



## HIGHLIGHTS UPDATE FOR GN EMPLOYEES

### Government of Nunavut Final Offer To The Nunavut Employees Union

At the mediation session which the mediator scheduled to begin, and which began on the afternoon of April 4, the GN negotiating committee arrived prepared to reach a collective agreement. The mediator advised the GN that he wished the two bargaining teams to remain in their separate rooms.

Throughout the mediation session, offers were exchanged. On Friday April 6, the NEU presented, through the mediator, a response to the GN offer. The GN prepared a response, and its chief negotiator was presenting it to the NEU's chief negotiator and the mediator. While the GN was in the middle of presenting its response to the NEU's proposal, their chief negotiator said, "There is no point in continuing. That's it, we're done! Good bye!" and with that, the NEU broke off the talks and later asked the mediator, Tom Hodges to write his report.

April 7, when the GN spoke to the mediator on Saturday, he told us he had been talking to the NEU bargaining committee, and that there was no point in meeting again.

The evening of April 15, NEU served the GN with a 48-hour strike notice.

#### **GN's OFFER**

The GN offer is fair and responsible. Fair because it exceeds many recently signed collective agreement in other Canadian jurisdictions. Responsible because it is affordable and ensures that existing programs provided to the citizens of Nunavut can be maintained.

#### **MONETARY PROPOSAL**

- Salary increases during 36-month collective agreement from April 1, 2000 to March 31, 2003.
  - 3.50 % wage increase retroactive to April 1, 2000
  - 2.75 % wage increase retroactive to April 1, 2001
  - 2.75% wage increase effective April 1, 2002

(Note: on an accumulated basis the increase is 9.27% over 36 months)

- Bilingual Bonus increase from \$1,200 to \$1,500 effective from date of signing.
- Mentorship Allowance \$120 per month (or portion thereof) effective from date of signing.

- Standby Pay increased from \$12.00 to \$13.50 (12.5%) per shift during the week and from \$16.00 to \$18.00 (12.5%) per shift on weekends and holidays effective from date of signing.
- Shift Premium increased from \$1.10 to \$1.20 (9%) per hour for all hours from 4:00 pm to midnight and from \$1.25 to \$1.35 (8%) between midnight and 8:00 am effective from date of signing.
- Weekend Shift Premium of \$.80 per hour in respect of all regularly scheduled straight time hours worked on Saturdays and Sundays effective from date of signing.
- Annual Special Allowance increases for Nursing Stations effective from date of signing.
  - One nurse station - increase from \$9,000 to \$10,000 (11%)
  - Two nurse station – increase from \$6,000 to \$7,000 (16.6%)
  - Three nurse station – increase from \$4,500 to \$5,000 (11%)
  - Four nurse station - \$2,500 (new)
- University Preparation Allowance increases effective from date of signing.
  - One-year university or midwife courses increases from \$50 to \$75 per month (50%)
  - Baccalaureate or higher degree increases from \$100 to \$125 per month (25%)
- Enhanced Dental Care Program effective from date of signing.
- Optional Leave replaces the 5-day mandatory leave. Employees who do not elect the 5-day Optional Leave will not have the 1.92% salary deduction. The new leave program is effective at date of signing.
- Discretionary Leave (new)-one day paid leave per annum effective from date of signing.

## **NUNAVUT NORTHERN ALLOWANCE (NNA)**

The NNA is made in Nunavut and reflects actual community conditions and costs. It provides for increases. The NNA is paid on a bi-weekly **or lump sum basis at the discretion of the employee** on a pro-rated basis.

### Purpose of the NNA

To design a fair, easy to understand, made in Nunavut formula for the Nunavut Northern Allowance.

### Goals of the NNA

The three primary goals of the Nunavut Northern Allowance are:

- To compensate all employees for the differences in the costs of living between Nunavut communities and the “designated” (larger) southern centres;
- To equalize the compensation of all GN employees across Nunavut who may face different economic conditions in the different communities;
- To develop a model using a Nunavut-based approach.

