

Collective Bargaining Highlights

December 2006

Data for the months of March, June, September and December include quarterly information

AGREEMENTS SETTLED IN DECEMBER

- In December, 13 collective agreements were ratified, each covering 200 or more employees. These agreements covered a total of 15,021 employees, 81% of whom were in the private sector (12,161) with the majority in trade and finance (10,663).
- The overall average annual increase in base wage rates in December was 1.8%, down from 2.5% reported in the previous month. In the public sector, seven agreements were settled for an average annual increase of 2.9%, compared to 3.5% in November. In the private sector, six agreements were settled for an average annual wage increase of 1.5%, a slight increase from 1% in the previous month.
- Major settlements in December included a three-year agreement between A & P Canada and United Food and Commercial Workers, providing 10,663 employees in Ontario with an average annual wage increase of 1.4%. Atomic Energy of Canada and the Professional Institute of the Public Service of Canada reached a five-year agreement, covering 525 employees, for an average wage increase of 3.1%. Niagara Parks Commission and the Ontario Public Service Employees Union, representing 575 employees, settled a three-year agreement, for an average annual wage increase of 3%.

ALSO SETTLED IN THE PREVIOUS MONTH

- City of Mississauga (Mississauga Fire and Emergency Services) and City of Mississauga Professional Firefighters' Association, Local 1212 (670 employees)

Average Annual Wage Increases: 3% over three years

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WAGE SETTLEMENTS — BY INDUSTRY

	DECEMBER			ANNUAL		
	<u>Agreements</u>	<u>Employees</u>	<u>Average Annual Increase</u> %	<u>2006</u> %	<u>2005</u> %	<u>2004</u> %
All Settlements	13	15,021	1.8	2.5	2.7	2.8
Public Sector	7	2,860	2.9	3.0	2.7	3.1
Private Sector	6	12,161	1.5	1.7	2.4	2.7
Industries						
Primary	-	-	-	3.1	2.5	2.1
Manufacturing	1	262	2.8	2.3	2.4	2.6
Construction	-	-	-	3.9	3.5	3.1
Trade and Finance	1	10,663	1.4	1.1	2.3	1.9
Transportation, Communications & Utilities	2	602	1.4	2.8	2.9	1.8
Public Administration	1	575	3.0	3.0	2.6	2.8
Education & Related Services	2	935	3.4	3.1	2.7	3.6
Health & Social Services	3	825	2.2	2.7	2.9	2.8
Other Services	3	1,159	3.0	2.3	2.1	2.8

DECEMBER SETTLEMENTS

Employer	Union	Average Annual Wage Incr. %	1st 12 months %	Approx. Number of Empls. (Ontario)	Duration of Wage Schedule (months)	Agmt. Expiry Date
Manufacturing						
Autoliv Electronics Canada	Machinists	2.8	2.7	262	36	2010-01-12
Trade and Finance						
A & P Canada (Group I & II Stores)	Food & Commercial Workers	1.4	1.5	10,663	36	2009-09-26
Transportation, Communications & Utilities						
Bell Canada (communications,sales)	Cdn Telecommunications Empls	0.0 ¹	0.0	322	24	2008-12-31
Independent Electricity System Operator	Energy Prof Society	3.0	3.0	280	36	2009-12-31
Public Administration						
Niagara Parks Commission (park employees)	Ont Public Service Empls	3.0	3.0	575	36	2009-10-31
Education & Related Services						
Brock University (faculty)	Brock University Faculty Assn	4.0	4.0	535	24	2008-06-30
Ontario College of Art & Design (unit 2/models, class assts)	Ont Public Service Empls	2.6	3.0	400	48	2008-05-31
Health & Social Services						
Niagara Family and Children's Services	Cdn Public Empls	3.0 ²	3.0	250	36	2009-03-31
Pathways to Independence	Ont Public Service Empls	1.7 ³	2.0	250	36	2009-03-31
Windsor Regional Hospital (office)	Electrical Workers (IBEW)	2.0	2.0	325	24	2008-03-31
Other Services						
Atomic Energy of Canada Ltd (prof empls group)	Professional Institute	3.1	3.0	525	60	2011-06-30
Canadian Standards Assn	Cdn Public Empls	3.0	6.1	334	24	2008-06-18
Nordia Ontario Inc (call centre)	United Steelworkers (USW)	3.0	3.0	300	36	2009-11-30

