meal in the amount of ~~ten~~ **twelve** dollars (\$~~10~~ **12**), except where a free meal is provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the

employee may take a meal break either at or adjacent to the employee's place of work.

- b. When an employee works overtime continuously extending four (4) hours or more beyond the period provided in (a) above, the employee shall be reimbursed for one (1) additional meal in the amount of ~~ten~~ **twelve** dollars (~~\$10~~**12**) after each four (4) hour period, except where free meals are provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.
- c. This clause shall not apply to an employee who is in travel status, which entitles the employee to claim expenses for lodging and/or meals.

### Employer Proposal

#### 29.09 Overtime meal allowance

**(New)**

**d. Meal allowances under this clause shall not apply to an employee who has approval to work overtime from a location other than his or her designated workplace.**

### Employer movement

#### 29.09 Overtime meal allowance

- a. An employee who works three (3) or more hours of overtime,
  - i. immediately before the employee's scheduled hours of work and who has not been notified of the requirement prior to the end of the employee's last scheduled work period,
  - or
  - ii. immediately following the employee's scheduled hours of work.

shall be reimbursed for one (1) meal in the amount of ~~ten~~ **twelve** dollars (~~\$10~~**12**), except where a free meal is provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.

- b. When an employee works overtime continuously extending four (4) hours or more beyond the period provided in (a) above, the employee shall be reimbursed for one (1) additional meal in the amount ~~ten~~ **twelve** dollars (~~\$10~~**12**) after each four (4) hour period, except where free meals are provided or when the employee is being compensated on some other basis. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.

- c. This clause shall not apply to an employee who is in travel status, which entitles the employee to claim expenses for lodging and/or meals.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

## Remarks

The Bargaining Agent is proposing to amend the overtime provisions of the Agreement as follows:

### Double time

The Bargaining Agent is proposing that all overtime shall be compensated at double time.

The Employer submits that agreeing to such a change would have a significant financial impact – over \$15M for the SV group - and would exceed the provisions contained in other CPA collective agreements, without justification.

### Overtime meal allowance

The Bargaining Agent's proposal to increase the overtime meal allowance from ten (\$10.00) dollars to twelve (\$12.00) dollars is consistent with the current established negotiated settlement pattern in the federal public service.

In this context and in line with the agreements recently agreed upon/signed, increasing the overtime meal allowance as proposed here, and in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement, would be appropriate for the SV group as part of a comprehensive settlement.

The Employer is also proposing to limit an employee's entitlement to the meal allowance when performing overtime from a location other than the employee's designated workplace.

The Employer submits that employees are provided with a meal allowance when they are expected to stay beyond their normal hours of work to perform overtime work. This ensures that they are not out of pocket for the extra expense of purchasing a meal. When an employee is working from their place of residence, there should not be an added expense for a meal.

To resolve all outstanding proposals at article 29, and as part of a comprehensive settlement, the Employer requests that the Commission include the Employer's proposal at clause 29.09 (d) and the Employer's counter-proposal provided above in the *Employer movement* section at clause 29.09(a) & (b) (meals) in its report. The Employer further requests that the Commission not include the other Bargaining Agent proposals in its report.

**Article 30 – Call-back Pay****Employer Proposal****30.01****(new)**

- e. An employee who receives a call to duty or responds to a telephone or data line call while on standby or at any other time outside his or her scheduled hours of work, may at the discretion of the Employer work at the employee's residence or at another place to which the Employer agrees. In such instances, the employee shall be paid the greater of:**
- i. compensation at the applicable overtime rate for any time worked,**

**or**

  - ii. compensation equivalent to one (1) hour's pay at the straight-time rate, which shall apply only the first time an employee performs work during an eight (8) hour period, starting when the employee first commences the work.**

**Remarks**

The Employer's proposal at article 30 limits compensation for call-backs when responding to a telephone or data line calls (i.e., email or text) in situations of numerous call backs during an 8-hour period. This reflects the new reality of work being performed from a remote location through the use of technology.

The Employer proposes that employees who work remotely outside their scheduled hours of work be paid the greater of either:

- the compensation at the applicable overtime rate for any time worked; or
- the compensation equivalent to 1 hour's pay at the straight time rate.

This proposal is a duplication of provisions contained in the Program and Administration Services (PA) Group agreement – Article 28.07: Call-back worked from a remote location.

Based on the aforementioned, the Employer requests that the Commission include this proposal in its report.

**Article 31 – Standby****Union Proposal****Exclusions**

This article does not apply to the FR, ~~LI~~ or ~~SC~~ Groups.

**31.01** Where the Employer requires an employee to be available on standby during off-duty hours, such employee shall be compensated at the rate of ~~one-half (1/2)~~ **one (1)** hour for each four (4)-hour period or part thereof for which the employee has been designated as being on standby duty.

**Remarks***Increase to standby pay*

The Bargaining Agent is proposing to increase the standby compensation from one half (1/2) hour to one (1) hour for each four (4) hour period the employee has been designated as being on standby duty.

This proposal would also represent a considerable expense for the Employer – over \$6M per year for the SV group, or 0.9% of the SV wage base.

The Employer submits that the SV group is not behind the market in terms of this benefit, which is consistent with what is provided in other collective agreements.

*Removal of exclusion for the LI and SC groups*

The PSAC is also proposing to remove the exclusion of this article for the Lightkeepers (LI) and Ships' Crews (SC) groups. As a result, employees working in these groups would be eligible for this standby pay provision.

In the Employer's view, there is no justification to make the proposed change. Both the LI and SC groups have specific provisions in the collective agreement to compensate for standby duty:

- Employees in the LI group receive a Supplementary Allowance under Appendix F, Annex B: adjustment in rates of pay. This allowance accounts for the fact that these employees work a 24-hour rotational shift and are not entitled to standby or call-back pay.
- Employees in the SC group have their own provisions for Standby, which can be found in Appendix G of the SV agreement under section 14 – Standby, in Annex D: 46.6 hour averaging work system under section 7 Hours of work and overtime, and in Annex E: lay-day work system under section 11(a) Non-watchkeeping vessels.

No sufficient justification supporting this proposal was provided by the Bargaining Agent.

The Employer requests that the Commission not include these proposals in its report.

### Article 34 – Travelling Time

#### Union Proposal

**34.04** 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 34.05 and 34.06. Travelling time shall include time necessarily spent at each stop-over enroute provided such stop-over is not longer than ~~three (3)~~ **five (5)** hours.

**34.06** If an employee is required to travel as set forth in clauses 34.04 and 34.05:

- a. on a normal working day on which the employee travels but does not work, the employee shall receive his or her regular pay for the day;
- b. on a normal working day on which the employee travels and works, the employee shall be paid:
  - i. his 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 time in excess of his or her regularly scheduled hours of work and travel, with a maximum payment for such additional travel time not to exceed ~~twelve (12)~~ **fifteen (15)** hours' pay at the straight-time rate of pay;
- c. on a day of rest or on a designated paid holiday, the employee shall be paid at the applicable overtime rate for hours travelled to a maximum of ~~twelve (12)~~ **fifteen (15)** hours' pay at the straight-time rate of pay.

#### Employer movement

**34.04** 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 34.05 and 34.06. Travelling time shall include time necessarily spent at each stop-over enroute provided such stop-over is not longer than ~~three (3)~~ **five (5)** hours.

**34.06** If an employee is required to travel as set forth in clauses 34.04 and 34.05:

- a. on a normal working day on which the employee travels but does not work, the employee shall receive his or her regular pay for the day;
- b. on a normal working day on which the employee travels and works, the employee shall be paid:
  - i. his 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 time in excess of his or her regularly scheduled hours of work and travel, with a maximum payment for such additional travel time not to exceed ~~twelve (12)~~ **fifteen (15)** hours' pay at the straight-time rate of pay;

- c. on a day of rest or on a designated paid holiday, the employee shall be paid at the applicable overtime rate for hours travelled to a maximum of ~~twelve (12)~~ **fifteen (15)** hours' pay at the straight-time rate of pay.

### **Remarks**

The Employer does not object to the new language proposed by the Bargaining Agent at 34.04 and 34.06(b)(ii) and (c), as they now form part of the pattern established with other Bargaining Agents. The Employer could accept this as part of an overall negotiated settlement.

### Article 37 – Vacation Leave with Pay

#### Union Proposal

##### 37.05

- a. Employees are expected to take all their vacation leave during the vacation year in which it is earned.
- b. ~~The Employer reserves the right to schedule an employee's vacation leave.~~ In granting vacation leave with pay to an employee, the Employer shall make every reasonable effort to:
- i. grant an employee's vacation leave in an amount and at such time as the employee may request;
  - ii. not recall an employee to duty after the employee has proceeded on vacation leave;
  - iii. not cancel nor alter a period of vacation leave which has been previously approved in writing;
  - iv. ensure that, at the request of employee, vacation leave in periods of two (2) weeks or more are started following a scheduled period of rest days.
- c. Representatives of the Alliance shall be given the opportunity to consult with representatives of the Employer on vacation schedules.

##### 37.11 Carry-over and/or liquidation of vacation leave

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

#### Employer Proposal

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

### Remarks

#### 37.05 Scheduling an employee's vacation leave

In the SV agreement, like all other CPA agreements, the Employer can schedule an employee's vacation to meet its operational demands and ensure that employees use their allocated vacation leave credits, consistent with 37.05(a).

The Bargaining Agent is proposing to delete language at paragraph 37.05(b).

The Employer does not support the Bargaining Agent's proposals. This provision recognizes the Employer's right to schedule employee's vacation leave and organize its business to determine through operational requirements if vacation can be granted as requested.

#### 37.04 – Continuous "service" vs. "employment"

At clause 37.04, the Employer is proposing to replace *continuous employment* with *continuous service*.

Continuous employment is defined as follows, per the *Directive on Terms and Conditions of Employment*: 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.

Per the same Directive, continuous service is defined as an unbroken period of employment in the public service, as defined in the *Public Service Superannuation Act*, 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.

The effect of the Employer's proposal would be limited. It only applies to the determination of the moment at which employees begin to be entitled to an advance of their annual vacation leave credits. It does not alter vacation leave credit accumulation entitlements. As continuous employment includes breaks in employment and continuous service does not, the proposal would allow departments to not having to look at whether a newly hired employee was employed with another department (most likely on a term basis), with a break in service more than one day, before taking up employment with them when day determine the date at which annual leave credits can be advanced (6 months after hiring). This would simplify the process.

For these reasons, the Employer requests that the Commission not include the bargaining agent's proposals at article 37 in its report but include the Employer's proposals at clauses 37.04.

**Article 44 – Leave without Pay for the Care of Family**

Union Proposal
<b>44.02 For the purpose of this article, “family” is defined per Article 2 and in addition:</b>  <b>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.</b>
Employer Movement
<b>44.02 For the purpose of this article, “family” is defined per Article 2 and in addition:</b>  <b>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.</b>

**Remarks**

The Employer does not object to the new language proposed by the Bargaining Agent at 44.02(a), as it now forms part of the pattern established with other Bargaining Agents. The Employer could accept this as part of an overall negotiated settlement.

### Article 47 – Leave with Pay for Family-Related Responsibilities

#### Union Proposal

- 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, children of spouse or common law partner), children for whom the employee 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-;
  - ~~or~~
  - 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.**
- 47.02** The total leave with pay which may be granted under this article shall not exceed:
- a. ~~37.5~~ **75** hours in a fiscal year where the standard work week is thirty-seven decimal five (37.5) hours;
  - b. ~~40 hours in a fiscal year where the standard work week is forty (40) hours;~~
  - c. ~~42 hours in a fiscal year where the standard work week is forty two (42) hours;~~
  - d. ~~46.6 hours in a fiscal year where the standard work week is forty six point six (46.6) hours.~~
- 47.03** Subject to clause 47.02, the Employer shall grant leave with pay under the following circumstances:
- a. to take a family member for medical or dental appointments, or for appointments with school authorities or adoption agencies, if the supervisor was notified of the appointment as far in advance as possible;
  - b. to provide for the immediate and temporary care of a sick member of the employee's family and to provide an employee with time to make alternate care arrangements where the illness is of a longer duration;
  - c. to provide for the immediate and temporary care of a ~~elderly~~ member of the employee's family;
  - d. for needs directly related to the birth or to the adoption of the employee's child.

- e. to attend school functions, if the supervisor was notified of the function as far in advance as possible;
- f. to provide for the employee's child in the case of an ~~unforeseeable~~ closure of the school or daycare facility;
- g. ~~twenty per cent (20%) of the applicable hours stipulated in clause 47.02 above may be used~~ to attend an appointment with a legal or paralegal representative for non-employment related matters, or with a financial or other professional representative, if the supervisor was notified of the appointment as far in advance as possible.
- h. to visit with a terminally ill family member**

### Employer Movement

**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, children of spouse or common law partner), children for whom the employee 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-;
- or
- 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.**

### Remarks

The Bargaining Agent is proposing to amend Article 47 as follows:

#### Expansion of the definition of "family"

The Bargaining Agent's proposal to expand the definition of family at paragraph 47.01(g), for the purpose of leave with pay for family-related responsibilities is consistent with the current established negotiated settlement pattern in the federal public service.

In this context and in line with the agreements recently agreed upon/signed, expanding the definition of family as proposed here would be appropriate for the SV group as part of a comprehensive settlement.

### Increasing the quantum of leave

The Bargaining Agent is requesting an increase to the quantum of leave with pay for family-related responsibilities from thirty-seven decimal five (37.5) hours to seventy-five (75) hours.

This request is significantly beyond what is included in other CPA agreements; they all provide a maximum of thirty-seven decimal five (37.5) hours for this purpose. The union's proposal seeks to double the number of hours of leave with pay.

The Employer submits that the Bargaining Agent's proposal to double the quantum is costly – over \$1.3M per year ongoing for the SV group only, or 0.18% of the SV wage base and the Employer is opposed to such an increase. This puts pressure on the parameters of what the departments' budgets will allow and would impact the limits of their economic capabilities. The proposal would also have significant impact on departmental operations.

The Bargaining Agent is also proposing to eliminate the cap on the leave to attend appointments with a legal, paralegal or with a financial or other professional representative. The Employer maintains that this cap should remain. The Bargaining Agent's proposal to add new language at 47.03(h), is already adequately addressed under 47.03(b) and (c). The leave under Article 47 is for family-related reasons.

### Expanding the circumstances for which leave can be granted

The Bargaining Agent is proposing at 47.03(c) that the leave should be granted to provide care of any member of the employee's family as opposed to just "elderly" members. The Employer submits that such a change would unreasonably broaden the scope of the article, remove the purpose and meaning of paragraph 47.03(c).

The Bargaining Agent is proposing to add "*to visit a terminally ill family member*" to the list of circumstances for which the leave shall be granted. The Employer submits that there is no justification why the provisions for this article should be expanded. The leave entitlements currently provided for in the collective agreement could find application for this specific circumstance. The Bargaining Agent's proposal is not found in any CPA collective agreement.

The Employer therefore requests that the Commission not include these changes in its report, other than the proposed addition to the definition at paragraph 47.01 (g).

