

INNOVATIVE WORKPLACE PRACTICES

Bruce Aldridge

Workplace Information Directorate

Labour Program, Human Resources and Social Development Canada

This overview of workplace innovations is based on a review of 128 collective agreement settlements reviewed during the second quarter of 2006. Of these, 52 settlements contained provisions considered to be innovative or of particular interest.

Duration

During this quarter, 61 settlements with a 36-month duration represented close to one-half (48% of all agreements) of the total 128 settlements reviewed. Forty agreements had a duration of 48 months while 8 settlements had durations of 24 months. There were 6 settlements with a 12-month duration. During this period, there were 13 settlements with a duration of between 52 and 72 months: 3 settlements had a duration of 52 months, 8 settlements with a 60-month duration, and 1 settlement each with a 62-month and 72-month duration. The longest duration of 72 months was between Waterville TG Inc., Waterville, Quebec and United Steelworkers of America.

Compensation

Two settlements with British Columbia Hydro and Power Authority, province-wide and International Brotherhood of Electrical Workers and the Canadian Office and Professional Employees' Union have **gain sharing** provisions. The plan is calculated on measures and targets established by B.C. Hydro and could provide a potential payment of up to 5.0% of annual salary. The measures used are a combination of

Corporate, Lines of Business, Key Business Unit, Department, Headquarters and Team levels. Payment, if any, will be paid out in a lump sum following the year-end tabulation results. The Insurance Corporation of British Columbia, province-wide and Canadian Office and Professional Employees' Union also have a plan which could pay out a maximum of 4.0% of annual salary if three quantitative corporate goals are met and exceeded in any year. Payments will be made April 30 of each year beginning in 2006 based on corporate performance for the previous calendar year. Employees who retire during a gain sharing year are eligible for a pro-rated payment for the period they worked during that year.

Workers' Compensation Board of British Columbia, province-wide and Compensation Employees' Union have a similar provision called a **goal sharing plan**. Employees receive annual lump-sum payments equal to 2.0% of annual salary if plan targets of measured improvements to operational efficiencies and service quality are attained. Part-time and casual employees receive pro-rated amounts.

Waterville TG inc., Waterville, Quebec and United Steelworkers of America have negotiated a **profit-sharing** plan. The employer will share a part of the surplus of the annual profit with all active employees with 6 months or more seniority and inactive employees who are on accident, maternity or parental leave for less than 1 year. The amount to be shared will be determined at the discretion of the employer and distributed in

equal amounts among employees who were working on December 15 of the previous year.

British Columbia Hydro and Power Authority, province-wide and International Brotherhood of Electrical Workers will conduct a **wage comparison survey**. The employer will survey relevant comparators before January 31, 2008, to determine whether further market adjustments are warranted. Should that be the case, the parties will forward the recommended adjustments to the Public Service Employers' Council for approval.

An **income sharing** plan has been negotiated between Lake Erie Steel Company Ltd., division of Stelco Inc., Nanticoke, Ontario and United Steelworkers of America. The plan will have payouts of 42¢ per hour for each full percentage point by which the Adjusted Gross Margin per quarter exceeds 17.5%. There will be a maximum of \$4.00 payment per hour and the total capped at \$2,500 per quarter, per employee.

Canada Post Corporation, Canada-wide and Association of Postal Officials of Canada have established two types of incentive plans. The **team incentive** plan offers employees, whose performance contributes to attaining targets beneficial to the long-term goals of the employer, an annual maximum amount of 4.0% of salary. Part-time employees will receive pro-rated amounts and the sales employees are excluded from the plan. The sales employees and postal supervisors are covered in an **individual incentive** plan. Sales employees will receive an annual one-time payment ranging from 0.0% to 6.0% of salary for Classification SL1, 3 and 5; from 3.75% to 5.0% for SL2 and from 6.75% to 12% for SL4. Postal Supervisors will receive an annual one-time payment ranging from 0.0% to 4.0% of salary. The criterion for the

level of payment is based on a comparison of the employee's actual performance and the corporate key indicator goals that the employer has set for that year.

A **recruitment and retention adjustments** provision has been introduced between the Government of British Columbia, province-wide and Professional Employees Association. The following classifications will receive these adjustments: Veterinarian 2, 3 and 4, 4.35% of salary; Designated Professional Employees, 4.4%; Petroleum Engineers, up to 40% to be applied consistently; Petroleum Geologists, 7.0%; and Pharmacist 2, 3 and 4, to be discussed.

Consideration of the adjustments will be given to a comparison to the health care sector paramedical professional collective agreement. An eligible employee in receipt of the adjustment will continue to receive it should it be discontinued, as long as they remain in the position and that principal duties remain unchanged.

Also obtained during these negotiations and **covering the entire public sector is a fiscal dividend bonus**. The bonus will be payable if the province's audited financial statements for fiscal year 2009-2010 show a surplus in excess of \$150 million. Only final surplus monies in excess of \$150 million will be part of the dividend and the total amount paid will not exceed \$300 million. The bonus will be paid in equal amounts to all employees, including those on approved leaves.

To address **market adjustment issues** as determined by the Job Evaluation Plan, several settlements with Community Social Services Employer's Association, province-wide, British Columbia and Community Social Services Bargaining Association of Unions have established amounts of approximately \$500,000 per contract year. The first-year adjustments to selected

classifications will take place within 30 days following the date of ratification and in case of any disagreements either party may refer the matter for mediation/arbitration.

