

IN THE MATTER OF AN INTEREST ARBITRATION

BETWEEN:

**THE CANADIAN MERCHANT SERVICE GUILD
(SHIPS' OFFICERS)**

The Union

AND

TREASURY BOARD

The Employer

THE GUILD'S SUBMISSIONS

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INDEX

TABLE OF CONTENTS

TAB SUBMISSION

1. History of Bargaining
2. Issues in Dispute
3. Applicable Legislative Criteria
4. Introduction – the Bargaining Unit
5. Recruitment and Retention is a Central Issue

Guild Proposals:

6. Appendix A Rates of Pay, Market Adjustment and Allowances
7. Appendix G - Extra Responsibility Allowance
8. Appendix H - LayDay Factor
9. (a) Article 24.04 and Appendix H - Overtime entitlements during travel time
(b) Article 25.02 & 25.03 - Meal allowance where meals and quarters are normally provided but not available
(c) Article 30.09 - Meal allowance where meals are not provided
10. Article 35.04 - Pay Administration
11. Article 40.02 - Dirty Work Allowance
12. Article 43 - Duration and Renewal
13. NEW Audit Clause

Employer Proposals:

14. Article 12.01 – Statement of Duties
15. Article 14.01 – Information for Officers
16. Article 20.10 – Vacation Leave with Pay
17. Article 29 – Severance Pay
18. Article 36 – Performance Review

[Article 43 – Duration and Renewal – See Guild submissions, Tab 12]

[Appendix A – Annual Rates of Pay – See Guild submissions, Tab 6]

19. NEW MOA Employee Wellness Plan

TAB 1

HISTORY OF BARGAINING

The Canadian Merchant Service Guild (hereinafter referred to as the “Guild”) has represented the Ships’ Officers employed by the Federal Government since 1969. The majority of the Ships’ Officers in the bargaining unit serve on Canadian Coast Guard vessels, while the remainder serve on certain vessels of the Department of National Defence (DND).

The Collective Agreement between the Guild and the Treasury Board for the Ships’ Officers group expired on 31st March 2014. Notice to bargain was given by Treasury Board to the Guild in early 2014.

The parties exchanged proposals on June 17 and 18, 2014 and subsequently engaged in around twenty (20) days of collective bargaining between November 25, 2014 and September 14, 2017. The Guild filed a request for arbitration on November 24, 2017. (See **Tab 1** of the Guild’s Brief.)

In the end, the parties reached agreement and signed off the following provisions:

1. Article 10 – Check-off;
2. Article 23.02(a) – Bereavement leave increase quantum for bereavement leave;
3. Article 23.18 – changes to the reasons to grant Leave with Pay for family related responsibilities;
4. Article 29 – Severance pay (and consequential amendments to Article 20.03 Vacation); and
5. Article 31 – Call Back Pay: paragraph 31.02(a) replace mileage with kilometric.

See **TAB 2**, Sign-off’s

The Guild requests that the above-noted sign-offs be incorporated as part of the Board’s Award.

In addition, the Guild’s Form 10 Response to the Employer’s proposals indicates its agreement with the Employer’s proposed amendments to Articles 12.01 (Statement of Duties) and 36.04 (Officer File).

TAB 2

ISSUES IN DISPUTE:

GUILD PROPOSALS

<p>Rates of Pay & Allowances</p>	<p>Appendix A-D Guild proposes the following increases for rates of pay and allowances:</p> <p>April 1, 2014 1.25% April 1, 2015 1.25% April 1, 2016 Market adjustment 15%; eliminate or adjust increments as required to implement market adjustment. April 1, 2017 1.25% April 1, 2018 Greater of CPI¹ or 2%</p>
<p>Extra Responsibility Allowance</p>	<p>Appendix G Guild proposes to include FLP and INS groups and to increase applicable days from 120 to 365 calendar days.</p>
<p>Lay Day Operational Crewing System</p>	<p>Appendix H-Lay Days General-Guild proposes officers earn 1.17 lay days in addition to the Officer's Lay Day rate of pay.</p>
<p>Overtime and Allowances</p>	<p>Article 24.04(b)(ii) and (c) (and Appendix H, Article 24) Guild proposes to increase overtime for travel time from 8 to 9 hours</p> <p>Articles 25.02(a), (b) and 25.03(a), (b) Guild proposes that where meals and quarters are normally provided but not available, the meal allowance to be in accordance with the NJC Travel Directive</p> <p>Article 30.09(a)(b)(c) Guild proposes that, where meals are not provided, meal allowance to be in accordance with the NJC Travel Directive</p>
<p>Pay Administration</p>	<p>Article 35.04 Guild proposes that, "all acting time shall be cumulative for purposes of pay increment calculation."</p>
<p>Dirty Work Allowance</p>	<p>Article 40.02 Guild proposes to clarify the language so that Officers required to get "dirty" are entitled to the Allowance.</p>
<p>Duration and Renewal</p>	<p>Article 43.01 Guild proposes an expiry date of March 31, 2019.</p> <p>Article 43.02 Guild proposes all benefits and monetary items, including all allowances, be effective retroactive to April 1 2014.</p>

¹ CPI to be defined as the CPI for Canada (all items) as published by Statistics Canada for the previous calendar year ending December 2017.

Payroll Audit	NEW Article 43.02 Guild proposes that, prior to calculating retroactive pay etc., the Employer shall conduct a full audit of each Officers' pay file
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EMPLOYER PROPOSALS

As set out in the Employer's Form 9, the remaining Employer issues are in dispute:

Issue #1 – Statement of Duties	Article 12.01
Issue #2 – Information for Officers	Article 14.01
Issue #3 – Vacation Leave with Pay	Article 20.10
Issue #4 – Performance Review	Article 36
Issue #5 – Severance Pay	Article 29
Issue #6 – Duration and Renewal	Article 43
Issue #7 – Rates of Pay	Appendix A
Issue #8 – Employee Wellness Plan	NEW MOA

TAB 3

THE APPLICABLE LEGISLATIVE CRITERIA: SECTION 148 OF THE *FPSLRA*

On June 3, 2016, the President of the Treasury Board wrote to the Heads of Federal Bargaining Agents, including the President of the Guild, to advise that various interim measures were being put in place for this round of bargaining.

Normally, the factors to be considered by an Interest Arbitration Board in making its decision are set out in section 148 of the *Federal Public Sector Labour Relations Act* ('*FPSLRA*'), which states:

Preponderant factors

148 (1) In determining whether compensation levels and other terms and conditions represent a prudent use of public funds and are sufficient to allow the employer to meet its operational needs, the arbitration board is to be guided by and to give preponderance to the following factors in the conduct of its proceedings and in making an arbitral award:

- (a) the necessity of attracting competent persons to, and retaining them in, the public service in order to meet the needs of Canadians; and
- (b) Canada's fiscal circumstances relative to its stated budgetary policies.

Other factors

(2) If relevant to the making of a determination under subsection (1), the arbitration board may take any of the following factors into account:

- (a) relationships with compensation and other terms and conditions of employment as between different classification levels within an occupation and as between occupations in the public service;
- (b) the compensation and other terms and conditions of employment relative to employees in similar occupations in the private and public sectors, including any geographical, industrial or other variations that the arbitration board considers relevant;
- (c) compensation and other terms and conditions of employment that are reasonable in relation to the qualifications required, the work performed, the responsibility assumed and the nature of the services rendered; and
- (d) the state of the Canadian economy.

As the Board will note, the factors listed under section 148(1)(a) and (b) would normally be “preponderant”. However, as per the letter from Treasury Board, any Interest Board for groups within the core public administration and separate agencies are “**free to weigh the factors as it sees fit without regard to preponderance**”.

Further, Treasury Board agreed that it would advise the Interest Boards “that **Canada’s fiscal circumstances relative to its stated budgetary policies are not a material factor**”.

By way of reply on August 4, 2016, the President of the Guild requested that the Ships’ Officers bargaining unit (the SO-group) be switched to the “Arbitration” route under PSLRA s. 104(1) as the dispute resolution process in the event that an impasse is reached in negotiations”.

This request was followed up with further correspondence exchanged between the President of the Guild and Mr. Leindecker, the Negotiator for the Core Public Administration confirming that the Guild had selected binding arbitration as the resolution mechanism to resolve any collective bargaining dispute that may arise.

See **TAB 3:**

Letter to Bargaining Agents from President of Treasury Board dated June 3, 2016

Letter from Guild President to President of Treasury Board dated August 4, 2016

Email from Guild President to Negotiator Mr. Leindecker dated September 2, 2016

Letter from Negotiator Mr. Leindecker to Guild President dated October 17, 2016

TAB 4

INTRODUCTION - THE BARGAINING UNIT

This collective agreement between the Treasury Board and the Canadian Merchant Service Guild governs Ships' Officers employed by the federal government. Approximately eighty-five percent (85%) are employed as Officers by the Canadian Coast Guard, which has been a Special Operating Agency within the Department of Fisheries and Oceans (DFO) since 2005. The rest work as Officers on certain ships under the Department of National Defence (DND) in the Canadian Naval Auxiliary fleet. In this government fleet, the Guild represents approximately eleven hundred (1100) Ships' Officers. During gales and storms when other vessels are hove-to or seeking refuge in ports, it is the ships and boats of this government fleet that are sent to save lives and provide urgent assistance to ships and seafarers in distress.

The DND Naval Auxiliary vessels provide support at sea and in port to the Canadian Forces and Canada's NATO allies. These Auxiliary vessels include harbour tugs, coastal tugs, a floating crane, torpedo recovery vessels, a submarine range patrol vessel, floating plants for degaussing and fuelling operations and a fire-fighting tug. These units are home-ported in Halifax and Victoria and Nanoose, B.C.

The Canadian Coast Guard is responsible for protecting Canadian Coastal Waters and provides a wide variety of services including search and rescue, environmental response, ice breaking, buoy-tending, offshore fisheries patrols, hydrographic surveying and oceanographic research, marine security operations, marine navigation services, marine communications and traffic services and navigable waters protection. Guild members in the "Instructor Group" (INS) are employed as instructors of Nautical Science and Marine Engineering at the Canadian Coast Guard College in Sydney, N.S.

The Canadian Coast Guard Fleet has approximately one hundred and sixteen (116) vessels. These vessels include ice breakers, ocean-going research and survey vessels, rescue vessels, buoy tenders, mid-shore and off-shore patrol vessels and others. Each different class of vessel requires different staff with different levels of expertise. Larger vessels may have approximately 6 to 8 Ships' Officers "on-duty" and 14-18 members from the Ships' Crews bargaining unit. A smaller vessel may only have as few as two Officers on board and an additional 2-4 Crew from the Ships' Crews bargaining unit. These vessels are home-ported at Coast Guard stations and bases across the country.

GUILD OFFICERS' TRAINING AND QUALIFICATIONS

Becoming a Ships' Officer takes several years of study at either the Canadian Coast Guard College in Sydney or by working one's way up through the ranks of the Ships' Crew in combination with studies at an accredited Marine Institute. The entry level position as a Deck Officer is known as a Watchkeeping Mate. From there, Mates can work up through different levels, Chief Officer and finally Commanding Officer of a vessel. The Commanding Officer is the senior Officer on board the vessel. They are

responsible for the safe and effective operation of the vessel and for supervising the Officers and Crew. The Commanding Officer must hold a Master's Certificate as a minimum and is required to have extensive years of sea experience and certification, pursuant to national and international standards. In practice, it takes most individuals ten to fifteen (10 to 15) years of training and experience to become qualified as a Commanding Officer. Similar rigorous training and experience apply to the Engineering Officer advancing through to the level of Chief Engineer.

Depending on the area of expertise of an Officer, they will be assigned different responsibilities. For instance, Navigation Officers work under the leadership of the Commanding Officer and coordinate the ship's deck and navigation activities. They are responsible for the safety of the ship, its crew and any other persons on board the vessel. They also directly supervise and coordinate the crew working on both the bridge and the deck. An Engineering Officer works under the Chief Engineer to coordinate the operation and maintenance of the vessel's propulsion machinery and auxiliary equipment as well as supervising the engine room personnel. Electrical Officers are responsible for the operation and maintenance of the vessel's electric and electronic department. Logistics Officers provide logistics support to the entire vessel with respect to hotel services, ship's administration and supplies.

An Officer's pay and remuneration varies depending on type and size of vessel to which they are assigned. Class H vessels are highest ranked and Class A sub 2 are the lower ranked vessels within the fleets managed and controlled by the Coast Guard and DND.

TAB 5

RECRUITMENT AND RETENTION IS A CENTRAL ISSUE

Shortage of Ships' Officers Worldwide – Coast Guard is losing Qualified Officers to the Private Sector

The Guild's position is that the Federal Government in enacting Section 148(1)(a) of the *FPSLRA* has recognized that it is of paramount importance for the Federal Public Service Collective Bargaining process to update and revise its compensation packages on an ongoing basis in order to attract and retain the best and most qualified personnel required in order to meet the needs of Canadians.

The biggest issue facing the Coast Guard and various DND vessels today is the recruitment and retention of sufficient qualified Officers to maintain the operations of the Fleet. This staffing issue has been identified and raised in the past by the Guild in previous rounds of bargaining but the warnings have gone unheeded – largely because of artificial political legislative restrictions imposed on the Collective Bargaining process.

The Guild submits that the evidence is clear and convincing that the Federal Government needs to act now in order to deal with this issue and is asking this Board to address what the legislature has clearly enunciated as a key factor for this Interest Arbitration Board to consider in fashioning an Award.

As will be outlined in further detail below, a worldwide shortage of Ships' Officers is now contributing to an acknowledged recruitment and retention crisis in the Federal Government of properly qualified marine Officers – many of whom are trained at the federal government's own Coast Guard College and who no longer see the Coast Guard as an economically attractive career.

The international shipping industry, which accounts for approximately 90% of the transportation of world trading goods, continues to expand. However, in an aging baby boomer workforce, the training and supply of new Ships' Officers to keep up with the demand has not kept pace as the attractiveness of a career at sea has less appeal for young workers.

See **TAB 4**, "Challenge to the industry: Securing skilled crews in today's marketplace", Deloitte Global Services Ltd., 2011 at p. 1

It is estimated that by 2020, there will be a shortage of 92,000 Ships' Officers rising to 147,500 by 2025 **worldwide**. The private sector has recognized this problem and without legislatively mandated artificial limits on its compensation packages has progressively offered higher wages to new and experienced Guild officers in order to continue staffing its' operations.

See **TAB 5**, Baltic and International Maritime Council (BIMCO) / International Chamber of Shipping Manpower Report for 2015, Executive Summary at p.5

It is the Guild's submission that, notwithstanding any fiscal policy arguments, the Federal Government can no longer "stick its head in the sand" and ignore what its own Managers responsible for the Government's fleet of vessels are now saying – recruitment and retention issues in the Coast Guard have now reached "crisis" proportions.

To ensure that its Coast Guard and DND operations will continue to provide effective operational services along Canada's vast coastlines, the Federal Government must take steps today to ensure that the compensation offered to qualified Officers remains competitive across the Board.

Relationship between Ships' Officers and Ships' Crews

In addition to the recruitment and retention issue, the Guild will also make submissions further to Section 148(2)(a) of the *FPSLRA* around the need to maintain internal relativity with the crews its Officers supervise. Ships' Officers not only command vessels but also command and supervise the Ships' Crews who are represented by a separate bargaining agent - the Public Service Alliance of Canada (PSAC).

The importance of maintaining hierarchy and accepted differences between classification levels is essential to ensuring appropriate respect within the command structure and for the efficient operation of the vessel. Assigning proper differential rates of pay for these levels is simply a recognition of the increasing level of responsibility which comes with higher levels of training, competency, responsibility and accountability.

It will take a Ships' Officer no less than seven (7) years and more likely closer to ten (10) years of combined college, academic training and solid years of sea experience to meet the legislative requirements to obtain Ships' Master Certification or Engineers' Certification for appointment to a position as Commanding Officer or Chief Engineer on many of the vessels under the Employer's control.

Unlike the unlicensed personnel who they supervise, Guild members have complete responsibility for a multi-million-dollar national asset that is effectively irreplaceable should it becomes unusable as a result of an error made by an Officer. At the same time, the Officers have overall operational supervisory responsibility for the Ships' Crews who work under them on these same vessels who work under the same crewing systems – with the majority employed under Appendix H which incorporates a "lay day factor" as part of the compensation structure. Currently the Ships Crews enjoy a 1.17 lay day factor while the Guild Officers working under the identical scheduling system work under a 1.0 lay day factor. This difference, along with recent negotiated gains for the Ships Crews in their compensation including a five percent (5%) market adjustment agreed to by the Employer in this round of bargaining means that the compensation differential between Officers and Crew is rapidly becoming a "distinction without any real

difference” with certain Crew members being paid higher salaries than the Ships’ Officers who supervise them.

The Appendix H Lay day vessels, many of which operate on a 28 day on and 28 day off cycle or a 42 day on and 42 day off cycle are frequently operated in remote and desolate locations. The consequence of error for a Guild Officer at sea may lead to loss of life, loss or damage to the multi-million-dollar vessel and/or significant environmental damage.

Without disparaging the expertise and dedication of the Ships’ Crews in any way, it is simply a fact that the Ships Crews have significantly less responsibility in their jobs and require significantly less academic study, training time and experience before they can go to sea under the supervision of an Officer.

From a compensation perspective, all of these differences ought be reflected in an appropriate difference or gap in compensation between the Classifications as alluded to in Section 148(2)(a) of the *FPSLRA*. Currently that is no longer the case and the Guild submits there is a demonstrated need to correct this anomaly.

Furthermore, the Guild submits that in the marine world it is historically recognized that the “chain of command” on a ship is essential to the safe operation of vessels on the open and unpredictable ocean waters.

The training and certification requirements of Ships’ Officers needs to be recognized in the relative compensation levels between the Ships’ Officers and the Ships’ Crews as well as in the working conditions, especially in relation to “earned time off with pay”, or “lay day factor” under the crewing system set out in Appendix H since Ships’ Crews and Ships’ Officers are employed on the identical rotational crewing systems.

See **Tab 6** of the Guild’s Brief, “Canadian Coast Guard Website Materials” Accessed 2012

In addition to these matters, there are also differences as between Officers and the Crews with respect to different allowances that are paid in specific circumstances such as: overtime compensation paid as between Officers and Crews for identical work.

The two significant areas where the working conditions and compensation as between the Ships’ Officers and the Ships’ Crews have “fallen” out of the appropriate relativity contrary to the legislatively mandated compensation principle as set out in section 148(2)(a) of the *FPSLRA* are as follows:

1. The first is the difference between the Ships Crews’ lay day factor of 1.17 as compared to the Officers’ lay day factor of 1.0 for those Officers and Crews who work under the identical Appendix H scheduling system.

2. The second relates to the five percent (5%) across the board “market adjustment” recently granted to the Ships Crews on top of their annual economic increases.

To maintain fairness and equity between different classification levels and similar occupations within the federal public service these inequities must be addressed and corrected.

TAB 6

Guild Proposal – Appendix A - D – Rates of Pay & Allowances

Guild Proposal	Employer Proposal
On April 1, 2014: Increase all rates of pay by 1.25%	April 1, 2014: 1.25%
On April 1, 2015: Increase all rates of pay by 1.25%	April 1, 2015: 1.25%
On April 1, 2016: Market adjustment 15%; eliminate or adjust increments as required to implement market adjustment.	
On April 1, 2016: Increase all rates of pay by 1.25%	April 1, 2016: 1.25%
On April 1, 2017: Increase all rates of pay by 1.25%	April 1, 2017: 1.25%
On April 1, 2018: Increase all rates of pay by greater of CPI or 2.00%	
Above increases to apply to all Allowances	

THE COMPENSATION PROPOSALS

The parties are in agreement for the wage increases effective April 1, 2014, 2015, 2016 and 2017 which have been a common pattern across the federal public service.

