Board Reference No.: 585-02-44668

IN THE MATTER OF AN
INTEREST ARBITRATION

BETWEEN:

Canadian Merchant Service Guild

Union

-and-

Treasury Board of Canada Ships' Officers (SO) Group

Employer

UNION'S SUBMISSIONS

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WAGES

Introduction

1. The Board's Award of December 23, 2023 resolved the issue of Wages for April 1, 2018 through until March 31, 2025 but remitted the issue of Wages for the final year of the Ships' Officer ('SO') Collective Agreement effective April 1, 2025 to the parties with the Board remaining seized.

2. Since the issuance of the Board's Award, the parties exchanged proposals for the 2025-2026 year and engaged in collective bargaining on September 10 and 11, 2025 but were unable to reach agreement on Wages.

3. The parties have therefore jointly agreed to remit the issue of Wages for the final year of the Collective Agreement, April 1, 2025 until March 31, 2026, to the Board and what follows are the Union's submissions on the single issue of Wages.

The Proposals

Union	**Employer**
April 1, 2025 – 2% April 1, 2025 – 2% wage adjustment (non-compounded)	April 1, 2025 – 2%

Why should the Board Depart from the Pattern in 2025?

4. This Board is no doubt well aware that the general pattern for 2025 within the Federal Public Service is 2%. The Guild is asking the Board to depart from that general pattern on the basis that,

a. First and foremost, the shortage of Ships' Officers is ongoing such that the recruitment and retention issues facing the Canadian Coast Guard[1] and Department of National Defence remain critical; and

b. Secondly, a comparison with private sector settlements for Ship Officers, particularly collective agreements freely negotiated by the Guild, justifies a departure from the pattern.

Recruitment and Retention

5. The Board's Award of December 21, 2023 recognizes the ongoing recruitment and retention issues within the SO Group, noting the "[job] postings, the failure to grant leaves, the back-to-back shifts, the private sector initiatives, and other factors discussed above establishing that recruitment and retention is a serious matter requiring attention."

SEE TAB 1 CMSG v TBS Award dated December 21, 2023 at para 44, BoD p 18

6. In recognition of these recruitment and retention challenges and, in order to maintain appropriate compression between SO and Ships' Crew rates, the Board awarded a 4% market adjustment effective the date of the Award.

7. In its initial interest arbitration brief at pages 10-22, the Guild set out the various recruitment and retention issues that lead to the Board awarding wage and market adjustments for April 1, 2022, December 21, 2023 (the date of the award) and April 1, 2024. As the evidence in these submissions shows, those recruitment and retention challenges have continued and deepened in the nearly two years since the Board's award.

8. In the Guild's view, an additional adjustment is warranted. There are several reasons for the Guild's submission:

[1] Effective September 2, 2025, the Canadian Coast Guard was officially integrated into National Defence. However, it remains a civilian Special Operating Agency with no change to its status or mandate. The Guild's submissions will therefore continue to refer to the Employer generally as the Canadian Coast Guard while recognizing that around 6% of Ships' Officers have always been employed by the Department of National Defence in the Canadian Naval Auxiliary Fleet.

a. The Coast Guard has identified a lack of qualified personnel in key positions and the need to remain competitive in order to recruit and retain mariners;

b. The Canadian Seafarers Pathway Study confirms an ongoing shortage of mariners, including at the Coast Guard and identifies enhanced compensation to address these issues;

c. The Coast Guard College and other maritime colleges will not be able to meet the labour demands;

d. Real examples of (i) vessels being tied up and (ii) a lack of capacity to perform maintenance and vessel life extension work due to Officer shortages; and

e. Ongoing vacancies in SO positions.

<u>Coast Guard documents confirm that “lack of personnel is the greatest risk the CCG is facing”</u>

9. During the interest arbitration, the Employer took the position that there were no recruitment and retention issues and argued that its own documents were drafts that should be disregarded.

10. Notwithstanding the Employer’s previous denials, more recent internal documents make it clear that the Employer is aware not only that it does have a serious recruitment and retention crisis, but that its salaries are not competitive and this is a factor in the crisis.