¹ Excluding Bonus Plan compensation

² Wage restructuring

³ Conditional wage adjustments

Atomic Energy of Canada Ltd. (AECL) and Professional Institute of the Public Service of Canada (525 professional employees)

a five-year renewal agreement effective July 1, 2006, expiring June 30, 2011

- wage increases include 3% in each of the first, second and third years, and 3.25% in both the fourth and fifth years
- improved Performance Pay Grid
- increases to overtime compensation, acting pay, and shift, weekend, and NRU/MAPLE Reactors' operation premiums
- improved health care and insurance benefits

A & P Canada Co. and United Food and Commercial Workers, Local 175 and 633 (10,663 full and part-time employees)

a three-year renewal agreement effective September 24, 2006, expiring September 26, 2009

- wage increases of \$0.25 per hour in each year for eligible employees
- contribution of \$13.3 million to CCWIP Pension Stabilization Fund
- contribution of \$600,000 to the Health and Welfare Fund to maintain benefits level except for the annual dental ODA scheduled fees adjustments
- increased vision care and stores transfer travel expense allowance

Niagara Parks Commission and Ontario Public Service Employees Union (575 employees)

a three-year renewal agreement effective November 1, 2006, expiring October 31, 2009

- wage increases include 3% in each of the first, second and third years
- health benefits, with the exception of Life Insurances and LTIP, will continue for employees working beyond age 65

Bell Canada and Canadian Telecommunications Employees' Association (322 Ontario communications sales employees)

a 24-month renewal agreement effective January 1, 2007, expiring December 31, 2008

- lump sum payment of \$250 for eligible employees
- increased Bonus Plan percentage pay if target objectives are achieved
- improved workforce adjustments language in memorandum of understanding
- two paid training days for eligible employees

* Based on available information

FOURTH QUARTER 2006 SUMMARY

During the fourth quarter of 2006, 55 agreements were ratified, each covering 200 or more employees. These agreements covered 69,578 employees, 77% of whom were in the private sector (Table 1). By industry, the majority of employees affected were in retail trade (45,641), followed by education, related services (8,358), health, welfare services (2,902), and federal government (2,285) (Table 3).

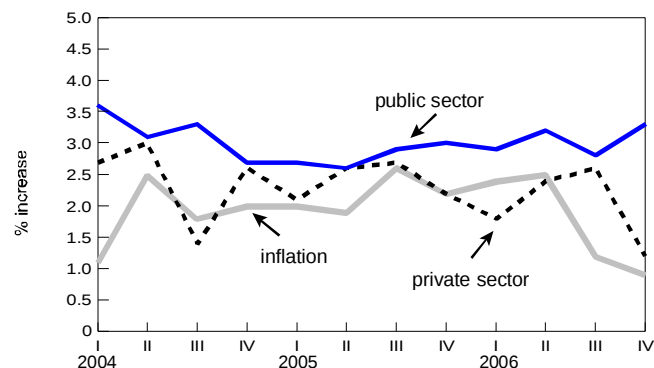
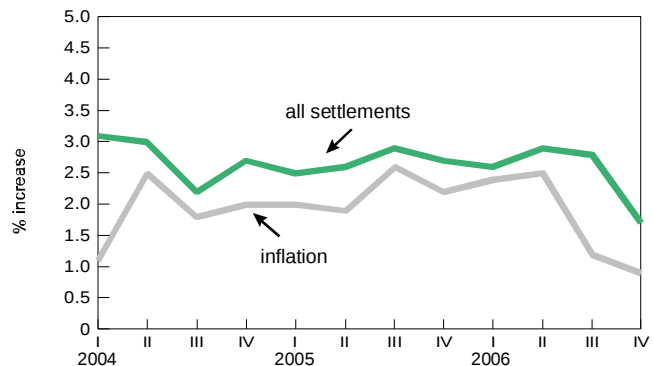
Wage Adjustments

Fourth quarter settlements provided an overall average annual wage increase of 1.7%, down from 2.8% in the previous quarter. In the private sector, the average annual wage increase was 1.2% compared to 2.6% in the last quarter. Public sector wage increases were reported at 3.3% compared to 2.8% in the previous quarter. During the fourth quarter of 2006, average annual wage increases were mainly affected by settlements in retail trade (1%), followed by education, related services (3.8%), health, welfare services (2.8%), and federal government (2.4%) (Tables 1-3).