In addition to those annual economic increases however the Guild is seeking a **market adjustment of 15% effective April 1, 2016**. This request is a key bargaining demand of the Guild membership as their pay is not only falling behind the private sector but their internal relativity to the Ships' Crews which they supervise is becoming increasingly unbalanced. For reasons which will be set out below, the Guild submits that its request for a market adjustment is more than reasonable in the circumstances and it requests that the Board award its proposal.

In conjunction with its request for a market adjustment, the Guild is open to the elimination or adjustment of increments in order to implement that request.

Finally, the Guild wishes to ensure that whatever increase is awarded be applied to all Allowances including:

- Article 40 – Dirty Work Allowance – payable to Officers required to work in “dirty” working conditions;
- Appendix E – Officer Cadets – in lieu of wages, Cadets enrolled at the Canadian Coast Guard College receive a monthly training and monthly sea training allowance (when on sea training);
- Appendix F – Special Allowances:
 - o Rescue Specialist Allowance
 - o Fisheries Enforcement Allowance
 - o Armed Boarding Allowances
 - o Diving Duty Allowance
 - o Nuclear Emergency Response Team
- Appendix G – Extra Responsibility Allowance - an annual allowance paid to officers assigned to certain classes of vessels in recognition of their additional responsibilities in addition to their regular duties.

The Guild submits that these Allowances are all paid in recognition of Officers’ skills and duties performed during the course of their duties.

RECRUITMENT AND RETENTION

Alarming, with increasing frequency and despite operational needs, vessels are being “tied up” and rendered non-operational for periods of time only because there are insufficient Officers available to operate the vessel.

See **TAB 7**, Fleet Readiness Status for the Atlantic Region²

The Guild submits that the primary reason why vessels are tied up is due to a significant recruitment and retention issue facing the Canadian Coast Guard. The stark reality is that there is a growing shortage worldwide of Ships’ Officers and the rates of pay for the Ships’ Officers in this bargaining unit have simply fallen behind what is being offered in the private sector.

This issue is one that has been developing for a number of years and is of serious concern. The Federal Government must respond now if it wishes to correct the current staffing crisis which is impacting its ability to actually operate its Fleet.

The recruitment and retention issues currently facing the federal government are not new and the Guild has been sounding the alarm on this issue for many years. To underscore the importance and urgency of this request the Guild asks the Board to note

² The Guild submits that “crewing issues” is shorthand for identifying a vessel unable to put out to sea due to the lack of a senior Officer.

the following submissions that the Guild has made in past Interest Arbitrations regarding earlier expressions and warning signs of this current staffing crisis.

A - Guild Submissions in 2008

In its 2008 Brief (see **Tab 8** for excerpts) to the Interest Arbitration Board convened to determine the terms and conditions of the Collective Agreement which expired March 31, 2006, the Guild sounded an alarm in response to the growing realization that trained Guild Officers were leaving the Federal Government to work in the private sector due to more favourable compensation and working conditions. This concern was recognized back then by the Commissioner, Canada Coast Guard, Fisheries & Oceans Canada, George Da Pont, who made the following statement to the Standing Senate Committee on Fisheries and Oceans:

We are facing some staffing issues. It is probably one of the biggest risks looking out over the next few years. As I mentioned, we have terrific people with considerable experience but like many other parts of the public service, many of our experienced navigators and people on the vessels will be retiring in the next five to seven years. If I recall the numbers correctly, we are looking at about twenty to twenty-five percent.

At the same time, there is a worldwide shortage of mariners right now and we are having more difficulty attracting people. I think people are attracted to working with the Canadian Coast Guard but we will have to be more effective at recruitment, training and development than we have in the past. That will be a significant priority area.

We have already started with the Canadian Coast Guard College. For example, several years ago there was no intake of new officer cadets. We have ramped that up over the last two or three years from perhaps ten or twelve to fifty a year for the next few years in anticipation of what is coming.

These concerns were echoed by Charles Gadula, Deputy Commissioner of the Canadian Coast Guard, Fisheries & Oceans, gave a speech to the 71st Annual International Joint Conference of the Canadian Ship Owners and Lake Carriers Association on February 11, 2008. In reviewing some of the key challenges that the Coast Guard would face in the next decade, Mr. Gadula stated the following:

Our number one challenge is recruitment and retention:

- Our biggest challenge will be finding, recruiting and keeping skilled mariners - both licensed and unlicensed.
- Within the CCG, current demographics tell us that from now until 2015, almost 60% of our seagoing population will be eligible to retire.

- Ships' crews - are CCG's largest single occupational group - at about 34% of our workforce with ships' officers representing approximately 20%.
- This puts us in the unenviable position of potentially losing half of our seagoing employees at a time of great demand.
- ... there is a worldwide shortage of skilled, qualified and certified mariners.
- Without human capital no-one will operate.
- The competitive global labour market will impact Coast Guard's ability to adequately support, deliver and manage our services.
- **The domestic marine industry is in the same boat so to speak and we know well, and understand that certificated Coast Guard personnel are highly attractive to private sector employers** [emphasis added].
- When it comes to ships' officers, the structure was to bring in officers through three streams: the Officer Cadet Program - crew members up through the hawse pipe and others from industry and abroad.
- The grim reality - one that we all face, is the cultural shift in North America which has reduced the workforce availability of seagoing personnel.
- Few people want to go to sea and those who do, usually take the first **decent opportunity available** to them.

Back in 2008, the Guild noted that, similar to the Coast Guard, DND has also been hard hit by these issues. The Guild pointed out in that same Brief that, at times, the Employer had been unable to find applicants for posted vacancies and that the National Union Management Consultative Committee at the Department of National Defence had recognized that the Ships' Officers group is a "Shortage Group" needing a targeted recruitment strategy.

B - Guild Submissions in 2012

In 2012, the Guild made further submissions (see **Tab 9** for excerpts) to the Interest Board convened to determine the terms and conditions of employment for the Collective Agreement which expired March 31, 2011. In that Brief, the Guild submitted that recruitment and retention had "assumed critical importance", noting a number of factors causing these problems, namely:

- Competition with the private sector;
- Attrition rates which the Coast Guard estimated that, by 2015, approximately 30% of its workforce would have left; and
- Expansion of the Coast Guard's work particularly as the federal government undertook initiatives to assert its sovereignty offshore, particularly in the Arctic.

A June 2012 Report issued by the Evaluation Directorate at Fisheries and Oceans Canada confirmed back then that "workforce issues" are a priority:

Like the marine industry in Canada and worldwide, [the Coast Guard] faces **severe shortages** of marine engineers and navigators now and in the years ahead [emphasis added].

See **TAB 10**, Guild's Book of Documents, Canadian Coast Guard College Evaluation Report, June 2012

In particular, the Report identifies that the Canadian Fleet "faces a serious shortage of ships' officers". It notes five (5) occupational groups essential to Coast Guard operations that are particularly at risk of attrition, including Ships' Officers and 3rd class marine engineers. In addition, the Report notes that this shortage comes at a time when "the Coast Guard is being asked to fulfill an increasing role in meeting federal priorities, such as a stronger national presence in the North". **While some of these staffing issues relate to the pending retirement of many employees, it notes that the marine industry in general is facing "acute difficulties in attracting, training and retaining a skilled workforce":**

There are alarming shortages for officers, with the need for marine engineers being the number one priority, followed closely by deck officers. This shortage is thought to be due in part to a negative perception of marine industry careers.

... When the world economy is strong, it becomes harder for the Coast Guard to recruit and retain staff, as **officers with shipping companies earn considerably more than Coast Guard officers, possibly double the income. Graduates from provincial marine schools are more likely to opt for the private sector given its better compensation** [emphasis added].

See **TAB 10**, Guild's Book of Documents

2017 - Recruitment and Retention issue reaches crisis proportions. Vessels are "tied up" solely due to the lack of qualified Officers to staff them

Despite the Guild's repeated warnings and requests, the federal government put its head in the sand and denied the reality of the looming issue facing the Officers who command its Fleet. Up until now, the government has denied the request for a "catch up" compensation package and the Guild submits that the problem has now reached a crisis level.

In the Guild's view, the situation has worsened in the intervening years since the last interest arbitration. Because the compensation to Officers is now at an all time low in relation to the private sector, the Coast Guard is not able to hire and retain the younger qualified Officers. Today, Canada's Coast Guard is forced to meet its staffing and operational requirements by relying on retired Guild Officers, who are already in receipt of a pension, to meet operational needs.

Recognizing this current recruitment and retention crisis, DND management in the fall of 2017 started working with the Public Service Commission to set up a "focus group" with

hiring managers of Ships Officers (specifically in the Engineering stream) who are aware of the “challenges with recruitment” to work towards a solution.

See **TAB 11**, Guild’s Book of Documents, Email dated October 31, 2017 from DeCurtis

All levels of the Coast Guard and DND are aware of this issue. The Canadian Coast Guard Commissioner, Jeffery Hutchinson, has even approached bargaining agents to inquire if they have creative ways of attracting recruits. While this acknowledgment and engagement with bargaining agents is encouraging and demonstrates that the Commissioner has finally recognized the severity of the problem, the Treasury Board in Collective Bargaining refused the Guild’s request for a Market adjustment. The Guild submits that a market adjustment is the only way to begin creating a more attractive compensation package to both attract new recruits to replace the retiring boomer generation and to retain the experienced officers who are in the prime of their careers who may be tempted to jump ship and go to the private sector for significantly higher compensation with their invaluable Coast Guard experience.

The recognition of the seriousness of this recruitment and retention issue is put even more starkly in the Employer’s own Department of Fisheries and Oceans, 2018-2021 CCG Draft Operations National Training Plan which states,

We are in a crewing crisis. CCG’s vessels are being tied up more and more often, according to the Marine Superintendents, due to a lack of personnel. Departures, illness, stress leave and issues related to the pay system Phoenix are the biggest factors. Phoenix issues, as well as the Fast Track Staffing process being still problematic, have caused a lot of frustrations and even led to severe retention problems in the Fleet and to more and more situations where officers are refusing to be acting. The programs have also experienced the latter problem. This is to the extent that some Marine Superintendents have started a tracking sheet identifying when and why people refused offers due to Phoenix [emphasis added].

See **Tab 12**, Guild’s Book of Documents, Department of Fisheries and Oceans, 2018-2021 CCG Draft Operations National Training Plan at p.26

As this is a management operational plan it is dealing specifically with the operational disincentives which impact the recruitment and retention problem. While their mandate is independent of the compensation issue, together they combine to create a “double whammy” regarding recruitment and retention.

The Guild agrees that the Phoenix pay issue is a serious concern to the entire Public Service including its members, and no doubt is currently acting as a further deterrent to recruiting externally. The fundamental factor though is that the Public Service is not offering enough money to attract and retain qualified Officers.

Subsequent to the creation of the focus group, in the fall of 2017, the Engineering and Floating Platform Manager, DND identified the alarming 40% differential in compensation between the public sector and the private sector pay as the “single most significant impediment to staffing”,

In most if not all situations, **the private sector is paying at least 40% higher than that which our MAO 03 and MAO 04 positions can offer.** In fact, just this week, one of our potential candidates, who we were just waiting for the security clearance for, informed us that he accepted an offer from BC Ferries for significantly more pay than we were offering for an SO FLP 5 position which is roughly equivalent to an SO MAO 6. This is not the first prospective candidate that we have lost to BC Ferries and it won't be the last. **The only reason that we have been able to continue operating the fleet,** despite the limited staffing successes that we have had, is because we can attract engineers who have retired from Coast Guard, Seaspan, BC Ferries, Offshore Oil and others including some of our own recently retired engineers. These folks come here because they don't need the higher wages by virtue of their pensions, and the work fits their life style requirement. If we were unable to attract these workers we would have been forced to reduce our service to MARPAC [Royal Canadian Navy Maritime Forces Pacific Formation] quite some time ago [emphasis added].

See **TAB 13**, Guild's Book of Documents, Email from Engineering and Floating Platform Manager dated February 12, 2018

Internally Managers are “lowering standards” in order to find qualified staff to fill vacancies

This email goes on to advise that, over the last ten (10) years, DND has “made a systematic and deliberate effort” to reduce the Transport Canada certification requirements for both seagoing and shore-side technical positions to the minimum level permitted by the Canada Shipping Act. The author states that this was done explicitly in order to fill positions that otherwise would not be attractive to Marine Engineer candidates.

The author further notes the intention to lower the current requirements for his own engineering position to the lowest possible level prior to his retirement because, based on

discussions with my peers in industry about interest in taking over my position, the overwhelming consensus is that there is absolutely no possible chance of any marine engineer with my qualifications taking this job for the low pay combined with the scope of work that is required of the position.

See **TAB 13**, Guild's Book of Documents, Email from Engineering and Floating Platform Manager dated February 12, 2018

Worldwide Officer Shortage

The Guild submits that these challenges facing the Canadian Coast Guard and DND vessels are not unique to Canada but reflect an international growing officer shortage that has been brewing for many years.

In 2016, the Baltic and International Maritime Council (BIMCO) / International Chamber of Shipping Manpower Report for 2015 echoed the forecast of a “serious shortage in the supply of officers, of 92,000 by 2020 rising to 147,500 by 2025. The actual extent of the shortage will depend on the pace of fleet growth and any changes in crewing levels”.

See also articles at **TAB 14**, Guild’s Book of Documents, Media articles:

“Officer shortage risk to shipping industry”, May 17, 2016,
http://www.containerst.com/news/view.officer-shortage-risk-to-shipping-industry_42973.htm

“Shipping facing a more serious shortage of senior officers than it expects”,
<http://www.seatrade-maritime.com/news/asia/shipping-facing-a-more-serious-shortage-of-senior-officers-than-it-expects.html>

“Study sees shortage of ship officers worsening in coming decade”, American Shipper, <https://www.americanshipper.com/main/news/study-sees-shortage-of-ship-officers-worsening-in-64112.aspx>

The Education Cycle can’t produce enough qualified Officers

As noted in the Coast Guard Report above, this market trend is firmly entrenched in Canada. In other words, “Marine engineering officers are a hot-ticket item in Canada.”

Peter Buell, the director of the Great Lakes International Marine Training and Research Centre at Georgian College states,

[T]here’s no question that engineers are needed, we can’t make enough right now.

This view is echoed by Russell Oye, lecturer at the BCIT Marine Campus and chair of the Vancouver branch of the Canadian Institute of Marine Engineering:

If all the maritime institutes in Canada were to graduate 100 percent class loads, they’re worried that we wouldn’t be able to meet the demand.

In addition, according to Service Canada, 64.3 percent of engineer officers are aged 45 to 64 and will be retiring soon, creating increased labour demand.

As Oye states, “**they have these [engineers] that can retire at any time, but they don’t have anybody in the wings**”.

See **TAB 15**, Guild’s Book of Documents, “Marine engineering: A submerging industry”, <https://www.jobpostings.ca/career-guides/after-high-school/marine-engineering-submerging-industry>

This lack of qualified personnel is of even greater concern when one considers that the “requirement for completion of training and sea service to advance to senior marine certificates is a minimum of seven to eight years”.

See **TAB 16**, Guild’s Book of Documents, “Marine Career Opportunities in the Marine Transportation and Offshore Petroleum Industries in Eastern Canada”, Marine Careers Secretariat, 2004 at p3.

The Instructors at the Canadian Coast Guard College have also reported to the Guild that many of its graduates go to the private sector rather than the federal government, notwithstanding that they might owe a financial penalty if they do not serve in Her Majesty’s Service for four (4) years following graduation from the College³. For instance, they will choose to use their degrees at IT companies, working for private yacht owners in the South, even the Toronto Fire Department or other millwright or power plant jobs.

Private Sector wages have significantly outstripped Federal Public Service

For many years the wages offered by the private sector have been increasing at a faster pace than the wages offered to Ships’ Officers in the Federal Public Service. The Guild submits that this factor is a key consideration for the Board pursuant to section 148(2)(b) of the *FPSLRA*:

(2) If relevant to the making of a determination under subsection (1), the arbitration board may take any of the following factors into account:

(b) the compensation and other terms and conditions of employment relative to employees in similar occupations in the **private** and public sectors, including any geographical, industrial or other variations that the arbitration board considers relevant; [emphasis added]

³ As set out in Appendix E, the penalty for leaving prior to completing the four (4) year commitment can be as high as repaying the total amount of monthly allowance received minus the first six (6) months of the training allowance. The monthly allowance ranges from \$375 to \$581 depending on the quarter while the monthly sea training allowance is \$1127 or \$1602 for the first and second sea training periods respectively.

As mentioned earlier and as set out in the 2016 correspondence from Treasury Board, this Arbitration Board “is free to weigh the factors as it sees fit without regard to preponderance”. The Guild submits that comparability with the private sector is a significant factor for this Board to consider in making its Award.

Since 2016, the average annual economic increases in the private marine sector have been as follows:

2016 2.3%
 2017 2.3%
 2018 2.0%
 2019 2.0%

See **TAB 17**, Guild’s Book of Documents, Private sector wage comparison chart

In addition, the base hourly rates are simply higher as demonstrated by the charts below. At the “low” end, an Officer at the MAO 08 level could earn nearly \$6 an hour more if he/she becomes a First Engineer or Chief Officer with BC Ferries. At the “high” end, an Officer at the MAO 10 level could become a Chief Engineer with the Maersk Norseman and earn more than \$27 an hour more.

Comparison with 2 Maersk supply vessels currently operating off Newfoundland under Guild Collective Agreements

Maersk Line is the world’s largest shipping company. Two of its vessels, the Maersk Norseman and Maersk Clipper are offshore supply ships operating off the coast of Newfoundland.

Wage Comparison	Maersk Norseman	Coast Guard Equivalent MAO Level	Difference		Maersk Clipper	Coast Guard Equivalent MAO Level	Difference
Master	\$76.61	MAO 11 \$52.02	\$24.59		\$76.61	MAO 12 \$56.70	\$19.91
Chief Engineer	\$74.53	MAO 10 \$47.23	\$27.30		\$74.53	MAO 11 \$52.02	\$22.51
Chief Officer/ Senior Engineer	\$62.94	MAO 7 \$38.27	\$24.67		\$62.94	MAO 8 \$40.26	\$22.68
1 st Officer/ 2 nd Engineer	\$56.79	MAO 5 \$35.33	\$21.46		\$56.79	MAO 5 \$35.33	\$21.46

Comparison with BC Ferry Services Inc. and BC Ferry and Marine Workers' Union

BC Ferries is one of the largest ferry operators in the world, providing year-round passenger service on 25 routes to 47 terminals with a fleet of 35 vessels on Canada's West Coast. In April 2003, BC Ferries was transformed from a Crown corporation into an independent, commercial organization under the *Company Act*.

https://www.bcferrries.com/about/More_Information.html

	BC Ferries⁴	Coast Guard Equivalent MAO level⁵	Difference
Master Minor vessel	\$49.30	MAO 06 \$35.38 – \$39.22	\$13.92 - \$10.08
Chief Engineer	\$52.47	MAO 05 \$33.70 - \$37.59	\$18.77 - \$14.88
1st Engineer – Large vessel	\$48.79	MAO 08 \$38.64 - \$42.84	\$10.15 - \$5.95
Chief Officer – Spirit vessel	\$48.79	MAO 08 \$38.64 - \$42.84	\$10.15 - \$5.95
Third Engineer – Spirit vessel	\$41.90	MAO 04 \$31.65 - \$35.34	\$10.25 - \$6.56

Comparison between Cancrew Enterprises and SO-Group

Wage Comparison	Cancrew Enterprises Limited Umiak 1	Coast Guard Equivalent MAO Level	Difference
Master	\$74.59	MAO 12 \$56.70	\$17.89
Chief Engineer	\$71.72	MAO 12 \$56.70	\$15.02
Chief Officer/ 1 st Engineer	\$61.65	MAO 8 \$40.26	\$21.39
1 st Officer/ 2 nd Engineer	\$50.46	MAO 5 \$35.33	\$15.13
2 nd Officer / 3 rd Engineer	\$43.39	MAO 4 \$33.21	\$10.18
3 rd Officer / 4 th Engineer	\$38.58	MAO 3 \$31.43	\$7.15

⁴ 2018 rates

⁵ Estimated 2018 rates based on 1.25% increases for 2014-2018

Electrical Officer	\$57.35	MAO 7 \$38.27	\$19.08
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Comparison between Teekay Atlantic and SO-Group

Wage Comparison	Teekay Atlantic Management ULC	Coast Guard Equivalent MAO Level	Difference
Master	\$91.34	MAO 12 \$56.70	\$34.64
Chief Engineer	\$88.13	MAO 12 \$56.70	\$31.43
Chief Officer/ 1 st Engineer	\$71.34	MAO 8 \$40.26	\$31.08
2 nd Officer/ 2 nd Engineer	\$58.39	MAO 5 \$35.33	\$23.06
3 rd Officer / 3 rd Engineer	\$50.20	MAO 4 \$33.21	\$16.99
4 th Officer / 4 th Engineer	\$44.64	MAO 3 \$31.43	\$13.21
Electrical Officer	\$66.14	MAO 7 \$38.27	\$27.87

Officers are Leaving

As noted, the recruitment and retention issues with respect to Ships' Officers are currently at crisis levels because the federal government has to compete with the private sector in order to recruit and retain qualified personnel at a time when there is a shortage of qualified officers worldwide. This is happening at the same time as the marine industry is expanding. With the potential to make even more profits the private sector is now offering competitive compensation to newly qualified Coast Guard Cadet graduates who have just completed the Canadian Coast Guard College program. Traditionally graduates from that program would graduate and transition into a Coast Guard position, but more and more they are opting for the higher wage packages offered in the private sector.

