

January 26, 2009

BY HAND AND BY EMAIL

The Right Honourable Stephen Harper, P.C., M.P.
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Dear Mr. Harper,

I am writing to you on behalf of public service unions that are members of the National Joint Council, to ask that your government reconsider its decision to introduce legislation that we understand will effectively bring an end to collective bargaining in the core public administration for the period 2007 to 2011.

It is our understanding that the legislation will:

A) legislate wage increases for the period 2007 to mid 2011 for those public service unions that are currently in the collective bargaining process and,

B) roll back wage increases that were part of negotiated agreements that were to take effect in 2009 and 2010, to 1.5% for each of those years.

In our collective and respectful view there is no justification for the government's intervention in the collective bargaining process through the use of its legislative authority. In tabling the legislation the government appears to be addressing a crisis where there is no crisis i.e. collective bargaining in the core public service.

In mid November last year the Treasury Board Secretariat (TBS) simultaneously gave each of the public service unions that were engaged in the collective bargaining process what it described as a "final offer" and an ultimatum. The unions were advised that if the offer was rejected the government would introduce legislation to end the collective bargaining process.

Prior to the tabling of the employer's final offer there was nothing to suggest that the collective bargaining process was not working. There were no excessively large wage increases in the negotiated collective agreements. There was only one arbitral award released prior to the tabling of the employer's "final offer". The arbitral award confirmed that the economic increases for the period in question followed a pattern of negotiated increases that had been established by other public service groups through direct negotiations. There was no suggestion that the process of collective bargaining

would not continue to work in the future. Prior to the TBS tabling its “final offer”, seven of the eighteen public service unions had negotiated collective agreements with the TBS covering the period 2007 to 2009-2011. The negotiated economic wage increases for employees represented by these unions were the same, i.e. 2.3% in the first year and 2% in each subsequent year of the agreement. (A list of the unions that reached a signed collective agreement with the TBS prior to the TBS tabling its final offer with the other unions is listed in Annex A.)

Since the “final offer” was tabled, the evidence shows that the collective bargaining process has continued to work. The vast majority of unionized public service employees have reached and ratified a tentative agreement with the Treasury Board Secretariat. The majority of these employees are represented by the Public Service Alliance of Canada.

Since the final offer was tabled there has been one arbitral award involving the International Brotherhood of Electrical Workers (IBEW) and the TBS. That arbitral award provided for wage increases over a 3 year period of 2.3% and 1.5% in each subsequent year, which clearly showed restraint in the current economic climate. Another arbitration tribunal has met (December 13th) and the parties are awaiting its award, (FGDT & LC-WEST). (A list of the bargaining agents that have signed tentative agreements since the “final offer” was tabled November 18th, 2008 is appended as Annex B.)

What all of this suggests is the collective bargaining process was working before the TBS tabled what it called its “final offer” and continued to work after the employer tabled what it referred to as its “final offer”. A legislative intervention in this process at this time would be without justification. It suggests that the unions will act irresponsibly while the evidence suggests just the opposite. It suggests that the arbitration panels will not act responsibly while the evidence suggests just the opposite. It suggests that the Public Service Labour Relations Board will not be effective. There is no evidence to suggest that this is or will be the case. While the newly created Public Interest Commission has not been tested, there is no reason to believe that the chair (who is selected from a list of persons agreed to by the parties) or their nominees would not act responsibly or ignore the economic realities when making their non binding recommendations. The government appears to have lost trust in the collective bargaining process and the people involved in that process without reason. It should act judicially if it intends to suspend or otherwise interfere with individual and collective rights of its employees by effectively suspending collective bargaining for a 4 year period or by altering negotiated wage increases.

There are only a few public service unions that are still in the collective bargaining process. All of those unions that remain have sought the assistance of a third party either an Arbitration Tribunal or the establishment of a Public Interest Commission. A list of those unions is included at the end of my letter as Annex C.

In our collective view, we were extremely disappointed with the manner in which the TBS has approached this issue. What was most noticeable was the lack of any forewarning that it had decided to end the process by tabling a “final offer” with a common message from each of the TBS negotiators that if you do not accept the final offer as proposed, the government would introduce legislation that would legislate the wage increases. There was one exception to this ultimatum. There was no consultation with the heads of the bargaining agents, no rationale was advanced, and there was no need for panic because the TBS was in control of the process. Before taking these drastic measures it would have been more prudent had the TBS given more thought to the success of the collective bargaining process and the players in it. The failure on the part of the TBS to consult with its public service unions for whatever reason has damaged our relationship with the TBS. The TBS has seriously compromised its credibility with the unions and the confidence that has been built over the past few years has also suffered. Introducing a form of wage controls through the legislative process will only exacerbate matters, especially when the collective bargaining process is seen to be working.

In conclusion, I would like to emphasize that the collective bargaining process is working without catastrophic results. The TBS and the majority of the public service unions have voluntarily signed collective agreements both before and after the TBS tabled its ultimatum. The arbitration process has produced similar results. The wage settlements are “conservative” and passing legislation that would unnecessarily interfere with free collective bargaining would be a travesty. It would be micro managing public service compensation through legislation when there is no justification for it and unnecessarily interfering with our rights and freedoms provided under the “Charter”. Equally important is the fact that the credibility and confidence the bargaining agent side had in the TBS has been seriously undermined by the lack of transparency the officials have displayed prior to and after the “final offer” was communicated to the bargaining agents.