### Summary of Proposed Increases

The proposed increases range from 15% to 59%, depending on community, over the 36-month contract (see Table 2 below):

- 15% increase retroactive to April 1, 2000
- second increase (where applicable) effective from September 30, 2001
- third increase (where applicable) effective from April 1, 2002

### NNA Components

The Nunavut Northern Allowance includes three main components:

- Transportation - Air Travel
- Cost of Living - Food, Freight, Electricity and Gasoline
- Access to Services - Government, Municipal and Private Sector

### Transportation Component

The Transportation (air travel) component includes four excursion trips (per employee) from the employee’s community to a designated southern centre - Edmonton for the Kitikmeot Region, Winnipeg for the Kivalliq or Montreal/Ottawa for the Baffin communities.

The air travel costs are calculated as the cost of:

- a) the regularly available (2-week advance) excursion rate (H-class) airfare,
- or
- b) 60% of the full fare economy rate (Y-class) airfare, to a designated city\*, whichever is greater

\*Edmonton, Winnipeg, Ottawa or Montreal, whichever is more economical.

Note: Where two airlines service the same route, the average of the H-class fares and the average of the Y-class fare for the two airlines will be used in the above calculation.

## Cost of Living Component

The Cost of Living component takes into account the costs of food and other goods, plus electricity and gasoline, for each Nunavut community.

### Food

The Food Costs are based on the cost of a Northern Food Basket (NFB) in each community.

The Northern Food Basket (NFB) is designed to reflect the cost of a nutritious diet for a family of four for one week. The Northern Food Basket is similar to the food baskets used to monitor costs in southern centres, but has been modified to reflect actual food consumption patterns in the North such as increased consumption of meat. The NFB cost includes the purchase of fresh (flown-in) foods as well as other dry and canned goods that would be needed to provide a well-balanced, nutritious diet.

The allowance is equal to 100% of the difference between the cost of the Northern Food Basket (each week) in each community and its cost in a designated city, i.e. Winnipeg.

### Cost of Goods (Freight)

The cost of goods (freight) component offsets cost differentials for shipping of (non-food) goods from a designated centre\* in the south. Freight costs take into account the fact that goods can be shipped by land/sea\*\*, as well as by air. Each community is considered individually.

For goods bought in Nunavut, the difference between southern costs and Nunavut costs is determined by two factors – shipping costs and storage costs. Since it is possible for GN employees to have any goods they require shipped directly to them, additional storage costs can be avoided. So, only shipping costs remain as the primary incremental cost factor for consumer goods in Nunavut.

Allowances for 100kg of air freighted goods and 1500kg of land/sea-freighted goods are included in the NNA. The land/sea-freighted costs include packing/crating fees.

\*Edmonton, Winnipeg, Ottawa or Montreal, whichever is more economical.

\*\* goods shipped to the Kitikmeot are often shipped by land (from Edmonton) to Hay River - and to the Kivalliq by land (from Winnipeg) to Churchill - then by barge, from there to their destination.

Note: Where two or more carriers service the same route, the average of the freight rates were used in the calculation.

### Cost of Goods - Electricity & Gasoline

Virtually all GN employees pay electricity costs for their accommodations. So, of all the utilities – heating oil, electricity, water/sewer and garbage – electricity is the most appropriate utility to subsidize. The quantity of 8400 kWh (per year) is based on the household consumption figure of 700 kWh (per

month) used by Nunavut Power Corporation's power subsidy program. The allowance will be equal to 50% of the difference between the cost in the community and the cost in a designated city\*.

\* Based on the average (residential) cost of electricity in Edmonton, Winnipeg, Ottawa and Montreal.

Almost everyone uses gasoline, too – whether in a snowmobile, four-wheeler or car. The quantity of 1200 litres (per year) equates to roughly one 5-gallon jerry can per week of gasoline. The allowance is equal to 50% of the difference between the cost in the community and the cost in a designated city\*.

\* Based on the average cost of full-service, regular unleaded gasoline in Edmonton, Winnipeg, Ottawa and Montreal.

### Access to Services Component

The Access to Government Services and Municipal & Private Amenities component is based on community population - the smaller the community, the greater the allowance.

Often the actual size of the community determines the range of Government services already available to its residents. By 'government services' it refers to federal and territorial programs and services. Although important services are provided in all communities, this component offsets the differences in the ease of accessing various specialized services provided by government agencies.

Municipal services refer to amenities and services provided by the local municipality. Examples include community halls, arenas (artificial ice), curling rinks, swimming pools and libraries as well as the sports and recreation programs associated with these facilities and other community events.

