



## Update on Recent Mediation on GNWT-UNW Collective Agreement

Two days of mediation were held on October 25 and 26, 2018 with Mr. Vince Ready, the mediator agreed to by Government of the Northwest Territories (GNWT) and the Union of Northern Workers (UNW). In the early evening on October 26, 2018, Mr. Ready informed the GNWT he would be adjourning the mediation.

The GNWT entered mediation on October 25, 2018 seeking to finalize a collective agreement. During the course of the mediation, the GNWT met several times with the mediator and the union and heard the unions concerns. On the morning of October 26, 2018 the GNWT provided the union and the mediator with a comprehensive outline in response to those concerns, setting out what the GNWT was prepared to do to reach a collective agreement.

Some of the major components the GNWT offered in order to reach a collective agreement included:

- A 5 year collective agreement that provided no salary change in the first two years of the agreement followed by substantial salary increases for the next three years that would provide UNW employees approximately \$36 million in additional compensation and benefits.
- An increase in the Northern Allowance is proposed that would provide UNW employees approximately \$4 million in additional benefits over the final three years of the agreement.
- Proposals to address UNW concerns over relief employees and term employees and a commitment to a joint study on the approach to casual, relief and term employment.
- Improvements to layoff provisions including allowing employees contemplated for lay-off to request voluntary separation and providing eligible employees with a bridge to an unreduced pension.
- A series of proposals to improve the administration of medical travel, provide additional leave to support survivors of domestic violence, a commitment to implement the national standard related to mental health in the workplace, and adding extended parental leave and access to the Parental Sharing Benefit when implemented by EI.

The GNWT believed progress was made during mediation and believed both sides were committed to offering solutions to try to complete a collective agreement.

The GNWT was, however, disappointed with the UNW communique released on Saturday October 27, 2018 that misrepresented the GNWT financial situation, suggested that the government does not provide a living wage to its employees, and suggests that employees are being asked to subsidize infrastructure investments.

Our employees are our most valuable resource as a government. However, we are in challenging fiscal times with revenues declining by \$84 million over the past three years (a 4.6% decline). We are hopeful to see this trend change over the next few years, but there is limited evidence that there will be significant, sustained increases in revenue. We believe that our employees are prepared to do their part to manage our way through this difficult financial period.

The government recognizes that there needs to be a balance in the approach to investment given our fiscal environment. We are proud of the agreements we have reached with the UNW in the past that have led, in part, to the compensation, benefits and supports provided to our employees. The average UNW member earns more than \$96,000 annually (including Northern Allowance) and receives 41 days of paid leave each year (excluding any sick or special leave).

The GNWT also recognizes the importance of investments in programs, including infrastructure to support program delivery and to provide strategic infrastructure that helps support economic growth. The current capital estimates includes road investments (with significant federal support) and investments in schools, long-term care facilities, health centers and a range of energy initiatives. These investments advance the mandate of the 18<sup>th</sup> Legislative Assembly, but also create important economic activity and jobs in communities throughout the NWT.

The government will keep its employees informed as we work towards completing a collective agreement with the UNW, however we will respect the current mediation process by not outlining all of the detail of the various proposals that are discussed. The GNWT continues to be prepared to meet with the union at any time, with or without the mediator, to reach a collective agreement.