Furthermore, the Coast Guard is seeing increasing numbers of senior qualified Coast Guard Officers become frustrated with stagnating wage increases and the Phoenix pay fiasco to the point that they resign to take up work in the private sector.

Some examples of senior Ships' Officers of whom the Guild is aware who have resigned to work in private industry because of better wages are as follows:

- Martin Tardiff, a former Board member, resigned and went to work in private industry;

- Dwayne Symes was a senior Guild member with twenty-seven years of seniority who also resigned to take employment in the private sector which had approached him with an employment offer he could not refuse;
- The Guild is aware of other Officers who are contemplating leaving in order to work in the private sector and is also fully aware that the private sector is engaged in “headhunting” Ships’ Officers.

In addition, while it may not be self-evident, the Toronto Fire Service is an example of another public sector Employer who offers more attractive compensation to people with Ships’ Officer’s certification levels and experience. The Toronto Fire Service has two (2) fire boats which help protect the City’s waterfront and maritime commerce, namely the *William Lyon Mackenzie*, a custom built fireboat / tug / ice-breaker; and the *William Thornton*, a former Canadian Coast Guard patrol vessel which serves as a backup to the *Mackenzie* (although it does not have ice breaker capacities).

Commanding Officer Blaine Morton and Chief Engineer Aaron Reeves were both young Officers with large Certificates who left the Coast Guard to work for the Toronto Fire Service. Both Officers advised the Guild at the time that they would have otherwise stayed with the Coast Guard but for the greater compensation offered by the Toronto Fire Service – in 2017, base salary for a Toronto Firefighter in 2017 was nearly \$98,000.

Employer is now relying on retired Guild Officers to meet operational needs.

In the Atlantic Region, particularly in Newfoundland, this lack of qualified Officers means that the Employer is relying on retired Officers to staff vessels and, in some cases, has even permitted them to continue working as casual employees beyond the ninety (90) day prohibition that normally applies to the use of casual employees after retirement. The Guild has heard many anecdotal stories about its members nearing retirement age being approached by the Employer before retirement to canvass their interest in returning to work for the Employer as soon as they have retired.

Currently, and contrary to staffing practices in the recent past, the employer is increasingly unable to fill key senior Ships’ Officers’ vacancies both internally and externally due to the inferior compensation for the position. As the Board will note from the enclosed “Selection Process update” from the Canadian Coast Guard, Atlantic Region, a number of key Ships’ Officers vacancies are posted as “open-ended” with no closing date because there simply are not any candidates applying within the normal time it would take to run a competition, namely:

- Engineer, Small Fleet Vessel;
- Commanding Officer, Small Vessel Fleet;
- Watch keeping Engineer (MAO 03);

- Watch keeping Mate; and
- Watch keeping Engineer (MAO 04 and 05).

See **TAB 18**, Guild's Book of Documents, Selection Process Update, CCG, Atlantic Region, December 2017

In addition, all of the competitions for the positions listed above, except for the last one, include the designation "EA" which means the position is being advertised externally as the Employer has been unable to attract internal applicants.

The Guild has also received information that, in 2017, a Watchkeeper who had not passed the Chief Officer competition was promoted on an acting basis to Commanding Officer because otherwise the vessel would not have been able to sail due to the officer shortage.

Staffing Shortages are now causing denial of leave for existing Guild Officers.

This staffing retention and recruitment crisis has reached the point that it is now seriously impacting the workload and ability of existing bargaining unit members to be granted their vacation and leave requests. For instance, in Quebec, officers request their annual vacation leave in February / March and every single one of them had their leave requests denied for an entire year. The reason for the denial is that there are not enough Ships' Officers to replace them.

The denial of leave generally is also happening throughout Canada. Many Officers have reported to the Guild that they are unable to obtain approval for their leave requests even if they submit them months in advance. As an example, the Guild has just been advised that Officers in the Atlantic region, which represents just over half of the Guild's 1,100 members, have recently been told that it is unlikely that they will get their leave this year as there are insufficient relief Officers.

Examples of "Recruitment and Retention" Impact on Operations

Operationally, the recruitment and retention crisis is now impacting the core and key services required by the federal government and soon it will become an embarrassment. For instance,

- At times, DND tugboats have been unable to move a submarine because there are no Officers available to staff the tugboats;
- On more than one occasion, Officers have been flown from the east coast all the way to the west coast to temporarily staff vessels that were tied up due to "crewing issues";
- On one occasion, Canada's largest science vessel on the Great Lakes had to tie up for approximately two (2) weeks due to "crewing issues" caused by the lack of

available officers with the requisite certificate. The Guild submits that this was a huge embarrassment as the Canadian government has commitments to its American partners that had to be postponed simply due to the fact that it did not have Officers available;

- Some patrol vessels are not being sent out because no officers are available.

This government has confirmed its intention to protect Canada's sovereignty on its shores and has expressed internationally that it is committed to supporting the important and ever evolving work of the Coast Guard to patrol our national waters.

The Guild also understands that this government has recognized that market adjustments are necessary to correct the past decade of legislatively mandated below private market economic rate increases which have been the root cause for this critical gap between private sector compensation and the compensation packages that the Government has been permitted to offer.

For all these reasons, the Guild submits that its request for a market adjustment is more than timely, appropriate and necessary and requests that the Board award its proposal.

SECTION 148(2)(a) COMPENSATION BETWEEN CLASSIFICATION LEVELS WITHIN SAME OCCUPATIONAL FIELD

The Guild submits that there is no longer an appropriate differential between Ships' Crews and the Officers responsible for supervising and ensuring safe operations on board Canada's vessels.

Pursuant to section 148(2)(a) of the *FPSLRA*, the Board may take this factor into account where it is relevant to setting compensation.

148(2) If relevant to the making of a determination under subsection (1), the arbitration board may take any of the following factors into account:

- (a) relationships with compensation and other terms and conditions of employment as between different classification levels within an occupation and as between occupations in the public service;

The Guild submits that the differential between Ships' Crews and Ships' Officers is highly relevant.

Internal comparator – Ships' Crews

Section 148(2)(a) is a legislative expression of the fundamental labour relations principle in collective bargaining that "equal work" attracts "equal pay". By definition,

every pay compensation system has to provide for appropriate relative compensation as between categories of work that are not equal.

In particular it is accepted that those who have the responsibility to supervise subordinates are entitled to a significant difference in pay to reflect the differences in responsibility and to engender both respect in subordinates and to attract junior employees to apply for “promotions” to supervisory or management positions. In the Marine industry and in particular within the Coast Guard and DND, the basic classification difference lies between the Ships’ Crews represented by PSAC and the Officers working as Engineers or Deck Officers in charge of both the crew and the vessel represented by the Guild.

Unfortunately, due to differing compensation awards over past years as between the Ships’ Crews and Officers the wage gap between them is shrinking to the point that there is no longer any significant or appropriate financial incentives for Ships’ Crews to consider applying for internal promotions or seek to improve their qualifications to become Officers. This was once a very clear career path but is no longer.

Similarly, this narrow and inappropriate gap discourages new recruits from enrolling in the Coast Guard College program which will take 4 years to become Officers instead of simply applying for a Ships’ Crews vacancy where the minimal qualifications take only a few weeks to complete the necessary requirements. The Guild requests that the Board correct this inequity.

It is trite within Classification and Compensation considerations that a wage gap is essential between supervisors and those they supervise in order to reflect the additional skill, knowledge, responsibility and accountability that is required of the supervisory group.

In 1986 much of the existing classification standards and compensation levels were being established. The Federal Pay Research Bureau set the appropriate compensation levels for Officers and Crew in comparison with private industry. These levels were used to establish relativity as between classifications and compensation packages for officers and crews. At that time the bureau set the benchmark differential between an MAO-03, a Master on a Class A-2 vessel and the next highest ranked Deckhand (DED-4) who would be required to report to that Master, at just over twenty percent (20%).

Now, thirty (30) years later, even though the traditional duties and responsibilities have not changed with respect to the operation of the vessel for officers and crews, that differential shrunk in half to about 10% by March 2014. If nothing further is done to redress this relative inequality, the differential will shrink to about 6.5% by March 2018 in light of the market adjustment recently granted to Ships’ Crews.

MARKET ADJUSTMENT

Treasury Board has held strong to annual wage increases of only 1.25%. However, **all bargaining units where Treasury Board is the Employer have been awarded market adjustments.** These market adjustments are in addition to and applied prior to the calculation of annual economic increases as set out in the chart at the end of this section.

These market adjustment amounts range from .5% at the low end to 15% at the high end for Firefighters and for workers at Heating Power & Stationary Plants. Significantly, the Ships' Crews received a market adjustment of 5%.

Given the current and acknowledged recruitment and retention issues outlined in this Brief and pursuant to the legislative requirements set out in Section 148 (1) (a) of the *FPSLRA* the Guild has proposed to Treasury Board that its circumstances warrant the highest of considerations and the highest of adjustments to resolve the current crisis. The Guild submits that a market adjustment of fifteen percent (15%) is required and consistent with the pattern of market adjustment awards being awarded in this round of bargaining. This quantum of adjustment is essential to address the significant recruitment and retention issue described herein.

Section 148(1) of the *FPSLRA* mandates that the Board consider “the necessity of attracting competent persons to, and retaining them, in the public service in order to meet the needs of Canadians”.

In the Guild's view, the evidence weighs heavily in favour of granting the most significant of market adjustment to the Ships' Officers. If nothing is done to “correct course” at this stage, the Guild has serious concerns that Canada will be able to fulfill its stated Mission to, “support government priorities and economic prosperity and contribute to the safety, accessibility and security of Canadian waters”.

The Guild further submits that the Coast Guard's ability to fulfill its Mandate, as set out in the *Oceans Act* and the *Canada Shipping Act*, will be seriously jeopardized if the recruitment and retention issue is not addressed. The Coast Guard's Mandate is as follows:

The *Oceans Act* gives the Minister of Fisheries and Oceans responsibility for providing:

- aids to navigation;
- marine communications and traffic management services;
- icebreaking and ice-management services;
- channel maintenance;
- marine search and rescue;
- marine pollution response; and
- support of other government departments, boards and agencies by providing ships, aircraft and other services.

The *Canada Shipping Act* gives the Minister powers, responsibilities and obligations concerning:

- aids to navigation;
- search and rescue;
- pollution response; and
- vessel traffic services.

See **TAB 19**, <http://www.ccg-gcc.gc.ca/eng/CCG/Mission>

Furthermore, as a maritime nation with the world's longest coastline, Canadians rely on their coasts and waterways for recreation, to deliver products to market, and to earn their livelihood, but also cherish them for cultural reasons. On November 7, 2016, the Prime Minister launched a \$1.5 billion over 5 years national Oceans Protection Plan that improves marine safety and responsible shipping, protects Canada's marine environment, and offers new possibilities for Indigenous and coastal communities.

All Canadians, and especially coastal communities, need confidence that commercial shipping is taking place in a way that is safe for mariners and that protects and sustains the economic, environmental, social, and cultural health of our oceans and coasts. The Oceans Protection Plan provides an action plan to deliver results in long-needed coastal protections for decades to come. This Plan will engage communities, first responders, and governing authorities to work together effectively to respond to emergencies. There is no doubt that the success of the Ocean Protection Plan will rely heavily on Canada's federal government fleet of vessels and the Officers who crew them.

See **TAB 20**, Guild's Book of Documents, <https://www.tc.gc.ca/media/documents/communications-eng/oceans-protection-plan.pdf>

The importance of services provided by the Coast Guard cannot be understated. In the Coast Guard's own words,

The Canadian Coast Guard is entrusted to deliver valuable programs and services to Canadians. As a Special Operating Agency within Fisheries and Oceans Canada, we ensure the safety of all mariners on our waters, protect our marine environment and support our economy growth through the safe and efficient movement of maritime trade in and out of Canada's waters.

...

The Canadian Coast Guard is one of the few federal agencies that provide direct, front-line services 24 hours a day, seven days a week. Our programs and services have an impact on the daily lives of every Canadian by protecting and preserving our livelihood as a maritime nation.

See **TAB 21**, Guild's Book of Documents, http://www.ccg-gcc.gc.ca/eng/CCG/Who_We_Are

The implications of failing to address the recruitment and retention issue are simple - if there are no Officers on board, vessels cannot set sail!

For all these reasons, the Guild respectfully requests that the Board grant its request for a market adjustment of 15%.

In considering the comparator charts outlining economic increases below, and in addition to economic increases and market adjustments, the Guild notes and draws to the Board's attention that there are a number of other significant monetary items negotiated or awarded in other bargaining units including:

- a. additional increments at the top end and/or the deletion of increments at the bottom end of the pay scales;
- b. rolling in various allowances into the salary scales so that the amounts become pensionable;
- c. creating or increasing "retention allowances" in the range of \$2500 to \$8000;
- d. creation of new allowances generally including \$2,500 to engineering employees who perform EG duties at a Fleet Maintenance Facility at DND, \$3,154 to Search and Rescue Coordinators at CCG who possess Transport Canada or CCG marine certificates of competency; and
- e. signing bonuses.

The Guild submits that these monetary items are relevant factors, pursuant to sections 148(2)(a), (b) and (c) of the *FPSLRA*, for the Board to take into consideration when it considers the Guild's request.

CONCLUSION

The Guild submits that the issues facing Canada's Coast Guard and DND vessels are significant. The issues are not new and reflect the worldwide Officer shortage. For all the reasons set out in its Brief, the Guild respectfully requests that the Board award its proposal of a market adjustment in the amount of 15% effective April 1, 2016 in order to attract and retain the skilled and experienced Officers necessary to ensure that Canada's vessels can continue setting out to sea.

Summary of Federal Public Sector Market Adjustments and other Monetary items

Group	Market Adjustment	Additional notes
Operational Services (SV) (PSAC)		
Annex A Ships' Crew	5% effective August 2016	
Annex N HVAC Technicians		\$8000 annual terminable allowance to address recruitment and retention issues
Annex A, Firefighters	15% effective August 2015	
GL-AIM, -AMW, -GHW, INM, MAM, MAN, MOC, MST, PRW	2.5%	
GL-COI, ELE, MDO, PCF, SMW	.5%	
GL-EIM	6%	
GL-PIP	2%	
GL-VHE	9%	
HP Heating Power & Stationary Plant	15% effective August 5, 2016	
LI Lightkeepers	1.5% effective August 5, 2016	
Education and Library Science Services (EC)		
ED-EST	3-4%	Also agreed upon signing bonus of \$650
ED-EST	3%	
LS	3%	
EU	.5%	
ED-EDS	.5%	
ED-LAT	.5%	
Technical Services Group (TC)	.5%	<p>Also agreed upon:</p> <ul style="list-style-type: none"> - signing bonus of \$650 - additional increment of 4% at maximum rate for all levels for Marine, Rail and Air Technical Inspectors effective June 2016 - recruitment and retention allowances payable to members working in shore based positions at Coast Guard College (Appendix W), incumbents of specific Engineering and Scientific Support (EG) Group (Appendix X), various members of the Technical Inspection group including employees at the CCG (Appendix P) - various new allowances including \$3,000 per year to Technical Inspectors, \$2,500 to engineering employees who perform EG duties at a Fleet

		Maintenance Facility at DND, \$3,154 to Search and Rescue Coordinators at CCG who possess Transport Canada or CCG marine certificates of competency - allowances for EG group from Appendix V rolled into base rate of pay effective June 2016
Association of Canadian Financial Officers (FI)	1%	
Border Services (FB) (PSAC)	2.3% effective June 21, 2016	
Correctional Services (CX) (Union of Correctional Officers)	2.3% effective June 1, 2016	Correctional Officer Allowance of \$1,750 rolled into rate of pay prior to June 1, 2016 economic increase but after market rate adjustment
Canadian Food Inspection Agency (FI) (PSAC)	.5% effective January 1, 2017	Retention allowance for Compensation Advisors increased to \$2500
(EL) (Electronics Group) (IBEW, Local 2228)	2% effective September 1, 2016	
Air Traffic Control (AI) (UNIFOR)	1% effective April 1, 2016	Effective April 1, 2016 add 1 increment to maximum level and delete first step
Applied Science & Patent Examination (SP) (PIPSC)	1% for Meteorology (MT) group	Added steps at top of pay scale and deleted steps at bottom for some groups
Architecture, Engineering and Land Survey (NR) (PIPSC)	1% effective April 1, 2016 for all Engineers, Land Surveyors & Architects	Added 3% increments to top level of some groups
Audit, Commerce and Purchasing (AV) (PIPSC)	1-2% adjustments effective June 22, 2016 for various groups	Additions and deletions of increments
Computer Systems Administration (CS) (PIPSC)	1% effective April 1, 2016	
Economics and Social Science Services (EC) (CAPE)	1% effective June 22, 2016	
Financial Management (FI) (ACFO)	1% effective November 7, 2016	
Foreign Services (FS) (PAFSO)	2% effective July 1, 2016	Deletion of increment at bottom plus addition of 4% increment at top

Health Services (SH) (PIPSC)	4% effective October 1, 2016 for certain groups	Elimination of some lower increments plus addition of higher increment at 2.5%
Non-supervisory printing services (PR(NS)) (UNIFOR)	.5% effective October 1, 2016	\$650 signing bonus
Program and Admin. Services (PA) (PSAC)	.5% effective June 21, 2016	\$650 signing bonus
Radio Operations (RO) (UNIFOR)	.5% effective May 1, 2016	
Research (RE) (PIPSC)	1% effective October 1, 2016	Increments of 3 and 3.45% added to top end of some levels
Ship Repair Chargehands (SR (C)) (Federal Gov't. Dockyards Chargehands Association)	1% effective April 1, 2016; roll-in of team premium of 1.75% effective April 1, 2017	
Ship Repair Chargehands (SR (E)) (Federal Gov't Dockyard Trades and Labour Council (East))	.5% effective January 1, 2017	Additional provisions re wage harmonization and a one-time equalization payment of \$650 to all employees.
Ship Repair West Coast (SR (W)) Federal Gov't Dockyard Trades and Labour Council (Esquimalt) (West))	3% effective January 31, 2017 (except Apprentices who received raise to 50% of pay group 6)	
Translation (TR)	.75% effective April 19, 2016 .5% effective April 19, 2017	

See **TAB 22**, Guild's Book of Documents, Collective Bargaining Update Summary

TAB 7

Guild Proposal – Appendix G Extra Responsibility Allowance

Introduction

The Extra Responsibility Allowance set out in Appendix G, or “ERA” as it is commonly referred to, is an allowance paid “in recognition of the additional responsibilities involved in the performance of the regular duties of the position”, the positions being those set out under paragraph 1 of Appendix G. It is paid to the Commanding Officers and Chief Engineers assigned to certain classes of vessels. Those Officers in receipt of the ERA are explicitly not entitled to other usual forms of Collective Agreement entitlements and compensation that the rest of the bargaining unit is entitled to receive, namely Overtime (except for overtime worked on a day of rest), Call-back pay, Reporting pay, Traveling time (limited by Article 24.04(b)(ii)) and Security Duty pay.