In the fourth quarter of 2006, approximately 46% of all employees received wage increases between 0.1 and 0.9% and 22% received wage increases ranging from 1% to 1.9%. In the public sector, half the employees received average annual wage increases ranging from 3% to 3.9%, compared to 5% of employees in the private sector. In the private sector, 60% of the employees received wage increases between 0.1% and 0.9%, compared to none in the public sector.

Of all employees, 83% were covered by either a four-year agreement (43%) or a three-year agreement (40%). Approximately 62% of public sector employees and 34% of private sector employees were covered by three-year agreements, while 55% of private sector employees and 2.4% of public sector employees were covered by four-year agreements. In the non-manufacturing sector, 46% of employees were covered by four-year agreements. In the manufacturing sector, 93% of employees were covered by three-year agreements (Table 4).

Wage Trends - Last Three Years
Average Annual Increase in Base Wage Rates



CONSUMER PRICE INDEX (1992 = 100)

(Percentage change from year earlier)

	2003	2004	2005	2006	OCT 2006	NOV 2006	DEC 2006
Canada	2.8	1.9	2.2	2.0	0.9	1.4	1.6
Ontario	2.7	1.9	2.2	1.8	0.6	1.1	1.1
Toronto	3.0	1.7	1.8	1.6	0.7	1.0	1.0
Ottawa-Gatineau (Ont. part)	2.5	1.9	2.3	1.7	0.5	0.9	1.1
Thunder Bay	2.3	1.3	1.7	1.5	0.2	0.6	0.6

Source: Statistics Canada

Table 1: Average Annual Increases in Base Wage Rates by Sector (public and private), Fourth Quarter 2005 to Fourth Quarter 2006

	All Agreements			Agreements with COLA			Agreements without COLA		
	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>
Fourth Quarter 2005									
All agreements	111	90,712	2.7	37	40,269	2.7	74	50,443	2.6
Public sector	67	53,010	3.0	19	16,825	3.0	48	36,185	3.0
Private sector	44	37,702	2.2	18	23,444	2.5	26	14,258	1.6
First Quarter 2006									
All agreements	81	63,521	2.6	25	22,906	2.7	56	40,615	2.6
Public sector	54	47,381	2.9	18	20,247	2.8	36	27,134	3.0
Private sector	27	16,140	1.8	7	2,659	1.7	20	13,481	1.8
Second Quarter 2006									
All agreements	123	79,017	2.9	14	16,601	2.5	109	62,416	3.0
Public sector	75	51,305	3.2	3	3,058	3.0	72	48,247	3.2
Private sector	48	27,712	2.4	11	13,543	2.4	37	14,169	2.4
Third Quarter 2006									
All agreements	92	64,879	2.8	2	2,786	2.5	90	62,093	2.8
Public sector	71	56,231	2.8	2	2,786	2.5	69	53,445	2.8
Private sector	21	8,648	2.6	-	-	-	21	8,648	2.6
Fourth Quarter 2006									
All agreements	55	69,578	1.7	6	12,715	1.1	49	56,863	1.8
Public sector	29	16,349	3.3	2	722	3.1	27	15,627	3.3
Private sector	26	53,229	1.2	4	11,993	1.0	22	41,236	1.3

Table 2: Average Annual Increases in Base Wage Rates by Sector (manufacturing and non-manufacturing), Fourth Quarter 2005 to Fourth Quarter 2006