11. The Coast Guard’s own documents confirm that the struggle to attract and retain qualified mariners is real and ongoing. The 2024 update to its Long-Term Strategy Discussion Paper states that a wave of retirements is coming that will create more staff shortages and impact the Coast Guard’s ability to deliver essential services. In order to address these challenges, the Coast Guard has identified that it must be “highly competitive to recruit and retain skilled employees”:

[i]t is clear the Canadian Coast Guard needs to renew its workforce. We will have a wave of retirements across the Canadian Coast Guard in the late 2020s. There is also a smaller employment market to pull from…

Impacts of staff shortage

The lack of qualified workers will impact our operations, the readiness of our assets, and our ability to deliver important essential services. Many Canadian Coast Guard employees also spend a lot of time at sea, sometimes in harsh conditions. This creates unique challenges for employees to balance work, learning and family. And this, in turn, affects our ability to recruit and retain skilled staff. Soon, the Canadian Coast Guard will likely experience staff shortages for many of its key positions.

In the face of these staffing challenges, we will need to regularly review our human resources tools and practices so we can be flexible and continue to meet our mandate. We will also have to be highly competitive to recruit and retain skilled employees to work on our ships and in our bases and regional offices.

SEE TAB 2 Canadian Coast Guard Long-Term Strategy Discussion Paper – People Pillar at BoD p 25

12. Also in 2024, the Coast Guard released its Integrated Business and Human Resource Plan ('the HR Plan') and the Commissioner's introductory message confirms that the "highest organizational risk" faced by the Coast Guard is the same shortage of mariners that exists worldwide, commenting that,

> [t]he **highest organizational risk we face** continues to be the trained personnel we need to crew our ships, work in operational centres, maintain our shore-based assets, and support the program management and the administration of the CCG in regional and national offices. **The global maritime sector is facing labour shortages, and we are also challenged by this**. In the coming years, we will need to renew our efforts to attract, train and retain a skilled and representative workforce." [emphasis added]

SEE TAB 3 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027 at BoD p32

13. The HR Plan is broken down into four (4) strategic Pillars, the first Pillar of which is its People. This section confirms that "people" are "the CCG's most important resource" but also reiterates the Commissioner's message that the "lack of personnel is the greatest risk the CCG is facing" which is why "significant efforts are being made to attract, train and retain the highly specialized personnel required to continue delivering services and programs":

> **The CCG continues to face challenges to attract, train, and retain a diverse and representative workforce with the wide range of skills needed to deliver its current and future mandate**. The marine industry is also faced with a labour shortage.
>
> Initiatives are in place to address the growing impacts of labour shortages, improve the skills of the workforce, develop future leaders, increase intercultural competency, and expand the CCG College's role as a learning hub and leading institution in maritime education. The CCG is also working with staff and bargaining agents, and collaborates with DFO People and Culture to update human resource practices to increase operational agility and foster inclusion, diversity, equity, and accessibility for all employees.
>
> The new ships and state-of-the-art equipment that are being delivered through Fleet Renewal are of little value without skilled personnel to operate and maintain them. Without qualified crews, the CCG is unable to fulfill its mandate. The **lack of personnel is the greatest risk the CCG is facing. This is the reason significant efforts are being made to attract, train, and retain the highly specialized personnel required to continue delivering services and programs**. [emphasis added]

SEE TAB 3 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027 at BoD p38

14. The HR Plan's risk management analysis prioritizes 10 risk areas. Out of the top 3 risk areas identified in the HR Plan, "Operational personnel" is listed first, namely "having

certified operational personnel, including seagoing and shore-based personnel, in order to maintain assets and deliver programs and services". Specifically, "if the CCG is not able to attract, train, and retain operational personnel, then there will be an impact on the CCG's ability to deliver programs, maintain assets, and meet levels of service."

SEE TAB 3 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027 at BoD p 83-84

15. Out of five identified "risk drivers", the first one is "competition with the private sector, specifically salaries". Others include "regional discrepancies in cost-of-living vs. set salaries by position" and the "global shortage of qualified seagoing personnel".

SEE TAB 3 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027 at BoD p84

16. A key component of the Coast Guard's commitments is to conduct a national advertising campaign targeting "at-risk" positions in both fleet and programs.

SEE TAB 3 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027 at BoD p72

17. The 2025-2026 Update to the Employer's HR Plan reiterates the same message about the "lack of personnel" being the greatest risk faced by the Coast Guard which is why efforts to recruit and retain specialized personnel is a critical priority:

> **The lack of personnel is the greatest risk the CCG is facing**. This is the reason significant efforts are being made to attract, train and retain the highly specialized personnel required to continue delivering services and programs. [emphasis added]
>
> …
>
> [e]stablishing a diverse workforce remains a critical priority for the CCG. In a context where worldwide labour shortages in the marine sector are causing increased competition and more stringent regulations, the CCG has reached a crucial juncture with regard to sustaining an increasingly larger and more complex fleet.