There are two (2) aspects to the Guild’s proposal to amend Appendix G:

1. First, the Guild proposes to expand the list of positions entitled to the ERA to include the “Floating Plant Sub-Group” (FLP) and the Instructors (INS) at the Canadian Coast Guard College.
2. Second, the Guild proposes to extend the length of time that an officer is entitled to receive the ERA when assigned ashore for training purposes, or to a shore-based position on an acting basis. Currently, when members move to these assignments, the Employer ceases paying the ERA after 120 days. The Guild proposes to amend this clause so that members would receive the ERA for 365 days.

The Guild’s proposed language is set out below followed by its submissions on each of these proposed amendments.

Current Language	Guild Proposal
<p>This allowance is paid to officers described in this Appendix in recognition of the additional responsibilities involved in the performance of the regular duties of the position. This also recognizes that, notwithstanding the Hours of Work and Overtime provisions of the Agreement, the normal hours for Officers identified by this Appendix extend beyond those described by the Hours of Work and Overtime provisions.</p> <p>**</p> <ol style="list-style-type: none"> 1. An officer assigned as Master/Commanding Officer or Chief Engineer on "C" Class Vessels and above, or as Master/Commanding Officer or Chief Engineer on Department of National Defence Glen Class tugs and "S" Class Torpedo and 	<p>This allowance is paid to officers described in this Appendix in recognition of the additional responsibilities involved in the performance of the regular duties of the position. This also recognizes that, notwithstanding the Hours of Work and Overtime provisions of the Agreement, the normal hours for Officers identified by this Appendix extend beyond those described by the Hours of Work and Overtime provisions.</p> <p>**</p> <ol style="list-style-type: none"> 1. An officer assigned as Master/Commanding Officer or Chief Engineer on "C" Class Vessels and above, or as Master/Commanding Officer or Chief Engineer on Department of National Defence Glen Class tugs and "S" Class Torpedo

<p>Ship Ranging Vessels, or as a DND Dockyard Pilot shall be paid an extra responsibility allowance based on the sub-group and level prescribed in his/her certificate of appointment, as follows:</p> <p>[ERA rate tables]</p> <ol style="list-style-type: none"> 2. The Employer may apply this Appendix to operations or vessels other than those listed in 1 above after consultation with the Guild. 3. This extra responsibility allowance will continue to be paid to an officer assigned ashore for training purposes, or to a shore-based position on an acting basis or otherwise for any period up to a maximum of one-hundred and twenty (120) calendar days. The officer will continue to receive the allowance only if the monthly basic pay for the position to which he/she is temporarily assigned would be less than the basic monthly pay plus the extra responsibility allowance in his/her substantive position. 4. An officer who is appointed to a position in a regional or relief pool is entitled to receive this extra responsibility allowance on the basis described in paragraph 1 during those periods which he/she is serving on a vessel 5. Notwithstanding Appendix "H", an officer working under the Lay- Day Operational Crewing System, who is in receipt of the extra responsibility allowance is entitled to earn a prorated lay-day for work performed during the scheduled off-duty portion of the work cycle except for the time spent during crew changeover duties. 	<p>and Ship Ranging Vessels, or as a DND Dockyard Pilot shall be paid an extra responsibility allowance based on the sub-group and level prescribed in his/her certificate of appointment, as follows:</p> <p><i>Amend ERA rate tables to include FLP and INS groups.</i></p> <ol style="list-style-type: none"> 2. The Employer may apply this Appendix to operations or vessels other than those listed in 1 above after consultation with the Guild. 3. This extra responsibility allowance, as indicated in the above table, will continue to be paid to an officer assigned ashore for training purposes, or to a shore-based position on an acting basis or otherwise for any period up to a maximum of one hundred and twenty (120) three hundred and sixty-five (365) calendar days. The officer will continue to receive the allowance only if the monthly basic pay for the position to which he/she is temporarily assigned would be less than the basic monthly pay plus the extra responsibility allowance in his/her substantive position. 4. An officer who is appointed to a position in a regional or relief pool is entitled to receive this extra responsibility allowance on the basis described in paragraph 1 during those periods which he/she is serving on a vessel 5. Notwithstanding Appendix "H", an officer working under the Lay- Day Operational Crewing System, who is in receipt of the extra responsibility allowance is entitled to earn a prorated lay-day for work performed during the scheduled off-duty portion of the work cycle except for the time spent during crew changeover duties.
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<p>6. The extra responsibility allowance shall be considered as part of pay for purposes of the <i>Public Service Superannuation Act</i> (PSSA), Disability Insurance (DI), the Public Service Management Insurance Plan (PSMIP) and Severance Pay (Article 29).</p> <p>7. This allowance shall be paid on the same basis as the officer's pay.</p>	<p>6. The extra responsibility allowance shall be considered as part of pay for purposes of the <i>Public Service Superannuation Act</i> (PSSA), Disability Insurance (DI), the Public Service Management Insurance Plan (PSMIP) and Severance Pay (Article 29).</p> <p>7. This allowance shall be paid on the same basis as the officer's pay.</p>
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1. Proposal to apply the ERA to the Floating Plant Sub-Group (FLP) and Instructors (INS)

There are two groups within the Guild bargaining unit who like the Master/Commanding Officer or Chief Engineer have additional responsibilities attached to their position which require them to take on Extra Responsibilities outside their regularly scheduled hours of work and go beyond the scope of their regular duties and for which they are not being compensated under the hourly rates or pay set out in the Collective Agreement.

The INS group are responsible for instructing and training Cadets enrolled at the Canadian Coast Guard College. In that role and in order for the Instructors to perform their job they are required to assume Extra Responsibilities in preparation and training work for their students, for which they are not compensated.

The FLP group are the Chief Engineers or “Dredgemasters” who are in command of the Floating Plant Operations used in dredging operations and which utilize a non-self-propelled vessel.

The FLP’s perform the exact same duties and have the exact same responsibilities as the Chief Engineers aboard the Glen Tugs and the Torpedo and Ship Ranging Vessels (who are entitled to the ERA in accordance with paragraph 1 above) except that they perform these duties aboard a non-self-propelled “Floating Plant”.

The extra duties and responsibility associated with both of these positions is the basis for the Guild’s proposal to expand the ERA to both these groups. Because the nature of their work is so different, however, the Guild will address each group separately below.

Who are the Instructors at the Canadian Coast Guard College?

The nautical Instructors under Appendix “L” (the “INS” group) are all highly qualified and experienced Officers employed in the Canadian Coast Guard. They have, as minimum qualifications, their Master Mariner Certification or their First Class Engineering Certification. Should these Instructors be assigned to operational duties as a Commanding Officer or Chief Engineer onboard a Coast Guard vessel they would receive the ERA under Appendix G.

Both of these “minimum” certifications are granted only after considerable experience at sea and after successful completion of exams offered by Transport Canada in both Advanced Navigation and Marine Engineering, consistent with international standards. Furthermore, all Instructors of the Canadian Coast Guard College are required to complete specific Training Instructor courses offered by the College itself. This is to ensure that proper instruction methods, course objectives and lesson plans are adhered to so that Officer Cadets enrolled in the various programs receive the highest quality instruction.

The Instructors at the Canadian Coast Guard College deliver all of the courses for the four (4) year Officer Cadet Training Program (OCTP) which, at its conclusion, provides certification and recognized university degrees in either Marine Navigation or Engineering. A graduating cadet receives a Bachelor of Technology Nautical Sciences from the University College of Cape Breton in association with the Canadian Coast Guard College as well as a diploma of Natural Sciences (either in navigation or engineering) from the Canadian Coastguard College itself. With respect to certification, a graduating cadet (navigation) receives the Transport Canada certification known as a Watch Keeping Mate Certificate, whereas a graduating cadet (engineering) receives the fourth class Motor certificate.

The degrees, diplomas and certificates received provide the necessary certification so that the graduating cadet is permitted to direct a watch at sea either as a Deck Officer, or as an Engineer Officer, and qualifies the Deck Officer or Engineer Officer for advanced standing in further certifications towards their Master Mariner Certificate or their First Class Engineering Certificate, respectively.

The Cadet program is a combination of four (4) academic years, with certain periods of time spent at sea, with the majority of time spent in classroom or other similar instruction at the Canadian Coast Guard College. There are approximately twenty-four (24) Nautical Instructors who are covered by the terms of Appendix “L” of the Collective Agreement.

Guild Submissions in support of its proposal to expand ERA to INS Group

In order to teach at the College, Instructors have to do extra training and many have an Education degree in addition to their other certificates. In addition, Transport Canada

requires that Instructors hold at least the same level certificate as those being taught. Therefore, all of the Instructors at the College hold high levels of certification that they achieved through years of work and training on a variety of vessels, many of which qualified them to receive the ERA while working in an operational capacity at sea.

Once they move to the College, however, they automatically lose the ERA since they are no longer working aboard one of the qualifying vessels notwithstanding that it is precisely the same level of experience and skills which are required to be an Instructor that they must achieve in order to receive the ERA on qualifying vessels. As a result, the College is having great difficulty recruiting and retaining senior Officers with the high level of certificate required to teach its courses simply because senior Officers are unwilling to give up the ERA that has taken them years to earn. It is nonsensical that the experience and certificate level which is required by the College is identical to that which earns the ERA while at sea; however, once a senior Officer becomes an Instructor, he/she loses the ERA.

To compound the unfairness, the INS Group, while requiring the highest level of certification and experience does not enjoy the same base rate as operational officers, nor do they receive "preparation" time compensation which is typically provided to teachers and instructors employed by the Federal Government and which are standard allowances for teachers generally. These allowances can reflect a significant amount for class preparation in addition to pay actually received for teaching the course.

One member of the Guild was an MAO 09 (not in receipt of the ERA) when he became an Instructor at the College and his pay was reduced by about \$25,000. If a more senior Officer in receipt of the ERA became an Instructor, he or she would suffer an additional \$15,000 reduction in their pay. It is contrary to normal compensation principles to require high levels of education and certification across different positions and then not pay equally for such qualifications notwithstanding what position the employee is assigned to that mandates such qualifications.

It is becoming increasingly difficult to recruit and retain Instructors. The Nautical Science department has had difficulty ensuring that it has staff with the necessary knowledge and experience to teach all of the courses offered at the college. For example, at one point the College did not have on staff an Instructor for the fourth year Maritime History Course, the fourth year Physics (for Navigators) course, and the fourth year Meteorology course.

As a result, in order to meet its staffing needs for the academic "entry point" for new recruits and to ensure that there are qualified Instructors available to train the new recruits who want to follow a Marine Career with the Federal Government as an Officer, the College has had to resort to bringing in international Instructor Officers from as far away as Senegal, Congo and Bangladesh. Ironically, these international Instructors do not stay at the College long and soon move on and apply to transfer to work elsewhere in the public service. For these Instructors, the INS position is not an attractive enough option economically for a long term career choice and it has become a "stepping stone"

into a full time position with the Federal Government in order to access internal postings.

As noted throughout this Brief, “recruitment” is the key and most important exercise that the Employer must address at this time. Unfortunately, the compensation associated with the INS position is not sufficient to keep even existing Guild Officers in this critical position. At least two (2) of the current Instructors have indicated to the Guild that they intend to leave their Instructor position and transition back to a position at sea in order to make more money if the Guild is unsuccessful in obtaining the ERA allowance. The College has also lost staff to Coast Guard Search and Rescue facilities that have recently been reopened in Newfoundland for the same reason.

The INS group internally has its own “recruitment” issues as well. Several years ago, the Canadian Coast Guard College recently conducted a staffing process for Engineering and Navigation instructor positions in the Nautical Sciences Department. At the time, the Superintendent of the Department expressed serious concerns about the outcome of the process and, in a memo to the Executive Director of the Canadian Coast Guard College, he noted that

the difficulties with recruitment of instructors has been long standing and that past experience has shown that successful candidates have turned down offers of employment, in large part due to the significantly lower pay at the College compared to their present positions.

See **TAB 8**, Guild’s Book of Documents

The Instructor subgroup in the Guild membership, has been a highly dedicated, highly educated and motivated group of officers who are engaged in the very important function of training and educating the new recruits for the aging workforce at the Coast Guard.

The Instructors at the College often put in long hours preparing lesson plans and grading assignments in order to provide the required high quality of instruction to Canada’s future Officer Cadets. This “extra” time is often performed outside of an Instructor’s normal eight (8) hour day and is not otherwise compensated. The Guild submits that this “prep time” and the extra skills and qualifications required to deliver CCG courses merit an entitlement to the ERA.

The Guild submits that the INS group has for too long been unrecognized and underpaid for their dedication and long hours spent in the Extra Responsibilities associated with their important role at the Canadian Coast Guard College. The Instructors have freely provided their own time and services to ensure that future Officers of the Coast Guard have the skills and training demanded by the Canada Shipping Act to provide the services Canadians need and require to save lives and protect our coastlines.

Finally, the Guild submits that, in addition to the demonstrated need to extend the ERA to the INS Group as outlined above, this bargaining demand is also critical to the future of the Coast Guard and necessary to respond to the recruitment and retention crisis that has been outlined throughout this Brief. Without sufficient qualified Instructors in the INS group, any new recruitment initiatives that the Employer may wish to initiate for the future will not be successful.

Given the number of Instructors affected, the cost of awarding the Guild's proposal in this Collective Bargaining round is minimal. Given the key role the INS Group plays in the future of the Coast Guard, the Guild does not understand why the Employer has refused to grant this modest request.

Who are the Floating Plant Sub-Group and why should they be entitled to the ERA?

Like the INS Group, the FLP group are a small but important component of the Bargaining Unit. There are approximately six (6) Officers employed in the Floating Plant Sub-Group. They are known as "Dredgemasters" or Chief Engineer of the "vessel" that they are in charge of in the same manner as those currently entitled to the ERA.

The FLP's perform the exact same duties and have the exact same responsibilities as the Chief Engineers aboard the Glen Tugs and the Torpedo and Ship Ranging Vessels (who are entitled to the ERA in accordance with paragraph 1 above) except that they perform these duties aboard a non-self-propelled "Floating Plant".

The FLP's in charge of the Floating Plant are the highest ranking Officer on board and are fully responsible for the floating plant itself and the entire crew and they require extensive and specialized expertise in order to keep these aging Government assets operational.

On the East coast, the FLP Engineer is primarily responsible for all aspects of the operation of barges which are used as a fueling platform for the Fleet and also receives fuel from refit bound naval mine sweepers and assists with the fueling / decomping of Canada's submarines. Their duties include the running of a barge's steam and motor side operation; supervision of 4 or more crew; and preparing all paperwork that is involved in the daily, monthly and yearly reports such as attendance, fueling and compensating operations, safety reports / tool box talks, ordering of stores, reports on defects, corrective action, etc.

On the West coast, the floating plants are also very specialized and include a heavy lift steam crane, a deperming/degaussing barge and a compensating water barge. The equipment aboard all floating plants is very unique in nature and requires extra diligence to keep this ancient 50 - 60 year old equipment fully functional and operational despite there being no spare parts available off the shelf. In addition, they are used to install and maintain all seven of the RCN's maintenance buoys and moorings on the Pacific

Coast and are used to oversee replacement of sensors and electronic equipment at the Canadian Forces Maritime Experimental and Test Ranges (CFMETR) at Nanoose Bay.

As is the case with the INS Group, the cost to the Employer in extending the ERA to the FLP Group is minimal. The Guild requests that the Board award its proposal to provide the ERA to the FLP's in recognition of their additional levels of responsibility which are in line with the Captain and Chief Engineers on board the Glen Tugs and the Torpedo and Ship Ranging Vessels.

Treasury Board recently agreed with PIC Recommendation to extend similar Allowance to other personnel

It has been recognized that other allowances similar to the ERA should be extended to other personnel performing equally important functions as those personnel who are in receipt of allowances similar to the ERA.

For instance, the Border Services Group (FB) represented by the PSAC applied to the PSLREB to establish a Public Interest Commission (PIC) to assist the parties in resolving all outstanding matters in dispute. In its Report dated March 12, 2018, the Board chaired by Michael Bendel recommended that, effective June 21, 2016, the "Integrated Border Services Allowance" for non-uniformed officers be increased to \$1,750, the amount provided to uniformed officers, and that it be integrated into employees' base pay before the application of the economic increase and 2.3% market adjustment. The Allowance was previously paid in recognition of "the responsibilities associated with the integrated border services that support national security and public safety". The parties accepted the PIC's recommendation in their settlement.

2. Guild Proposal to expand ERA to 365 days for shore based training or assignments

Currently, when an officer in receipt of the ERA is assigned ashore for training purposes, or to a shore-based position on an acting basis, the Employer ceases the payment of the ERA after 120 days. The Guild proposes that the length of time to which such Officers ought to be entitled to receive the ERA should be 365 days.

The Guild submits that the nature of the shore based assignments to which Officers in receipt of the ERA are often assigned are assignments that carry with them the level of "additional responsibility" that was contemplated by the parties when they first negotiated the ERA.

In addition, "shore based assignments" are a job requirement of higher level Officer positions that are set out in Fleet Order FO516.00. In other words, in order for Officers to obtain the higher level positions in the Fleet – and in order for the Employer to obtain

such needed candidates – Officers are required to fulfill a minimum amount of shore based assignments.

See **TAB 23**, Guild's Book of Documents, Fleet Order FO 516.00

Currently, the Employer has undertaken a significant project aimed at modernizing the Canadian Coast Guard's fleet of vessels, the National Vessel Life Extension project. This project is critical to ensuring that Canada's aging fleet continues to be able to put out to sea and, in order to carry the project through to completion, the Employer requires the skills and capabilities of very senior Ships' Officers with knowledge of the relevant Fleet vessels. The Officers assigned to this project bring extensive knowledge to the table and as a result have saved the Government millions of dollars on each NVLE project. Unfortunately, however, this project is a long-term shore-based assignment.

One such officer assigned to it, Officer Paul Turner, took the assignment but, after an initial extension of the ERA and discussion with the Guild, his ERA was terminated, and his pay was effectively reduced to lower than it was prior to his acceptance of the shore-based assignment. The Guild grieved the denial of the ERA and the grievance proceeded to adjudication in January 2017. The parties are awaiting the Board's decision in this matter.

The Guild submits that there is no incentive for Officers to give up their entitlement to the ERA and act in necessary shore assignments unless the 120 day cap is expanded.

TAB 8

APPENDIX “H” - LAY DAY OPERATIONAL CREWING SYSTEM

Current Language	Guild Proposal	Employer Response
<p>Lay-Days</p> <p>General</p> <p>(c) The workday will consist on-duty-cycle of twelve (12) hours of work per day. For each day worked or for each on-duty-cycle day on which an officer is on authorized leave with pay other than compensatory leave and vacation leave with pay, an officer shall earn one (1) lay-day in addition to the officer’s Lay-Day rate of pay.</p>	<p>Lay-Days</p> <p>General</p> <p>(c) The workday will consist on-duty-cycle of twelve (12) hours of work per day. For each day worked or for each on-duty-cycle day on which an officer is on authorized leave with pay other than compensatory leave and vacation leave with pay, an officer shall earn one decimal one seven (1.17) lay-days in addition to the officer’s Lay-Day rate of pay.</p>	<p>No change Status Quo</p>

Explanation of the Lay-Day System

The “lay-day” system is a rotational work system that allows uninterrupted service by using two alternating crews per vessel for a work cycle broken down into alternating “on cycle” and “off cycles” with salary being paid out over that full period. Many vessels operate with a 28 day “on cycle” followed by a 28 day “off cycle” but there are also vessels which operate with cycles of different lengths including 14 days on and off and up to 42 days on and off. For ease of reference we will refer to the 28 day on and off cycles.