The City of Thunder Bay – TBayTel, Thunder Bay, Ontario and International Brotherhood of Electrical Workers have introduced **job evaluation and pay equity plans**. The parties, with the assistance of a consultant, will agree on the type of job evaluation plan to be used. An evaluation committee will be established to administer the plan, while training and time for all meetings will be paid by the employer. Once the evaluation plan has been chosen, the results will be binding on all employees. Also, the parties will implement an internal pay equity plan which will be designed to evaluate all positions. Employees in positions which are at a higher level than the job evaluation plan rating will receive one half of the negotiated wage adjustments until the desired wage rate is reached. Positions undervalued will receive the full wage adjustments.

Freshwater Fish Marketing Corporation, Winnipeg, Manitoba and CAW-CANADA have a **wage banking** plan. Employer will allow the employee to bank \$50 per week for 10 consecutive weeks or a minimum of \$100 per week up to a maximum of \$1,500. The monies can be withdrawn between November 1 and December 15 or at a time of layoff or recall or if employee is granted an unpaid leave of absence.

Health and Welfare

A **health care spending account** has been established with the University of Toronto, Toronto, Ontario and Canadian Union of Public Employees. Effective May 1, 2006, an individual account in the amount of \$150 will be set up on behalf of each employee, spouse

and child; on May 1, 2007, \$300 per year. The account may be used for health costs that are eligible medical expenses with the *Income Tax Act* such as additional dental work, co-pay on prescription drugs, chiropractic care, etc.

Capital Care Group, Edmonton, Alberta and Alberta Union of Provincial Employees have negotiated a new **flexible health benefit spending account**. Effective July 1, 2007, \$200 per year for each full-time employee, and pro-rated for part-time employees, may be used for the reimbursement of health and dental expenses that are eligible medical expenses in accordance with the *Income Tax Act* but not covered by the collective agreement benefits plan. Any unused amount as of June 30 of any year may be carried forward for a maximum of 1 year.

Working Conditions

Canadian Pacific Railway, system-wide and Rail Canada Traffic Controllers have introduced a **job sharing provision**. Job sharing will be offered to an employee who needs assistance in striking a balance between work and personal life for a period of time when it would be difficult for the employee to work 5 days a week. The number of participants will not exceed 10% of permanent positions. The employee must have a minimum of 4 years of service and may job share for a period no less than 3 months and no greater than 12 months.

A **flexible workforce program** has been in established between the City of Thunder Bay– TBayTel, Thunder Bay, Ontario and International Brotherhood of Electrical Workers. The employer will try to cross-train employees wherever possible to create a flexible workforce. All full time employees will be used equally and those moving outside of their group will be given at least

1 day's notice and adequate time to prepare for relocation to the assigned section.

Two settlements with Ontario Power Generation Inc., Nuclear and Non-nuclear Generating Stations, province-wide, Ontario and Canadian Union of Public Employees have negotiated a **skills broadening program**. A voluntary program will enable employees to perform work outside of their traditional roles. Employees will be provided with extensive training and opportunities to perform additional work safely.

Bombardier Aéronautique, Canadair Division, Dorval, Mirabel and St-Laurent, Quebec have introduced a **flexible work plan**. Effective August 7, 2006, a pilot project, to reduce short-term absenteeism and improve productivity, will allow an employee to accumulate a minimum of 1 hour to a maximum of 3 hours per day with a total accumulation of 5 hours at the regular rate of pay. The employee may use this bank in blocks of 1 hour to a maximum of 5 hours and these hours may not be used for days prior to the summer shut-down or holidays.

Several settlements between Saskatchewan Association of Health Organizations, province-wide and Saskatchewan Government and General Employees' Union; Service Employees International Union and Canadian Union of Public Employees have introduced a provision for the **return to work and the duty to accommodate** an employee away from work due to illness or injury. The employer will make every reasonable effort, short of undue hardship, to provide suitable modified or alternate employment to employees who are temporarily or permanently unable to return to their regular duties as a consequence of an occupational or non-occupational disability or as a result of illness or injury.

Falconbridge Limited, Brunswick Mine, Gloucester County, New Brunswick and United Steelworkers have introduced specifications for **mine closure**. The employer has established closure provisions for an orderly cessation of the mining operation around 2010. The union will be notified in writing 12 months prior to the date of closure and the parties agree to hold discussions concerning the closure procedures and the impact on the affected employees.

Labour-Management Committees

During the second quarter of 2006, 39 of the full complement of 128 agreements contained provisions for establishing committees dealing with a wide variety of issues.

Canada Post Corporation, Canada-wide and Association of Postal Officials of Canada have established a **participation/consultation** committee. The parties have identified a greater need for the sharing of information regarding the Customer Relationship Management group. Quarterly meeting will be held to review such topics of mutual interest as sales coverage and business plans within the area. The parties have also initiated a **front-line organization** committee to address workload issues with an independent third party to give recommendations on an organization model and provide a copy to the union. All employees who may be impacted by any organizational changes due to the implementation of the new structure will have salary protection.

Freshwater Fish Marketing Corporation, Winnipeg, Manitoba and CAW-CANADA have created a committee to deal with **changes in the industry that impact on the workplace**. The committee will review efficiencies and eliminate waste in processing

to ensure that as much product as possible is processed in the Winnipeg plant; increase returns to fishermen in order to maintain and increase deliveries which will result in economic benefit to employees; facilitate improved communication and provide input from affected employees prior to recommendations being made in the plant; increase the size of the workforce while retaining experienced employees; and retain current work and add new processes as viable alternative to outsourcing.

British Columbia Hydro and Power Authority, province-wide and International Brotherhood of Electrical Workers have established a committee to discuss working conditions and issues related to the **2010 Olympic Winter Games.**

Other committees included in collective agreements deal with such items as common interest forum, work reorganization, voluntary departures, violence protection, classification review, pension plan, and rehabilitation.

Source: Workplace Information Directorate, HRSDC—Labour Program.

Enquiries: http://www.hrsdc.gc.ca/en/lp/wid/contact/contact_us.shtml

August 15, 2006