SEE TAB 4 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027: 2025-2026 Update at BoD pages 102 and 106

18. The HR Plan Update specifically notes one of the top three risk areas continues to be "operational personnel" and specifically notes difficulties attracting and retaining personnel in both the Western and Central regions, stating that,

> [sic] in the Western Region is putting in "[s]ignificant efforts are being put into attracting and retaining a diverse workforce in a very competitive environment with a high cost of living.
> …
> [f]inding candidates with the skills and qualifications required to work for the CCG is challenging in the Central Region, particularly in a context of labour shortage and high demand for qualified bilingual workers. To overcome this challenge, the region has implemented a plan to attract new talent, support knowledge transfer, and to develop and retain employees.

SEE TAB 4 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027: 2025-2026 Update at BoD pages 135, 136 and 148 (and original Plan at BoD p71)

19. In addition to difficulties with lack of personnel, the HR Plan Update affirms that the second of the top three risk areas continues to be the "Operationalization of Future Fleet", with the following consequence spelled out: "If the CCG does not properly plan and prepare for its future fleet, then there will be delays in program delivery, and a lack of crew to operate the new vessels." Two of the four "risk drivers" identified are:

    a. Ongoing marine labour shortages; and

    b. Insufficient capacity of the CCG College to accept, train, and graduate the required number of applicants to meet the future fleet's requirements.

SEE TAB 4 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027: 2025-2026 Update at BoD pages 148-150

20. In order to control the risk, the Plan identifies that the Coast Guard must engage in a number of initiatives including:

    a. Launch an outreach and engagement plan to attract the seagoing personnel needed to crew the future fleet; and

    b. Build capacity to train seagoing personnel for the larger and more complex future vessels.

    SEE TAB 4 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027: 2025-2026 Update at BoD p150

21. The Guild submits that the Coast Guard's own words cannot be understated.

22. The Coast Guard's national Levels of Service, updated in 2024, include responsibility under the *Oceans Act* for providing:

    a. marine aids to navigation systems and services;
    b. being the lead federal agency responsible for ensuring an appropriate response to all ship-source and mystery-source pollution incidents in Canadian waters and waters under international agreements including emergency towing;
    c. providing icebreaking and related services to facilitate safe and timely movement of maritime traffic for the benefit of industries and communities;
    d. operating the Marine Communications and Traffic Services program which provides safety radio communication services, vessel traffic services and an integrated marine information system;
    e. delivering maritime Search and Rescue response by providing aid to persons, ships or other craft in distress or imminent distress; and
    f. providing mariners with channel bottom conditions, water depth forecasts and maintenance dredging though the Waterways Management program.

    SEE TAB 5 CCG 2024 Levels of Service

23. Many of these services and programs operate 24/7, 365 days a year and are integral to protecting Canada's marine environment, supporting economic growth, ensuring public safety on the water and ensuring Canada's sovereignty and security by establishing a strong federal presence in our waters.

SEE TAB 6 CCG Our mandate

24. The Coast Guard applies the Minimum Safe Manning Documents issued by Transport Canada which specifies the minimum crew required to operate the vessel including the minimum certification for each crew member. When a vessel is short staffed due to lack of Officers, it jeopardizes the capacity of the Coast Guard to fulfill its mandate.

25. The Federal Government is not only acknowledging these concerns in its own internal documents, but also through its participation as a stakeholder in larger organizations.

Canadian Seafarers Pathway Study

26. In May 2025, the Canadian Marine Careers Foundation, a national non-profit organization working with over 50 industry, labour, education and government partners, issued a major report documenting the issues facing the marine industry entitled the "Canadian Seafarers Pathway Study".

SEE TAB 7 Canadian Marine Careers Foundation

27. The Study, Canadian Seafarers Pathway Study ('the Study'), was sponsored by a consortium of marine industry stakeholders including the CMCF, the Chamber of Marine Commerce, the Council of Marine Carriers, the Laurentian Pilotage Authority, the Master Mariners of Canada, British Columbia Coast Pilots, BC Ferries, Vancouver Fraser Port Authority and members of the Western Marine Community Coalition. A Study Advisory Group, including both the Guild and the Canadian Coast Guard, provided guidance on areas of research, data collection and validated findings.