For those employees working under the “lay-day” system, there are no weekends, no days of rest and Ships’ Officers are scheduled three hundred and sixty-five (365) working days in the year. During the twenty-eight days “on cycle”, an Officer works twelve (12) hours per day but receives pay for only six (6) hours while the remaining six (6) hours are put into a “lay-day” accumulation bank which is used to maintain the Officer’s daily rate of pay during the “off cycle” of twenty-eight (28) days.

“Lay-days” are essentially working days on the “off cycle” during which no work is scheduled. A six hour “lay-day” is really a day away from scheduled duties in compensation for the twenty eight (28) day and twelve (12) hour “on cycle” which often

requires an Officer to work twenty eight (28) days straight at sea without any ability to return home for evenings or weekends. In order to maintain continuity of pay, six (6) hours per “lay-day” are deducted from the Officer’s “lay-day” bank for each “lay-day” on the “off cycle” of the schedule.

According to the language of the current collective agreement, (Appendix H-General (c)), for every day that an Officer works or is “on cycle” with pay, other than compensatory or vacation leave with pay, the Officer earns one (1) “lay-day”.

The “lay-day” system provides increased flexibility for the Employer with respect to scheduling Officers on vessels required to work all year round and creates a work scheduling system that allows the Employer to avoid restrictions found in other work systems and thus the payment of significant premiums. The Employer is able to save on staffing costs because only two crews are required to cover a twenty-four (24) hour cycle while in normal rotational 24 hour operations, an Employer that is bound by an eight (8) hour work day, must schedule at least three (3) shifts to cover a twenty-four (24) hour operation.

Discussion of the Lay-Day Factor and Comparison with the Ships’ Crews Entitlements

Since 1990 there has been a significant difference in the “lay-day” factor that has applied to Ships’ Officers represented by the Guild and Ships’ Crews represented by the Public Service Alliance. In the Ships’ Officers collective agreement, there is a 1:1 ratio as between days worked and “lay-days” earned. This ratio means that for every day worked, an Officer will earn one “lay-day” which will allow the Officer to maintain his/her pay for the “off-duty” cycle. It also means that an Officer who is unable to work for any complete 28 day “on-duty” cycle - either for personal or family reasons or due to operational requirements such as necessary vessel maintenance or seasonal layup - will be without sufficient “lay-day” credits to maintain their pay and will be forced to use vacation leave credits to maintain pay during the “off-duty” cycles as the “lay-day” credits will be exhausted after 28 days.

The Ships’ Crews on the other hand enjoy a higher “lay-day” credit accumulation ratio of 1:1.17. Since 1990, the Crews, whom the Officers supervise, have been earning “lay-day” credits at this more normative industry ratio of 1.17 days into the “lay-day” bank for every day worked.

Historically, this difference between the Officers and the Crews was part of the early negotiated “give and take” in bargaining that occurred during the 1984 and 1987 collective agreements when the federal government introduced the more flexible “lay-day” system for scheduling some of its Coast Guard vessels.

Initially there were few vessels that were scheduled under the original “lay-day” system. However, the Employer has seen the scheduling advantage to this system and has

significantly increased the number of vessels and consequently employees on the “lay-day” system. Today, approximately 70% of Officers and Crews working for the Coast Guard are employed on this Appendix "H" - 28 day on, 28 day off “lay-day” system.

Given this increased use of the “lay-day” system, it is imperative and the Guild submits, legislatively required under section 148 of the *FPSLRRA*, to adjust the working conditions and in particular the “lay-day” accumulation factor for the Ships’ Officers to equal that of the Ships’ Crews who are working side by side under this same system.

Vacation Leave and Lay Days

While the “lay-day” system provides efficiencies and staff savings for the Employer, it has also created difficulties in the vacation entitlements for those Officers employed on a “lay-day” system.

Since “lay-days” are depleted during the twenty eight (28) day “off cycle”, the 1.0 factor means that when an Officer takes vacation during the next “on cycle” they have no “lay-days” in the bank to cover salary continuance during the following 28 day “off cycle”. This means that new Officers to the lay day system effectively have to wait two (2) years before they could take their one year normal vacation entitlement because the Officer on the 1:1 ratio is unable to build up sufficient “lay-day” credits under the formula to maintain their pay during their “off cycle” after a period of vacation.

This "long festering" problem was dealt with by the parties during the negotiations of the 1998 collective agreement. At that time, the Employer proposed that all vacation leave credits for Officers in the “lay-day” system would be converted to hourly banks. The proposed formula to calculate these hourly banks was a multiplication factor of 2.1 and this was incorporated in the collective agreement on September 17, 1998.

The effect of this change in the vacation accumulation factor continued in the collective agreement from 1998 until it was removed by an Interest Board in 2008. When this vacation leave factor was in effect, it allowed an Officer to accumulate more vacation leave credits than the Ships’ Crews on the “lay-day” crewing system and this off-set the superior accumulation of “lay-day” credits enjoyed by the Crews. The Appendix “H” Officers assigned to the “lay-day” system could use their vacation leave credits without suffering a reduction in pay during the “off cycle” while this factor was in the collective agreement.

This 2.1 vacation factor would also assist Officers when their vessels were laid up for refit and they were unable to sail and therefore unable to work to earn money and “lay-day” credits. In its application, the 2.1 factor "leveled the playing field" between the Officers and the Crews who enjoyed the superior 1.17 “lay-day” factor.

In subsequent rounds of bargaining however the Employer targeted the superior 2.1 vacation entitlement factor enjoyed by the Officers without agreeing or offering to adjust the “lay-day” factor to the superior 1.17 enjoyed by the Ships' Crews.

The Comparability and Parity Argument

As noted, between 1998 and 2008 the Employer consistently argued that the Officers employed under Appendix “H” had a superior vacation leave entitlement as compared to the Ships' Crews employed under the same “lay-day” crewing system. The argument which the Employer consistently advanced and which ultimately succeeded in convincing the 2008 Interest Arbitration Board to end the superior benefit, is obviously founded on the principle that there should be parity or equality in working conditions as between two classifications of employees as set out in s. 148(2)(a) and (b) of the FPSLRA. While this was true at the time, the Board determined that a lump sum financial payment would be paid to compensate for the removal of the superior vacation entitlement. However, this compensation payment did not address in any way the operational problems that were inherent in the Officers' lower “lay-day” factor of 1:1 compared to the Ships' Crews' 1:1.17.

The Guild submits that in this round of bargaining, the principle of fairness and equitable treatment for employees performing similar work requires that the “lay-day” factor for the Officers be adjusted to the same factor - namely the 1:1.17 ratio. This would be consistent with the principle the Employer urged on the last Interest Board and in the last round of bargaining namely that the vacation leave factor between the two groups be adjusted to be the same factor in the interest of parity.

With the removal of the superior vacation leave credit in 2008, the Guild submits that the principles of fairness, comparability and parity now require that the “lay-day” credit between the Crews and the Officers employed under the identical system and working side by side on the same vessels also be the same “lay-day” credit - 1:1.17.

Officers at a Disadvantage

With the removal of the 2.1 vacation accrual from the Ships' Officer's collective agreement, the 1.0 “lay-day” factor is now inadequate and puts the Officers in a disadvantageous position compared to the Ships' Crews working directly under them who have a “lay-day” factor of 1.17.

This is a significant difference in leave accumulated for every day worked. Effectively a Crew member will put almost one full day extra into their leave bank for every five (5) days worked. There is no labour relations principle that would support a system that permits an employee (in this case the Ships' Crews) to accumulate almost 20 % more paid leave than the Officers who supervise them.

The current conditions mean Ships' Crews are able to use their superior "lay-day" credit banks to maintain their salary during seasonal shut down periods or maintenance periods or for other unforeseen purposes. On the other hand, Officers who have worked the exact same work cycle on the exact same vessel will be forced to use personal vacation time which, prior to an interest arbitration award of 2008, was superior to the Ships' Crews vacation leave accrual factor. With the removal of that superior benefit, it is the Ships' Crews who have the superior leave bank to use on "off-duty" cycles.

Since Ships' Crews and Officers work on the same vessels, on identical "lay-day" schedules and will be subject to the same mandatory non-operational periods for refitting or maintenance, there will continue to be unjustified and unwarranted inequality and inequity between the Ships' Crews and Ships' Officers unless the "lay-day" factors are brought into parity.

The Guild submits that 70% of its membership is now subject to the "lay-day" system set out in Appendix "H". Further, the Employer can add even more vessels to this appendix if they so desire - simply upon "consultation" with the Union.

As noted above, the Officers working under this system now are not compensated in a comparable fashion whatsoever with the Ships' Crews working under the very same system.

There is no collective bargaining principle that justifies the continuation of the inferior "lay-day" factor for the Ships' Officers. The Guild hereby asks this Board to award its proposal to amend Appendix "H" as outlined above to bring the "lay-day" factor equal to that enjoyed by the Ships' Crews - namely a factor of 1: 1.17 days for each and every day worked on the "on-duty" cycle - identical to the accumulation ratio of the Ships' Crews.

The Chart below outlines the inequity that currently exists under the Agreement.

Officers		Ship's Crews
Current Language	Appendix H Lay-Days General (c) The workday will consist on-duty-cycle of twelve (12) hours of work per day. For each day worked or for each on-duty-cycle day on which an officer is on authorized leave with pay other than compensatory leave and vacation leave with pay, an officer shall earn one (1) lay-	Annex E Lay-Day Work System 1. (e)(i) The workday will consist of an on-duty-cycle of twelve (12) hours of work per day. For each day worked or for each on-duty-cycle day on which an employee is on authorized leave with pay other than compensatory leave and vacation leave with pay, an employee shall earn one decimal seventeen (1.17) lay-day in addition to the employee's lay-day pay.

	day in addition to the officer's Lay-Day rate of pay	
# of days needed to cover vacation	56 Days (28 days for vacation; 28 days to cover the non accumulation of lay days while on vacation)	56 Days (28 days for vacation; 28 days to cover the non accumulation of lay days while on vacation)
# of hours needed to cover vacation	672 hrs (12 hr workday x 56)	672 hrs (12 hr workday x 56)
Lay-Day Factor	1	1.17
Lay-days earned per Cycle	1 x 28= 28 days/cycle	1.17 x 28= 32.76 days/ cycle =4.76 days more/cycle than Officers 28.56 more days/year than Officers

The Inequity is Obvious: Ships' Crews Earn One Entire Full Lay-Day Cycle per Year More Than Officers Employed under the Same System

The Board will note from the comparison of working conditions between Officers and Crews working under Appendix "H" "lay-day" system that both Officers and Crews now have identical working terms and conditions with respect to the length of the work day, number of days required to cover vacation and comparable vacation entitlements. The Guild submits that it is intolerable and indefensible that the Ships' Crews will earn one full 28 day cycle with pay in each 12 month cycle for working the same hours and days as an Officer. This is of course driven by the "lay-day" factor which the Guild has proposed be amended from 1:1 to 1:1.17 to bring it in conformity with the "lay-day" factor in the Ships' Crews collective agreement.

Appendix "H" Comparators Show "Lay-Day" Factor of 1:1.17 is Consistent with Industry Norm

The Guild also submits there is further justification to amend this factor to 1.17 when the Board examines external comparators, a criterion set out in s. 148(b) of the *PSLRA*.

COLLECTIVE AGREEMENT	ARTICLE
Agreement between Treasury Board and the PSAC Operational Services Group (SV) Expires: August 4th, 2018 - Appendix G - Ships' Crews	Annex E Lay-Day Work System 1. (e)(i) The workday will consist of an on-duty-cycle of twelve (12) hours of work per day. For each day worked or for each on-duty-cycle day on which an employee is on authorized leave with pay other than compensatory leave and vacation leave with pay, an employee shall earn one decimal seventeen (1.17) lay-day in addition to the employee's lay-day pay.

<p>Agreement Between Seamaning Services Ltd and Canadian Merchant Service Guild (CMSG) Expires: December 31, 2017</p>	<p>19. LAY-DAYS AND ACCUMULATED LAY DAYS 19:01 For each day on board the vessel, all Masters or Chief Engineers shall receive one (1) day off with pay plus a leave day premium of .15 days.</p>
<p>Agreement between Seaspans Ferries Corporation and the Canadian Merchant Service Guild (CMSG) Expires: 30th September 2020</p>	<p>ARTICLE 5 Hours of Work and Weekly Leave 5.1 The principle of the thirty-seven and one-half (37.5) hour week is recognized by this group. In the marine industry, as it is impracticable to work the thirty-seven and one-half (37.5) hour week, equitable compensation will be made by providing leave as follows: b) Officers and Watchkeeping Master(s) working a twelve hour day (either six-and-six watch or a straight twelve (12) hour shift) at one decimal two four (1.24) calendar days per day worked.</p>
<p>Agreement between Seaspans International Ltd. (Kingcome, Cates and Seaforth) and Seafarers' International Union of Canada Expires: 2013</p>	<p>2.12 Leave and Wage Commencement b) Where the twelve (12) hour day applies, the time off schedule will consist of 1.24 days off for each day worked.</p>
<p>Agreement between Western Forest Products and Canadian Merchant Service Guild (CMSG) Expires: September 30th 2015</p>	<p>1.16 Leave (Lay-days) 10. The method of calculating leave shall be 1.24 days leave earned for each day worked. Such leave shall be granted in the home port.</p>
<p>Agreement between Harken Towing Co. Ltd. and Canadian Merchant Service Guild (CMSG) Expires: September 30th 2025</p>	<p>1.16 Leave (Lay-days) 10. The method of calculating leave shall be 1.24 days leave earned for each day worked. Such leave shall be granted in the home port.</p>
<p>Agreement between Hodder Tugboat Co. Ltd and Canadian Merchant Service Guild (CMSG) Expires: September 30th 2019</p>	<p>1.16 Leave (Lay-days) 10. The method of calculating leave shall be 1.24 days leave earned for each day worked. Such leave shall be granted in the home port.</p>
<p>Agreement between Jones Marine Services Ltd. and Canadian Merchant Service Guild (CMSG) Expires: September 30th 2025</p>	<p>1.16 Leave (Lay-days) 10. The method of calculating leave shall be 1.24 days leave earned for each day worked. Such leave shall be granted in the home port.</p>

<p>Agreement between Svitzer Canada Ltd. and Canadian Merchant Service Guild (CMSG) Expires: 2019</p>	<p>Article 4-Hours of Work Masters & Chief Engineers in Port Hawkesbury, New Ports receive two (2) lay-days for every 1 day ON. Mates & Second Engineers in Halifax, Port Hawkesbury, New Ports and Baie Comeau receive 1.65 lay days for every 1 day ON.</p>
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TAB 9

GUILD PROPOSALS – OVERTIME & MEAL ALLOWANCES

The Guild’s first proposal relates to three (3) separate Articles in the Collective Agreement which deal with:

1. Article 24.04 and Appendix H (Article 24) - Overtime entitlements during travel time;
2. Article 25.02 and 25.03 - Meal allowance where meals and quarters are normally provided but not available; and
3. Article 30.09 - Meal allowance where meals are not provided.

Each of these proposals will be addressed in turn below:

1. Overtime entitlements during Travel Time

Current language	Guild’s proposal
<p>24.04 If an officer is required to travel as set forth in clauses 24.02 and 24.03: ...</p> <p>b. On a normal working day on which the officer travels and works, the officer shall be paid:</p> <p style="padding-left: 40px;">i. the officer's regular pay for the day for a combined period of travel and work not exceeding the officer's normal daily hours of work; and</p> <p style="padding-left: 40px;">ii. at the applicable overtime rate for additional travelling time in excess of the officer's normal daily hours of work, with a maximum payment for such additional travelling time not to exceed eight (8) hours' pay at the straight-time rate in any day.</p> <p>c. On a day of rest or on a designated holiday on which the officer travels, the officer shall be paid at the applicable overtime rate for travelling time to a maximum of eight (8) hours' pay at the applicable overtime rate.</p>	<p>Amend Article 24.04 (b) (ii) and (c) and Appendix H Article 24 to reflect nine (9) hours.</p>

Appendix H, Article 24 – Travelling time	
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An officer who is subject to Appendix “H” and who travels on a lay-day in accordance with the provisions of clauses 24.02 and 24.03 of the Collective Agreement shall be paid at the applicable overtime rate as specified in the overtime clause of Appendix “H” for travelling time to a maximum of eight (8) hours’ pay at the applicable overtime rate.	
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Commentary

Where Officers are required to travel to or from his/her headquarters area on government business, he / she is compensated as set out in Article 24.04. Headquarter areas are the Officer’s home port, ie. St. John’s, Sarnia, Victoria etc.

Pursuant to Article 24.04(b), where an Officer is required to work and travel on the same day and the travel time exceeds his / her normal daily hours of work, he / she receives his / her regular pay plus overtime to a maximum of eight (8) hours. The Board should note that while the additional payment which is triggered when traveling in excess of the employee’s regular work day is referred to as “overtime”, the payment is capped at “eight hours’ pay at the straight-time rate”.

The Guild proposes that this eight (8) hour cap be increased to nine (9) hours as set out in the chart below:

Rationale and Demonstrated Need for Guild’s Proposal

While it may not happen very often that Officers are required to travel beyond eight (8) hours, it can happen when Officers, particularly those on the LayDay system, are required to travel to the Arctic in the summer for a crew change. In those instances, travel time is regularly longer than eight (8) hours.

The National Joint Council Travel Directive permits Officers to travel for up to nine (9) hours per day; however, because of the eight (8) hour cap in the Collective Agreement, they are only paid for eight (8) of the nine (9) hours which the Guild submits is unfair, unreasonable and out of touch with other federal public service comparators.

See **TAB 24**, Guild’s Book of Documents, National Joint Council Travel Directive

The National Joint Council of the Public Service of Canada is established under the authority of the Governor General in Council and consists of participating employers and bargaining agents in the federal public service. The role of the NJC is to share information, consult on workplace policies and to co-develop directives which provide public service wide benefits.

NJC Directives are generally deemed part of collective agreements between parties represented on the NJC unless an alternate Collective Agreement provision applies.

The Guild therefore submits that the NJC Directives are akin to minimum standards that the government should not oppose.

In this situation, the Guild is simply requesting that its Collective Agreement be amended to reflect this minimum standard and has not requested even higher amounts negotiated in other comparator agreements.

Because the vast number of federal public service bargaining units draw the line at nine (9) hours, the Guild requests that the Board award its proposal in keeping with the principle of replication.

Internal Comparators for Overtime Travel

As the Board will see from the comparators listed below, an eight (8) hour cap for travel overtime is at the very low end of the spectrum. The average overtime cap is just over 12.5 hours for travel within North America. For travel overtime outside North America, the average overtime cap rises to just over 13 hours.

The Guild submits that its proposal to increase the travel overtime cap by just one (1) hour at straight time rates to nine (9) hours is more than reasonable in light of the same benefit that the federal government has agreed to provide to other employees. The Guild therefore requests that the Board award its proposal.