	All Agreements			Agreements with COLA			Agreements without COLA		
	Agmts	Empls	%	Agmts	Empls	%	Agmts	Empls	%
Fourth Quarter 2005									
All agreements	111	90,712	2.7	37	40,269	2.7	74	50,443	2.6
Manufacturing	28	26,714	2.5	12	21,530	2.6	16	5,184	1.9
Non-manufacturing	83	63,998	2.8	25	18,739	2.9	58	45,259	2.7
Construction	-	-	-	-	-	-	-	-	-
First Quarter 2006									
All agreements	81	63,521	2.6	25	22,906	2.7	56	40,615	2.6
Manufacturing	18	8,498	2.2	7	2,659	1.7	11	5,839	2.5
Non-manufacturing	63	55,023	2.7	18	20,247	2.8	45	34,776	2.6
Construction	-	-	-	-	-	-	-	-	-
Second Quarter 2006									
All agreements	123	79,017	2.9	14	16,601	2.5	109	62,416	3.0
Manufacturing	30	16,511	2.3	9	9,311	2.3	21	7,200	2.3
Non-manufacturing	92	62,006	3.0	5	7,290	2.7	87	54,716	3.1
Construction	1	500	3.9	-	-	-	1	500	3.9
Third Quarter 2006									
All agreements	92	64,879	2.8	2	2,786	2.5	90	62,093	2.8
Manufacturing	8	3,180	2.4	-	-	-	8	3,180	2.4
Non-manufacturing	84	61,699	2.8	2	2,786	2.5	82	58,913	2.8
Construction	-	-	-	-	-	-	-	-	-
Fourth Quarter 2006									
All agreements	55	69,578	1.7	6	12,715	1.1	49	56,863	1.8
Manufacturing	9	4,422	2.4	2	592	3.8	7	3,830	2.2
Non-manufacturing	46	65,156	1.7	4	12,123	1.0	42	53,033	1.8
Construction	-	-	-	-	-	-	-	-	-

Table 3: Average Annual Increases in Base Wage Rates by Industry, Fourth Quarter 2006

	All Agreements			Agreements with COLA			Agreements without COLA		
	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>
ALL INDUSTRIES TOTAL	55	69,578	1.7	6	12,715	1.1	49	56,863	1.8
Manufacturing	9	4,422	2.4	2	592	3.8	7	3,830	2.2
Food, Beverage	2	1,380	2.7	-	-	-	2	1,380	2.7
Rubber, Plastics	1	280	3.0	-	-	-	1	280	3.0
Wood	1	962	2.4	-	-	-	1	962	2.4
Transportation Equipment	2	1,009	0.5	1	265	1.9	1	744	0.0
Electrical Products	3	791	4.1	1	327	5.4	2	464	3.2
Non-manufacturing	46	65,156	1.7	4	12,123	1.0	42	53,033	1.8
Transportation	1	287	3.0	1	287	3.0	-	-	-
Communications	1	322	0.0	-	-	-	1	322	0.0
Electric, Gas, Water	1	280	3.0	-	-	-	1	280	3.0
Retail Trade	9	45,641	1.0	2	11,401	0.9	7	34,240	1.1
Real Estate, Insurance Agencies	1	468	3.1	-	-	-	1	468	3.1
Education, Related Services	13	8,358	3.8	1	435	3.1	12	7,923	3.8
Health, Welfare Services	8	2,902	2.8	-	-	-	8	2,902	2.8
Recreational Services	1	800	1.3	-	-	-	1	800	1.3
Management Services	3	1,159	3.0	-	-	-	3	1,159	3.0
Accommodation, Food Services	3	1,130	3.2	-	-	-	3	1,130	3.2
Federal Government	2	2,285	2.4	-	-	-	2	2,285	2.4
Provincial Government	1	575	3.0	-	-	-	1	575	3.0
Local Government	2	949	3.1	-	-	-	2	949	3.1
Construction	-	-	-	-	-	-	-	-	-

Table 4: Average Annual Increases in Base Wage Rates by Duration and Sector, Fourth Quarter 2006