SEE TAB 8 Canadian Seafarers Pathway Study at BoD page 195

28. The Study came about because "vessel operators from both the private and public sector have experienced high rates of retirement and struggled to hire and retain marine

talent domestically, with fierce competition for workers and cases of marine vessels being idled due to lack of crew." The purpose of the study was to analyze national and regional labour data and to recommend actions to close identified gaps.

SEE TAB 8 Canadian Seafarers Pathway Study at BoD page 198

29. The Study "identifies a pressing need to attract and train new talent, with domestic vessel operators needing to hire 8,300 new workers to meet industry demand and replace retirees by 2029 – the equivalent of more than 30% of its current workforce."

SEE TAB 9 Imagine Marine Press Release dated May 21, 2025

30. One of the recommendations to improve retention is to "enhance compensation". The Study noted that this conclusion "is particularly but not exclusively important for the Coast Guard".

SEE TAB 8 Canadian Seafarers Pathway Study at BoD page 204

31. Representatives from the Coast Guard specifically "indicated that they have a hard time attracting workers to those locations [where there is a high cost of living in places like British Columbia]". A government representative was also quoted as stating that, "A problem is the increasing costs of living. I think a perpetual problem out in our Western region is we lose individuals to industry. We also recognize the increased cost of living in the Arctic."

SEE TAB 8 Canadian Seafarers Pathway Study at BoD page 236

<u>Marine Colleges are not graduating enough Officers to meet demands</u>

32. The fact that recruitment and retention issues are ongoing should perhaps not be a surprise given that, in 2023, Transport Canada estimated that 43% of the marine workforce would retire over the next 10 years, including 52% of engineering officers and 47% of deck officers, including vacancy rates of 7% for deck officers and 6% for engineering officers.

SEE TAB 10 Let's talk: Labour shortages in Canada's marine transportation sector, Transport Canada
(Also Tab 10 of Guild Book of Documents 2023)

33. The ongoing shortage of mariners is the reason why the Coast Guard is placing an emphasis on building capacity to recruit and train new Officers.

34. However, while the Canadian Coast College's Officer Training program appears to have a relatively high enrollment rate of 95%, the Guild notes that there are only 80 spaces allotted to Engineering and Navigation Officers with an annual average enrollment of 76 per year. The Guild submits that even enrolling approximately 76 Officer Cadets per year, there is no way that the Coast Guard College will be able to supply sufficient personnel to fill the spaces left behind by retiring Officers.

    SEE TAB 8 Canadian Seafarers Pathway Study at page 59

35. From 2025 to 2029, the College estimates that it will graduate a total of approximately 225 Officers.

    SEE TAB 8 Canadian Seafarers Pathway Study at BoD page 250

36. Treasury Board's Brief dated November 8, 2023 indicates that total separations (both internal and external) over the 6 year period ending in 2021 were 608, or an average of 101.33 per year. If that trend continues going forward, there is no way that the Coast Guard College will be able to provide sufficient Officer Cadets to fill spaces left by departing Officers.

    SEE TAB 11 Treasury Board Brief dated November 8, 2023 at p31

37. The fact that the College will not be in a position to supply sufficient Officer Cadet graduates to meet expected vacancies is, in fact, explicitly acknowledged by the Coast Guard in its HR Plan Update: "Insufficient capacity of the CCG College to accept, train, and graduate the required number of applicants to meet the future fleet's requirements."

    SEE TAB 4 Canadian Coast Guard Integrated Business and Human Resource Plan 2024 to 2025 through 2026 to 2027: 2025-2026 Update at BoD p150

Coast Guard Vessels are tied up because of Officer shortage

38. The shortage of Officers is playing out in real time with real impacts on the Canadian Coast Guard's ability to fulfill its mandate.