Group	Union	Description
Air Traffic Control	Canadian Air Traffic Control Association (Unifor local 5454)	24.02: When traveling and working, travel overtime limited to 8 hours' overtime pay
Aircraft Operations (Note: Expired in 2015)	Canadian Federal Pilots Association	10.01: When traveling and working, travel overtime limited to 12 hours' straight-time pay
Applied Science and Patent Examination	Professional Institute of the Public Service of Canada	13.01: When traveling and working, travel overtime limited to 12 hours' straight-time pay in North America and 15 hours' straight-time pay outside North America

Architecture, Engineering and Land Survey	Professional Institute of the Public Service of Canada	13.01: When traveling and working, travel overtime limited to 12 hours' straight-time pay in North America and 15 hours' straight-time pay outside North America
Audit, Commerce and Purchasing	Professional Institute of the Public Service of Canada	13.01: When traveling and working, travel overtime limited to 12 hours' straight-time pay in North America and 15 hours' straight-time pay outside North America
Border Services (Note: Expired in 2014)	Public Service Alliance of Canada	32.06(b): When traveling and working, travel overtime limited to 12 hours' straight-time pay
Computer Systems	Professional Institute of the Public Service of Canada	13.04: When traveling and working, travel overtime is limited to 15 hours' pay at the straight time rate
Correctional Services (Note: Expired in 2014)	Union of Canadian Correctional Officers	27.04: When traveling and working, travel overtime is limited to 12 hours' pay at the straight time rate
Economics and Social Science Services	Canadian Association of Professional Employees	30.01, traveling time is compensated only under this article. 30.04: When traveling and working, travel overtime limited to 12 hours' straight-time pay in North America and 15 hours' straight-time pay outside North America
Education and Library Science	Public Service Alliance of Canada	27.04: When traveling and working, travel overtime limited to 12 hours' straight time pay
Electronics	International Brotherhood of Electrical Workers, Local 2228	27.05, travel overtime uncapped
Financial Management	Association of Canadian Financial Officers	24.04: When traveling and working, travel overtime is limited to 12 hours' straight time pay
Foreign Service (Note: Expired in 2014)	Professional Association of Foreign Service Officers	18.04: When traveling and working, travel overtime is limited to 12 hours' straight time pay
Health Services	Professional Institute of the Public Service of Canada	13.01: When traveling and working, travel overtime is limited to 12 hours' straight time pay
Law (Note: Expired in 2014)	Association of Justice Counsel	14.04: When traveling and working, travel overtime is limited to 12 hours' straight time pay

Non-Supervisory Printing Services	Communications, Energy and Paperworks Union of Canada, Local 588G	17.01: When traveling and working, travel overtime is limited to 7 or 7.5 hours' straight time pay
Operational Services	Public Service Alliance of Canada	34.06: When traveling and working, travel overtime is limited to 12 hours' straight time pay
Program and Administrative Services	Public Service Alliance of Canada	32.06: When traveling and working, travel overtime is limited to 15 hours' straight time pay
Radio Operations	Unifor Local 2182	23.01: When traveling and working, travel overtime is restricted to 12 hours' straight time pay
Research	Professional Institute of the Public Service of Canada	14.01: When traveling and working, travel overtime is limited to 12 hours' straight time pay
Ship Repair (East Coast, Chargehands and Production Supervisors)	Federal Government Dockyard Chargehands Association	9.03: When traveling and working, travel overtime is restricted to 15 hours' straight time pay
Ship Repair (East)	Federal Government Dockyard Trades and Labour Council (East)	17.03: When traveling and working, travel overtime is restricted to 15 hours' straight time pay
Ship Repair (West)	Federal Government Dockyard Trades and Labour Council (Esquimalt)	87.03: When traveling and working, travel overtime is restricted to 15 hours' straight time pay
Technical Services	Public Service Alliance of Canada	34.04: When traveling and working, travel overtime is restricted to 15 hours' straight time pay
Translation	Canadian Association of Professional Employees	14.03: When traveling and working, travel overtime is restricted to 12 hours' straight time pay
Average overtime limit, straight time (in North America)		12.56 hours
Average overtime limit, straight time (outside North America)		13.06 hours

2. Meal allowance where meals and quarters are normally provided but not available

The Guild’s Proposal

Current language	Guild’s proposal
<p>25.02 When an officer is working on a vessel on which meals and/or quarters normally provided as per clause 25.01 are not available, and the Employer does not provide alternative meals and/or quarters, an officer shall be entitled to:</p> <p>(a) when the vessel is away from home port, reimbursement for actual and reasonable costs incurred for meals and lodging; **</p> <p>(b) when the vessel is in home port, ten dollars and ninety-eight cents (\$10.98) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and twelve dollars and three cents (\$12.03) per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more. (Arbitral Award, effective April 1, 2013)</p> <p>25.03 When an officer is working on a vessel on which meals and/or quarters are not normally provided and the Employer does not provide alternative meals and/or quarters, the officer shall be entitled to: **</p> <p>a. when the vessel is in home port, ten dollars and ninety-eight cents (\$10.98) per day in lieu of meals and quarters for a regular working day of less than twelve (12) hours and twelve dollars and three cents (\$12.03) per day in lieu of meals and quarters for a regular working day of twelve (12) hours or more. (Arbitral Award, effective April 1, 2013)</p> <p>b. when the vessel is berthing for one or more nights away from home port, reimbursement for actual and reasonable costs incurred for meals and lodging.</p>	<p>Amend Articles 25.02 (a), (b), and 25.03 (a), (b) as follows:</p> <p>Replace quantum with National Joint Council Travel Directive</p>

Commentary

Article 25 sets out entitlements to meals and quarters. Where an Officer is working on a vessel with a galley kitchen, meals are normally provided in accordance with Article 25.01.

However, there are sometimes circumstances in which those meals which are normally provided are not available, in which case the Employer has agreed to provide its Officers with a meal allowance. For instance, during refit / layup times, the Officer may still be required to remain on board the vessel but the Cook is no longer on board. Similarly, some Officers work on a vessel where there is no galley and therefore meals are not normally provided; in those circumstances, the Employer has also agreed to pay the same meal allowance.

In both instances where a meal allowance is normally provided and the vessel is in home port or when meals are not normally provided, the agreed upon allowance is \$10.98 per day for a working day of under twelve (12) hours and \$12.03 per day for a working day in excess of twelve (12) hours. It is important to note that this is a *daily* amount, as opposed to an amount for each meal. With food prices increasing each year, it is virtually impossible to find a meal for less than \$11-\$12 and the current meal allowance falls short of defraying the cost of food. The cost of eating at a restaurant is forecasted to rise between 4-6% in 2018.

See **Tab 25** “Canadians expected to pay more to dine out in 2018” CBC News, Dec 13, 2017

In the Guild’s view, these amounts have fallen below what is reasonable for the cost of any single meal in any of Canada’s home ports. The Guild therefore **proposes that the meal allowance be increased to the National Joint Council (‘NJC’) rate**, which is the government standard akin to what the government sees as minimum standards for workers.

The NJC rates (taxes included) as set out in Appendix C of the Travel Directive are as follows:

NJC Meal Allowance	Canada & USA	Yukon & Alaska	N.W.T.	Nunavut
breakfast - 100% (up to 30 th day)	19.45*	19.65	24.45	26.20
breakfast - 75% (31 st to 120 th day)	14.60*	14.75	18.35	19.65
breakfast – 50% (121 st day onward)	9.75*	9.85	12.25	13.10
lunch - 100% (up to 30 th day)	19.20*	21.20	27.65	33.75
lunch - 75% (31 st to 120 th day)	14.40*	15.90	20.75	25.30
lunch – 50% (121 st day onward)	9.60*	10.60	13.85	16.90

dinner - 100% (up to 30 th day)	48.15*	58.50	60.30	89.65
dinner - 75% (31 st to 120 th day)	36.10*	43.90	45.25	67.25
dinner – 50% (121 st day onward)	24.10*	29.25	30.15	44.85
Meal allowance total – 100% (up to 30 th day)	86.80*	99.35	112.40	149.60
Meal allowance total – 75% (31 st to 120 th day)	65.10*	74.55	84.35	112.20
Meal allowance total – 50% (121 st day onward)	43.45*	49.70	56.25	74.85
1.3 Incidental allowance – 100%	17.30*	17.30	17.30	17.30
Incidental allowance – 75% (31st day onward)	13.00*	13.00	13.00	13.00
Daily Total				
Meals and incidentals – 100%	104.10*	116.65	129.70	166.90
Meals and incidentals – 75% (31 st day onward)	78.10*	87.55	97.35	125.20
Meals (50%) and incidentals (75%) (121 st day onward)	56.45*	62.70	69.25	87.85

See **TAB 26**, Guild’s Book of Documents, NJC Travel Directive, Appendix C

Private Sector Comparators

The private sector comparators outlined in the charts below further demonstrate the disparities between the Guild’s meal allowance rate which is expressed as a daily rate, whereas the daily allowances in the private sector comparators are typically three times the Guild’s current entitlement.

Employer	Union	Description
Amix Marine Services Ltd. (All Marine Employees)	Canadian Merchant Service Guild	22.02 – When living out of town and working during an overhaul or repairs, subsistence rate of \$43 per day. \$12.50 for breakfast and lunch, \$18 for dinner 33.03 (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied 34.01(8) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$15.21 meal allowance
NACC Shipping Canada Ltd. (Navigation and Engineering Officers)	Canadian Marine Mates and Engineers Union	16.01 – Reimbursement for officers who are entitled to meals, where the Company cannot provide them meals on board a ship 19.04 - Maximum allowable rate for meals is \$18.00 per-meal, excluding taxes

NACC Shipping Canada Ltd. (Unlicensed Employees)	Seafarers' International Union of Canada	16.01 – Reimbursement for officers who are entitled to meals, where the Company cannot provide them meals on board a ship 19.04 - Maximum allowable rate for meals is \$18.00 per-meal, excluding taxes
SAAM SMIT Westminster Inc. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	1.21(2) – When living out of town and working during an overhaul or repairs, subsistence rate of \$36 per day. \$10 for breakfast and lunch, \$16 for dinner 2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied 3.01(8) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$15 meal allowance
SAAM SMIT Canada Inc. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	1.21(2) – When living out of town and working during an overhaul or repairs, subsistence rate of \$36 per day. \$10 for breakfast and lunch, \$16 for dinner 2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied 3.01(9) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$12.50 meal allowance
SAAM SMIT Vancouver Inc. (Masters and Other Marine Employees)	Canadian Merchant Service Guild	27.14 - Where required to work over 2 hours before or after their regular shift, \$12.50 meal allowance
Cancrew Enterprises Ltd. (Masters, Mates, Engineers)	International Union of Operating Engineers, Local 904	11.01 and 11.10 – When performing company-sponsored travel, reimbursement in accordance with Federal Government travel rates
Cancrew Limited (Unlicensed Personnel – Bulk Carrier)	Unifor	11.01 – Federal government rate for meal allowances where crew changes occurring outside province of residence Expired Feb 20, 2016

Lafarge Canada Inc. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	<p>2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied</p> <p>3.01(8) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$12.50 meal allowance</p>
Lafarge North America Aggregates, Concrete & Asphalt (Unlicensed Crew)	Seafarers' International Union of Canada	<p>2.09(a) – Where meals are customarily provided but are not provided for reasons other than overhaul, workers receive a per diem of \$40.72 (\$11.31 for breakfast and lunch, \$18.10 for dinner)</p> <p>2.09(b) – Otherwise, meals are provided</p> <p>Part III (Shift Tugs), 3.01(f) – employees required to work two or more hours before or after their regular shift receive a \$12.50 meal allowance</p> <p>Part III (Shift Tugs), 3.01(i) - \$18.89 subsistence allowance for each shift crossing midnight</p>
Harken Towing Co. Ltd. (Master, Mates, Engineers)	Canadian Merchant Service Guild	<p>2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied</p> <p>3.01(8) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$12.50 meal allowance</p>
Jones Marine Services Ltd. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	<p>1.21(2) – When living out of town and working during an overhaul or repairs, subsistence rate of \$47 per day (\$13.67 for breakfast and lunch, \$19.68 for dinner – amounts TBD for 2016-2024)</p> <p>2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied</p> <p>3.01(8) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, \$16.86 meal allowance (amount TBD for 2016-2024)</p>
Jones Marine Services Ltd. (Tradesmen and Labourers)	International Association of Machinists and Aerospace Workers, Lodge 456	<p>17.09 - \$11.50 meal allowance after any regular shift with 2 hours overtime continuing or immediately following the shift</p>
Halifax Shipyard, Division of Irving Shipbuilding Inc. (Shipbuilders and	Industrial Union of Marine and Shipbuilding Workers of	<p>13.17 – Employees requested to work overtime without 24 hours' notice receive \$17 if working past 12 hours and every 4 hours after. If the meal</p>

associated workers)	Canada, Local 1 (CAW)	allowance is not on the next regular payroll deposit, the Company will pay \$20 within one business day
Canadian Forest Products Ltd. (Mackenzie Sawmill) (Marine Department)	Public and Private Workers of Canada Local 18	6.7 – After more than four hours overtime beyond a normal 8-hour shift, employer will provide a hot meal unless given sufficient notice (undefined) of the overtime requirement
Seaspan Ferries Corporation (Masters, Deck Officers, Engineers)	Canadian Merchant Service Guild	14.1 - \$12 per-meal missed (\$20 for dinners) when the vessel is in continuous operation and meals are not supplied. Maximum \$44 per-day
Seaspan Marine Corporation (Masters, Mates, Engineers)	Canadian Merchant Service Guild	1.22(2) – When living out of town and working during an overhaul or repairs, subsistence rate of \$36 per day (\$10 for breakfast and lunch, \$16 for dinner) Part III (shift vessels), 3.01(8), \$12.50 where officer required to work 2 hours before or after his regular shift
Hodder Tugboat Co. Ltd. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	1.21(2) – When living out of town and working during an overhaul or repairs, subsistence rate of \$43 per day. \$12.50 for breakfast and lunch, \$18 for dinner 2.03(1) (Continuous operating vessels) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied 3.01(8) (Shift tugs) – Where required to work over 2 hours before or after their regular shift, \$12.50 meal allowance
Valley Towing Limited (Masters)	Canadian Merchant Service Guild	1.21(2) – When meals are not provided and an Officer lives out of town and works by during an overhaul or repairs, a subsistence rate will be provided as follows: Oct 1, 2015 (44.28 per day, breakfast 12.87, lunch 12.87, dinner 18.54) Oct 1, 2016 (45.16 per day, breakfast 13.12, lunch 13.18, dinner 18.91) Oct 1, 2017 (46.07 per day, breakfast 13.38, lunch 13.39, dinner 19.28) Oct 1, 2018 (46.99 per day, breakfast 13.65, lunch 13.65, dinner 19.67) Oct 1, 2019 (47.93 per day, breakfast 13.99, lunch 13.93, dinner 20.07)

		Part III – shift tugs, 3.01(8), meal allowance of \$13.94 for working 2 hours beyond or before regular shift (2016: 14.22, 2017: 14.50, 2018: 14.79, 2019: 15.09)
International Forest Products Limited (Masters, Mates, Engineers)	Canadian Merchant Service Guild	<p>23.1 – Officers employed on vessels away from operational base shall be supplied with provisions for preparing and serving meals</p> <p>23.2 – On non-accommodation vessels where provisions are not supplied, monthly subsistence allowance plus tea, coffee, sugar and canned milk</p> <p>Oct 1, 2014: \$235.22 per-month Oct 1, 2015: \$239.93 per-month Oct 1, 2016: \$245.92 per-month Oct 1, 2017: \$252.07 per-month Oct 1, 2018: \$259.63 per-month</p> <p>Officers working 2 or more hours beyond their regular shift are paid \$16 in lieu of a hot meal</p> <p>23.3 – Officers who accept a position outside their operational base due to seniority and do not accept the subsistence allowance instead get a meal allowance of \$45.95 per-day, adjusted annually as subsistence allowance</p>
Vancouver Shipyards Co. Ltd. (Marine Workers, Shipbuilders and Boilermakers)	International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers	<p>6.12 – If working over 2 hours overtime following regular shift but less than 3.5 hours, 30 minutes' pay in lieu of a meal break and 70% of a journeyperson's rate (maximum \$15) for the cost of the meal. If they work over 3.5 hours, the Company will supply a hot meal and a 30-minute meal break for that period and every four hours thereafter. Meal breaks here count as time worked at the prevailing overtime rate</p> <p>Expired February 28, 2018</p>
Vancouver Shipyards Co. Ltd. (Other Employees)	United Brotherhood of Carpenters and Joiners of America	<p>6.12 – If working over 2 hours overtime following regular shift but less than 3.5 hours, 30 minutes' pay in lieu of a meal break and 70% of a journeyperson's rate (maximum \$15) for the cost of the meal. If they work over 3.5 hours, the Company will supply a hot meal and a 30-minute meal break for that period and every four hours thereafter. Meal breaks here count as time worked at the prevailing overtime rate</p> <p>Expired February 28, 2018</p>

North Arm Transportation Ltd. (Masters, Mates, Engineers)	Canadian Merchant Service Guild	<p>2.03(1) – Subsistence of top grade, quality, and in sufficient quantities shall be supplied</p> <p>3.01(7) (Shift vessels) – Where required to work over 2 hours before or after their regular shift, meal allowance of: Oct 1, 2015: \$13.94 Oct 1, 2016: \$14.22 Oct 1, 2017: \$14.50 Oct 1, 2018: \$14.79 Oct 1, 2019: \$15.09</p>
V. Ships Canada Inc. (M/T Juno Marie employees – Master and Chief Engineer seem to be considered management)	Seafarers' International Union of Canada	<p>Grocery allowance - \$26 per day</p> <p>Expired November 14, 2016</p>
Coastal Shipping Limited (Mates and Engineers)	Seafarers' International Union of Canada	<p>12.03 – Food will be provided at breakfast, lunch, dinner, and night lunches for people changing watches or working overtime</p>
Coastal Shipping Limited (Unlicensed Personnel)	Seafarers' International Union of Canada	<p>12.03 – Food will be provided at breakfast, lunch, dinner, and night lunches for people changing watches or working overtime</p>
Island Tug & Barge Ltd. (Masters, Mates, Engineers, Other Marine Employees)	Canadian Merchant Service Guild	<p>21.01(2) - When an Employee works by during an overhaul or repairs, he shall be provided with a subsistence allowance indexed to wage increases: Oct 1, 2014: \$51.14 per-day Oct 1, 2015: \$52.16 per-day Oct 1, 2016: \$53.20 per-day</p> <p>32.01 – Subsistence of top grade, quality, and in sufficient quantities shall be supplied on all vessels</p> <p>“1” – 5.1 – Bargemen receive a \$14.84 subsistence allowance for shifts of 6 hours or less, \$29.71 for shifts between 6 and 9 hours, and \$51.12 for shifts between 9 and 12 hours. These amounts are indexed to wage increases as above</p> <p>“1” – 5.2 – If the meal exceeds this amount, reasonable meal costs will be reimbursed regardless. Where Bargemen are sailing with the vessel, meals will be provided instead of the allowance</p>

		Expired September 30, 2017
Oceanex Inc. (Unlicensed Employees)	Seafarers' International Union of Canada	16.5 – Company will make every effort to provide nutritional meals at meal hours 18.01 – Where the Company does not provide room and board in the course of employment, employees will have all fair and reasonable hotel and meal expenses reimbursed
Anglo-Eastern Ship Management Ltd. (Fednav Limited) (Engineers)	Canadian Merchant Service Guild	25.06 – If not provided onboard by a Cook, \$40 per day plus annual CPI increases as of May 1, 2015 Expires April 30, 2018
Anglo-Eastern Ship Management Ltd. (Fednav Limited) (Deck Officers)	Canadian Merchant Service Guild	25.06 – If not provided onboard by a Cook, \$40 per day plus annual CPI increases as of May 1, 2015 Expires April 30, 2018
Maersk Supply Service Canada Limited (Unlicensed Personnel)	Seafarers' International Union of Canada	13.2(ii): Reasonable meal expenses are reimbursed during non-vessel travel
Rigel Shipping Canada Inc. (Unlicensed Personnel)	Seafarers' International Union of Canada	13.03 – Nutritious food will be provided for the employees at all meals, and night lunches will be available for workers changing watch or working overtime 13.05 – Employees entitled to meals while on Company business will be reimbursed for reasonable costs where the Company is unable to provide meals onboard the vessel
Rigel Shipping Canada Inc. (Officers)	Canadian Merchant Service Guild	14.02 – Officers entitled to meals while on company business will be reimbursed for reasonable costs when the company is unable to provide a meal(s) onboard a ship LOU 2 – In view of the fact that the Chief Mate is expected to work long hours in port while handling cargo, the Company will pay them a Missed Meal Allowance of \$12.50 for each cargo loaded and each cargo discharged. If a second port is used to discharge the cargo on the same day as the first portion, another \$12.50 allowance is paid Expired August 31, 2017