**Article 50 – Bereavement Leave with Pay****Union Proposal**

**50.01 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 bereavement leave with pay under 50.01(a) only once during the employee’s total period of employment in the public service.**

**Employer Movement**

**50.01 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 bereavement leave with pay under 50.01(a) only once during the employee’s total period of employment in the public service.**

**Remarks**

The Employer does not object to the new language proposed by the Bargaining Agent at 50.01(a), as it now forms part of the pattern established with other Bargaining Agents. The Employer could accept this as part of an overall negotiated settlement.

**Article 58 – Statement of Duties****Employer Proposal**

**58.01** Upon written request, an employee shall be provided with a ~~complete and current~~ **an official** 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.

**Remarks**

The Treasury Board *Directive on Classification* (Exhibit #13) ensures that job descriptions “*reflect the work assigned and performed by employees within the organizational structure, that they are updated when the work changes significantly, that they have reasonable and evidence based effective dates, and that job descriptions and organizational charts are approved and dated prior to the job evaluation.*” (Section 6.2 of the Directive)

In addition, managers are required as per the Directive, to sign and date a job description prior to submission for any job evaluation, confirming that it reflects the work assigned and to be performed.

The Employer's proposed language provides a more accurate reflection of this.

The Employer requests that the Commission include the Employer's proposal in its report.

## Article 61 – Correctional Service Specific Duty Allowance

### Union Proposal

The following ~~allowance~~ **Correctional Service Specific Duty Allowance** replaces the former Penological Factor Allowance (PFA) ~~and the Offender Supervision Allowance (OSA)~~. The parties agree that ~~only incumbents of positions deemed eligible and/or receiving PFA as of signing of this collective agreement,~~ **all CSC employees who are in contact with inmates or offenders** shall receive the Correctional Service Specific Duty Allowance (CSSDA), subject to the criteria outlined below.

**61.01** The CSSDA shall be payable to incumbents of specific positions in the bargaining unit within Correctional Service of Canada. The Allowance provides additional compensation **in recognition of the risk management function required of a position at** ~~to an incumbent of a position who performs certain duties or responsibilities specific to Correctional Service of Canada (that is, custody of inmates, the regular supervision of offenders, or the support of programs related to the conditional release of those offenders)~~ **within penitentiaries as defined in the Corrections and Conditional Release Act, and/or CSC Commissioner Directives**

### Employer Proposal

***\*\*Specific clauses to be amended are noted as follows\*\****

~~The following allowance replaces the former Penological Factor Allowance (PFA). The parties agree that only incumbents of positions deemed eligible and/or receiving PFA as of signing of this collective agreement, shall receive the Correctional Service Specific Duty Allowance (CSSDA), subject to the criteria outlined below.~~

**61.01** The **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.**

**61.02** The **value of the CSSDA** shall be two thousand dollars (\$2,000) annually. ~~and paid on a bi-weekly basis in any pay period for which the employee is expected to perform said duties of the specific position in a month.~~ **Except as prescribed in clause 61.03 below, this allowance shall be paid on a biweekly basis for any month in which an employee performs the duties for a minimum period of ten (10) days in a position to which the CSSDA applies.**

## **Remarks**

The Penological Factor Allowance (PFA) was replaced by the Correctional Service Specific Duty Allowance (CSSDA) during the 2014 round of bargaining. The intention of this change was to simplify the application of the allowance while keeping the same eligibility criteria.

The Bargaining Agent is proposing an expansion to the CSSDA beyond its intended scope, which would seek to include all Correction Service Canada employees who are in contact with inmates or offenders.

The Employer's proposal in article 61 seeks to update transitional language while maintaining the intent of the article as negotiated by providing clarification and alignment of the eligibility criteria for the allowance.

The Employer submits that the CSSDA was always intended for employees working in penitentiaries. The Employer's proposal at clause 61.01 clarifies the eligibility criteria for the allowance and confirms the intention of paying the allowance to employees who do not work at the Correctional Service of Canada (CSC) and perform duties in penitentiaries, as defined in the *Corrections and Conditional Release Act* and/or CSC Commissioner Directives.

The Employer's proposal in clause 61.02 is meant to address an oversight that occurred while transitioning from the PFA to the CSSDA. Since at least 2001, the requirement to perform the duties for a minimum period of ten days in a position to be eligible has been a central part of the allowance and an integral part of the SV collective agreement.

During the current round of bargaining (2018-2022), the Employer's proposal to add the requirement to perform the duties for a minimum period of ten days to be eligible to the allowance has been incorporated in other collective agreements such as, but not limited to, the Financial Management (FI), Audit, Commerce and Purchasing (AV), Health Services (SH), and Electronic (EL) groups, which are represented by three different bargaining agents.

Considering the preceding information, adopting the Employer's proposal would ensure consistency with other collective agreements subject to the CSSDA, and would provide for an update to the legacy language.

Based on the aforementioned, the Employer requests that the Commission include these changes its report, and not include any of the Bargaining Agent's proposals.

**Article 68 – Compensatory Leave****Union Proposal**

Exception: this article does not apply to the SC group.

**68.01**

- a. All the overtime, travelling time compensated at overtime rates, standby pay, reporting pay, call-back pay, and time worked on a designated paid holiday, shall be compensated in cash except where, upon request of an employee ~~and with the approval of the Employer,~~ compensation shall be in equivalent leave with pay.  
Notwithstanding the above paragraph, designated paid holidays for FR employees will be compensated in accordance with clause 6.01 of Appendix A.
- b. Compensatory leave may be granted subject to operational requirements and adequate advance notice being provided.
- c. At the request of the employee, and with the approval of the employer, accumulated compensatory leave may be paid out, in whole or in part, once per fiscal year, at the rate in effect at the time of the request.
- d. Compensatory leave earned in a fiscal year, and outstanding as of September 30 of the next following fiscal year will be paid at the employee's rate of pay on September 30.

**Remarks****Employee preference**

Under the current provision, an employee with accumulated overtime makes a request to be compensated in cash or leave and submits it for the Employer's approval.

The Bargaining Agent is proposing that the employee should be able to decide, unilaterally, whether accumulated overtime should be compensated in cash or in leave with pay.

The Employer submits that the current provision is reasonable, as it allows the Employer to consider operational and organizational requirements. This provision is also consistent with other collective agreements. In the Employer's view, there is no justification to make the proposed change.

The Employer requests that the Commission not include the Bargaining Agent's proposals in its report.

### Article 70 – Duration

Union Proposal
The Union proposes that the new collective agreement expire on <b>August 4, 2021</b> .
Employer Proposal
<b>70.01</b> The provisions of this agreement will expire on August 4, 20 <b>18</b> <del>22</del> .

#### Remarks

The parties have different proposals for the term of the revised agreement. The Employer is proposing a four-year term while the PSAC is advocating for a three year agreement.

The Employer proposes a four-year agreement to allow for greater stability and predictability. This would replicate the duration of the last collective agreement concluded between the parties, which covered the period from August 2014 to August 2018. In 2017, the parties finalized a collective agreement dating back to 2014 and expiring one year later (in August 2018). This did not allow sufficient time for the parties to experience the changes that were negotiated before notice to bargain was served by the PSAC for the current round of bargaining.

A four-year agreement would provide the parties with the opportunity to more fully implement changes negotiated in this round. It would also provide a better opportunity to stabilise the pay system before the implementation of the following collective agreement.

The Employer is also of the view that its monetary/economic offer over four years is competitive with the marketplace and is in keeping with the economic indicators.

Moreover, the Employer's proposal replicates the other agreements concluded in the CPA, and in Separate Agencies. Every agreement reached with the 11 bargaining agents for 17 bargaining units in the CPA during the current round provides for a four-year term. The same goes for Separate Agencies. The Employer believes that it would be appropriate to include the same duration for the SV group. This is the right term for this agreement at this time given the known factors.

The Employer therefore requests that the Commission include the Employer's proposal for a four-year collective agreement in its report, with the pattern economic increases of 2%, 2%, 1.5% and 1.5%, plus 1% in group-specific economic measures.

**NEW – Pre-Retirement Leave****Union Proposal**

**XX.XX The Employer will provide thirty-seven decimal five (37.5) hours of paid leave per year, up to a maximum of one-hundred and eighty seven decimal five (187.5) hours, to employees who have the combination of age and years of service to qualify for an immediate annuity without penalty under the *Public Service Superannuation Act*.**

**Remarks**

The Bargaining Agent has not provided justification for this proposal of 37.5 hours of paid pre-retirement leave per year, and it has not provided demonstrated quantitative information supporting its impact on retention.

Employees who have a higher number of years of service already enjoy richer vacation leave credits entitlements.

This proposal would also represent a considerable expense for the Employer - close to \$2.3M per year for the SV group, or 0.33% of the SV wage base. Considering the Employer's fiscal and budgetary responsibility towards Canadians, the Employer is of the view that this proposal is not warranted.

Finally, Appendix C of the Treasury Board *Directive on Leave and Special Working Arrangements* (Exhibit #14) already provides for a reduction of the work week up to 40% (two days) for a period of up to two years to employees within two years of retirement (i.e., age 53 with 28 years of pensionable service or age 58 with two years of pensionable service). This provides an option to employees who wish to enjoy more time off towards the end of their career in the CPA.

For those reasons, the Employer requests that the Commission not include this proposal in its report.

**NEW – Duty to Accommodate****Union Proposal**

***As amended and tabled with the Employer on March 20 2019***

**The duty to accommodate is the obligation to meaningfully incorporate diversity into the workplace. The duty to accommodate involves elimination or changing rules, policies, practices and behaviours that discriminate against person based on a group characteristic, such as race, national or ethnic origin, colour, religion, age, sex (including pregnancy), sexual orientation, marital status, family status and disability.**

**XX.01 With respect to pay and benefits, an employee who stays in the same position shall continue to receive the same pay and benefits, no matter the nature or the duration of the accommodation. If it is not possible to accommodate the employee in their own position or in a comparable position and the new position is of a group and/or level with a lower attainable rate of pay, the employee shall be salary protected, as defined in XX.02**

**XX.02 Salary protection under this article shall mean the rate of pay, benefits and all subsequent economic increases applicable to the employee's former classification level.**

**Remarks**

The Bargaining Agent is proposing to introduce a new article that would provide salary protection for employees who are no longer capable of performing the full-scope of the duties associated with their position for reasons related to the duty to accommodate.

The Bargaining Agent further submits that employees should continue to be paid the same pay and benefits if they remain in the same position or move to another position with possibly a lower attainable rate of pay.

This proposal would fundamentally alter the Employer's authority to manage its operations while honouring its duty to accommodate obligations.

**Jurisdictional concerns**

The Employer submits that the Bargaining Agent's proposal should not be subject to collective bargaining and should not be addressed by the Commission in its report, pursuant to sections 113 and 177 of the *Federal Public Service Labour Relations and Employment Act* (FPSLRA) (Exhibit #15).

The proposal deals with the requirements to be deemed qualified for a position, and the processes and procedures for employees to be appointed and/or deployed to different

positions. These are terms or conditions of employment established under the *Public Service Employment Act* (PSEA):

***Collective agreement not to require legislative implementation***

*113 A collective agreement that applies to a bargaining unit — other than a bargaining unit determined under section 238.14 — must not, directly or indirectly, alter or eliminate any existing term or condition of employment or establish any new term or condition of employment if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

***Report not to require legislative implementation***

*177 (1) The report may not, directly or indirectly, recommend the alteration or elimination of any existing term or condition of employment, or the establishment of any new term or condition of employment, if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

*(c) the term or condition relates to standards, procedures or processes governing the appointment, appraisal, promotion, deployment, rejection on probation or lay-off of employees; or*

In light of the above, the Employer respectfully submits that this Commission does not have the jurisdiction to address this proposal in its report and it should be set aside.

***Duty to accommodate***

The Employer recognizes its duty to accommodate and such duty is well established by the *Canadian Human Rights Act* and the *Employment Equity Act*. It is supported by various tools, including the Canadian Human Rights Commission's Guide entitled "Accommodation Works!" and the Treasury Board *Policy on the Duty to Accommodate Persons with Disabilities in the Federal Public Service* (Exhibit #16) and Guide for managers entitled "Duty to Accommodate: A General Process For Managers" (Exhibit #17).

Accommodation measures are provided to employees in order to assist them in performing the duties associated with their position.

However, as supported by courts of law, the Employer is under no obligation to provide remuneration to employees for work not performed when the Employer has fulfilled its

duty to accommodate and the employee is deemed to not be able to resume their duties in a foreseeable future:

- Hydro Québec 2008 SCC 43 (Exhibit #18)
  - [15] The purpose of the duty to accommodate is not to completely alter the essence of the contract of employment, that is, the employee's duty to perform work in exchange for remuneration.
  - [17] If the Employer shows that, despite measures taken to accommodate the employee, the employee will be unable to resume his or her work in the reasonably foreseeable future, the Employer will have discharged its burden of proof and established undue hardship.
  
- Nadeau 2017 FPSLREB 27 (Exhibit #19)
  - [62] Benefits have the same character as salaries; namely, they are compensation for work performed. [...] It is important to distinguish between on one hand accommodating the specific needs of workers affected by physical disabilities to help them participate in the workplace and on the other hand compensating them.
  - [63] The benefits provided in a collective agreement, like wages, are a form of compensation for work performed. The duty to accommodate does not require the Employer to offer more favourable benefits and wages to an employee dealing with a physical or mental disability than to an employee without a disability who works the same number of hours. In my opinion, the Employer fully met its duty to accommodate the grievor by among other things allowing her to work 18.75 hours per week and by compensating her in the same way as other employees who work the same number of hours.
  - [64] As suggested in *Canada Safeway Ltd.*, my opinion is that distinguishing between employees based on whether work was performed and, if so, to what extent, does not violate the principles of equality provided for under the *CHRA*.
  - [65] However, if I endorse the argument that she should be granted all the benefits that she would have received were it not for her disability, then she would have had to have been paid her regular wages for the period during which she was unable to work due to that disability. Consequently, she would be fully compensated for work that she never performed.

In essence, when an employee is deemed no longer capable of performing the duties of their substantive position for the unforeseeable future, despite accommodation measures provided, other options have to be considered.

These options may include changing the employee's status of employment from full-time to part-time, considering an appointment or a deployment to an equivalent position or to a lower level position.

The Employer submits that the Bargaining Agent's proposal would result in employees being paid for work they have not performed. The duty to accommodate does not prescribe such payment.

The Employer submits that the Acts and associated policies and tools in place are sufficient to support management in fulfilling its duty to accommodate. Agreeing to such a change would have significant financial and administrative impacts for the SV group and would also exceed the provisions contained in other CPA agreements, without justification.

For these reasons, the Employer requests that the Commission not include this proposal in its report.

**NEW - Letter of Understanding between the Treasury Board and the Public Service Alliance of Canada**

**Union Proposal**

This letter is to give effect to the understanding reached between the Employer and the Public Service Alliance of Canada in negotiations for the renewal of the Operational Services Collective Agreement.

Accordingly, the parties agree, during the life of the Agreement, to conduct a compensation comparability study **on all SV group classifications**.

The parties further agree to meet within ninety (90) days of the signing date of this Agreement to establish the scope and the terms of reference of the study.