39. For instance, in August 2025, two (2) vessels, CCGS Cap Rozier and CCGS Caporal Kaeble, were tied up and unavailable due to crewing issues:

CCGS Cap Rozier

a. The CCGS Cap Rozier is a Search and Rescue high speed Lifeboat which is the primary responding search and rescue vessel operating out of Quebec City. The main function of Cape class vessel is search and rescue and assisting disabled vessels. Their secondary function is marine security and environmental response. Cape class vessels are highly valued for their speed and ability to operate in shallow or confined areas where larger vessels cannot safely navigate. They can operate in rough waters, are ready to respond the moment an alert is received, are able to return to normal position after flipping over and are capable of search and rescue operations up to 200km from shore. The Cap Rozier requires 2 Officers and 2 Crew to be operational and typically responds to at least one distress call per day. While other vessels in Quebec may be called upon to provide supplementary aid, the Cap Rozier is the designated frontline SAR vessel. The nearest comparable search and rescue vessel operates out of Tadoussac, which is approximately six hours away if the vessel is operating at full speed.

b. From August 23 until August 28, 2025, the Cap Rozier was tied up due to lack of an Engineer and was replaced by a Zodiac. Zodiacs have a limited coverage range, require an increased reaction time in challenging conditions and have a restricted scope of response, ie. Zodiacs cannot effectively combat a vessel fire.

SEE TAB 12 CCGS Cap Rozier Vessel Details
SEE TAB 13 Cape class vessels
SEE TAB 14 Email from S. Racine enclosing email from Jean-Christophe Laroche dated August 26, 2025 and attachments:

TAB 14a. Martha L. Black – Liste changement d'équipage
TAB 14b. Martha L. Black – List changement d'équipage
TAB 14c. Absence du navire – Nicolas Bouchard
TAB 14d. Niveau d'effectif insuffisant pour assurer les fonctions d'officier en sécurité

CCGS Caporal Kaeble

a. The CCGS Caporal Kaeble is a mid-shore patrol vessel, also based out of Quebec City. It requires 5 Officers and 4 Crew to be operational. From August 16 until August 27, 2025, it lacked a Chief Engineer and so was replaced by a Zodiac.

SEE TAB 15 CCGS Caporal Kaeble

b. As with the Cap Rozier, replacing the Caporal Kaeble with a zodiac is a band-aid solution at best and, at worst, has the potential to impair search and rescue response times and capacity. While weather and sea conditions are always critical considerations for any SAR mission, these factors become greater constraints when using a smaller, less stable asset, making resource deployment and crew safety far more precarious.

SEE TAB 14 Email from S. Racine enclosing email from Jean-Christophe Laroche dated August 26, 2025

Officer shortage affects capacity to perform vessel maintenance and Vessel Life Extension

40. The Coast Guard has a fleet of approximately 126 vessels, including large and small vessels, motor lifeboats and air cushion vehicles. These vessels require ongoing maintenance work to ensure that they remain seaworthy. Canada's National Shipbuilding Strategy involves the investment of more than $5 billion over twenty years and a major component of this strategy includes "Vessel Life Extension" ('VLE') projects to extend the service life of its ships by rebuilding and improving significant portions of the exterior and interior of vessels. The return of the crew and vessel to full operational complement and status is phased in as the VLE project nears completion.

SEE TAB 16 Maintaining the Canadian Coast Guard Fleet

41. Most vessels already undergo planned maintenance on a yearly basis but due to the aging nature of Coast Guard's Fleet, ie. "30% of vessels have less than 5 years left until they reach their EOSL ('end of service life'), 27% have exceeded their EOSL by up to 14 years and 6% have exceeded it by 17 to 36 years", and due to the delays in delivery of planned vessel replacement (which has also been delayed due to rebuilding Canada's industry capacity), the need for vessel life extension has taken on renewed significance and has highlighted the need for dedicated internal expertise.

SEE TAB 17 Evaluation of fleet procurement and maintenance at BoD pages 316-318

42. While vessels are undergoing VLE, they are out of service for a period of up to two years as they must be in dry-dock at a Canadian shipyard. While they are in dry-dock, the Government also requires the expertise and knowledge of senior Officers who are familiar with the ship to work on the VLE project. During this critical dry-dock/maintenance phase, the process does not simply stop operational demands; rather, the focus shifts. The Government also requires the unique expertise and institutional knowledge of the vessel's own senior officers. These officers, who are intimately familiar with the ship's systems, historical issues, and long-term operational needs, are required to work full-time on the VLE project. Their roles are crucial: they provide oversight, consult on design changes, ensure the vessel remains fit for purpose, and troubleshoot issues discovered during the refit. This means that even when the ship is physically unavailable, these highly qualified personnel are still performing critical work to support the project, further straining the already limited pool of officers available for the rest of the operational fleet.