	All Agreements			Public Sector			Private Sector		
	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>
ALL AGREEMENTS	55	69,578	1.7	29	16,349	3.3	26	53,229	1.2
One-year agreements	-	-	-	-	-	-	-	-	-
Two-year agreements	12	5,810	3.5	9	4,827	3.6	3	983	2.8
Three-year agreements	32	28,062	2.2	17	10,129	3.2	15	17,933	1.7
Four-year agreements	8	29,717	1.0	1	400	2.6	7	29,317	1.0
Five-year agreements	2	5,521	1.0	1	525	3.1	1	4,996	0.8
Six-year agreements	-	-	-	-	-	-	-	-	-
Seven-year agreements	1	468	3.1	1	468	3.1	-	-	-
	Manufacturing			Non-manufacturing			Construction		
	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>	<i>Agmts</i>	<i>Empls</i>	<i>%</i>
ALL AGREEMENTS	9	4,422	2.4	46	65,156	1.7	-	-	-
One-year agreements	-	-	-	-	-	-	-	-	-
Two-year agreements	1	327	5.4	11	5,483	3.4	-	-	-
Three-year agreements	8	4,095	2.2	24	23,967	2.3	-	-	-
Four-year agreements	-	-	-	8	29,717	1.0	-	-	-
Five-year agreements	-	-	-	2	5,521	1.0	-	-	-
Six-year agreements	-	-	-	-	-	-	-	-	-
Seven-year agreements	-	-	-	1	468	3.1	-	-	-

Negotiations

On average, public sector agreements were settled within 5.7 months from the start of negotiations, compared to 3.7 months in the private sector (Table 5).

Of all settlements reached during the fourth quarter, 15 agreements involving 74% of employees were settled during mediation, compared to 21 agreements involving 14% of employees that were reached through direct bargaining. Three agreements covering 2.2% of employees were reached following work stoppages.

In the public sector, 41% of employees reached settlements through direct bargaining, compared to 57% of employees who reached settlements through conciliation or mediation. In the private sector, 6% of employees reached settlements through direct bargaining, compared to 84% of employees who reached settlements through mediation (Table 6).

Upcoming Bargaining

Major negotiations continuing into the first quarter of 2007 involve municipalities, nursing homes and homes for the aged, hospitals, school boards, Ontario Government (AMAPCEO), and the Canadian Film and TV Production Association.

Major agreements scheduled to expire in the first quarter 2007 include Canada Post, No Frills franchise stores, Ottawa Hospital, York Regional Municipality, and Maple Leaf Foods.

MAJOR NEGOTIATIONS UNDERWAY

Employer	Union	Location	Approx. Number Empls. (Ontario)	Expiry Date
Federal Government	Various unions	Canada-wide	3,800	Various dates
Various School Boards	Various unions	Various locations	12,300	Various dates
Various Municipalities	Various unions	Various locations	44,800	Various dates
Hospitals	Various unions	Various locations	79,000	Various dates
Nursing Homes/Homes for the Aged	Various unions	Various locations	50,000	Various dates
Ontario Government	AMAPCEO	Province-wide	7,000	2006-03-31
York University	University Professors	Toronto	1,200	2006-04-30
Eastern Canada Car Carriers	Teamsters	Province-wide	1,190	2006-10-31
Bruce Power LP	CUPE	Bruce County	2,500	2006-12-31
Canadian Film and TV Production Assn (performers)	Cdn TV & Radio Artists	Province-wide	4,733	2006-12-31
Canadian Pacific Railway Co.	Teamsters	Province-wide	1,300	2006-12-31
No Frills Franchise Stores	UFCW	Province-wide	6,200	2007-01-09
Invista-Canada (formerly Du Pont Canada)	Kingston Nylon Wkrs	Kingston	1,100	2007-01-27
Canada Post	Postal Workers	Canada-wide	20,900	2007-01-31
Xstrata Nickel (formerly Falconbridge)	CAW	Sudbury	1,100	2007-01-31

As of December 31, 2006, there were 243 agreements, each covering 200 or more employees, that have expired and not been renewed.

Table 5: Duration of Negotiations by Sector, Fourth Quarter 2006

	Total		Public Sector		Private Sector	
	<i>Agmts</i>	<i>Empls</i>	<i>Agmts</i>	<i>Empls</i>	<i>Agmts</i>	<i>Empls</i>
TOTAL	55	69,578	29	16,349	26	53,229
1 – 3 months	30	25,190	14	8,406	16	16,784
4 – 6 months	11	36,012	6	2,829	5	33,183
7 – 9 months	9	5,685	4	2,423	5	3,262
10 – 12 months	2	575	2	575	-	-
13 months and over	3	2,116	3	2,116	-	-
Average Duration of Negotiations						
	<i>months</i>					
TOTAL	4.7					
Public sector	5.7					
Private sector	3.7					