**Remarks**

The Bargaining Agent is proposing that the parties agree to a new joint compensation study for the SV group.

In the 2011 round of bargaining, the parties agreed to conduct a wage study during the life of the 2011 agreement that would inform the subsequent round of negotiations (2014-2018).

The joint study was completed in March 2015. During negotiations, the parties had a very different understanding of the study's findings and results. This study did not provide the common base of information originally envisioned. The parties nevertheless reached a tentative settlement on February 4, 2017, (Exhibit #8) which resulted in a collective agreement being signed on June 14, 2017. The settlement signed by both parties clearly indicated that the wage adjustments agreed to during the course of negotiations "resolved the issues identified" in the joint study.

As referenced at the beginning of this brief, the Employer has conducted its own wage study for the SV group. The results of this study show that compensation levels for the SV group are sufficient, as evidenced by competitive salary levels and the Employer's ability to attract and retain a sufficient number of employees. Accordingly, the Employer does not see the advantage of agreeing to another joint study.

The Employer submits that each party is free to conduct their own wage study to support their position in collective bargaining.

For these reasons, the Employer requests that the Commission not include this proposal in its report.

**Appendix A – Firefighter (FR) Group, specific provisions and rates of pay****General - Hours of work and overtime****Employer Proposal****Hours of work and overtime****2.05 Hours of work**

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

**Remarks**

The Employer is proposing to reduce the notification period for changing shifts. The current ninety-six (96) hours' advance notice is operationally too long and it affects management's flexibility to manage its staff.

The proposed shorter notice period has an added benefit for employees, as it will provide greater flexibility to accommodate short notice requests, such as leave requests.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

## Appendix A – Firefighter (FR) Group, specific provisions and rates of pay

### General - Overtime compensation

#### Union Proposal

##### Overtime compensation

2.11 Except when a free meal can be provided:

- a. An employee who has not received at least twelve (12) hours advanced notice of an overtime requirement and who works three (3) or more consecutive hours of overtime immediately following the employee's scheduled hours of work shall be paid a meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~). When continuous overtime extends beyond seven (7) hours, a second (2nd) meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~) shall be provided. Only two (2) meals shall be provided in one overtime shift, except when an overtime period in excess of three (3) hours immediately precedes an employee's scheduled hours of work, a meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~) shall be paid. Consecutive overtime shifts shall be construed as following scheduled hours of work.
- b. Reasonable time to be determined by the Employer shall be allowed the employee in order that the employee may take a meal break.

#### Employer Movement

##### Overtime compensation

2.11 Except when a free meal can be provided:

- a. An employee who has not received at least twelve (12) hours advanced notice of an overtime requirement and who works three (3) or more consecutive hours of overtime immediately following the employee's scheduled hours of work shall be paid a meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~). When continuous overtime extends beyond seven (7) hours, a second (2nd) meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~) shall be provided. Only two (2) meals shall be provided in one overtime shift, except when an overtime period in excess of three (3) hours immediately precedes an employee's scheduled hours of work, a meal allowance in the amount of ~~twelve-ten~~ dollars (\$~~1240~~) shall be paid. Consecutive overtime shifts shall be construed as following scheduled hours of work.
- b. Reasonable time to be determined by the Employer shall be allowed the employee in order that the employee may take a meal break.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

**Remarks**

The Bargaining Agent's proposal to increase the overtime meal allowance from ten (\$10.00) dollars to twelve (\$12.00) dollars is consistent with the current established negotiated settlement pattern in the federal public service.

In this context and in line with the agreements recently agreed upon/signed, increasing the overtime meal allowance as proposed here and in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement would be appropriate for the Firefighter (FR) group as part of a comprehensive settlement.

## Appendix A – Firefighter (FR) Group, specific provisions and rates of pay

### General - Reporting pay

Employer Proposal
<p><b>Reporting pay</b></p> <p><b>4.01</b></p> <ul style="list-style-type: none"> <li>a. When an employee is required to report and reports to work on a day of rest the employee is entitled to a minimum of three (3) hours' pay at the applicable overtime rate.</li> <li>b. The minimum payment referred to in 4.01(a) above, does not apply to part-time employees. Part-time employees will receive a minimum payment in accordance with Article 65.05.</li> </ul> <p><b>4.02</b> When an employee is required to report and reports to work after the employee has completed the employee's work for the day and has left the place of work the employee is entitled to a minimum of two (2) hours' pay at the hourly rate of pay.</p> <p><b>(New)</b></p> <p><b>4.03 Where an employee is entitled to the reimbursement of transportation expenses pursuant to Article 35, the employee shall be reimbursed for reasonable expenses incurred from their residence up to a maximum distance of seventy-five (75) kilometers.</b></p>

### Remarks

The Employer proposes to introduce a 75-kilometer cap for reimbursement of transportation expenses for the Firefighter (FR) Group.

Employees in the FR group who work 42 hours a week report to work twice a week on a 24-hour schedule. In some cases, this schedule has led some employees to make the personal choice of moving to a secondary residence that is, in some cases 5 or 6 times the distance from their work location / fire hall and primary residence.

Under certain circumstances noted below, the department (Department of National Defence) is obligated to reimburse the kilometric allowance at a very significant expense when an FR employee is required to report to work from their secondary residence:

#### ***Article 35: transportation expenses***

**35.01** *If an employee is called back or is required to report to work pursuant to Articles 29, 30, 31, 32, or the reporting pay clauses of the appropriate appendix,*

- a. *on a designated paid holiday which is not the employee's scheduled day of work, or*
- b. *on the employee's day of rest, or*
- c. *after the employee has completed his or her work for the day and has left his or her place of work, or*
- d. *for overtime worked which is not contiguous to the employee's scheduled hours of work, and reports for work, the employee shall be reimbursed for reasonable expenses incurred as follows:*
  - i. *kilometric allowance at the rate normally paid to an employee when authorized by the Employer to use his or her automobile and the employee travels by means of his or her own automobile, or*
  - ii. *out-of-pocket expenses for other means of commercial transportation.*
- e. *other than when required by the Employer to use a vehicle of the Employer for transportation to a work location other than the employee's normal place of work, time spent by the employee reporting to work or returning to his or her residence shall not constitute time worked.*

Introducing a cap on the kilometric allowance to address this FR group specific issue would allow the Department of National Defence to better manage expenses and bring equity to the group in these cases.

The Employer requests that the Commission include the Employer's proposal in its report.

**Appendix A – Firefighter (FR) Group, specific provisions and rates of pay****General - Long service pay****Union Proposal****Long service pay**

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

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

**Employer movement****Long service pay**

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

<b>Period of service in the public service</b>	<b>Annual amount</b>
<b>5 to 9 years</b>	<b>\$784740</b>
<b>10 to 14 years</b>	<b>\$901850</b>
<b>15 to 19 years</b>	<b>\$1,03998</b>
<b>20 to 24 years</b>	<b>\$1,177410</b>
<b>25 to 29 years</b>	<b>\$1,3141,240</b>
<b>30 years or more</b>	<b>\$1,4521,370</b>

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

**Remarks**

The Bargaining Agent is seeking an increase to the Firefighter Long Service pay, and proposing that it changes from a current flat rate (annual amount) to a percentage of employees' annual salary (ranging from 1% to 6%).

The Bargaining Agent has not provided a strong justification supporting this proposal. Moreover, this proposal is costly – over \$700,000 per year, or 0.10% of the SV wage base; an increase of up to 4.5 times the current value of the long service pay.

Accordingly, the Employer requests that the Commission not include this proposal in its report.

Alternatively, as part of a comprehensive settlement, the Employer could consider allocating a portion of the 1% SV wage base identified at the beginning of this brief to adjust the flat rate by 6% in accordance with the Memorandum of Understanding with regard to the Implementation of the Collective Agreement.

The Employer proposes that such an increase would address the Bargaining Agent's proposal for an increase to the Firefighter Long Service pay.

**Appendix A – Firefighter (FR) Group, specific provisions and rates of pay****Annex B - Memorandum of Understanding Between the Treasury Board and the Public Service Alliance of Canada with Respect to Firefighters and the Provincial Workers of Compensation Acts****Employer Proposal****Delete Annex “B”****Remarks**

The Employer submits that the commitments contained in this MOU were all met, and as such proposes the deletion of the MOU from the SV collective agreement.

The commitments were as follows:

*The President of the Treasury Board, or another Minister, will send a letter to the appropriate provincial minister requesting that appropriate steps be taken to ensure federal fire service personnel, subject to the Government Employees Compensation Act (GECA), receive the benefit of all statutory and/or regulatory presumptions contained in the relevant provincial legislation currently provided to fire service personnel in that province.*

*This letter will contain the following:*

- 1. A requested reply within 6 months from receipt of this letter. Should reply letters not be received within 6 months, a follow-up letter will be sent to provinces as appropriate to inquire on the status of the requested changes.*
- 2. An indication that these steps may include, but are not limited to, any necessary amendments to the definition of fire service personnel contained in, or referenced by, provincial worker's compensation legislation, or related provincial legislation.*
- 3. His or her support of federal fire service personnel being afforded the same coverage as fire service personnel covered under provincial worker compensation acts.*
- 4. A clear statement requesting that appropriate steps be taken to ensure federal fire service personnel, subject to the Government Employees Compensation Act (GECA), receive the benefit of all statutory and/or regulatory presumptions contained in the relevant provincial legislation currently provided to fire service personnel in that province.*

*This letter will be sent within 90 days of signing of the collective agreement. This period may, by mutual agreement, be extended.*

In September 2017, the Minister of Employment, Workforce Development and Labour completed the obligations outlined in the MOU by sending letters to the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (Exhibit #20).

The letters were signed on September 14, 2017 and the President of the Treasury Board is copied. A copy of the above noted letters was shared with the Bargaining Agent on November 28, 2018.

No commitments are outstanding.

As such, the Employer requests that the Commission recommends the deletion of this Annex in its report.

**Appendix B – General Labour and Trades (GL) Group, specific provisions and rates of pay****Hours of work and overtime****Employer Proposal**

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

- a. shall be compensated at the rate of time and one-half (1 1/2) for the first (1st) full shift worked on the new schedule. Subsequent shifts worked on the new schedule shall be paid for at straight time;
- b. shall retain his or her previously scheduled days of rest next following the change, or, if worked, such days of rest shall be compensated in accordance with clause 2.07.

**Remarks**

The Employer is proposing to reduce the notification period for changing shifts. The current seven (7) days' advance notice is operationally too long and it affects management's flexibility to manage its staff.

The proposed shorter notice period has an added benefit for employees, as it will provide greater flexibility to accommodate short notice requests, such as leave requests.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

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

### Dirty work allowance

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

### Remarks

The Bargaining Agent is proposing to expand the conditions and nature of the dirty work allowance for the GL group to include the cleaning up of organic matter, chemical residue and pollutants of any amount.

The Employer submits that this provision was intended to compensate for the cleaning up of oil spills in excess of 200 liters.

The classification standards for the GL recognize the particularities of this group, including the work conditions (environment and hazards) (Exhibit #21). Accordingly, the cleaning up of organic matter, chemical residue and pollutants are part of the day to day work of employees in the GL group and are covered by the basic rate of pay. An allowance is meant to compensate employees for exceptional circumstances. The Bargaining Agent has not provided justification of such allowance being required.

For these reasons the Employer requests that this proposal not be included in the Commission's report.

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

### Height pay

#### Union Proposal

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

- a. on land-based towers where they are required to work thirty (30) feet or more above the ground;
- b. for installation or repair work thirty (30) feet above the ground, on the side of buildings, ships or structures where the method of support is by moveable platform ~~(excluding manlifts);~~
- c. for repair work at a height of thirty (30) feet or more above the ground, on cranes where no scaffolding exists

#### Remarks

The Bargaining Agent is proposing to expand the compensation for height pay allowance and remove the exclusion for manlifts.

The Employer submits that the current provision is reasonable, and consistent with all CPA agreements that have height pay, including the Ship Repair West and Ship Repair East groups.

The Employer is also of the view that manlifts are stable structures and therefore the exclusion remains relevant to this allowance. The Employer is focussed on protecting the health and safety of its employees and submits that the purpose of this allowance is to compensate for the discomfort and not for risk.

The Bargaining Agent has not provided sufficient justification to support an expansion of this allowance.

For these reasons, the Employer requests that the Commission not include the bargaining agent's proposals in its report.

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

**Annex E - Special Conditions Applicable to Lockmasters, Bridgemasters and Canalmen Operators**

**Union Proposal**

**Annex E – special conditions applicable to Lockmasters, Bridgemasters and Canalmen Operators**

The following special conditions shall be applicable to employees engaged as lockmasters, bridgemasters and canalmen **Operators** employed in the operation of the Canso canal.

**2. Compensation and equalization of earnings**

**2.2**

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

**NEW**

- (b) **For the purposes of (a) above, during the navigation season, all hours worked in excess of the greater of the scheduled navigation hours or eight (8) hours, shall be credited to the compensatory leave account at time and one-half; all hours worked in excess of eight (8) hours at time and one-half shall be credited at the double time rate;**
- (c) **For the purposes of (a) above, during the non-navigation season, all hours worked in excess of eight hours per day or on an employee's first day of rest shall be credited to the compensatory leave account at time and one-half; all hours worked in excess of sixteen hours per day or on the employee's second day of rest shall be credited at the double time rate.**

**Employer Movement**

**SPECIAL CONDITIONS APPLICABLE TO LOCKMASTERS, BRIDGEMASTERS AND CANALMEN OPERATORS**

The following special conditions shall be applicable to employees engaged as lockmasters, bridgemasters and canalmen **operators** employed in the operation of the Canso canal.

*\*\*Note: change only applicable to English provision\*\**

**Article 3 - Application****(New)**

**3.03 With the exception of clauses relating to maternity leave, maternity and parental allowance, medical appointments for pregnant employees, and maternity-related reassignment or leave in this agreement, expressions referring to employee or the masculine or feminine gender are meant for all employees, regardless of gender.**

**Remarks****Bridgemasters, Lockmasters, Canalmen**

The Bargaining Agent is proposing to change the portions of the titles in Annex E - special conditions applicable to Lockmasters, Bridgemasters and Canalmen to remove the references to “master” or “men” to “operators”.

The Employer submits that from a Classification perspective, there is an impact in changing these titles as the Bargaining Agent suggests. The term “lockmaster” is used in the current standard as a job title of a benchmark and is linked to supervisory levels.

Bridgemasters supervise Bridge Supervisors. Changing the title as is proposed would mean that a Bridge Supervisor would be report to a Bridge Operator. In this context, “master” is interpreted as a role and not a proper noun.

The Employer does not object to the new language proposed by the Bargaining Agent to change the term “Canalmen” to “Canal Operator” and could accept this change as part of an overall negotiated settlement.

**Gender-neutral language**

The Employer shares the Bargaining Agent's objective of ensuring that the collective agreement provisions apply to all employees regardless of gender. In that regard, the Employer is also proposing an amendment to the language at clause 3.03 to provide greater clarity and is within the scope of working towards gender neutrality with respect to collective agreement provisions.

The Employer therefore requests that the Commission include this proposal in its report.