As well, generally, the larger the population of the community, the wider the variety of private services available. The NNA model addresses such differences between communities, as well as provides a mechanism to offset them. Specifically, the proposed amounts for this component attempt to reflect the lost 'value' and additional costs involved in overcoming the inconvenience of the reduced services in smaller communities.

Population is used to determine the amount of the allowance for Access to Government Services and Municipal and Private Amenities. For example, the value of this component is \$2000 for the smallest communities and it reduces to \$500 (or less) for communities with a population of 5000 (or more).

### **PARENTAL LEAVE**

Unpaid Leave for a maximum of 26 weeks available to eligible GN employees that may be taken in conjunction with Maternity Leave. Either parent may take parental leave.

Eligible indeterminate GN employees may have paid leave for 12 of those weeks up to 93% of regular wages.

## RELOCATION ASSISTANCE

The GN has proposed a new relocation assistance program that, upon relocation out, the employee is entitled to 100% of eligible benefits after 6 years instead of 8. Also, they can obtain a lump sum payment in many cases before they actually move, without having to submit receipts. Finally, employees on strength, at date of signing, have the option of choosing between the existing and the new Relocation assistance provisions.

## CONTINUOUS SERVICE

Continuous Service-All NEU employee continuous service with the GNWT is recognized for entitlement for benefits where applicable.

**Table 1                      GN OFFER AND NEU DEMANDS**

COMPARISON OF GOVERNMENT OF NUNAVUT OFFER AND  
NUNAVUT EMPLOYEES UNION DEMANDS

<b>over 36 months</b>						
	<b>GN</b>	<b>Base</b>	<b>NEU</b>	<b>Base</b>	<b>Difference</b>	<b>Difference</b>
	<b>\$M</b>	<b>%</b>	<b>\$M</b>	<b>%</b>	<b>\$M</b>	<b>%</b>
<b>Salaries and Allowances</b>	\$9.3	9.3%	\$14.7	14.7%	\$5.4	5.4%
<b>Operational Improvements, Language and Training</b>	\$2.7	2.7%	\$6.2	6.2%	\$3.5	3.5%
<b>Nunavut Northern Allowance</b>	\$4.2	4.2%	\$10.8	10.8%	\$6.6	6.6%
<b>Severance Liability</b>	\$0.0	0.0%	\$22.8	22.8%	\$22.8	22.8%
<b>Parental Leave</b>	\$3.2	3.2%	\$12.0	12.0%	\$8.8	8.8%
<b>Totals</b>	<b>\$19.4</b>	<b>19.4%</b>	<b>\$66.5</b>	<b>66.5%</b>	<b>\$47.1</b>	<b>47.1%</b>

**Table 2 SALARY INCREASES**

Effective Dates	% Increase	Sample Salary Ranges Adjusted for Salary Increases Offered (over 36 months)								
		\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000	\$60,000	\$65,000	\$70,000
		31-Mar-00								
1-Apr-00	3.50%	\$31,050	\$36,225	\$41,400	\$46,575	\$51,750	\$56,925	\$62,100	\$67,275	\$72,450
1-Apr-01	2.75%	\$31,904	\$37,221	\$42,539	\$47,856	\$53,173	\$58,490	\$63,808	\$69,125	\$74,442
1-Apr-02	2.75%	\$32,781	\$38,245	\$43,708	\$49,172	\$54,635	\$60,099	\$65,562	\$71,026	\$76,490
simple increase	9.00%									
compound increase	9.27%	\$2,781	\$3,245	\$3,708	\$4,172	\$4,635	\$5,099	\$5,562	\$6,026	\$6,490