Northern Transportation Company Limited (Masters, Deck Officers and Engineers)	Canadian Merchant Service Guild	20.02 – Officers will be paid a \$50 daily meal allowance where the company does not supply prepared food onboard the vessel while in port, or during yearly or seasonal startup or shutdown Expired December 31, 2017
British Columbia Maritime Employers Association (Longshoring Industry Workers)	International Longshore and Warehouse Union Canada	25.02 (4) (deep-sea ship) – When doing salvage work, free meals shall be furnished when workers are not allowed to go ashore
British Columbia Ferry Services Inc	BC Ferry and Marine Workers' Union	18.05 - If working more than 2.5 hours overtime before or after scheduled daily hours, \$11.75 meal reimbursement and a half-hour paid meal break. Another reimbursement/break after an additional four hours, and another for every additional three after 29.07 (twelve-hour vessels) – If working on a live-aboard vessel being refitted while living at home, one meal allowance
Svitzer Canada Limited (Cooks and Deckhands)	Unifor, Local 4343	Art 15 – where subsistence not provided on account of refit or any other reason, employees living in the area and working a day work schedule shall receive \$15.00 to cover the noon meals or reasonable expenses on production of a receipt and employees on tugs in refit at a port other than the tug's normal base, shall receive a reasonable meal expense upon production of receipts or a daily meal allowance of 24.43
Comtug Limited (on behalf of North Atlantic Refining Limited) (Licensed Officers)	Canadian Merchant Service Guild	12:03 - \$75.00 per diem if traveling not on the vessel
Nanaimo Port Authority (Longshoring Workers, Boat Patrols and Office Staff)	International Longshore and Warehouse Union, Local 517 (CLC)	17.04 – If scheduled overtime work requires work beyond a second meal period, the worker is entitled to a half-hour unpaid meal break and a \$20 meal allowance.
Fraser River Pile and Dredge (GP) Inc. (Master, Deck Officers, Engineers)	Canadian Merchant Service Guild	14.01 – Live aboard officers are provided top grade subsistence 15.03 – Non-live aboard officers receive a \$20 subsistence allowance for 8-hour shifts, and \$40 allowance for 12-hour shifts

Atlantic Pilotage Authority (Launchmasters)	Canadian Merchant Service Guild	26.09 – If working 3 or more hours overtime, \$20 reimbursement for the each 8-hour period or part thereof of continuous overtime
Pacific Pilotage Authority (Fraser River Pilots)	Canadian Merchant Service Guild	Schedule C.2: Each pilot shall be paid a reasonable sum to cover transportation between the place of dispatch and the assigned vessel LOU 1: Schedule C.2 includes meal expenses. Amount is \$153, increasing annually by Vancouver CPI starting April 2013
Great Lakes Pilotage Authority, Ltd. (Lake Ontario and Harbours Pilots)	Canadian Merchant Service Guild	11.02 – For each assignment, workers receive a lump sum for travel and subsistence: Effective April 1, 2012 - \$185.00 Effective April 1, 2013 - \$190.00 Effective April 1, 2014 - \$195.00 Effective April 1, 2015 - \$205.00 Effective April 1, 2016 - \$210.00 Expired March 31, 2017
Marine Atlantic Incorporated (Masters, Chief Engineers, Chief Electrical Engineers)	Canadian Merchant Service Guild	27.1 – Meals and accommodations to be supplied
Marine Atlantic Incorporated (Crew and Staff)	Unifor, Local 4285	29.1(f): The crew shall be served the same quality of food as the Officers 29.1(g): A meal will be made available to employees working night shift 29.1(j): When ships are off Articles and employees are required to work on it, and meals are not provided on it or another vessel, meals will be provided on shore 29.1(k): The Company and Union shall form a committee to discuss substantial changes to the employee meal menu
Cancrew Enterprises Limited (Umiak 1) (All Licensed Officers)	Canadian Merchant Service Guild	25.02 – Only meal reimbursement is when traveling to and from the vessel (subject to Human Resources approval for the travel method)

3. Meal allowance where meals are not provided after 3 hours of overtime

Current language	Guild proposal
<p>30.09 Meal Allowance</p> <p>For positions where meals are not provided by the Employer, an officer who works three (3) or more consecutive hours of overtime on a regular working day shall receive a meal allowance of ten dollars (\$10.00) except where a free meal is provided.</p> <p>Reasonable time with pay, to be determined by management, shall be allowed the officer in order that he may take a meal break either at or adjacent to his place of work.</p> <p>For positions where meals are not provided by the Employer, an officer who works overtime continuously beyond the period provided in clause 30.09(a) shall be reimbursed for one (1) additional meal in the amount of ten dollars (\$10.00) for each four (4) hour period of overtime worked thereafter, except where a free meal is provided.</p> <p>Reasonable time with pay, to be determined by management, shall be allowed the officer in order that he may take a meal break either at or adjacent to his place of work.</p> <p>a. For positions where meals are not provided by the Employer, an officer who works overtime on days of rest beyond the prior scheduled overtime worked shall receive a meal allowance of ten dollars (\$10.00) after having worked three (3) consecutive hours of overtime beyond the prior scheduled overtime period and ten dollars (\$10.00) for each four (4) hour period of overtime worked thereafter, except where a free meal is provided.</p> <p>Reasonable time with pay, to be determined by management, shall be allowed the officer in order that he/she may take a meal break either at or adjacent to his/her place of work.</p>	<p>Amend Article 30.09 (a) (b) (c) as follows: Replace quantum with NJC Travel Directive</p>

Commentary

Currently, the Employer provides a meal allowance of \$10 in circumstances where meals are not provided and the Officer is required to work more than three (3) hours of overtime.

When this situation does arise, the Guild repeats and relies on its earlier submission that it is difficult, if not impossible, to find a restaurant that serves a meal for no more than \$10.

Again, for the reasons stated above, the Guild submits that the NJC rate is more reasonable and appropriate and requests that the Board award its proposal.

TAB 10

Guild Proposal – Article 35.04 – Pay Administration

Current language	Guild Proposal
<p>35.04 When an officer is required by the Employer to substantially perform the duties of a higher classification level on an acting basis for a temporary period of at least one (1) complete working day, the officer shall be paid acting pay calculated from the date on which the officer commenced to act as if the officer had been appointed to that higher classification level for that period in which the officer acts.</p>	<p>35.04 When an officer is required by the Employer to substantially perform the duties of a higher classification level on an acting basis for a temporary period of at least one (1) complete working day, the officer shall be paid acting pay calculated from the date on which the officer commenced to act as if the officer had been appointed to that higher classification level for that period in which the officer acts. All acting time shall be cumulative for the purposes of pay increment calculation.</p>

Discussion

Under the current language, the pay increment period for full-time officers is 12 months.

Current staffing and retention issues have led to a large number of vacancies. Therefore, many employees find themselves in situations where they are asked to act in a position of a higher classification for a long period of time. This period, however, will often last for less than a year but could still be for as long as 9-10 months. At that point, an employee would return to their substantive position, and then after a couple months, they might return to the same acting position and work another 9 months. When acting in this second 9 month period, the employee once again starts at the bottom of the pay scale and remains there for the entirety of the acting opportunity.

Although the employee may have acted for 18-19 months overall, their cumulative months in an acting position are not counted for the purpose of granting a pay increment. An employee could theoretically act in a position for 11 months and three weeks, return to their substantive for one week, and then return to the acting position, and still not be eligible to be given a pay increase.

If the acting time had been calculated as cumulative, then that same employee would have been awarded a 3.5% pay increase after a year.

Similarly, an employee who has acted in a higher classification for 14 months would be eligible for the increment after 12 months. When that acting time is then interrupted after 14 months due to a short return to their substantive position, they will lose that increment when they act in that same higher classification again and will essentially start at the bottom. At a minimum, an employee who has achieved an increment upon

acting for a 12 month period should be paid at the higher increment for subsequent acting assignments.

The Guild submits that it is unfair to reward the Employer for improper staffing practices. If positions had been staffed on a permanent basis, the Employer would have been required to pay the applicable increment. The Guild submits that its proposal is only fair and reasonable in these circumstances and it is unfair to continue penalizing those Officers who are taking on extra duties at the request of the Employer. For these reasons, the Guild respectfully requests that the Board award its proposal.

TAB 11

Guild Proposal – Article 40.02 – Dirty Work Allowance

Current language	Guild Proposal
<p>40.02 Supervision or inspection of duties described in clause 40.01(a),(b),(c) or (d) does not entitle an officer to the allowance specified in clause 40.01.</p>	<p>40.02</p> <p>a) Supervision or <i>visual</i> inspection of described in clause 40.01(a),(b),(c) or (d) does not entitle an officer to the allowance specified in clause 40.01.</p> <p>b) For clarity, where inspection of duties involves hands-on work, repair or maintenance, or coming in physical contact as described in 40.01 an officer shall be entitled to the allowance.</p>

The Dirty Work Allowance

The type of work that constitutes “dirty work” is best described by the current language in the collective agreement:

40.01 When an Officer is required to:

- (a) work in bilges and spaces below the bottom floor plates for periods in excess of fifteen (15) minutes, or
- (b) repair or maintain ships’ sewage disposal tanks and associated piping, pumps and valves, including any part of a vessel’s sewage system, which necessitates the officer to come into contact with effluent, or system components which are downstream from the fixture connection and contain effluent. The grey water system is not considered to be a part of the sewage disposal system, or
- (c) work on top of boilers while steam pressure is being maintained, or
- (d) work inside water tanks or work inside oil tanks that have contained oil, or work in the fire side of boiler furnaces, combustion chambers, or in air heater space. The grey water tank shall be considered to be a water tank for the purpose of the administration of clause 40.04(d). Work on the exhaust manifolds of the opposed piston Fairbanks-Morse engines (punching carbon) shall be considered to be the equivalent of work on the fire side of combustion chambers, or

- (e) come in physical contact with the pollutant while engaged in the cleaning up of oil spills in excess of 200 litres which resulted from a disaster, mechanical failure, bunkering or fuel transfer operations, or
- (f) repair or maintain the ships' grey water system, including holding tanks, associated piping, pumps and valves, provided the officer is required to come into direct contact with the grey water. Cleaning of clogged drains shall not constitute dirty work.

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

There are some spaces on certain vessels where Officers are required to perform "dirty work" as described in Article 40.01 that are so small that the Officer is only in the bilge, for instance, from the waist down. In those instances, the Officer is sometimes denied compensation for performing "dirty work".

In the Guild's submission, this interpretation of when an Officer is entitled to the Dirty Work Allowance is absurd as it leads to situations where Officers on larger vessels will be entitled to the Dirty Work Allowance but Officers assigned to smaller vessels will be precluded from receiving the Allowance notwithstanding that they are performing the exact same type of work.

It is the Guild's understanding that, from an operational and management perspective, it has been recognized in general that where inspection duties do involve engaging in "dirty work", it only makes sense to extend the Allowance to those situations for overall consistency in the application of the Allowance amongst the Officers engaged in those operations.

The Guild therefore requests that the Board award its proposal.

TAB 12

Guild Proposal – Article 43 – Duration & Renewal

Current language	Guild Proposal	Employer proposal
<p>43.01 The provisions of this Agreement will expire on March 31, 2014.</p> <p>43.02 Unless otherwise expressly stipulated, the Agreement shall become effective on April 1, 2013.</p>	<p>43.01 The provisions of this Agreement will expire on March 31, 2014 2019.</p> <p>43.02 Unless otherwise expressly stipulated, the Agreement shall become effective on April 1, 2013 2014. All benefits and monetary items shall be effective retroactive to April 1, 2014.</p>	<p>43.01 The provisions of this Agreement will expire on March 31, 2014 2018.</p> <p>43.02 Unless otherwise expressly stipulated, the Agreement shall become effective on April 1, 2013 the date it is signed.</p> <p>43.03 The provisions of this collective agreement shall be implemented by the parties within a period of one hundred fifty (150) days from the date of the signing.</p>

Duration – Article 43.01

The parties have been in bargaining for several years and, despite their best efforts, have not been able to reach an agreement on the terms and conditions for renewal. By the time the parties make their submissions before this Interest Board it will be May 2018 and the Guild anticipates that it will be some time later in 2018 by the time the Award is issued.

The Guild submits that its proposed expiry date of March 31, 2019 is more than appropriate in these circumstances.

Conversely, the Employer's insistence on an expiry date that takes place before the parties even make their submissions to this Board is almost nonsensical.

The Guild therefore respectfully requests that the Board award its proposal.

Retroactivity – Article 43.02

The current Collective Agreement language simply states that the Agreement becomes effective on April 1, 2013, ie. the first date the current Agreement came into effect. As this Board is well aware, this means that the working terms and conditions continue until the parties enter a renewal collective agreement and the renewal collective agreement would typically include a clause specifying which of the monetary items, such as

salaries and allowances, will be retroactive to the commencement of the renewal collective agreement.

The Guild's proposal aims to amend this clause to clarify that all "benefits and monetary items" shall automatically be effective retroactive to April 1, 2014, ie. the first date that the new Agreement would come into effect. In the Guild's view, all benefits and monetary items are earned benefits that ought to be eligible for a retroactive adjustment based on a salary revision.

The Guild submits that it ought to be self-evident that all monetary items including allowances would be retroactive; however, an email from Ted Leindecker dated September 13, 2017 advises that the Employer only considers that the following allowances would be adjusted as a result of a salary revision:

- Extra duty pay – also known as Extra Responsibility Allowance (Appendix G)
- Additional hours worked
- Maternity leave allowance
- Parental leave allowance
- Vacation leave and extra duty pay cash-out
- Severance pay
- Salary for the month of death
- Transition support measure

In his email, Mr. Leindecker suggests that there could be others but that a determination would have to be made depending on the entitlement or allowance being considered.

See **TAB 27**, Guild's Book of Documents, Email from Ted Leindecker dated September 13, 2017

Mr. Leindecker does not clarify on what basis the Employer would determine whether another type of allowance would be retroactively adjusted based on a salary revision.

The Guild submits that, in accordance with the usual applicable collective bargaining principles, the following items ought to be retroactive based on any economic increase:

- Dirty Work Allowance (Article 40);
- Cadet monthly and sea training allowances (Appendix E). In this regard, the Guild notes that Cadets are only paid by way of allowance and thereby ought to be entitled to retroactivity;
- Special Allowances (Appendix F, ie Rescue Specialist Allowance, Fisheries Enforcement, Armed boarding, Diving Duty, Nuclear Emergency Response Team);
- Extra Responsibility Allowance (Appendix G); and

- Increments as these are wages.

The Guild submits that support for its position is found in Article 2.01(a) which defines “allowances” as “compensation payable for the performance of special or additional duties, or in the case of a Canadian Coast Guard Officer Cadet an amount payable to help defray expenses incurred as a Cadet” and Article 2.01(q) which defines “remuneration” as “pay and allowances”.

Additional Comments on the Employer’s Proposals

Effective on the “date it is signed”

The Employer proposes to make the Agreement effective on the “date it is signed”. The Guild submits that this proposal, apart from being completely self-serving, is not in accordance with normative principles regarding collective agreement negotiations.

In particular, where there has been at least four (4) years’ delay without any fault attributed to the Guild or its members, it is entirely unfair for the Employer to now attempt to claw back some economic advantage out of delay which has been mutually agreed upon in order to enter a collective agreement in good faith.

The Guild submits that, in accordance with all usual interest arbitration principles that all economic items should be effective from the commencement of the Collective Agreement and implemented as quickly as possible.

Implemented within a period of 150 days

The Employer proposes the introduction of a new Article 43.03 which would place a limit on the date by which the renewal collective agreement would be implemented, namely within 150 days of the date of signing.

In addition, section 117(b) of the Federal Public Sector Labour Relations Act states that,

117 Subject to the appropriation by or under the authority of Parliament of money that may be required by the employer, **the parties must implement the provisions of a collective agreement**

(a) within the period specified in the collective agreement for that purpose; or

(b) if no such period is specified in the collective agreement, **within 90 days after the date it is signed** or any longer period that the parties may agree to or that the Board, on application by either party, may set.

While the Guild does not object to a deadline by which the renewal Collective agreement should be implemented, it does object to taking 150 days to implement the terms and conditions of employment for its members. In its respectful submission, taking nearly six (6) months to implement renewal terms and conditions is simply too long. The federal government is a sophisticated employer with a large staff of human resources personnel whose entire function is to ensure that the Employer's collective agreement obligations are upheld.

The Guild requests that the Employer's proposal in this regard be denied.

TAB 13

Guild Proposal – NEW Article 43.03

The Guild proposes that Article 43 be amended to include a new Article as follows:

43.03 Prior to the calculation of retroactive pay, allowances and benefits the employer shall conduct a full payroll audit reconciliation for each officer from April 1, 2015. All payroll audit reconciliations shall be completed within 90 days from date of signing of this agreement. Any funds owing to officers resulting from the payroll audit reconciliation shall be paid to the officer within 30 days after the completion of the audit.

Discussion

Since the launch of the Phoenix pay system in February 2016, employees have experienced significant problems with receiving their pay. As has been widely reported in the media, the implementation of the system has been fraught with errors. For example, employees have been underpaid, overpaid, or not paid at all.

While the problems arising from the implementation of the Phoenix pay system have impacted the federal public service as a whole, Coast Guard employees have been disproportionately affected. Such employees have schedules that differ significantly from other public service employees in that they may be away at sea for weeks, work shifts and extra hours, leading to changes that may need to be made at each pay period. Employees have turned down extra work and some have been reluctant to act in higher positions due to how it would affect their base pay and whether they would be paid at all. This, in turn, has led to some staffing concerns.

See **Tab 28**, Guild's Book of Documents, Phoenix causing Coast Guard Personnel crunch, Chronical Herald, published February 21, 2018.

Although Guild members have filed grievances concerning the failure of the Employer to pay them properly and in accordance with their entitlements and the Guild has filed an unfair labour practice complaint around this issue, the mechanisms to provide employees with their outstanding pay have largely been ineffective. Therefore, the Guild proposes that the Employer conduct a full audit of the compensation paid and compensation owed to all employees from April 1, 2015 and that any funds owing to employees be paid within 30 days of the completion of the audit.

Virtually all Guild members rely on their pay being timely and accurate. The purpose of the Guild's proposal is to ensure that employees are properly compensated and to demonstrate the Employer's commitment to taking meaningful steps to ensure that members receive their pay.

For all these reasons, the Guild respectfully requests that the Board award its proposal.

TAB 14

Employer Proposal – Article 12.01 Statement of Duties

The Guild is in agreement with the Employer’s proposal to amend Article 12.01 and hereby requests that the Board so order.

Current language	Employer Proposal	Guild Response
<p>12.01 Upon written request, an officer shall be entitled to an official statement of the duties and responsibilities of the officer's position including the position's classification level and where applicable, the point rating allotted by factor to the position.</p>	<p>12.01 Upon appointment written request, an officer shall be provided entitled to with an official statement of the duties and responsibilities of the officer's substantive position including the position's classification level and where applicable, the point rating allotted by factor to the position.</p>	<p><i>The Guild agrees to the Employer’s proposed amendment to Article 12.01.</i></p>

TAB 15

Employer Proposal – Article 14.01 Information for Officers

Current language	Employer proposal	Guild response
<p>14.01 The Employer agrees to supply each officer with a copy of the Collective Agreement and will endeavour to do so within one (1) month after receipt from the printer.</p>	<p>14.01 The Employer agrees to supply each officer with a copy of the Collective Agreement. and will endeavour to do so within one (1) month after receipt from the printer. For the purpose of satisfying the Employer’s obligation under this clause, employees may be given electronic access to this Agreement. Where electronic access to the Agreement is unavailable or impractical, the employee shall be supplied, on request, with a printed copy of the Agreement.</p>	<p>The Guild proposes that this clause be renewed without changes.</p>

Discussion of the Employer’s proposal

The current Collective Agreement language requires that the Employer prepare and supply each Officer with a hard copy of the Collective Agreement.