**Overtime benefits**

The Bargaining Agent is proposing to broaden the existing overtime benefits in Annex E for employees at the Canso Canal. This would introduce the concept of a seasonal bridge in the agreement. Instead of earning overtime for all hours worked in excess of 2080 in any fiscal year, employees would be credited overtime for all hours worked in excess of either their scheduled hours of work or 8 hours at either 1 ½ or double-time during the navigation season with additional overtime provisions during the non-navigation season.

The Employer submits that the provisions in Annex E already provide for an equalization of earnings from the navigational season to cover the non-navigational season. Broadening the existing mechanism of overtime compensation would serve to bridge a gap, which the Employer is unable to support as these employees work seasonally.

The Canso Canal operates from April 14 to December 23 during the navigation season, on a 24/7 basis. Employees (GL-MOCs) work 12-hour shifts, 4 days on and 4 days off and are paid according to the provisions found in Appendix B at Annex E which outline compensation during the navigation and non-navigation seasons.

During the navigation season, employees are entitled to straight time compensation for the hours they work, to a maximum of 2080 hours. These earnings are equalized over the fiscal year (April 1 to March 31). Employees are paid 80 hours every two weeks when they are at work or on approved leave. All hours in excess of 80 hours in the two-week period are credited to the employee's compensatory leave account.

All time worked which is in excess of 2080 hours in any fiscal year is deemed to be overtime and is subject to compensation at either 1 1/2 times the straight-time rate or twice the straight-time rate. Compensation for overtime is in the form of compensatory paid leave and credited to the employee's compensatory leave account.

Employees' compensatory leave accounts are liquidated during the non-navigation season.

For these reasons, the Employer requests that the Commission not include this proposal in its report.

**Appendix B – General Labour and Trades (GL) Group, specific provisions and rates of pay****Annex E - Standby and call-back****Union Proposal****4. Standby and call-back**

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

**Remarks**

The Bargaining Agent is proposing to introduce the possibility for employees to accumulate standby and call-back in their bank of compensatory time off.

The Employer submits that the provisions in Annex E already provide for an equalization of earnings from the navigational season to cover the non-navigational season. Broadening the existing mechanism to bank overtime compensation would serve to bridge a gap, which the Employer is unable to support as these employees work seasonally.

For these reasons, the Employer requests that the Commission not include this proposal in its report.

**Appendix B – General Labour and Trades (GL) Group, specific provisions and rates of pay****Annex E – New article****Union Proposal****(new)**

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

**Remarks**

The Bargaining Agent is proposing new language at Appendix B, Annex E for employees of the GL group who work at the Canso canal. The PSAC is seeking that an additional 30 minutes per shift be paid to operators to allow for shift change-over communications.

The Employer submits that extra time for shift change-over is not regularly or operationally required for these employees. Agreeing to this proposal would cause unnecessary extra costs for the Employer. In the event employees are required to work extra time after their shift, they would be entitled to overtime time pay, as per the provisions of the collective agreement.

Accordingly, the Employer requests that the Commission not include this proposal its report.

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

**Annex M - Apprenticeship program**

Union Proposal
<p><b>Apprenticeship program</b></p> <p><i>The Union wishes to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program.</i></p>

**Remarks**

The Employer submits that the Bargaining Agent's proposal to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program, deals with a term or condition of employment established under the *Public Service Employment Act* (PSEA) as it relates to procedures or processes governing the appointment of employees. As such, this proposal should not be subject to collective bargaining as established by s.113 of the FP SLRA (Exhibit #15):

***Collective agreement not to require legislative implementation***

*113 A collective agreement that applies to a bargaining unit — other than a bargaining unit determined under section 238.14 — must not, directly or indirectly, alter or eliminate any existing term or condition of employment or establish any new term or condition of employment if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

S. 177 of the FP SLRA also prevents a PIC from issuing a report that would directly or indirectly affect a term or condition of employment established under the PSEA:

***Report not to require legislative implementation***

*177 (1) The report may not, directly or indirectly, recommend the alteration or elimination of any existing term or condition of employment, or the establishment of any new term or condition of employment, if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

*(c) the term or condition relates to standards, procedures or processes governing the appointment, appraisal, promotion, deployment, rejection on probation or lay-off of employees; or (...)*

In light of the above, the Employer respectfully submits that this Commission does not have the jurisdiction to address this proposal in its report and it should be set aside.

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

**Annex N - GL-MAM, Refrigeration Hvac Technicians**

**Union Proposal**

**GL-MAM, Building System Technician and Refrigeration HVAC Technicians**

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

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

2. The parties agree that ~~GL-MAM refrigeration HVAC technicians~~ **workers as outlined above** shall be eligible to receive an annual “terminable allowance” subject to the following conditions:
  - i. An employee in a position outlined above shall be paid the terminable allowance for each calendar month for which the employee receives at least eighty (80) hours’ pay at the ~~GL-MAM~~ rates of pay of this appendix.
  - ii. The allowance shall not be paid to or in respect of a person who ceased to be a member of the bargaining unit prior to the date of signing of this agreement.
  - iii. A part-time employee shall be entitled to the terminable allowance on a pro-rata basis.
  - iv. An employee shall not be entitled to the allowance for periods he is on leave without pay or under suspension.

**Employer Movement**

**GL-MAM, REFRIGERATION HVAC TECHNICIANS**

1. Effective on the date of signing of the collective agreement, in an effort to address recruitment and retention issues of the GL-MAM refrigeration HVAC technicians in the Operational Services (SV) group. The Employer will provide an annual terminable

allowance of eight thousand (\$8,000) to GL-MAM refrigeration HVAC technicians, **including incumbents of GL-MAM building systems technicians positions**, who have **provincial or Red Seal** refrigeration and air conditioning mechanic certification and perform the duties of a GL-MAM refrigeration HVAC technician.

2. The parties agree that GL-MAM refrigeration HVAC technicians shall be eligible to receive an annual “terminable allowance” subject to the following conditions:
  - i. An employee in a position outlined above shall be paid the terminable allowance for each calendar month for which the employee receives at least eighty (80) hours’ pay at the GL-MAM rates of pay of this appendix.
  - ii. The allowance shall not be paid to or in respect of a person who ceased to be a member of the bargaining unit prior to the date of signing of this agreement.
  - iii. A part-time employee shall be entitled to the terminable allowance on a pro-rata basis.
  - iv. An employee shall not be entitled to the allowance for periods he is on leave without pay or under suspension.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

### **Remarks**

The Bargaining Agent is proposing to broaden the eligibility for the annual terminable allowance provided to refrigeration HVAC technicians in the GL-MAM sub-group to include building systems technicians and to increase the allowance from \$8,000 to \$10,500.

This proposal represents a cost of over \$1.8M per year, 0.27% of the SV wage base; an increase of 31% of the current value of the terminable allowance.

The Employer submits that expanding the eligibility of the allowance to all employees in the GL group who have the skills and knowledge obtained from the completion of a provincial A/C Refrigeration Technician license or a building system technician certification or equivalent and perform refrigeration HVAC duties goes beyond the original scope and intention of the allowance.

This terminable allowance was introduced in the last round of bargaining to address a specific sub-set of the GL-MAM group with recruitment and retention challenges. This allowance forms a significant portion of the salary of those employees who perform the duties of HVAC technician. Currently 65 employees in the GL-MAM sub-group receive the allowance.

Accordingly, the Employer requests that the Commission not include this proposal in its report.

Alternatively, as part of a comprehensive settlement, the Employer could consider allocating a portion of the proposed 1% of the SV wage base identified at the beginning of this brief for monetary measures, to expand the eligibility of the allowance to employees in the GL-MAM sub-group, including incumbents of the GL-MAM building systems technician positions, who hold a provincial or interprovincial (Red Seal) certification or license, in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

The Employer proposes that such an expansion would address the Bargaining Agent's proposal while respecting the intention and scope of allowance, which is linked to the GL-MAM for the performance of HVAC technician's duties.

**Appendix C – General Services (GS) Group, specific provisions and rates of pay****General****Employer Proposal**

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

- a. shall be compensated at the rate of time and one-half (1 1/2):
  - i. for the first (1st) full shift worked on the new schedule if the new scheduled starting time of the employee's shift is at least four (4) hours earlier or later than the former scheduled starting time;
  - ii. for those hours worked on the first (1st) shift of the new schedule which are outside of the hours of the employee's formerly scheduled shift, if the new scheduled starting time of the employee's shift is less than four (4) hours earlier or later than the former scheduled starting time.

Subsequent shifts worked on the new schedule shall be paid for at straight time;

- b. shall retain his or her previously scheduled days of rest next following the change, or, if worked, such days of rest shall be compensated in accordance with clause 2.05 of this appendix.

**Remarks**

The Employer is proposing to reduce the notification period for changing shifts. The current seven (7) days' advance notice is operationally too long and it affects management's flexibility to manage its staff.

The proposed shorter notice period has an added benefit for employees, as it will provide greater flexibility to accommodate short notice requests, such as leave requests.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

**Appendix C – General Services (GS) Group, specific provisions and rates of pay**

**Annex F - Apprenticeship program**

<b>Union Proposal</b>
<p><b>Apprenticeship program</b></p> <p><i><b>The Union wishes to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program.</b></i></p>

**Remarks**

The Employer submits that the Bargaining Agent's proposal to discuss the development and implementation of a recruitment strategy, with particular focus on attracting First Nations peoples to the program, deals with a term or condition of employment established under the *Public Service Employment Act* (PSEA) as it relates to procedures or processes governing the appointment of employees. As such, this proposal should not be subject to collective bargaining as established by s.113 of the FP SLRA (Exhibit #15):

***Collective agreement not to require legislative implementation***

*113 A collective agreement that applies to a bargaining unit — other than a bargaining unit determined under section 238.14 — must not, directly or indirectly, alter or eliminate any existing term or condition of employment or establish any new term or condition of employment if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

S. 177 of the FP SLRA also prevent a PIC from issuing a report that would directly or indirectly affect a term or condition of employment established under the PSEA:

***Report not to require legislative implementation***

*177 (1) The report may not, directly or indirectly, recommend the alteration or elimination of any existing term or condition of employment, or the establishment of any new term or condition of employment, if*

*(b) the term or condition is one that has been or may be established under the Public Service Employment Act, the Public Service Superannuation Act or the Government Employees Compensation Act;*

*(c) the term or condition relates to standards, procedures or processes governing the appointment, appraisal, promotion, deployment, rejection on probation or lay-off of employees; or (...)*

In light of the above, the Employer respectfully submits that this Commission does not have the jurisdiction to address this proposal in its report and it should be set aside.

**Appendix D – Heating, Power and Stationary Plant (HP) Group, specific provisions and rates of pay****General****Employer Proposal****3.04**

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

**Remarks**

The Employer is proposing to reduce the notification period for changing shifts. The current seven (7) days' advance notice is operationally too long and it affects management's flexibility to manage its staff.

The proposed shorter notice period has an added benefit for employees, as it will provide greater flexibility to accommodate short notice requests, such as leave requests.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

**Appendix D – Heating, Power and Stationary Plant (HP) Group, specific provisions and rates of pay**

**Shift premium**

**Union Proposal**

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

**Remarks**

The Bargaining Agent is seeking to remove the notion of a 12-hour shift from Appendix D of the agreement.

The PSAC did not provide a justification for this proposal during negotiations.

The Employer submits that this proposal would override the definition of a shift and shift worker by expanding the application of the shift premium beyond what is already provided at Appendix D.

**Article 25: hours of work**

**25.01**

**Shift work**

*d. a “**shift**” means the rotation through two (2) or more periods of eight (8) hours or longer where the Employer requires coverage of sixteen (16) hours or more each day; or, where the Employer requires the employee to work on a non-rotating and indefinite basis on evening or night duty of which half (1/2) or more of the hours are scheduled between 18:00 hours and 06:00 hours.*

As specified in Appendix D, 5.02, the parties have agreed that HP employees that work 12 hours are eligible to receive a shift premium, even though they do not meet the definition of a shift worker as per article 25.01(d).

The Bargaining Agent's proposal would result in any HP employee working past 4pm to be eligible for a shift premium, as long as their work period exceeds 8 hours. This would be a richer eligibility criteria than that applicable to other employees in the SV group.

It is not clear to the Employer what the Bargaining Agent is attempting to achieve with its proposal. Accordingly, the Employer requests that the Commission not include this proposal its report.

**Appendix D – Heating, Power and Stationary Plant (HP) Group, specific provisions and rates of pay**

**Dirty work allowance**

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

**Remarks**

The Bargaining Agent is proposing to introduce a new and expanded dirty work allowance for the HP group. This allowance would provide compensation for the cleaning up of oil spills in excess of 200 liters, as well as the cleaning up of organic matter, chemical residue and other pollutants.

The classification standards for the HP recognize the particularities of this group, including the work conditions (environment and hazards) (Exhibit #22). The HP group is comprised of positions that are primarily involved in the maintenance, repair and operation of machines, equipment and government facilities. This includes working on equipment and machinery used in sewage treatment and disposal, water supply and treatment, marine navigation and the handling/storage of fuels and lubricants.

Accordingly, the nature of their work is such that they are required to deal with a variety of substances on a regular basis. Dirty work is part of the HP day to day work and is covered by the basic rate of pay. An allowance is meant to compensate employees for exceptional circumstances. The Bargaining Agent has not provided justification of such allowance being required.

For these reasons, the Employer requests that this proposal not be included in the Commission's report.

**Appendix E – Hospital Services (HS) Group, specific provisions and rates of pay****Hours of work****Employer Proposal**

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

**Remarks**

The Employer is proposing to reduce the notification period for changing shifts. The current seven (7) days' advance notice is operationally too long and it affects management's flexibility to manage its staff.

The proposed shorter notice period has an added benefit for employees, as it will provide greater flexibility to accommodate short notice requests, such as leave requests.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

**Appendix F – Lightkeepers (LI) Group, specific provisions and rates of pay****Vacation leave****Union Proposal****Accumulation of vacation leave**

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

- a. **four (4) weeks** ~~three (3) weeks~~ per vacation year until the month in which the anniversary of the employee's eighth (8th) year of service occurs;
- b. **four (4) weeks and two decimal eight (2.8) days** per vacation year commencing with the month in which the employee's eighth (8th) anniversary of service occurs;
- c. **four (4) weeks and two four decimal two (4.2) eight (2.8) days** per vacation year commencing with the month in which the employee's sixteen (16th) anniversary of service occurs;
- d. **five (5) weeks** ~~four (4) weeks and four decimal two (4.2) days~~ per vacation year commencing with the month in which the employee's seventeenth (17th) anniversary of service occurs;
- e. **five (5) and two decimal eight (2.8) weeks** per vacation year commencing with the month in which the employee's eighteenth (18th) anniversary of service occurs;
- f. **six (6) weeks** ~~five (5) weeks and two decimal eight (2.8) days~~ per vacation year commencing with the month in which the employee's twenty-seventh (27th) anniversary of service occurs;
- g. **seven (7)** ~~six (6)~~ weeks per vacation year commencing with the month in which the employee's twenty-eighth (28th) anniversary of service occurs.

**1.02** Vacation leave provided under clause 1.01 above which is in excess of the three (3) or four (4) weeks per vacation year respectively shall be granted on a pro rata basis during the vacation year in which the employee completes the required years of continuous employment.