SEE TAB 16 Maintaining the Canadian Coast Guard Fleet

43. A July 2024 report by the Department of Fisheries and Oceans evaluating fleet procurement and maintenance identifies the top internal factor affecting Fleet maintenance is "the program's ability to recruit and retain qualified personnel". The report notes that,

> The CCG is facing challenges recruiting and retaining qualified personnel due to a lack of qualified candidates on the market with certifications in relevant

specialties. A high degree of competition between CCG, industry partners, as well as other government departments further complicates the CCG's ability to attract, recruit and retain staff, particularly where better conditions exist (e.g., indeterminate status, lighter workloads).

Interviewees indicated that the FM program's human resources are insufficient to the levels required for the program to fulfill its responsibilities. Furthermore, the evaluation found that while many respondents regarded the level of their team's expertise highly, they also generally disagreed that their teams had enough personnel to conduct fleet maintenance activities (Figure 6). Chief engineers, small craft maintenance staff, electronics engineering technologists, and support staff for asset management and safety management systems were among the positions noted to be experiencing key shortages.

SEE TAB 17 Evaluation of fleet procurement and maintenance at BoD page 319

44. The report further describes Vessel Modification Projects, a branch established in 2022 and which initially planned to staff 90 positions but only 40 were filled. The report highlighted that there was then a corresponding increase in contracted staffing from 2022-23 which was "necessary to mitigate the lack of internal resources with solid engineering expertise (both shore-based and seagoing)" but noted that "contracted services are estimated to cost three times more than internally delivered services." The cost of contracting out this work due to "a lack of internal resources" was documented as being $3.5 million in 2022-2023.

SEE TAB 17 Evaluation of fleet procurement and maintenance at BoD page 321

45. By refusing to agree to the market adjustments necessary to pay competitive salaries, the employer effectively ends up paying much more to private contractors. There can be no argument from the employer that it does not have the ability to pay higher wages, or that it is unaware of the real market rate for these positions, since it is effectively paying that rate to its contractors.

46. A lack of “engineering capacity” was further highlighted as a factor in delays in maintenance activities.

SEE TAB 17 Evaluation of fleet procurement and maintenance at BoD page 322

47. The report emphasizes a number of critical risks in the event that the Coast Guard’s programs are interrupted including:

    b. Gaps in the icebreaking services program which impacts navigation, access to ports and fishing harbours, Arctic patrols related to national security, Search and Rescue coverage as well as sea lift operations to Northern communities.

    c. Delays in placing and maintaining aids to navigation impact both Coast Guard and commercial vessels.

    d. Delays in Search and Rescue impact response times with potential lives lost and a failure to meet Canada’s legal and international obligations.

    e. Gaps in marine security.

    f. Lack of Conservation and Protection patrols leading to overfishing including of marine protected areas and endangered species.

    g. Reduced vessel time for DFO science programs.

SEE TAB 17 Evaluation of fleet procurement and maintenance at BoD pages 325-326

48. The Guild submits that the importance of a, d and e above cannot be overstated.

Impact of Officer Shortage on *CCGS Martha L. Black* and *CCGS Vincent Massey*

49. The CCGS Martha L. Black is a high endurance multi-tasked vessel that requires 10 Officers and 16 Crew. She is a light ice-breaker that operates primarily along the St. Lawrence River and St. Lawrence Seaway. She is equipped with a crane capable of lifting 20 long tons, carries two rigid-hulled inflatable boats and a self-propelled barge

and is also equipped with a flight deck for helicopters. Her primary duties are tending buoys and navigational aids but she also provides icebreaking services and has transported scientists on research missions and aided passenger ferries in need of icebreaking services.

SEE TAB 18 CCGS Martha L. Black Wikipedia
SEE TAB 19 CCGS Martha L. Black

50. Martha L. Black normally requires 2 Commanding Officers to remain continuously operational but, in August 2025, only had 1 Commanding Officer. Since the vessel was undergoing post-VLE dockside maintenance, the vessel was not prevented from leaving port but there were no Ships' Officers available to act as Commanding Officer and, even if they had been available, these type of acting situations have a negative cascading effect on the positions left vacant by Officers appointed to higher level acting assignments. When major refit projects, including VLE and post-VLE projects, experience short-staffing, the entire reintegration timeline can be delayed, directly impacting the vessel's transition to fully operational status.

51. During this same time period, the Second and Third Engineers were removed from the Martha L. Black and reassigned to 1200 (icebreaker) vessels which would have otherwise been unable to operate due to a lack of Engineers.