Table 6: Stage of Settlement by Sector, Fourth Quarter 2006

	Total		Public Sector		Private Sector	
	<i>Agmts</i>	<i>Empls</i>	<i>Agmts</i>	<i>Empls</i>	<i>Agmts</i>	<i>Empls</i>
TOTAL	55	69,578	29	16,349	26	53,229
Direct bargaining	21	9,774	14	6,721	7	3,053
Conciliation	11	5,766	5	2,275	6	3,491
Post-conciliation bargaining	4	1,047	2	532	2	515
Mediation	15	51,227	7	6,534	8	44,693
Post-mediation bargaining	1	250	-	-	1	250
Work stoppage	3	1,514	1	287	2	1,227

Work Stoppages

In 2006, 70 work stoppages under Ontario jurisdiction were reported, down from 76 in 2005. Work stoppages in 2006 involved 30,240 employees and resulted in 394,600 persons-day lost, compared to 12,239 employees and 403,210 persons-day lost reported last year. From January to December 2006, 38 work stoppages were reported in the manufacturing sector, a slight

increase from 35 during the same period in 2005. The non-manufacturing sector reported 32 work stoppages in 2006, down from 40 for the same period last year (Table 7). During 2006, 0.03% of the estimated working time in Ontario was lost due to work stoppages (Table 8).

Table 7: Work Stoppages and Person-days Lost, 2005 and 2006

	Work Stoppages		Person-Days Lost	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
ALL INDUSTRIES	70	76	394,600	403,210
Manufacturing	38	35	139,130	146,490
Non-manufacturing	32	40	255,470	256,700
Construction	-	1	-	20
Various industries	-	-	-	-

As of December 31, 2006, 15 work stoppages, covering a total of 1,052 employees, were carried over to January 2007.
(Data are collected for all work stoppages involving two or more employees under Ontario jurisdiction.)

Table 8: Work Stoppages under Ontario Jurisdiction, 1985 to 2006

Year	Number of Work Stoppages	Number of Employees Involved	Number of Employees Per Work Stoppage	Number of Person-Days Lost	Number of Person-Days Lost Per Employee Involved	Average Duration of Work Stoppages (Days Out)	Person-Days Lost as % of Estimated Working Time
1985	302	72,723	241	1,232,170	16.9	31	0.12
1986	232	62,751	270	940,620	15.0	30	0.09
1987	246	64,339	262	1,108,870	17.2	27	0.10
1988	180	62,082	345	1,362,150	21.9	35	0.12
1989	190	45,679	240	868,630	19.0	35	0.08
1990	218	81,022	372	2,957,640	36.5	43	0.26
1991	153	25,448	166	453,520	17.8	43	0.04
1992	121	38,160	315	577,710	15.1	39	0.05
1993	81	15,620	193	371,150	23.8	42	0.03
1994	130	25,456	196	488,320	19.2	34	0.05
1995	136	57,318	421	476,960	8.3	39	0.04
1996	135	216,917	1,607	1,914,900	8.8	39	0.16
1997	113	176,029	1,558	1,904,210	10.8	50	0.16
1998	156	69,411	445	1,060,990	15.3	38	0.09
1999	143	44,980	315	651,100	14.5	39	0.05
2000	146	55,267	379	649,730	11.8	39	0.05
2001	144	34,652	241	671,990	19.4	35	0.05
2002	117	66,572	569	1,510,580	22.7	40	0.11
2003	94	23,807	253	494,880	20.8	38	0.04
2004	99	20,952	212	486,840	23.2	37	0.03
2005	76	12,239	161	403,210	32.9	45	0.03
2006*	70	30,240	432	394,600	13.0	48	0.03

* preliminary

Information in this report is based on collective agreements covering 200 or more employees, a sample that represents 76% of unionized employees in Ontario. Wage data in this report are derived exclusively from information reported to Collective Bargaining Information Services. Data for the current month are preliminary. All percentage wage data are calculated on the base rate, weighted by the number of employees, and include cost-of-living adjustments (COLA) where applicable, calculated at projected rates of inflation. The increases do not necessarily reflect the average increase for each member of the bargaining unit.

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