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

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

**(new)**

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

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

### **Remarks**

#### *Vacation leave accumulation*

The Bargaining Agent is proposing to amend the rate of accumulation of vacation leave credits at clause 1.02 for the LI group. This would effectively increase vacation leave entitlements beyond what is provided to most other groups in the CPA. This proposal is costly – over \$100,000 per year ongoing, representing 0.01% of the SV wage base.

The Bargaining Agent's proposal could also generate the need for additional human resources to cover the longer leave periods. This would involve additional costs.

The Employer requests that the Commission not include the Bargaining Agent's proposal in its report.

#### *Travel time*

The Bargaining Agent is also requesting a new travel time provision that would provide employees in the LI group embarking on a minimum of 2 weeks' vacation leave with 2 days of leave with pay to journey out and back from the Lightstation.

The Employer submits that a large number of Lightstations are accessible by car. Agreeing to such a change would represent a financial cost for the Department of Fisheries and Oceans and would exceed the provisions contained in other CPA collective agreements without justification. This proposal represents a cost of over \$48,000 per year ongoing and 0.01%% of the SV wage base.

The Employer requests that the Commission not include the Bargaining Agent's proposal in its report.

*Vacation leave approval*

The Bargaining Agent is proposing a new vacation leave request process where responses to leave would be subject to a prescriptive timeline of 30 days, be provided in writing and contain the reasons in the written response in the case of denial.

The Bargaining Agent is also proposing that notice of any alteration or cancellation of approved leave be provided in writing and include reasons.

The Employer's view is that the current system for response is working, and the Bargaining Agent has not demonstrated otherwise.

In the Employer's view, there is no justification to make the proposed change and requests that the Commission not include this proposal in its report.

## Appendix F – Lightkeepers (LI) Group specific provisions and rates of pay

### Annex B - Supplementary allowance

Union Proposal
<p><b>Supplementary allowance</b></p> <p>a. The following supplementary allowance shall be paid to each Lightkeeper:</p> <p><b>Full-time station</b></p> <ol style="list-style-type: none"> <li>1. in 1- and 2-<del>man</del> <b>person</b> stations: <del>2,237</del> <b>3,000</b></li> <li>2. in 4-<del>man</del> <b>person</b> stations: <del>4,917</del> <b>2,500</b></li> </ol> <p><b>Seasonal stations</b></p> <p style="padding-left: 40px;"><b>Days of operations of lightstations</b></p> <p>335 to 365 100% of applicable full-time allowance</p> <p>305 to 334 95% of applicable full-time allowance</p> <p>274 to 304 90% of applicable full-time allowance</p> <p>244 to 273 85% of applicable full-time allowance</p> <p>182 to 243 80% of applicable full-time allowance</p> <p>b. Where a Lightkeeper assigned to a seasonal lightstation is granted vacation leave or lieu days following the operational period of the lightstation, such period of leave or lieu days shall be added to the operational period of the lightstation in determining the supplementary allowance applicable to that Lightkeeper.</p>
Employer Movement
<p><b>Supplementary allowance</b></p> <p>a. The following supplementary allowance shall be paid to each Lightkeeper:</p> <p><b>Full-time station</b></p> <ol style="list-style-type: none"> <li>1. in 1- and 2-<b>employee</b> <del>man</del> stations: <b>\$2,371</b> <del>2,237</del></li> <li>2. in 4- <b>employee</b> <del>man</del> stations: <b>\$2,032</b> <del>4,917</del></li> </ol>

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

### **Article 3 – Application**

**(New)**

**3.03 With the exception of clauses relating to maternity leave, maternity and parental allowance, medical appointments for pregnant employees, and maternity-related reassignment or leave in this agreement, expressions referring to employee or the masculine or feminine gender are meant for all employees, regardless of gender.**

### **Remarks**

#### **Supplementary Allowance**

The Bargaining Agent is seeking an increase to the Supplementary Allowance for the Lightkeepers (LI) group in full-time stations from \$2,237 to \$3,000 and from \$1,917 to \$2,500.

This particular allowance represents a significant portion of the LI remuneration. This proposed change represents an increase of more than 30%, with a total ongoing cost of over \$47K or 0.01% of the SV wage base.

Accordingly, the Employer requests that the Commission not include this proposal in its report.

Alternatively, as part of a negotiated settlement, the Employer could consider allocating a portion of the proposed 1% of the SV wage base identified at the beginning of this brief for group-specific monetary measures to adjust the Supplementary Allowance by 6% in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

The Employer proposes that such an increase would address the Bargaining Agent's proposal for an increase to the Lightkeepers Supplementary Allowance.

#### **Gender-neutral language**

The Bargaining Agent proposes to change reference from "man stations" to "person stations".

The Employer proposes instead to change the term from "man stations" to "employee stations" to facilitate the translation in the French version of the agreement to "employé-

e” rather than “personne” that references the feminine gender. The term “employé-e” is already included throughout the agreement.

The Employer shares the Bargaining Agent's objective of ensuring that the collective agreement provisions apply to all employees regardless of gender. In that regard, the Employer further proposes an amendment to the language at clause 3.03 to provide greater clarity. This is within the scope of working towards gender neutrality with respect to collective agreement provisions.

The Employer therefore requests that the Commission include this proposal in its report.

**Appendix F – Lightkeepers (LI) Group specific provisions and rates of pay****Annex C - Accommodation and services**

<b>Union Proposal</b>
<p><b>Accommodation and services</b></p> <p>1. The Employer wishes to confirm its intention of continuing the present practice of the Department of Fisheries and Oceans in regard to the provision of accommodation and services which are now provided to Lightkeepers.</p> <p>2. <b>Rotational lightstation food allowance</b></p> <p style="padding-left: 40px;">A Lightkeeper shall be entitled to an allowance of two hundred dollars (\$200) for each on-duty period that <del>he is</del> <b>they are</b> assigned to a rotational lightstation.</p>
<b>Employer Movement</b>
<p>2. <b>Rotational lightstation food allowance</b></p> <p style="padding-left: 40px;">A Lightkeeper shall be entitled to an allowance of two hundred dollars (\$200) for each on-duty period that <del>he is</del> <b>they are</b> assigned to a rotational lightstation.</p>
<p><b>Article 3 – Application</b> (New)</p> <p><b>3.03 With the exception of clauses relating to maternity leave, maternity and parental allowance, medical appointments for pregnant employees, and maternity-related reassignment or leave in this agreement, expressions referring to employee or the masculine or feminine gender are meant for all employees, regardless of gender.</b></p>

**Remarks****Gender-neutral language**

The Employer understands that the parties have reached a mutual agreement on this proposal.

The Employer shares the Bargaining Agent's objective of ensuring that the collective agreement provisions apply to all employees regardless of gender. In that regard, the Employer further proposes an amendment to the language at clause 3.03 to provide greater clarity. This is within the scope of working towards gender neutrality with respect to collective agreement provisions.

The Employer therefore requests that the Commission include this proposal in its report.

## Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay

### General administration - Hours of work and overtime

Union Proposal
<p><b>2. Hours of work and overtime</b></p> <p><b>2.05 Meal allowance</b></p> <p>a.</p> <p>i. For positions where meals are not provided by the Employer, an employee who works three (3) or more consecutive hours of overtime on a regular working day shall receive a meal allowance of <del>twelve-ten</del> dollars (\$<del>1240</del>), except where a free meal is provided.</p> <p>ii. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.</p> <p>b.</p> <p>i. For positions where meals are not provided by the Employer, an employee who works overtime on days of rest beyond the prior scheduled overtime period shall receive a meal allowance of <del>twelve-ten</del> dollars (\$<del>1240</del>) after having worked three (3) consecutive hours of overtime beyond the prior scheduled overtime period and <del>twelve-ten</del> dollars (\$<del>1240</del>) for each four (4) hour period of overtime worked thereafter, except where a free meal is provided.</p> <p>ii. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employees place of work.</p>
Employer Movement
<p><b>2. Hours of work and overtime</b></p> <p><b>2.05 Meal allowance</b></p> <p>a.</p> <p>i. For positions where meals are not provided by the Employer, an employee who works three (3) or more consecutive hours of overtime on a regular working day shall receive a meal allowance of <del>twelve-ten</del> dollars (\$<del>1240</del>), except where a free meal is provided.</p> <p>ii. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employee's place of work.</p> <p>b.</p> <p>i. For positions where meals are not provided by the Employer, an employee who works overtime on days of rest beyond the prior scheduled overtime period shall receive a meal allowance of <del>twelve-ten</del> dollars (\$<del>1240</del>) after having worked three (3) consecutive hours of overtime beyond the prior scheduled overtime period and <del>twelve-ten</del> dollars (\$<del>1240</del>) for each four (4) hour period of overtime worked thereafter, except where a free meal is</p>

- provided.
- ii. Reasonable time with pay, to be determined by management, shall be allowed the employee in order that the employee may take a meal break either at or adjacent to the employees place of work.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

### **Remarks**

The Bargaining Agent's proposal to increase the overtime meal allowance from ten (\$10.00) dollars to twelve (\$12.00) dollars is consistent with the current established negotiated settlement pattern in the federal public service.

In this context and in line with the agreements recently agreed upon/signed, increasing the overtime meal allowance as proposed here and in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement would be appropriate for the SC group as part of a comprehensive settlement

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay**  
**General administration - Meals and quarters**

**Union Proposal**

**Meals and quarters**

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

- a. when the vessel is away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;
- b. when the vessel is in home port, ~~ten dollars and fifty cents (\$10.50)~~ **thirteen dollars (\$13)** per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and ~~eleven dollars and fifty cents (\$11.50)~~ **fourteen dollars (\$14)** per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more.

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

- a. when the vessel is berthing for one (1) or more nights away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;
- b. ~~ten dollars and fifty cents (\$10.50)~~ **thirteen dollars (\$13)** per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and ~~eleven dollars and fifty cents (\$11.50)~~ **fourteen dollars (\$14)** per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more.

**Employer Movement**

**Meals and quarters**

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

- a. when the vessel is away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;
- b. when the vessel is in home port, ~~ten dollars and fifty cents (\$10.50)~~ **thirteen dollars (\$13)** per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and ~~eleven dollars and fifty cents (\$11.50)~~ **fourteen dollars (\$14)** per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more.

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

- a. when the vessel is berthing for one (1) or more nights away from home port, reimbursement for actual and reasonable costs incurred for meals and/or lodging;
- b. ~~ten dollars and fifty cents (\$10.50)~~ **thirteen dollars (\$13)** per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and ~~eleven dollars and fifty cents (\$11.50)~~ **fourteen dollars (\$14)** per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

### **Remarks**

The Bargaining Agent has proposed an increase to the meals and quarters provisions from ten (\$10.00) dollars to thirteen (\$13) dollars and from eleven dollars and fifty cents (\$11.50) to fourteen dollars (\$14).

The Employer submits that it could consider allocating a portion of the 1% SV wage base identified at the beginning of this brief for group-specific monetary measures to increase the meals and quarters provisions as proposed by the union, in the context of a negotiated settlement and in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay****Annex E - Lay-day work system**

<b>Employer Proposal</b>
<p>Lay-day work system</p> <p>1. General</p> <p>d. Employees will be informed of the anticipated work schedule for the operational year. Employees will be notified of changes to the anticipated work schedule at the earliest possible time. Normally, employees will receive two (2) months' notice of changes to the anticipated work schedule, with a minimum of <del>fourteen (14) days</del> <b>forty-eight (48) hours</b>' notice.</p>

**Remarks**

The Employer is proposing to reduce the minimum notification period for changing of work schedules. The current 14 days' minimum advance notice is too long, and it affects management's flexibility to manage its staff and operations.

This would allow management to change the work schedule (i.e. crew change date) on short notice when it is more advantageous operationally for the purpose of carrying out departmental programs.

The Employer therefore requests that the Commission include the Employer's proposal in its report.

## Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay

### Annex F - Dirty work allowance

#### Union Proposal

##### Dirty work allowance

1. When an employee is required to:
  - a. clean or work in bilges and spaces below the bottom floor plates for periods in excess of fifteen (15) minutes.  
or
  - b. clean boiler tubes or repair and maintain ships' sewage disposal tanks and associated piping, pumps and valves, or clean on top of boilers while steam pressure is being maintained, or clean inside water tanks, or clean inside oil tanks that have contained oil, or perform spray painting or sand blasting in void or confined areas, or work in the fire side of boiler furnaces combustion chambers or in air heater spaces.  
or
  - c. come in physical contact with the pollutant while engaged in the cleaning up of oil spills in excess of two hundred (200) litres which resulted from a marine disaster, mechanical failure, bunkering or fuel transfer operations.  
or
  - d. repair or maintain the ships' grey water system including holding tanks, associated piping pumps, and valves provided the employee is required to come into direct contact with the grey water. Cleaning of clogged drains shall not constitute dirty work.
  - e. engaged in the removal of organic matter on a vessel, dock area or navigational markers**
2. The employee shall receive, in addition to the appropriate rate of pay, an additional one-half (1/2) the employee's straight-time rate for every fifteen (15) minute period, or part thereof, worked.
3. All of the foregoing duties must have the prior approval of the Master before work is commenced.

#### Remarks

The Bargaining Agent is proposing to expand the dirty work allowance for the SC group to include the removal of organic matter on a vessel, dock area or navigational markers.

The SC group is comprised of ships' crews positions. These positions are primarily involved in the repair, maintenance, operation and servicing of vessels and associated equipment. These positions are also involved in the cleaning up of spills, as well as preparing and serving food.

Cleaning organic matter from vessels, dock areas and navigational markers is part of the work of a Ships' Crew member. The working conditions on a vessel are such that

crews come in contact with organic matter (which could be food or animal waste) and this is factored in as part of the compensation for the SC group.

The classification standards for the SC recognize the particularities of this group, including the work conditions (environment and hazards) (Exhibit #23). The Bargaining Agent's proposal to add duties eligible to the dirty work allowance would result in SC being compensated twice for the work performed as this group's day to day work is covered by the basic rate of pay.

An allowance is meant to compensate employees for exceptional circumstances. The Bargaining Agent has not provided justification of such allowance being required.

The Employer submits that the scope of the dirty work allowance for the SC group is very particular and that expanding the eligibility would go beyond the intent of this allowance.

For these reasons the Employer requests that this proposal not be included in the Commission's report.

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay****Annex G - Special allowances****Union Proposal****Special allowances**

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

**Rescue specialist allowance**

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

**Armed boarding allowance**

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

**Diving duty allowance**

A qualified employee who is required to perform diving duties and maintain diving equipment on vessels shall be entitled to receive an allowance of **fourteen hundred dollars (\$1400)** ~~eight hundred and twenty one dollars (\$821)~~ per year. This allowance shall be paid on the same basis as that for the employee's regular pay.

**(new)**

**Confined Space Allowance**

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

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

**General**

1. Ships' Crew must maintain their qualifications on a continuing basis.
2. These allowances shall form part of pay ~~for the purpose of severance pay.~~

**Employer Movement****Special allowances**

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

**Rescue specialist allowance**

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

**Armed boarding allowance**

An employee, once qualified, shall be paid a monthly allowance of one hundred and **eighty-four** ~~forty eight~~ dollars (**\$184**~~158~~) for each month the employee is assigned to a sea going position on selected Offshore Patrol Vessels of the Department of Fisheries and Oceans, which carry special armaments for the purpose of enforcement duties, where the employee may be required by the Employer to participate in armed boarding activity.