**Table 3 NUNAVUT NORTHERN ALLOWANCE**

	Changes to the Northern Allowance (over 36 months)			
	Mar 31/00	New NNA	\$ Increase	% Increase
Arctic Bay	\$12,554	\$17,239	\$4,685	37%
Arviat	\$8,340	\$11,792	\$3,452	41%
Baker Lake	\$11,250	\$14,686	\$3,436	31%
Cambridge Bay	\$11,211	\$13,158	\$1,947	17%
Cape Dorset	\$10,549	\$15,015	\$4,466	42%
Chesterfield Inlet	\$11,236	\$14,686	\$3,450	31%
Clyde River	\$11,239	\$16,688	\$5,449	48%
Coral Harbour	\$13,339	\$15,340	\$2,001	15%
Gjoa Haven	\$12,933	\$16,034	\$3,101	24%
Grise Fiord	\$13,965	\$22,251	\$8,286	59%
Hall Beach	\$11,877	\$17,213	\$5,336	45%
Igloolik	\$11,727	\$16,274	\$4,547	39%
Iqaluit	\$8,872	\$11,303	\$2,431	27%
Kimmirut	\$10,271	\$14,984	\$4,713	46%
Kugaaruk	\$12,636	\$18,775	\$6,139	49%
Kugluktuk	\$10,521	\$14,886	\$4,365	41%
Nanisivik	\$11,586	\$17,239	\$5,653	49%
Pangnirtung	\$10,231	\$13,223	\$2,992	29%
Pond Inlet	\$11,601	\$18,416	\$6,815	59%
Qikiqtarjuaq	\$10,908	\$16,573	\$5,665	52%
Rankin Inlet	\$9,741	\$11,942	\$2,201	23%
Repulse Bay	\$13,340	\$15,341	\$2,001	15%
Resolute Bay	\$12,413	\$18,353	\$5,940	48%
Sanikiluaq	\$8,849	\$13,152	\$4,303	49%
Taloyoak	\$13,067	\$16,019	\$2,952	23%
Whale Cove	\$11,982	\$13,779	\$1,797	15%

Table 4

## COMBINED INCREASES SHOWN IN DOLLARS

	Sample Salary Ranges – Illustration Purposes Only									
	Increases in the Nunavut Northern Allowance and Salaries									
	(over 36 months)									
	\$30,000	%	\$35,000	%	\$40,000	%	\$45,000	%	\$50,000	%
Arctic Bay	\$7,466	25%	\$7,930	23%	\$8,393	21%	\$8,857	20%	\$9,320	19%
Arviat	\$6,233	21%	\$6,697	19%	\$7,160	18%	\$7,624	17%	\$8,087	16%
Baker Lake	\$6,217	21%	\$6,681	19%	\$7,144	18%	\$7,608	17%	\$8,071	16%
Cambridge Bay	\$4,728	16%	\$5,192	15%	\$5,655	14%	\$6,119	14%	\$6,582	13%
Cape Dorset	\$7,247	24%	\$7,711	22%	\$8,174	20%	\$8,638	19%	\$9,101	18%
Chesterfield Inlet	\$6,231	21%	\$6,695	19%	\$7,158	18%	\$7,622	17%	\$8,085	16%
Clyde River	\$8,230	27%	\$8,694	25%	\$9,157	23%	\$9,621	21%	\$10,084	20%
Coral Harbour	\$4,782	16%	\$5,246	15%	\$5,709	14%	\$6,173	14%	\$6,636	13%
Gjoa Haven	\$5,882	20%	\$6,346	18%	\$6,809	17%	\$7,273	16%	\$7,736	15%
Grise Fiord	\$11,067	37%	\$11,531	33%	\$11,994	30%	\$12,458	28%	\$12,921	26%
Hall Beach	\$8,117	27%	\$8,581	25%	\$9,044	23%	\$9,508	21%	\$9,971	20%
Igloolik	\$7,328	24%	\$7,792	22%	\$8,255	21%	\$8,719	19%	\$9,182	18%
Iqaluit	\$5,212	17%	\$5,676	16%	\$6,139	15%	\$6,603	15%	\$7,066	14%
Kimmirut	\$7,494	25%	\$7,958	23%	\$8,421	21%	\$8,885	20%	\$9,348	19%
Kugaaruk	\$8,920	30%	\$9,384	27%	\$9,847	25%	\$10,311	23%	\$10,774	22%
Kugluktuk	\$7,146	24%	\$7,610	22%	\$8,073	20%	\$8,537	19%	\$9,000	18%
Nanisivik	\$8,434	28%	\$8,898	25%	\$9,361	23%	\$9,825	22%	\$10,288	21%
Pangnirtung	\$5,773	19%	\$6,237	18%	\$6,700	17%	\$7,164	16%	\$7,627	15%
Pond Inlet	\$9,596	32%	\$10,060	29%	\$10,523	26%	\$10,987	24%	\$11,450	23%
Qikiqtarjuaq	\$8,446	28%	\$8,910	25%	\$9,373	23%	\$9,837	22%	\$10,300	21%
Rankin Inlet	\$4,982	17%	\$5,446	16%	\$5,909	15%	\$6,373	14%	\$6,836	14%
Repulse Bay	\$4,782	16%	\$5,246	15%	\$5,709	14%	\$6,173	14%	\$6,636	13%
Resolute Bay	\$8,721	29%	\$9,185	26%	\$9,648	24%	\$10,112	22%	\$10,575	21%
Sanikiluaq	\$7,084	24%	\$7,548	22%	\$8,011	20%	\$8,475	19%	\$8,938	18%
Taloyoak	\$5,733	19%	\$6,197	18%	\$6,660	17%	\$7,124	16%	\$7,587	15%
Whale Cove	\$4,578	15%	\$5,042	14%	\$5,505	14%	\$5,969	13%	\$6,432	13%