For all of these reasons, I would respectfully ask you not to undermine the collective bargaining process through the legislative process.

Yours sincerely,

Ron Cochrane
Chair
Bargaining Agents
National Joint Council /
Executive Director
The Professional Association of Foreign Service Officers
412-47 rue Clarence St., Ottawa, ON K1N 9K1

List of NJC Bargaining Agents:

Association of Canadian Financial Officers
Association of Justice Council
Canadian Association of Professional Employees
Canadian Federal Pilots Association
Canadian Merchant Service Guild
Canadian Military Colleges Faculty Association
Canadian Auto Workers
Communications Energy and Paperworkers Union of Canada
Federal Government Dockyard Chargehands Association
Federal Government Dockyard Trades & Labour Council (East)
Federal Government Dockyard Trades & Labour Council (West)
International Brotherhood of Electrical Workers-Local 2228
National Automobile Aerospace Transportation and General Workers Union of Canada
Professional Association of Foreign Service Officers
Professional Institute of the Public Service of Canada
Public Service Alliance of Canada
Research Council Employees Association
Union of Canadian Correctional Officers

Encls: Annex A, B, and C

ANNEX A

List of bargaining agents that have signed collective agreements with the TBS prior to the tabling of the TBS “final offer” November 18th, 2008:

- 1) Association of Canadian Financial Officers
Collective agreement signed June 6th, 2008
Duration; November 7th, 2007 to November 6th, 2009
- 2) Canadian Merchant Service Guild
Collective agreement signed October 24th, 2008
Duration; April 1st, 2006 to March 31st, 2011
- 3) Canadian Military College Faculty Association
Collective agreement signed June 27th, 2008 Duration;
July 1st, 2006 to June 30th, 2010
- 4) Federal Government Dockyard Trades & Labour Council East
Collective agreement signed June 16th, 2008
Duration; January 1st, 2007 to December 31st, 2009
- 5) Federal Government Dockyard Chargehands Association
Collective agreement signed September 4th, 2008
Duration; April 1st, 2007 to March 31st, 2011
- 6) National Automobile, Aerospace, Transportation and General Workers of Canada, (CAW-Canada}
Collective agreement signed June 25th, 2008
Duration; July 1st, 2006 to June 30th, 2009
- 7) Union of Canadian Correctional Officers CSN
Collective agreement signed June 26th, 2006
Duration June 1st, 2002 to May 31st, 2010

ANNEX B

List of Bargaining Agents that signed collective agreements following the tabling of the TBS “final offer” November 18th, 2008:

- 1) Canadian Association of Professional Employees
Economists and Social Science Services group
Tentative agreement signed November 26th, 2008
Duration: June 22nd, 2007 to June 21st, 2011
- 2) Canadian Association of Professional Employees
Translation group
Tentative agreement signed November 24th, 2008
Duration: April 19th, 2007 to April 18th, 2011
- 3) Communications Energy and Paperworkers Union of Canada
Printing services group
Tentative agreement signed November 27th, 2008
Duration: October 1st, 2007 to September 30th, 2011
- 4) Public Service Alliance of Canada
Border services group
Tentative agreement signed November 23rd, 2008
Duration: June 21st, 2007 to June 20th, 2011
- 5) Public Service Alliance of Canada
Program and Administrative Services
Tentative agreement signed November 23rd, 2008
Duration: July 1st, 2007 to June 30th, 2011
- 6) Public Service Alliance of Canada
Operational Services group
Tentative agreement reached November 23rd, 2008
Duration: August 5th, 2007 to August 3rd, 2011
- 7) Public Service Alliance of Canada
Education and Library Science group
Tentative agreement reached November 23rd, 2008
Duration: July 1st, 2007 to June 30th, 2011

ANNEX C

List of the Bargaining Agents that have not signed collective agreements with the TBS and have applied for third party assistance as of January 22nd, 2009:

- 1) Association of Justice Counsel
The AJC represents the lawyers in the federal public service. It has applied for binding arbitration, no dates have been established.
- 2) Canadian Federal Pilots Association
The CFPA represents the pilots employed by the federal government. It has applied for a Public Interest Commission, no dates have been established.
- 3) Canadian Auto Workers- Local 2182
The CAW local 2182 represents the few remaining radio operators employed in the federal public service. It has applied for a Public Interest Commission. No dates have been set.
- 4) Professional Association of Foreign Service Officers
PAFSO represents employees in the Foreign Service group. It has applied for a Public Interest Commission. No dates have been set.
- 5) Professional Institute of the Public Service of Canada
PIPSC represents employees in the:
 - A) Applied science and patent examination occupational groups
PIPSC has applied for binding arbitration for this group December 3rd, 2008. No dates have been established.
 - B) Architecture, Engineering and Land survey occupational groups
PIPSC has applied for binding arbitration. An arbitration hearing has been set for February 16th and February 18th, 2009.
 - C) Audit, commerce and purchasing occupational groups
PIPSC has applied for binding arbitration December 3rd, 2008. No dates have been set.
 - D) Health services occupational groups
PIPSC has applied for binding arbitration December 16th, 2008. No dates have been set.
 - E) Research groups
PIPSC applied for binding arbitration and dates have been set for January 31st, 2009 and February 1st, 2009.
 - F) Computer systems occupational group
PIPSC has applied for a Public Interest Commission. No dates have been set.

6) Public Service Alliance of Canada

The PSAC has applied for binding arbitration for employees in the Technical services occupational group on November 27th, 2008. No dates have been set.