**Diving duty allowance**

A qualified employee who is required to perform diving duties and maintain diving equipment on vessels shall be entitled to receive an allowance of eight hundred and **fifty-eight** ~~twenty one~~ dollars (**\$588**~~21~~) per year. This allowance shall be paid on the same basis as that for the employee's regular pay.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

**Remarks****Rescue specialist allowance**

The Bargaining Agent is seeking to increase the Rescue specialist allowance from \$136 to \$250 monthly. This increase represents an ongoing cost of over \$435,000 or 0.06% of the SV wage base.

The Employer submits that it could consider allocating a portion of the 1% SV wage base identified at the beginning of this brief for group-specific monetary measures to increase the Rescue specialist allowance as proposed by the union, in the context of a negotiated settlement and in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

#### Armed boarding allowance

The Bargaining Agent is seeking to increase the Armed boarding allowance from \$158 to \$250 monthly. The cost of this proposal is over \$38,000 per year, or 0.01% of the SV wage base.

As part of a comprehensive settlement, the Employer could consider allocating a portion of the 1% SV wage base identified at the beginning of this brief for group-specific measures to increase the Armed boarding allowance from \$158 to \$184 per month, in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

#### Diving duty allowance

The Bargaining Agent is seeking to increase the Diving duty allowance from \$821 to \$1400 per year. The cost of this proposal is over \$12,000 per year.

As part of a comprehensive settlement, the Employer could consider allocating a portion of the 1% SV wage base identified at the beginning of this brief for group-specific measures to increase the Diving duty allowance from \$821 to \$858, in accordance with the Memorandum of Understanding with respect to the Implementation of the Collective Agreement.

#### New – Confined space allowance

The Bargaining Agent is seeking to introduce a new Confined space allowance.

The Employer submits that working in confined spaces is part of the work of a Ships' Crew member. The working conditions on a vessel are such that crews work in close, cramped quarters and this is factored in as part of the compensation for the SC group.

There is no demonstration of the need for this allowance and its value for money. In addition, such provisions do not exist in other CPA or separate agency collective agreements.

Therefore, the Employer requests that the Commission not include this proposal in its report.

*Striking out of “for the purpose of severance pay”*

The Bargaining Agent also proposes to strike out “for the purpose of severance pay” from the General section in Annex G.

The Employer submits that removing this language would significantly broaden the intent of the provision and would factor in other elements of pay including overtime in the calculation of the special allowances for the SC group.

The Employer requests that the Commission not include this proposal in its report.

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay****New article - Parking**

<b>Union Proposal</b>
<p><b>(new)</b></p> <p><b>Parking</b></p> <p>All parking costs incurred by employees for the performance of their duties at sea shall be reimbursed by the Employer.</p>

**Remarks**

The Bargaining agent is proposing to reimburse employees within the Department of Fisheries and Oceans for parking costs while they are performing duties at sea.

The Employer submits that such costs are the responsibility of the employee and that the Employer should not pay parking for employees that have to report to work and are going on board a vessel for sea duty.

In 2010, the Employer made changes to its policy on parking requiring public service employees who use a parking space at a parking facility owned or leased by the Government of Canada to pay market rates for parking spaces. As a general rule, public service employees are responsible for the costs of their transportation to and from the workplace, including the payment of parking fees.

Moreover, as per Canada Revenue Agency (CRA) income tax rules, when parking is provided/subsidized by an Employer, it is considered a taxable benefit.

The Employer further submits that parking reimbursement provisions do not exist in other CPA collective agreements that have similar working conditions (i.e., going on board a vessel for sea trials or sea duty), such as the Architecture, Engineering & Land Survey (NR) group, the Research (RE) group, the Electronics (EL) group, the Ship Repair (West) SR(W) group, the Ship Repair (East) SR(E) group, the Ship Repair (All Chargehand and Production Supervisor Employees Located on the East Coast (SR(C)) group and the Ships' Officers (SO) group.

For the above noted reasons, the Employer requests that the Commission not include this proposal in its report.

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay****New article - Internet access****Union Proposal****Internet access**

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

**Remarks**

The Department of Fisheries and Oceans, where SC's are located, confirms that they regularly consult with the Bargaining Agent on this subject.

Accordingly, the Employer is not prepared to move forward with this proposal by the Bargaining Agent and is of the view that this proposal is not appropriate for inclusion into the collective agreement.

The Employer therefore requests that this proposal not be included in the Commission's report.

**Appendix G – Ships' Crews (SC) Group, specific provisions and rates of pay****Annex L - Memorandum of Understanding Between The Treasury Board Of Canada And The Public Service Alliance Of Canada With Respect To Ships' Crews (SC) Group****Employer Proposal**

***The Employer wishes to delete Annex L as the joint study has been completed.***

~~The Union and the Employer agree to create a Joint Committee consisting of an equal number of Union and Employer representatives for the purpose of examining the compensation of the Ships' Crew (SC) group.~~

~~The parties further agree to meet within one hundred eighty (180) days of the signing date of this agreement.~~

**Remarks**

During the last round of negotiations (2014-2018), the parties agreed that a joint committee would be established with a view to undertake and complete a study to examine base salary for various the Ships' Crews roles that form part of the SC group.

As per this commitment, the Bargaining Agent and Employer engaged in a joint wage study for the SC group in the spring of 2018. The final report was issued to both parties in March 2019 (Exhibit #7).

As indicated in Part II of this brief, the report found that compensation for the SC group is competitive, within +/- 10%, when compared to the median market salary.

The Employer requests that the Commission recommends the deletion of this Annex in its report as the joint study has been completed.

**Inmate Training Differential – Appendices B (GL), C (GS) and D (HP)****Employer Proposal**

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

- Appendix B - General Labour and Trades Group (GL) Specific Provisions and Rates of Pay,
  - Appendix C – General Services Group (GS) Specific Provisions and Rates of Pay and
  - Appendix D - Heating, Power and Stationary Plant Group (HP) Specific Provisions and Rates of Pay.
- 1) Amendment to the definition of pay to mean the basic rate of pay outlined in Annex A of each Appendix (B, C and D) to align with the Memorandum of Settlement (MOS) signed by the parties on April 10, 2018.
  - 2) Modifications to the Inmate Training Differential Annexes of the GL, GS and HP appendices to introduce an **Inmate Training Differential Allowance (ITDA)** which will outline the entitlement and method of calculation for the allowance.
  - 3) Recognition that the **ITDA** shall be payable to employees in the bargaining unit (GL, GS and HP) within the Correctional Service of Canada who encumber positions that are required to perform duties relative to inmate training.
  - 4) Introduction of a new single percentage rate **ITDA** of **7%**.
  - 5) Upon implementation of these provisions, after the signature of the collective agreement, employees whose current appointment, in accordance with their current certificate of appointment, whose ITD is higher than **7%** will continue receiving their current ITD rate until such time as the employee no longer substantively occupies the position.
  - 6) Recognition that the ITDA payment shall not be pyramided; that is an employee shall not receive more than one payment for **ITDA** for the same period.
  - 7) The final collective agreement language, including required subsequent amendments, is subject to agreement between the parties.

***The parties agree that this change will not result in any retroactive payment or adjustment. It will form part of the implementation, on a prospective basis, of the new collective agreement once signed, in accordance with the MOU between the Treasury Board of Canada and Public Service Alliance of Canada with respect to the Implementation of the Collective Agreement.***

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

### **Interpretations and definitions**

For the purpose of this agreement:

- a. **“annual rate of pay”** means an employee's weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);
- b. **“daily rate of pay”** means an employee's hourly rate of pay times his normal number of hours of work per day;
- c. **“pay”** means basic rate of pay as specified in Annex A; ~~and includes supervisory differential and/or inmate training differential where applicable;~~
- d. **“weekly rate of pay”** means an employee's daily rate of pay multiplied by five (5).

## **Appendix C – General Services (GS) Group specific provisions and rates of pay**

### **Interpretations and definitions**

For the purpose of this appendix:

- a. **“annual rate of pay”** means an ~~employees~~ **employee's** weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);
- b. **“daily rate of pay”** means an employee's hourly rate of pay times his normal number of hours of work per day;
- c. **“weekly rate of pay”** means an employee's daily rate of pay multiplied by five (5)  
(new)
- d. **“pay”** means basic rate of pay as specified in Annex A.

## **Appendix D – Heating, Power and Stationary Plant (HP) Group specific provisions and rates of pay**

### **Interpretations and definitions**

**1.01** For the purpose of this agreement:

- a. **“annual rate of pay”** means an employee's weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);
- b. **“daily rate of pay”** means an employee's hourly rate of pay times his normal number of hours of work per day;
- c. **“weekly rate of pay”** means an employee's daily rate of pay multiplied by five (5)  
(new)
- d. **“pay”** means basic rate of pay as specified in Annex A.

## **Remarks**

The Employer is seeking to engage the Bargaining Agent on certain modifications to the current Inmate Training Differential (ITD) set out in Appendix B, Appendix C and Appendix D, to amend the definition of pay and to establish a method of calculation by introducing a new flat rate allowance.

### **Background**

The ITD is a compensation element only found in the SV collective agreement; it is provided to employees working at Correctional Service of Canada (CSC) who train inmates.

The following 3 SV groups are in receipt of the ITD:

- General Labour & Trades (GL);
- General Services (GS); and
- Heating, Power and Stationary Plant Operation (HP).

The ITD is displayed in the SV collective agreement as a grid, with alpha and numerical values, ranging from A1 to E3. The ITD is represented as a percentage of the employee's basic rate of pay; the percentages range from 4% to 20%.

The document that determines how the ITD is determined for a position and where it should fall within the grid, the Inmate Training Rating Plan (ITRP) (Exhibit #24 (GL), Exhibit #25 (GS), Exhibit #26 (HP)), was part of the classification standard for the GL, GS and HP groups until 2015, when it was rescinded.

During the last round of collective bargaining (2014-2018), the Bargaining Agent was advised during the course of negotiations that the ITRP was being rescinded, effective the date of signing of the new SV agreement, and that the Employer wanted to negotiate the methodology of calculating the ITD to replace the ITRP.

The Employer's intention in repealing the ITRP was not to eliminate the ITD, but to break the tie to classification. The Employer wished to negotiate a new method of calculation in the last round of collective bargaining that would take effect on the signing of the last SV agreement (June 14, 2017), however the parties were unable to come to agreement on this issue.

In the absence of the ITRP from the classification standard, the parties are left without a methodology for calculating the ITD.

### **Policy Grievance**

In 2013, it came to the attention of the Employer that departments were not consistent in their calculation of ITD and Supervisory Differential (SD) for the purposes of appointments.

In September 2013, after discussions with departments, the Employer issued an information bulletin that explained the method of calculating ITD and SD when determining if an appointment is a promotion or a deployment (Exhibit #27). The information bulletin stated that the calculation of rates of pay would include the ITD and/or SD.

Shortly thereafter, the PSAC filed a policy grievance on the information bulletin and the method of calculation. The parties agreed to work together to develop a Memorandum of Settlement (MOS) for one method of calculation for all groups found in the SV collective agreement (Exhibit #28).

As agreed to in the MOS, the Employer issued an updated information bulletin in 2018 to advise departments that the method of calculation had changed for the purposes of deployments and promotions (Exhibit #29). The Bargaining Agent issued a communiqué to their members advising them of the change and that they would have 120 days to provide specific information to request a recalculation. On September 25, 2019, the Employer advised the Bargaining Agent that all payments as per the MOS were completed.

#### Memorandum of Settlement (MOS)

On April 10, 2018, the parties signed an MOS dealing with the calculation of the ITD and the SD to resolve a policy grievance that had not been finalized at the time the collective bargaining negotiations were taking place in the last round (2014-2018).

This MOS deals only with the method of calculation for both the ITD and the SD, and how they are used or not used for determining the new rate of pay for the purposes of appointments (deployments or promotions). The MOS signed on April 10, 2018 indicates that the ITD and SD are to be excluded in the calculation of the basic rate of pay.

#### Definition of pay

In order to align the agreement with the MOS signed by the parties in April 2018, the Employer proposes to remove ITD and SD from the definition of pay for the GL group (Appendix B) and add a definition of pay for the GS (Appendix C) and HP (Appendix D) groups indicating that pay is defined as the basic rate of pay found in Annex A of each corresponding appendix.

#### New Inmate Training Differential Allowance (ITDA)

The Employer also proposes to introduce a new flat rate ITDA of 7% for employees in the GL, GS and HP groups working at CSC who encumber positions that are required to perform duties relative to inmate training that will outline the entitlement and method of calculation for the allowance.

The single percentage rate of 7% for the ITDA would replace the current structure, which ranges from 4% to 20%.

Currently, the ITD rating fluctuates depending on an employee's responsibilities in any given period of time. A new flat rate allowance would simplify the application of the ITD and allow for greater stability and certainty.

The Employer's records show that the majority of employees who are in receipt of the ITD (over 60%) receive a rate of 7% or lower, while a smaller population (approximately 30%) receive a rate of 9% or higher. Under this proposal, the majority of employees would benefit from a higher allowance.

The proposal also includes a grand parenting clause – where employees whose current appointment, in accordance with their current certificate of appointment, and whose ITD is higher than 7% will continue receiving their current ITD rate until such time as the employee no longer substantively occupies the position.

The Employer proposes that the final collective agreement language, including required subsequent amendments, be subject to agreement between the parties as part of a negotiated settlement.

The Employer requests that the Commission recommend this change in its report.

## Supervisory Differential – Appendices B (GL), C (GS) and E (HS)

### Employer Proposal

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

#### Interpretations and definitions

For the purpose of this agreement:

- a. **“annual rate of pay”** means an employee’s weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);
- b. **“daily rate of pay”** means an employee’s hourly rate of pay times his normal number of hours of work per day;
- c. **“pay”** means basic rate of pay as specified in Annex A; ~~and includes supervisory differential and/or inmate training differential where applicable;~~
- d. **“weekly rate of pay”** means an employee’s daily rate of pay multiplied by five (5).