Table 4

## COMBINED INCREASES SHOWN IN DOLLARS continued

	Sample Salary Ranges – Illustration Purposes Only Increases in the Nunavut Northern Allowance and Salaries (over 36 months)							
	\$55,000	%	\$60,000	%	\$65,000	%	\$70,000	%
	Arctic Bay	\$9,784	18%	\$10,247	17%	\$10,711	16%	\$11,175
Arviat	\$8,551	16%	\$9,014	15%	\$9,478	15%	\$9,942	14%
Baker Lake	\$8,535	16%	\$8,998	15%	\$9,462	15%	\$9,926	14%
Cambridge Bay	\$7,046	13%	\$7,509	13%	\$7,973	12%	\$8,437	12%
Cape Dorset	\$9,565	17%	\$10,028	17%	\$10,492	16%	\$10,956	16%
Chesterfield Inlet	\$8,549	16%	\$9,012	15%	\$9,476	15%	\$9,940	14%
Clyde River	\$10,548	19%	\$11,011	18%	\$11,475	18%	\$11,939	17%
Coral Harbour	\$7,100	13%	\$7,563	13%	\$8,027	12%	\$8,491	12%
Gjoa Haven	\$8,200	15%	\$8,663	14%	\$9,127	14%	\$9,591	14%
Grise Fiord	\$13,385	24%	\$13,848	23%	\$14,312	22%	\$14,776	21%
Hall Beach	\$10,435	19%	\$10,898	18%	\$11,362	17%	\$11,826	17%
Igloolik	\$9,646	18%	\$10,109	17%	\$10,573	16%	\$11,037	16%
Iqaluit	\$7,530	14%	\$7,993	13%	\$8,457	13%	\$8,921	13%
Kimmitut	\$9,812	18%	\$10,275	17%	\$10,739	17%	\$11,203	16%
Kugaaruk	\$11,238	20%	\$11,701	20%	\$12,165	19%	\$12,629	18%
Kugluktuk	\$9,464	17%	\$9,927	17%	\$10,391	16%	\$10,855	16%
Nanisivik	\$10,752	20%	\$11,215	19%	\$11,679	18%	\$12,143	17%
Pangnirtung	\$8,091	15%	\$8,554	14%	\$9,018	14%	\$9,482	14%
Pond Inlet	\$11,914	22%	\$12,377	21%	\$12,841	20%	\$13,305	19%
Qikiqtarjuaq	\$10,764	20%	\$11,227	19%	\$11,691	18%	\$12,155	17%
Rankin Inlet	\$7,300	13%	\$7,763	13%	\$8,227	13%	\$8,691	12%
Repulse Bay	\$7,100	13%	\$7,563	13%	\$8,027	12%	\$8,491	12%
Resolute Bay	\$11,039	20%	\$11,502	19%	\$11,966	18%	\$12,430	18%
Sanikiluaq	\$9,402	17%	\$9,865	16%	\$10,329	16%	\$10,793	15%
Taloyoak	\$8,051	15%	\$8,514	14%	\$8,978	14%	\$9,442	13%
Whale Cove	\$6,896	13%	\$7,359	12%	\$7,823	12%	\$8,287	12%

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