During this round of bargaining, the Employer tabled language that would enable the Employer to meet their obligation under this clause by giving employee’s electronic access to the Collective Agreement. While the Employer’s proposed language does permit employees to request a printed copy of the Collective Agreement where electronic access is “unavailable or impractical”, the Guild submits that this newly proposed language is woefully inadequate.

As this Board is aware, the vast majority of Ships’ Officers perform their duties on a seafaring vessel. This means that, not only are Officers on board a ship during their working hours but 24/7, sometimes for weeks at a time. While there is internet access on board government vessels, the connection, at times, can be described as “spotty” at best. In addition, access to the internet is strictly limited and regulated and scheduled.

For example, Coast Guard Operations Order 130.00, “Use of Electronic Networks Aboard Vessels”, clearly states at the outset that “CCG policy limits computer connectivity of CCG shipboard administrative and shore-based operational networks for

CCG owned, managed and appropriately secured computers” and, further, that “personal computers or networking devices... are not permitted access to CCG administrative and operational networks”. The Use of Electronics Policy states up front that only where “economically and technically feasible” shall personnel aboard CCG vessels have the same level of access to departmental electronic networks as their shore based colleagues (section 1.2).

See **TAB 29**, Guild’s Book of Documents, Coast Guard Operations Order 130.00, “Use of Electronic Networks Aboard Vessels”

Any User who wishes to use the Ship’s Network is required to fill out the appropriate paperwork and forms (section 2.8) but are warned that,

Users should note that there are no guarantees of connectivity to shore-based networks. Communications services with the shore are limited and shared with other ships. Depending on service demand, connectivity with the shore may become degraded or unavailable. Users should have no expectation of network connectivity or performance (section 3.2).

The current vessel satellite connectivity solution is a national solution. The bandwidth is shared amongst all vessels equipped with this solution. The available satellite bandwidth is considered small even by home consumer internet Service Providers standards and is also quite expensive... Users of both networks must be cognizant at all times that network bandwidth is at a premium and should limit their network traffic accordingly (e.g. don’t ... download large files unless essential to the ship’s operations) (section 3.5).

Furthermore, there is limited privacy even when Users are able to access the internet and the Policy explicitly warns that “all shipboard electronic networks are subject to monitoring to determine whether or not they are in compliance with government policy ... [and] will consist of operational analysis of logs indicating internet sites users have visited” (section 3.3).

In the Guild’s view, given that electronic access is illusory for many of its members due to the nature of their work, the Employer’s proposal is impractical and inappropriate.

The Guild also notes that, where the Employer requires employees to complete an online course or its Public Service survey, it routinely takes extra measures, ie. provides the information on discs, to ensure that employees on board vessels are able to complete the task without the necessity of relying on the internet.

The Guild further submits that ready access to the terms and conditions governing an employee’s work is a fundamental right of each member of the bargaining unit. Negotiating those terms and conditions of employment is one of the most significant items for which Guild members pay union dues and to deny them access to the foundational document which sets out their rights and entitlements would subvert the

system upon which the collective bargaining regime is founded. The Guild submits that its members must be entitled to be check and confirm their rights and entitlements as the need arises and it is not sufficient to place the onus on an employee who may be at sea for weeks at a time to request a written copy of the agreement if electronic access is “unavailable or impractical”.

For all these reasons, the Guild requests that the current language be renewed without changes.

TAB 16

Employer Proposal – Article 20 – Vacation Leave with Pay

Current language	Employer proposal	Guild response
<p>20.10 Carry-Over and/or Liquidation of Vacation Leave</p> <p>(a) Where in any vacation year, an employee has not been granted all of the vacation leave credited to him or her, the unused portion of his or her vacation leave credits up to a maximum of two hundred and eighty (280) hours for those Officers working under Appendix K and L, two hundred and ninety-four (294) hours for those Officers working under Appendix I, three hundred and twenty-six decimal two (326.2) hours for those Officers working under Appendix J; and three hundred and thirty-six (336) hours for those Officers working under Appendix H, shall be carried over into the following vacation year. All vacation leave credits in excess of the foregoing maxima 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.</p> <p>(b)</p> <p>(i) Notwithstanding paragraph (a), on the date of signing of this Agreement or on the date</p>	<p>20.10 Carry-Over and/or Liquidation of Vacation Leave</p> <p>(a) Where in any vacation year, an employee has not been granted all of the vacation leave credited to him or her, the unused portion of his or her vacation leave credits up to a maximum of two hundred and forty (240) eighty (280) hours for those Officers working under Appendix K and L, two hundred and fifty-two (252) ninety-four (294) hours for those Officers working under Appendix I, three hundred and twenty-six decimal two (326.2) two hundred and seventy nine point six (279.6) hours for those Officers working under Appendix J; and three hundred and thirty-six (336) and two hundred and eighty eight (288) hours for those Officers working under Appendix H, shall be carried over into the following vacation year. All vacation leave credits in excess of the foregoing maxima 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.</p> <p>(b)-</p> <p>(i) Notwithstanding paragraph (a), on the date of signing of this Agreement or on the date an officer becomes subject to this Agreement, he or she has more than the limits provided in</p>	<p><i>The Guild proposes that this clause be renewed without changes as there is no demonstrated need or basis to amend Article 20.10.</i></p>

<p>an officer becomes subject to this Agreement, he or she has more than the limits provided in paragraph (a) above of unused vacation leave credits earned during previous years, this number of unused vacation leave credits shall become the officer's accumulated leave maximum.</p> <p>(ii) Unused vacation leave credits equivalent to the officer's accumulated leave maximum shall be carried over into the following vacation year.</p> <p>(iii) Unused vacation leave credits in excess of the officer's accumulated leave maximum 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.</p>	<p>paragraph (a) above of unused vacation leave credits earned during previous years, this number of unused vacation leave credits shall become the officer's accumulated leave maximum.</p> <p>(ii) Unused vacation leave credits equivalent to the officer's accumulated leave maximum shall be carried over into the following vacation year.</p> <p>(iii) Unused vacation leave credits in excess of the officer's accumulated leave maximum 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.</p>	
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Discussion

The Employer proposes to reduce the amount of earned but unused Vacation Leave credits that an Officer is permitted to carry over. Any unused credits over the current cap would then be paid out in cash.

The Guild opposes this proposal on the simple basis that these are earned credits that an Officer is entitled to use. The existing caps are not unreasonable and have been in place for many years. In fact, the current carry-over provisions are based on mathematical calculations, not arbitrary amounts. For instance, Appendix H Officers are

permitted to carry-over 336 hours because they are permitted to carry over sufficient vacation leave credits to take off one 28-day cycle using unused credits according to the following formula:

$$\begin{aligned} &12 \text{ hours of leave is required to take one day off on Appendix H} * 28 \text{ days} \\ &= 336 \end{aligned}$$

Similar mathematical calculations have been applied to arrive at the carry-over for the other scheduling systems.

However, because of the recruitment and retention issue that has gone unaddressed by the Employer, Officers are sometimes unable to schedule their leave.

The Guild submits that, in these circumstances, it would be highly unfair for the Employer to be permitted to simply pay out Vacation Leave to its employees.

Guild members are entitled to take their earned vacation. They all occupy high level positions of responsibility and the Guild submits that it is crucial to its members' well-being and health that they be entitled to take vacation. In this sense, the Employer's proposal contradicts its purported goal of promoting "employee wellness" in its proposed new Memorandum.

For these reasons, the Guild respectfully requests that the Board decline to award the Employer's proposal.

TAB 17

Employer Proposal – Article 29 – Severance Pay

The parties signed off amendments to Article 29 on February 5, 2015. A copy of the sign off is enclosed at **TAB 2** of the Guild's Book of Documents. The Guild hereby requests that the Board incorporate this sign off into the terms of its Award.

TAB 18

Employer Proposal – Article 36.04 – Officer Performance Review and Officer File

The Guild agrees to the Employer’s proposed amendment to Article 36.04 and respectfully requests that the Board incorporate their agreement into its Award.

Current Language	Employer Proposal	Guild Response
<p>36.04 Upon written request of an officer, notice of disciplinary action which may have been placed on the personal file of the officer shall be destroyed after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period.</p>	<p>36.04 Upon written request of an officer, notice of disciplinary action which may have been placed on the personal file of the officer shall be destroyed after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period. This period will automatically be extended by the length of any period of leave without pay.</p>	<p><i>The Guild agrees to the Employer’s proposed amendment to Article 36.04.</i></p>

TAB 19

**Employer Proposal –
NEW Memorandum of Agreement re Employee Wellness**

Employer proposal	Guild response
<p>The Guild encloses the proposal tabled by the Employer during bargaining although the Employer did not include specific language when it filed its Form 9 with the Board. The Guild reserves its right to make further submissions in the event the Employer has altered its proposal to the Board.</p> <p>This Memorandum of Agreement is to give effect to the agreement reached between the Employer and the Canadian Merchant Service Guild (hereinafter referred to as "the parties") regarding issues of employee wellness.</p> <p>The parties will create an Employee Wellness Support Program (EWSP) which will focus on improving employee wellness and the reintegration of employees into the workplace after periods of leave due to illness or injury.</p> <p><u>Key Features</u></p> <p>The EWSP will incorporate the following key features:</p> <ul style="list-style-type: none"> • Contained in collective agreements; • Benefits for up to 26 weeks (130 working days) with income support replacement at 100%; • The annual allotment shall be 9 days of paid sick leave for illness or injury that falls outside of the parameters of the EWSP; • 100% income replacement during the 3 day (working) qualification period when the employee's claim is approved; • Qualifying chronic or episodic illnesses will be exempt of the waiting period; 	<p>In response to the Employer's proposal to implement a Memorandum of Agreement regarding issues of employee wellness, the Guild proposes the MOA set out below. Alternatively, the Guild proposes that the current Collective Agreement be renewed without changes and this issue be deferred to the next round of collective bargaining.</p> <p>This Memorandum of Agreement is to give effect to the understanding reached between the Employer and the Canadian Merchant Service Guild (hereinafter referred to as "the parties") regarding issues of employee wellness.</p> <p>The parties will explore the creation of an Employee Wellness Support Committee (EWSC) which will focus on improving all aspects of employee wellness and the reintegration of employees into the workplace after periods of leave due to illness or injury.</p> <p>The committee will be comprised of an equal number of Employer representatives from Department of National Defence, Department of Fisheries and Oceans and Treasury Board and Guild representatives. The Committee shall be co-chaired by a representative of the Guild and a representative of the Employer.</p> <p>The Committee shall establish terms of reference and a work plan.</p> <p>All time spent by Guild Committee members shall be deemed to be leave with pay for union activities. The Employer will grant leave with pay under Article 17.07 for employees engaged in these activities, including preparation and travel time.</p>

- The qualification period will be waived in cases of hospitalization or recurrence of a prior illness or injury approved under EWSP within 30 days;
- Employees are entitled to carry over a maximum of 3 days of unused sick leave credits remaining at the end of the fiscal year, for use in the following fiscal year;
- The accumulation of current sick leave credits will cease once the EWSP is implemented. Employees with banked sick leave in excess of 26 weeks, will be entitled to carry over those excess days to provide extended coverage at 100% income replacement prior to accessing LTD;
- Travel time for diagnosis and treatment;
- Internal case management and return to work services focused on supporting employees when ill or injured;
- An employee on EWSP will be considered to be on leave with pay; and
- Full costs of administering the EWSP to be borne by Employer;
- Increase the quantum of family related leave by one (1) day

Process

The parties agree to create a technical committee and a steering committee, with a long-term focus and commitment from senior leadership of the parties.

The steering committee and technical committee will be established within 60 days of signing. The committees will be comprised of an equal number of Employer representatives and Union representatives. The steering committee is responsible for determining the composition of the technical committee.

The Committee shall be formed within 6 months from date of signing of the new Collective Agreement.

The Committee shall endeavor to develop all agreements and documents needed to support improving employee wellness. The Committee shall endeavor to review the following key principles:

- Increase the quantum of family related leave.
- Income replacement parameters, the treatment of accumulated sick leave credits and consequential changes to existing leave provisions within the collective agreements;
- Privacy considerations;
- Internal assessment as well as approval and denial processes;
- Case management and administration
- Employer measures to ensure the successful, timely return of employees to the workplace after a period of leave due to illness or injury;
- Options for alternative medical treatments;

Other measures that would support an integrated approach to the management of employee wellness for Federal Public Service employees, including but not limited to ways to reduce and eliminate threats to workplace wellness, including discrimination, harassment, workplace violence, bullying, and abuse of authority.

Contribute to a healthy workforce, through a holistic consideration of physical and mental health issues.

Investigate integration with other public service benefit plans.

Address a wide range of medical conditions, work situations and personal circumstances facing employees,

<p>All time spent by employees in support of the Technical Committee shall be deemed to be leave with pay for union activities. The Employer will grant leave with pay for employees engaged in these activities, including preparation and travel time.</p> <p>The technical committee will develop all agreements and documents needed to support the implementation of an EWSP during the next round of collective bargaining. This work shall be completed within one year of signing.</p> <p>The technical committee shall provide interim recommendations for review by the steering committee on the following matters through a series of regular meetings:</p> <ul style="list-style-type: none"> • Consequential changes to existing leave provisions within the collective agreements, and the Long Term Disability Plan (LTD); • Definitions; • Eligibility conditions for a new EWSP; • Assessment and adjudication processes; • Internal case management and return to work services; • Workplace accommodations; • Creation of a Centre for Workplace Well-being; • Governance of the EWSP, including dispute resolution mechanisms; • Coverage of operational stress injuries and other injuries sustained by 	<p>including chronic and episodic illnesses and travel time from northern and remote operational assignments for diagnosis and treatment and wait times for medical clearances to return home.</p> <p>Assessment and adjudication processes.</p> <p>Any agreed upon improvements to employee wellness be contained in the collective agreement.</p> <p>Any agreed upon improvements to employee wellness be administered internally within the Federal Public Service, rather than by third-party service provider.</p> <p>Ensure employees receive full income replacement during illness and or injury.</p> <p>Sick Leave bank utilization and improvement.</p> <p>The Committee shall produce a report on recommendations for improving employee wellness for consideration in contract negotiations, within 18 months from establishment of the Committee.</p> <p>No changes to terms and conditions of employment related to sick leave and employee wellness will be undertaken while Bill C-5⁶ repealing Division 20 of Part 3 of Bill C-59, is proceeding.</p> <p>If the parties are unsuccessful in agreeing to improvement(s) to employee wellness, the current terms and conditions of employment related to the sick leave and employee wellness for Ships' Officers members remain unchanged.</p>
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⁶ Bill C-5 repeals Division 20 of Part 3 (sections 253 to 273) of the *Economic Action Plan 2015 Act, No. 1*, which authorizes the Treasury Board to establish and modify terms and conditions of employment related to the sick leave and disability regime of employees of the core federal public administration, notwithstanding the provisions of the *Public Service Labour Relations Act (PSLRA)*. Division 20 of the *Economic Action Plan 2015 Act, No. 1* provided the Treasury Board with the power to impose changes to the public service's disability and sick leave management system. Prior to the legislation coming into force, any such changes normally would have been negotiated by the Treasury Board and bargaining agents in accordance with the PSLRA.

employees deployed in military operations;

- **Harassment;**
- **Domestic violence; and**
- **Other measures that would support an integrated approach to the management of health for federal public service employees.**

The technical committee shall review practices from other Canadian jurisdictions and employers that might be instructive for the Public Service, recognizing that not all workplaces are the same. Federal public service health and safety committees will be consulted as required by the steering committee, as well as leading Canadian experts in the health and disability management field.

The steering committee is to approve a work plan for the technical committee and timelines for interim reports within 4 months of signing. The technical committee work plan may be amended from time to time by mutual consent of the steering committee members.

Dates may be extended by mutual agreement of the steering committee members. The technical committee terms of reference may be amended from time to time by mutual consent of the steering committee members.

The parties agree if an agreement is not reached within 18 months from the establishment of the Technical Committee, or at any time before that time, to jointly appoint a mediator within 30 days.

Integration into collective agreements

1. **Once the parties reach agreement on tentative EWSP language and program design, that agreement will be provided to the membership for**

ratification and inclusion in the collective agreement.

2. Future amendments to the EWSP shall require the agreement of the Canadian Merchant Service Guild and the Employer and will be negotiated between the parties.

ANNEX A

The parties agree that the following subject areas shall be discussed by the Technical Committee, including but not limited to:

- a. Income support during appeal process
- b. Updates and Changes to the Long Term Disability Plan
- c. Medical appointments
- d. Treatment plans
- e. Enhanced treatment coverage
- f. Negative sick leave banks
- g. Utility for sick leave banks
- h. Disability management office
- i. Transitional provisions such as employees on sick leave at date of transition
- j. Additional sick leave days for health care professionals
- k. Allotment of sick leave days (earned vs annual advance)
- l. Services provided by the Centre of Workplace Well-being
- m. Privacy considerations
- n. Definition of chronic and episodic illnesses
- o. Shift workers

ANNEX B:

The parties recognize the creation of a working group between the Canadian Merchant Service Guild, DFO and DND to address special circumstances resulting from the various crewing systems in which the Ships' Officers work.

<p>The recommendations of this working group will be submitted to the technical committee for consideration in the Employee Wellness Support Program.</p>	
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Discussion

As this Board is no doubt well aware, Treasury Board's proposal regarding amending and changing the accumulated sick leave program across the federal public service is one that affects all bargaining agents.

In this round of bargaining, Treasury Board put forward its proposal as noted in the chart above.

As the Board will also see the Guild is not opposed to changes and a counter proposal was made on behalf of its members.

The Proposals

Treasury Board has tabled a proposal to introduce a new "Employee Support Wellness Program" ('ESWP'), aimed at creating a new short-term sick leave plan and other measures ostensibly aimed at improving employee wellness. The Employer proposes that a technical committee would be established in order to develop recommendations for a steering committee to review including the consequential amendments to the Collective Agreement, the Long Term Disability Plan, eligibility conditions for the ESWP, assessment and adjudication processes and internal case management.

Key features of the Employer's proposal include the following new features:

- replacing the current accumulated sick leave credits system with a short-term income support replacement system for up to 26 weeks (130 working days);
- 9 days of annual paid sick leave for illness or injury that falls outside the parameters of the ESWP;
- 100% income replacement during the 3 day (working) qualification period when the employee's claim is approved;
- Illnesses will be case managed;
- ceasing the accumulation of sick leave credits; and
- Carryover of a maximum of 3 days of unused sick leave credits remaining at the end of the fiscal year, for use in the following fiscal year.

The goal is to reach agreement on terms within eighteen (18) months of the establishment of the Technical Committee or to appoint a mediator to help the parties reach agreement on terms to be provided to the membership for ratification and inclusion in the Collective Agreement.

The Guild's Counter Proposal

As this Board is aware, many Guild members work on very unique scheduling systems and vessels which are geographically remote. Significant travel time and logistical coordination is regularly required to ensure a smooth "crew change" takes place. In this sense, their work and duties are unlike any others in the federal public service except for the Ships' Crew.

The Guild's counter proposal for a Memorandum dealing with employee wellness is more reflective of the PSAC Memorandum in that it proposes the establishment of a Committee explore employee wellness initiatives including income replacement parameters, the treatment of accumulated sick leave credits and consequential changes to the existing leave provisions.

In the Guild's view, the very unique nature of its bargaining unit and various work systems applicable to Ships' Officers who are routinely at sea mandates a more cautious approach to deleting the existing Sick Leave provisions and applying a "boiler plate" plan that is perhaps more appropriate for more traditional occupation groups.

Therefore, the Guild's proposal reflects a more tailored approach which it is respectfully submitted is more appropriate for the unique nature of its bargaining unit.

For these reasons, the Guild requests that the Board decline to award the Employer's proposed Memorandum.