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

#### Annex B - SUPERVISORY DIFFERENTIAL

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

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

- ~~1. determine the non-supervisory rate of pay according to level;~~
- ~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~
- ~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2014~~ **2017**, in the MAM sub-group, at the maximum of Level 8 and a Supervisory Coordinate B2, would receive a basic rate of pay of ~~twenty-six dollars and twelve cents (\$26.12)~~ **twenty-nine dollars and thirteen cents (\$29.13)** as per Annex A. The Supervisory Differential of one dollar and **eighty-nine cents (\$1.89)** ~~(\$1.70)~~ is arrived by multiplying the Supervisory Differential Percentage of six decimal five per cent (6.5%) (B2) by the basic rate of pay. ~~(non-supervisory)~~. ~~Therefore in this case the applicable supervisory rate of pay would be twenty-seven dollars and eighty-two cents (\$27.82).~~

### Appendix C – General Services (GS) Group specific provisions and rates of pay

#### Interpretations and definitions

For the purpose of this appendix:

- a. “**annual rate of pay**” means an ~~employees~~ **employee’s** weekly rate of pay multiplied by fifty-two decimal one seventy-six (52.176);
- b. “**daily rate of pay**” means an employee’s hourly rate of pay times his normal number of hours of work per day;
- c. “**weekly rate of pay**” means an employee’s daily rate of pay multiplied by five (5) **(new)**
- d. “**pay**” means **basic rate of pay as specified in Annex A.**

### Appendix C – General Services (GS) Group specific provisions and rates of pay

**(new)**

#### Supervisory Differential

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

### Appendix C – General Services (GS) Group specific provisions and rates of pay

#### Annex B - SUPERVISORY DIFFERENTIAL

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

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

- ~~1. determine the non-supervisory rate of pay according to level;~~
- ~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~
- ~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2014~~ **2017**, at the maximum of Level 5 and a Supervisory Coordinate B6, would receive a basic rate of pay of ~~twenty-five dollars and thirty-four cents (\$25.34)~~ **twenty-seven dollars and seventy-seven cents (\$27.77)** as per Annex A. The Supervisory Differential of ~~four dollars and forty-three cents (\$4.43)~~ **four dollars and eighty-six cents (\$4.86)** is arrived by multiplying the Supervisory Differential Percentage of seventeen decimal five per cent (17.5%) (B6) by the basic rate of pay. ~~(non-supervisory). Therefore in this case the applicable supervisory rate of pay would be twenty-nine dollars and seventy-seven cents (\$29.77).~~

**Appendix E – Hospital Services (HS) Group specific provisions and rates of pay (new)**

**Interpretations and definitions**

For the purpose of this Agreement:

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

**Appendix E – Hospital Services (HS) Group specific provisions and rates of pay (New)**

**Supervisory Differential**

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

**Appendix E – Hospital Services (HS) Group specific provisions and rates of pay**

**Annex B - SUPERVISORY DIFFERENTIAL**

Supervisory level	Supervisory co-ordinates	Supervisory differential as a percentage of basic rate
1	A1	4.0
2	B2	6.0
3	B3, C2	8.5

4	B4, C3, D2	11.5
5	B5, C4, D3	14.5
6	B6, C5, D4	17.5
7	C6, D5	20.5
8	D6	23.5

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

- ~~1. determine the non-supervisory rate of pay according to level;~~
- ~~2. determine the supervisory differential by multiplying the applicable supervisory differential percentage by the non-supervisory rate of pay;~~
- ~~3. determine the supervisory rate of pay by adding the non-supervisory rate of pay with the supervisory differential.~~

For example, an employee on August 5, ~~2014~~ **2017**, at the maximum of Level 5 (HDO) and a supervisory coordinate C3, would receive a basic rate of pay of ~~twenty-eight dollars and sixty cents (\$28.60)~~ **thirty-one dollars and thirty-five cents (\$31.35)** as per Annex A. The supervisory differential of ~~three dollars and twenty-nine cents (\$3.29)~~ **three dollars and sixty one cents (\$3.61)** is arrived by multiplying the supervisory differential percentage of eleven decimal five per cent (11.5%) (C3) by the basic rate of pay. ~~(non-supervisory).~~ ~~Therefore in this case the applicable supervisory rate of pay would be thirty-one dollars and eight nine cents (\$31.89).~~

### Remarks

The Employer is proposing certain modifications to the Supervisory Differential (SD) in the agreement applicable to:

- Appendix B - General Labour and Trades Group (GL) Specific Provisions and Rates of Pay;
- Appendix C – General Services Group (GS) Specific Provisions and Rates of Pay; and
- Appendix E – Hospital Services Group (HS) Specific Provisions and Rates of Pay.

The proposal includes amendments to the definition of pay to mean the basic rate of pay outlined in Annex A of each Appendix (B, C and E) to align with the Memorandum of Settlement (MOS) (Exhibit #28).signed by the parties on April 10, 2018 and modifications to the calculation of the SD indicated in each Appendix.

### Background

Within the SV collective agreement, the following 3 groups are in receipt of the SD:

- General Labour & Trades (GL);
- General Services (GS); and
- Hospital Services (HS).

The classification standard for the relevant occupational groups outlines how the Employer determines the supervisory factor rating for a given job and the applicable SD percentage.

The SD is displayed in the collective agreement as a grid with alpha and numerical values, ranging from A1 to E7. The SD is paid as a percentage of basic rate of pay, ranging from 4% to 36.5%, depending on the occupational group.

### Memorandum of Settlement (MOS)

On April 10, 2018, the parties signed an MOS dealing with the calculation of the Inmate Training Differential (ITD) and the SD to resolve a policy grievance which had not been finalized at the time the collective bargaining negotiations were taking place in the last round (2014-2018) (Exhibit #28).

This MOS deals only with the method of calculation for both the ITD and the SD and how they are used or not used for determining the new rate of pay for the purposes of appointments (deployments or promotions). The MOS signed on April 10, 2018 indicates that the ITD and/or SD is to be excluded in the calculation of the basic rate of pay.

### Policy Grievance

In 2013, it came to the attention of the Employer that departments were not consistent in their calculation of ITD and SD for the purposes of appointments. In September 2013, after discussions with departments, the Employer issued an information bulletin that explained the method of calculating ITD and SD when determining if an appointment is a promotion or a deployment (Exhibit #27). The information bulletin stated that the calculation of rates of pay would include the ITD and/or SD.

Shortly thereafter, PSAC filed a policy grievance on the information bulletin and the method of calculation. The parties agreed to work together to develop an MOS for one method of calculation for all groups found in the SV collective agreement.

As agreed to in the MOS, the Employer issued an updated information bulletin in 2018 to advise departments that the method of calculation had changed for the purposes of deployments and promotions (Exhibit #29). The Bargaining Agent issued a communiqué to their members advising them of the change and that they would have 120 days to provide specific information to request a recalculation. On September 25, 2019, the Employer advised the Bargaining Agent that all payments as per the MOS were completed.

Definition of pay

In order to align the agreement with the MOS signed by the parties in April 2018, the Employer proposes to remove ITD and SD from the definition of pay for the GL group (Appendix B) and add a definition of pay for the GS (Appendix C) and HS (Appendix E) groups indicating that pay is defined as the basic rate of pay found in Annex A of each corresponding appendix.

Calculation of the SD

The Employer further proposes that the method of calculating the SD as outlined in Appendix B, C and E be amended to correspond with the agreement made by both parties in the MOS to exclude the SD from the basic rate of pay, and that the rates used in each example be updated with those from the 2017 pay grids.

The Employer requests that the Commission recommend this change in its report.

## **Part V – Operational Services (SV) Group Definition**

## **Operational Services (SV) Group Definition**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the fabrication, maintenance, repair, operation and protection of machines, equipment, vehicles, government facilities and structures such as buildings, vessels, stationary and floating plants, stores, laboratories, and equipment; and the provision of food, personal or health support services.

### **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 cleaning and servicing of buildings and adjacent grounds, including housekeeping and janitorial services, and the cleaning of laboratory equipment;
2. the patrolling, observing, checking and taking of preventive action in protecting property from damage or loss and providing for the well-being of people;
3. the receipt, storage, manual or mechanical handling of equipment, and the recording of transactions in an equipment or supplies stores context;
4. the provision of food, laundry and messenger services, and other services, such as tailoring, to accommodate passengers, clients, patients, guests or tourists;
5. the provision of patient care and health care support services not requiring the qualifications of a registered nurse, occupational therapist or physical therapist;
6. the provision of routine assistance to pathologists, dentists, nurses, therapists and laboratory technicians;
7. the performance of fire protection, fire prevention and/or airport rescue activities by active members of fire-fighting forces;
8. the inspection, installation, operation, maintenance or repair of specialized and non-specialized instruments, equipment and machinery used in or related to: the generation of heat, electricity, refrigeration, or air conditioning; sewage treatment and disposal; water supply and treatment; marine navigation; and the handling and storage of fuels and lubricants;
9. the operation and maintenance of light-station equipment and the upkeep of the light-station buildings, landing facilities or grounds;

10. the operation and servicing of vessels staffed by civilians, including floating plants and associated equipment, and activities performed in support of programs such as buoy tending, fisheries enforcement and rescue operations;
11. the fabrication, alteration, maintenance or repair of buildings, structures, roads or other installations;
12. the installation, operation, maintenance or repair of equipment, distribution systems or vehicles;
13. the production of parts, prototypes or other items;
14. the cultivation of grounds, gardens and other land or the propagation of plants;
15. the care and feeding of animals;
16. the performance of leadership activities that require the inspection of construction work for conformity to prescribed standards or specifications where the following are of primary importance:
  - a. acting as the architect's or engineer's representative on the construction site of work being performed under contract, with responsibility to ensure that work proceeds according to an agreement and that all statutory requirements are met by the contractor before progress payments are released; and
  - b. performing the functions of an inspector on behalf of a property manager, with responsibility for examining and recommending work that should be done to properly maintain structures, and for recommending the acceptance or rejection of work;
17. the weighing and sampling of grain, the operation of agricultural equipment and machinery and associated activities;
18. the leadership of any of the above activities; and
19. the leadership of printing services pertaining to the production and binding of text material and illustrations by the various techniques used in the printing industry and directly related printing environments.

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

1. the custody and control of inmates in institutions of Correctional Service Canada;

2. the custody and control of detainees held under the Immigration and Refugee Protection Act (IRPA) Security Certificates in federal holding centres or detention facilities;
3. the planning, development, co-ordination or monitoring of fire prevention programs on a national, regional or district basis;
4. the development and writing of specifications for the acquisition of resources, material and equipment for rescue and fire prevention and protection services;
5. the study of potable water supply problems, sewage treatment methods, the mechanics and efficiency of heat-engines, the comparable thermal efficiencies of fuels, or the technical aspects of the purification, handling and storage of liquid fuels and lubricants;
6. the developmental testing of pressure vessels, pumps, compressors, heat-engines, turbines or other stationary mechanical plants;
7. the planning of the general practices and procedures to be followed at light-stations;
8. the repair, modification and refitting of naval vessels and their equipment;
9. the on-board command and control of the operation of civilian vessels, floating plants and associated equipment requiring a certificate of competency; and
10. the provision of printing services that also requires a limited degree of leadership.

### **Qualification standard**

No qualification standards are prescribed for positions in the Operational Services Occupational Group, but managers may establish qualifications that they consider necessary for appointment or deployment.

The Ellis Chart (a comparative chart of apprentice training programs across Canada) may assist managers to establish education and/or occupational certification qualifications for positions for which they consider trades training necessary. The chart provides an inter-provincial overview of the 13 Canadian apprenticeship systems and is a key product that provides governments, industry and educational institutions with data on designated trades, more specifically on training, certification, education/entrance requirements and prior learning assessment and accreditation process. The chart is produced by Employment and Social Development Canada (ESDC) in collaboration with the Canadian Council of Directors of Apprenticeship (CCDA), which represents a partnership between the provincial, territorial and federal governments.

Education alternatives recognized by provinces/territories for access to their apprenticeship programs may be accepted for positions in these classifications.

## **Firefighters (FR)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the protection of government facilities and structures such as buildings.

### **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:

7. the performance of fire protection, fire prevention and/or airport rescue activities by active members of fire-fighting forces;
18. the leadership of any of the above activities

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

3. the planning, development, co-ordination or monitoring of fire prevention programs on a national, regional or district basis;
4. the development and writing of specifications for the acquisition of resources, material and equipment for rescue and fire prevention and protection services;

## **General Labour and Trades (GL)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the fabrication, maintenance, repair, operation and protection of machines, equipment, vehicles, government facilities and structures such as buildings, vessels, stationary and floating plants, stores, laboratories, and equipment.

### **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:

11. the fabrication, alteration, maintenance or repair of buildings, structures, roads or other installations;
12. the installation, operation, maintenance or repair of equipment, distribution systems or vehicles;
13. the production of parts, prototypes or other items;
14. the cultivation of grounds, gardens and other land or the propagation of plants;
15. the care and feeding of animals;
16. the performance of leadership activities that require the inspection of construction work for conformity to prescribed standards or specifications where the following are of primary importance:
  - a. acting as the architect's or engineer's representative on the construction site of work being performed under contract, with responsibility to ensure that work proceeds according to an agreement and that all statutory requirements are met by the contractor before progress payments are released; and
  - b. performing the functions of an inspector on behalf of a property manager, with responsibility for examining and recommending work that should be done to properly maintain structures, and for recommending the acceptance or rejection of work;
17. the weighing and sampling of grain, the operation of agricultural equipment and machinery and associated activities;
18. the leadership of any of the above activities

## **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group.

### **GL-AIM**

#### **General Labour and Trades – Aircraft Maintaining (GL-AIM) Sub-group Definition**

This sub-group includes such occupations as aero-engine mechanic, aircraft mechanic and related supervisors at classification levels 9 to 14 inclusive.

#### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

### **GL-AMW**

#### **General Labour and Trades – Ammunition Working (GL-AMW) Sub-group Definition**

The performance or supervision of duties that require handling, examining, repairing, modifying, inspecting or destroying ammunition and components, or that require assisting in or conducting tests for proofing ammunition and components. Typically the work is performed at an ammunition magazine or depot where hazard conditions are high, or at a proof firing range.

This sub-group includes such occupations as ammunition assembler and maintainer, ammunition supply worker, ammunition quality and safety inspector, and ammunition warehousing and production supervisors.

Excluded from this sub-group are all positions in which:

- the storage, handling or issue of ammunition is of primary importance, and where that ammunition is small-arms ammunition only;
- the maintenance of buildings and other facilities is of primary importance;
- the supervision of occupations that are not included in this sub-group is of primary importance.

## **GL-COI**

### **General Labour and Trades – Construction Inspecting (GL-COI) Sub-group Definition**

The performance or supervision of duties that require the inspection of construction work for conformity to prescribed standards or specifications, where the inspector has no supervisory control of the workers who perform the work inspected and where the following functions are of primary importance:

- to act as the architect's or engineer's representative on the construction site of work being performed under contract, with responsibility to ensure that work proceeds according to an agreement and that all statutory requirements are met by the contractor before progress payments are released; or
- to perform the duties of an inspector employed by property management, with responsibility for examining and recommending the work that should be done to properly maintain structures, and for recommending to management the acceptance or rejection of work.

The supervision of workers engaged in the performance of duties in a number of skilled-construction-trades sub-groups that requires sufficient knowledge of each of the trades supervised (as defined in the job evaluation standard) to recognize that principles and methods are being followed and that completed work conforms to accepted trade standards.

This sub-group includes such occupations as construction inspector, construction and maintenance superintendent and multi-construction-trade supervisor at classification levels 9 to 14 inclusive.

### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

### **Exclusion**

Excluded from this sub-group are all positions in which the primary duties and responsibilities are included in the definition of any other sub-group in the General Labour and Trades Group.

**GL-EIM****General Labour and Trades – Electrical Installing and Maintaining (GL-EIM) Sub-group Definition**

This sub-group includes such occupations as electrical-instrument repairer, electrical repairer, electrician, line maintainer, line repairer and related supervisors at classification levels 9 to 14 inclusive.

**Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

**GL-ELE****General Labour and Trades – Elemental (GL-ELE) Sub-group Definition**

The performance or supervision of routine duties where adherence to rigid standards or specifications is not required and where little or no latitude exists for judgement. The work includes tending and making minor operating adjustments to machines and equipment that require no precision set-up.

This sub-group includes such occupations as labourer, labour-pool supervisor, lubrication worker, air-hammer operator, concrete-mixer operator and all trades helpers.

**GL-GHW****General Labour and Trades – Grain Handling and Weighing (GL-GHW) Sub-group Definition**

The performance or supervision of the official weighing of grain and grain by-products; or the operation of machinery and equipment in government-owned terminal elevators; or the inspection of carriers and equipment utilized in the handling and processing of grain and grain by-products at government or privately-owned grain elevators.

This sub-group includes such occupations as weighing assistant, grain cleaner supervisor, dumper tender, grain handler, sweeper, grain weigher, elevator worker, gallery worker, hopper tender, grain sampler, general foreman/woman, and distributor.

Excluded from this sub-group are all positions in which the maintenance of equipment is of primary importance.

### **GL-INM**

#### **General Labour and Trades – Instrument Maintaining (GL-INM) Sub-group Definition**

This sub-group includes such occupations as instrument maker, instrument mechanic, scales mechanic, and related supervisors at classification levels 9 to 14 inclusive.

#### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

### **GL-MAM**

#### **General Labour and Trades – Machinery Maintaining (GL-MAM) Sub-group Definition**

This sub-group includes such occupations as air-conditioning and refrigeration mechanic, millwright, locksmith, oil burner installer and repairer, building services technician, and related supervisors at classification levels 5 to 14 inclusive.

#### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

**GL-MAN****General Labour and Trades – Manipulating (GL-MAN) Sub-group Definition**

The performance or supervision of duties that require the dexterous use of hands, hand tools or special devices to work, move, guide or place objects or materials where some latitude exists for judgement in selecting appropriate tools, objects, or materials, in determining work procedure and conformance to standard, and in improvising to meet special conditions, although all of these requirements are fairly obvious. The work most frequently occurs away from a machine-oriented environment and is prevalent in bench-crafts, structural work, gardening and specialty farming.

This sub-group includes such occupations as armature winder, farmhand-livestock, gardener, insulation worker, pipelayer, welder and canal maintenance worker.

**GL-MDO****General Labour and Trades – Machine Driving-Operating (GL-MDO) Sub-group Definition**

The performance or supervision of duties that require starting, stopping and moving the controls of machines that must be steered or guided in order to transport people, or move goods, earth or other material.

This sub-group includes such occupations as bus driver, chauffeur, crane operator, power-shovel operator, tractor operator, and truck driver.

**GL-MOC****General Labour and Trades – Machine Operating-Controlling (GL-MOC) Sub-group Definition**

The performance or the supervision of duties that require setting-up, starting, adjusting, watching and stopping machines and equipment to fabricate or process materials or products, or to move and control navigational or other structures, or to ensure the proper operation of a Loran or Decca navigational system.

Typically the work involves operating and/or monitoring the operation of one kind of machine or equipment and includes selecting and installing tools and holding devices; observing the functioning of the machine or equipment and various types of indicating devices; making necessary adjustments to allow for such variables as temperature changes, the flow of material or things, angles of cut, synchronization of radio signals; starting and operating standby power equipment; identifying malfunctions and switching on standby units; removing materials or products from a machine and verifying their accuracy; and making minor repairs to the machine or equipment. Considerable latitude exists for judgement in determining conformance to standards.

This sub-group includes such occupations as bridge operator, lock tender, furnace operator, punch-press operator, rolling-mill operator and scope watcher.

## **GL-MST**

### **General Labour and Trades – Metal Machining (GL-MST) Sub-group Definition**

This sub-group includes such occupations as machinist, maintenance machinist, prototype machinist, tool-and-die maker, tool-machine set-up operator, machine builder, and related supervisors at classification levels 9 to 14 inclusive.

Occupations concerned with the machining of plastics or similar materials are included when methods applied to metal machining are used.

### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

## **GL-PCF**

### **General Labour and Trades – Painting and Construction Finishing (GL-PCF) Sub-group Definition**

The performance or supervision of duties relating to the application of paint and related materials to buildings and other structures using brushes and spray guns, or to the construction finishing occupations, specified in the inclusions, and requiring the use of skills normally associated with journeyman proficiency.

This sub-group includes such occupations as motor-vehicle painter, brush painter, sign painter, plasterer, stonemason, bricklayer, glazier, tile setter and related supervisors at classification levels 6 to 14 inclusive.

### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices.

Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

## **GL-PIP**

### **General Labour and Trades – Pipefitting (GL-PIP) Sub-group Definition**

This sub-group includes such occupations as pipefitter, pipefitter-welder, plumber, and related supervisors at classification levels 9 to 14 inclusive.

#### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

## **GL-PRW**

### **General Labour and Trades – Precision Working (GL-PRW) Sub-group Definition**

The performance or supervision of duties that require skill in working with hands, hand tools or work aids according to prescribed standards. Although the techniques and procedures are established, the work entails responsibility for achievement of the ultimate goal. Considerable latitude exists for judgement in determining work procedures, selecting tools and materials, and modifying techniques to meet varying job requirements.

This sub-group includes such occupations as leather worker-surgical, shoemaker, dental technician, upholsterer, and related supervisors at classification levels 5 to 14 inclusive.

#### **Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

**GL-SMW****General Labour and Trades – Sheet Metal Working (GL-SMW) Sub-group Definition**

This sub-group includes such occupations as automobile-body repairer, sheet-metal worker, and related supervisors at classification levels 8 to 14 inclusive.

Excluded from this sub-group are positions engaged in setting-up and/or operating metal-working machines for the mass production of sheet-metal parts or products.

**Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

**GL-VHE****General Labour and Trades – Vehicle Heavy Equipment Maintaining (GL-VHE) Sub-group Definition**

This sub-group includes such occupations as automobile mechanic, gasoline/diesel/propane engine mechanic, engineering-equipment mechanic, wheel-alignment mechanic, and related supervisors at classification levels 8 to 14 inclusive.

**Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

**GL-WOW****General Labour and Trades – Woodworking (GL-WOW) Sub-group Definition**

This sub-group includes such occupations as cabinetmaker, carpenter, wood patternmaker, and related supervisors at classification levels 9 to 14 inclusive.

**Skilled Trades, Journeyman and Higher**

The performance and supervision of duties that require fabricating, processing, inspecting or repairing materials, equipment, products or structural units, including the lay-out of work, the set-up of equipment and the operation of precision tools and instruments. The work performed requires the application of an organized body of knowledge related to materials, tools and principles associated with skilled crafts and a thorough knowledge of machine capabilities, properties of materials and craft practices. Workers plan the order of successive operations, use manuals and technical data to position work, adjust machines, establish datum points, verify accuracy, and assume responsibility for the completion of each assignment.

## **General Services (GS)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the maintenance and protection of government facilities and structures such as buildings, stores, laboratories, and equipment; and the provision of food, personal support services.

### **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 cleaning and servicing of buildings and adjacent grounds, including housekeeping and janitorial services, and the cleaning of laboratory equipment;
  2. the patrolling, observing, checking and taking of preventive action in protecting property from damage or loss and providing for the well-being of people;
  3. the receipt, storage, manual or mechanical handling of equipment, and the recording of transactions in an equipment or supplies stores context;
  4. the provision of food, laundry and messenger services, and other services, such as tailoring, to accommodate passengers, clients, guests or tourists;
18. the leadership of any of the above activities

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

1. the custody and control of inmates in institutions of Correctional Service Canada;
2. the custody and control of detainees held under the Immigration and Refugee Protection Act (IRPA) Security Certificates in federal holding centres or detention facilities;

### **GS-BUS**

#### **General Services – Building Services (GS-BUS) Sub-group Definition**

The performance or supervision of duties pertaining to building cleaning, upkeep and operation, general housekeeping, and laboratory cleanup. This sub-group includes such

occupations as cleaner, janitor, elevator operator, housekeeper, laboratory helper and related supervisors.

### **GS-FOS**

#### **General Services – Food Services (GS-FOS) Sub-group Definition**

The performance or supervision of duties pertaining to the planning, preparing and serving of food. This sub-group includes such occupations as cook, butcher, kitchen-helper, waitress and related supervisors.

### **GS-LAS**

#### **General Services – Laundry Services (GS-LAS) Sub-group Definition**

The performance or supervision of duties pertaining to wet washing, dry cleaning, drying and pressing clothes and fabrics and to the simple repair of laundry items. This sub-group includes such occupations as spotter, sorter, washman, dry cleaner, laundry seamstress, presser and related supervisors.

### **GS-MES**

#### **General Services – Messenger Services (GS-MES) Sub-group Definition**

The routine collecting and delivery of mail and files, and the pick-up and delivery of special letters, parcels or documents. This sub-group includes such occupations as messenger and confidential messenger.

### **GS-MPS**

#### **General Services – Miscellaneous Personal Services (GS-MPS) Sub-group Definition**

The performance or supervision of services to accommodate passengers, clients, guests and tourists. This sub-group includes such occupations as barber, first-aid attendant, lifeguard, tailor, tailoress and related supervisors.

### **GS-PRC**

#### **General Services – Protective and Custodial Services (GS-PRC) Sub-group Definition**

The patrolling, observing, checking and taking preventive action in protecting property from damage or loss, the enforcing of statutory or other regulations and conducting investigations for the conservation and protection of renewable resources, and providing for the well-being of persons. This sub-group includes such occupations as fish or game warden, immigration guard, lookout towerman, park attendant, protection and conservation enforcement officer, security guard, watchman, and related supervisors.

## **GS-STS**

### **General Services – Stores Services (GS-STS) Sub-group Definition**

The receipt, stowing, custody, issue and recording of stores. This sub-group includes such occupations as warehouseman, storeman, storekeeper and related supervisors.

## **Heating, Power and Stationary Plant Operations (HP)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the maintenance, repair, operation of machines, equipment, as well as government facilities and structures such as stationary plants.

### **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:

- h. the inspection, installation, operation, maintenance or repair of specialized and non-specialized instruments, equipment and machinery used in or related to: the generation of heat, electricity, refrigeration, or air conditioning; sewage treatment and disposal; water supply and treatment; marine navigation; and the handling and storage of fuels and lubricants;
- i. the leadership of any of the above activities

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

- 5. the study of potable water supply problems, sewage treatment methods, the mechanics and efficiency of heat-engines, the comparable thermal efficiencies of fuels, or the technical aspects of the purification, handling and storage of liquid fuels and lubricants;
- 6. the developmental testing of pressure vessels, pumps, compressors, heat-engines, turbines or other stationary mechanical plants;

## **Hospital Services (HS)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the provision of food, personal or health support services.

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

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group.

### **HS-HDO**

#### **Hospital Services – Housekeeping, Dietary and Other Services (HS-HDO) Sub-group Definition**

The performance of duties associated with the provision of janitorial, custodial, grounds-keeping, building, laundry, stores, food and other services.

Positions included in this sub-group are those engaged in duties such as the following:

- the provision of housekeeping services;

- the performance of cleaning and tending tasks in buildings, in kitchens and on grounds;
- the cooking and serving of food, and the cleaning of kitchen and ward servery equipment, utensils, dishes, cutlery, and work areas;
- the receipt, storage and issue of stores, and the maintenance of associated records;
- the washing, dry-cleaning, ironing, pressing and repair of clothes, bedding and linen supplies;
- the custody of buildings and contents and the performance of other protective or custodial duties;
- the operation of freight and passenger elevators;
- the provision of messenger services;
- the provision of personal services such as tailoring or barbering;
- the supervision of any of the above duties.

## **HS-PHS**

### **Hospital Services – Patient and Health Services (HS-PHS) Sub-group Definition**

The performance of duties associated with the provision of diagnostic, treatment, rehabilitative, public health and related medical and dental services.

Positions included in the sub-group are those engaged in duties such as the following:

- the provision of patient-care and health services not requiring the qualifications of a registered nurse, occupational therapist, or physical therapist;
- the provision of routine assistance to pathologists, dentists, nurses, therapists and laboratory technicians;
- the cleaning and care of ward, operating room, laboratory and morgue equipment, instruments and supplies;
- the supervision of any of the above duties.

## **Lightkeepers (LI)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the maintenance, repair and operation of equipment government facilities and structures such as buildings.

### **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:

9. the operation and maintenance of light-station equipment and the upkeep of the light-station buildings, landing facilities or grounds;
18. the leadership of any of the above activities

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

7. the planning of the general practices and procedures to be followed at light-stations;

## **Printing Services Supervisory (PR(S))**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the fabrication, maintenance, repair and operation of machines and equipment.

### **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:

19. the leadership of printing services pertaining to the production and binding of text material and illustrations by the various techniques used in the printing industry and directly related printing environments.

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

10. the provision of printing services that also requires a limited degree of leadership.

## **Ships' Crew (SC)**

### **Definition**

The Operational Services Group comprises positions that are primarily involved in the fabrication, maintenance, repair, operation and protection of vessels, floating plants and equipment; and the provision of food, personal services.

### **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:

4. the provision of food, laundry and other services, such as tailoring, to accommodate passengers, clients or guests;
10. the operation and servicing of vessels staffed by civilians, including floating plants and associated equipment, and activities performed in support of programs such as buoy tending, fisheries enforcement and rescue operations;
18. the leadership of any of the above activities

### **Exclusions**

Positions excluded from the Operational Services Group are those whose primary purpose is included in the definition of any other group or those in which one or more of the following activities is of primary importance:

8. the repair, modification and refitting of naval vessels and their equipment; and
9. the on-board command and control of the operation of civilian vessels, floating plants and associated equipment requiring a certificate of competency

## **SC-DED**

### **Ships' Crew – Deck Department (SC-DED) Sub-group Definition**

The performance or supervision of a variety of duties in the deck department of ships and floating plant, such as standing watch, steering, stowing cargo, chipping and painting, rigging and winching, handling of pollution gear and equipment and cleaning up spills, streaming and retrieving scientific equipment/gear.

**SC-EQO****Ships' Crew – Equipment Operation Department (SC-EQO) Sub-group Definition**

The operating and servicing of machinery such as derricks, cranes, and dredging equipment, the assembling of piping and rigging on board ships and floating plant.

**SC-ERD****Ships' Crew – Engine Room Department (SC-ERD) Sub-group Definition**

The performance or supervision of a variety of duties in the engine room department of ships and floating plant, such as lubricating moving parts, dismantling and reassembling machinery, cleaning and painting.

**SC-SPT****Ships' Crew – Specialist Trades Department (SC-SPT) Sub-group Definition**

The performance or supervision of a skilled trade such as machinist, carpenter, or electrician.

**SC-STD****Ships' Crew – Supply Department (SC-STD) Sub-group Definition**

The performance or supervision of the receipt, storage and issue of supplies, maintenance of records, the preparation and serving of food and the provision of other personal services; the performance or supervision of duties relating to materiel management, materiel identification and ship's administration on board ships operating under an Integrated Logistics Support System.