SEE TAB 14 Email from S. Racine enclosing email from Jean-Christophe Laroche dated August 26, 2025

52. Similarly, the CCGC Vincent Massey was short one Commanding Officer during this same time period when it was also undergoing post-VLE maintenance. CCGS Vincent Massey is a powerful medium Icebreaker with a complement of 9 Officers and 10 Crew. It provides icebreaking services in the St. Lawrence River and Gulf and Atlantic region. It is also equipped with a crane to assist with buoy tending and is also equipped to support environmental response and search and rescue operations when needed.

SEE TAB 20 The Canadian Coast Guard celebrates the dedication of the CCGS Vincent Massey
SEE TAB 21 CCGS Vincent Massey

53. In June 2025, the Chief Engineer aboard the CCGS *Vincent Massey* advised the Coast Guard that there was only one Engineer on board capable of performing security duties. For safety purposes, there is a minimum crew complement who are required to remain on board at all times to address any potential emergency issues that may arise. In addition, whenever machinery, such as generators or sewage treatment plants are operational, specific engineering personnel are required as they are required to perform regular safety rounds and monitoring of these spaces. As a result, the lone Engineer was required to remain on board the vessel at all times, 24 hours a day, 7 days a week, to assume responsibilities related to security coverage.

Ongoing Vacancies

54. The Employer continues to post a wide variety of vacancies externally hoping to attract fully trained and qualified officers outside the public service. Such vacancies include the following ongoing postings:

    b. Commanding Officer – Small Vessel Fleet – Marine at SO-MAO-04 and SO-MAO-06 at various locations in Atlantic Canada including Casual, Deployment, Secondment, Specified Period and Indeterminate.

    c. Navigation Officer etc at various levels: SO-MAO-03 to SO-MAO-08 for various Relief opportunities in Ontario and Quebec for the following positions: Navigation Officer, Commanding Officer, Chief Mate, Chief Officer, Second Officer, Third Officer.

    d. Chief Engineer – Marine at all levels from SO-MAO-07 to SO-MAO-12, including Casual, Deployment, Secondment, Specified Period and Indeterminate at Dartmouth and St. John's.

    e. Marine Senior Engineers & Chief Engineers in Victoria at various levels: SO-MAO-07, SO-MAO-08, SO-MAO-09 and SO-MAO-10 and including Acting, Assignment, Deployment, Indeterminate, Secondment, Term and Casual.

f. Electrical Officers in Sarnia, Burlington, Parry Sound, Prescott and Quebec City at SO-MAO-05 including Term, Acting, Deployment and Secondment.

g. Engineering Officers at various locations in Ontario and Quebec to work Term (Relief) opportunities at SO-MAO-03 to SO-MAO-05.

SEE TAB 22 Coast Guard Job Postings

55. The Guild submits that these postings are not a sign of a healthy labour force and, instead, are indicative of an ongoing recruitment and retention issue within the SO Group.

Comparison with Private Sector - private sector settlements are outpacing pattern in the Federal public sector

56. Section 148 of the *Federal Public Sector Labour Relations Act* requires consideration of comparable wages paid in similar occupations in the private sector:

> (b) the necessity of offering compensation and other terms and conditions of employment in the public service that are comparable to those of employees in similar occupations in the private and public sectors, including any geographic, industrial or other variations that the arbitration board considers relevant;

57. As the Guild previously submitted, private sector employers continue to offer more competitive wages than the Treasury Board is currently offering.

58. For instance, in 2025, the Guild has negotiated renewal collective agreements with multiple private sector and public sector employers (marked by a "*") that are higher than the 2% offered by the Employer:

Employer	**Term**	**Positions**	**2025**
Ocean Remorquage Cote Nord	2024 to 2026	Masters & Chiefs Tugs	15.80%
Service aux pilotes Océan Québec	January 1, 2024 to December 31, 2028	Masters	13.14%
Atlantic Pilotage Authority*	January 1, 2025 to December 31, 2028	Launchmasters	10%
Desgagnés Marine Petro	June 1, 2024 to May 31, 2030	Deck Officers & Engineers	7%
Atlantic Pilotage Authority*	January 1, 2025 to December 31, 2028	Pilots	6%

Iron Ore Company of Canada	September 1, 2024 to August 31, 2029	Pilots	5.50%
Northumberland Ferries	January 1, 2025 to December 31, 2026	Deck Officers	5%
Nova Algoma Cement Carriers	May 1, 2025 to April 30, 2029	Deck Officers & Engineers	4.50%
Harken Towing	Oct. 1, 2025 to Sept. 30, 2030	Masters & Mates	3.10%
Cancrew Enterprises	September 1, 2024 to August 31, 2029	Masters & Chiefs Tugs	3%
Horizon Maritime Northern Services	April 1, 2025 to December 31, 2026	Masters, Deck Officers & Engineers	3%
Marine Atlantic*	2023 to 2025	Chief Officer, 1st to 3rd Officer, Engineers	3%
Ocean Ontario Towing Inc	June 8, 2021 to June 7, 2026	Masters	3%
Pacific Pilotage Authority*	April 1, 2023 to March 31, 2028	Launchmasters & Engineers)	3%
Pacific Pilotage Authority*	February 1, 2023 to January 31, 2027	Fraser River Pilots	3% or Vancouver CPI for previous December
DH Timber Towing & Salvage LTD	Oct. 1, 2017 to Sept. 30, 2027	Masters & Mates	2.6%
Lafarge Marine Operations	Jan. 1, 2020 to Dec. 31, 2025	Masters, Mates & Engineers	2.6% (BC CPI)
Canadian Steamship Lines	June 1, 2025 to May 31, 2029	Deep Sea Engineers, Deep Sea Mates, Lake Bulker Engineers, Lake Bulker Mates, Self-Unloader Engineers and Self-Unloader Mates	2.5%
Algoma Great Lakes Shipping	June 1, 2023 to May 31, 2027	Engineering & Electrical Officers	2.4% (Stats Can CPI cap at 3.5%)
Algoma Great Lakes Shipping	June 1, 2023 to May 31, 2027	Navigation Officers	2.4% (Stats Can CPI cap at 3.5%)
Oceanex (Officers on Oceanix Sanderling)	January 1, 2022 to December 31, 2026	Mates, Engineers & Electricians	2.4% (COLA to max of 3%)
Algoma Central Corporation	June 1, 2023 to May 31, 2027	Engineering & Electrical Officers	2.4% (Stats Can CPI cap at 3.5%)
Algoma Central Corporation	June 1, 2023 to May 31, 2027	Navigation Officers	2.4% (Stats Can CPI cap at 3.5%)

Hodder Tugboat Co.	Oct. 1, 2018 to Sept. 30, 2026	Masters, Mates & Engineers	2% or COLA (Vancouver CPI)
Algoma Tankers	August 1, 2021 to July 31, 2028	Engineer Officers	1.50%
Algoma Tankers	August 1, 2021 to July 31, 2028	Navigation Officers	1.50%

59. Most recently, the Guild and Canada Steamship Lines engaged in collective bargaining to renew the collective agreement which expired on May 31, 2025. In the summer of 2025, the Guild's Negotiating Committee negotiated tentative agreements for various groups, ie. Deep Sea Engineers, Deep Sea Mates, Lake Bulker Engineers, Self-Unloader Engineers and Self-Unloader Mates, which were put to a vote of the membership. The proposed increase in the tentative agreement for 2025 was 2%. This increase was rejected by the membership and, on August 27, 2025, the membership voted in favor of a strike. Three explicit concerns were raised by members: (a) better wage increases with better COLA protection; (b) an earlier grow-in to increase Officer Allowances sooner; and (c) improved benefit coverage. The Guild returned to the bargaining table and, on September 5, 2025, announced to members that it had negotiated improvements to the tentative agreement which included a 2.5% increase for 2025, as well as other monetary improvements along with higher CPI caps going forward.

SEE TAB 23a **Canada Steamship Lines – Offers for 2025 vote #1**
SEE TAB 23b **Canada Steamship Lines – Offers for 2025 vote #2**

60. Marine Atlantic, a federal Crown Corporation, is also offering $5,000 Signing Incentives for the positions of Senior Engineer, Watchkeeping Engineer and Second Engineer with multiple permanent full-time spare and relief positions available in each classification. The postings specify that the applications will not close "until filled". The Guild submits that this incentive, coupled with the "open" and ongoing competition is a sign that, even with the incentive, they are struggling to fill these positions.

SEE TAB 24 **Marine Atlantic Job Postings with Signing Bonuses**

61. For all these reasons, the Guild submits that its Wage proposal is reasonable and requests that the Board award its proposal for a 2% economic increase plus 2% market adjustment effective April 1, 2025 (non-compounded).

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 24TH DAY OF OCTOBER, 2025

Samantha Lamb
Counsel for the Guild

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