



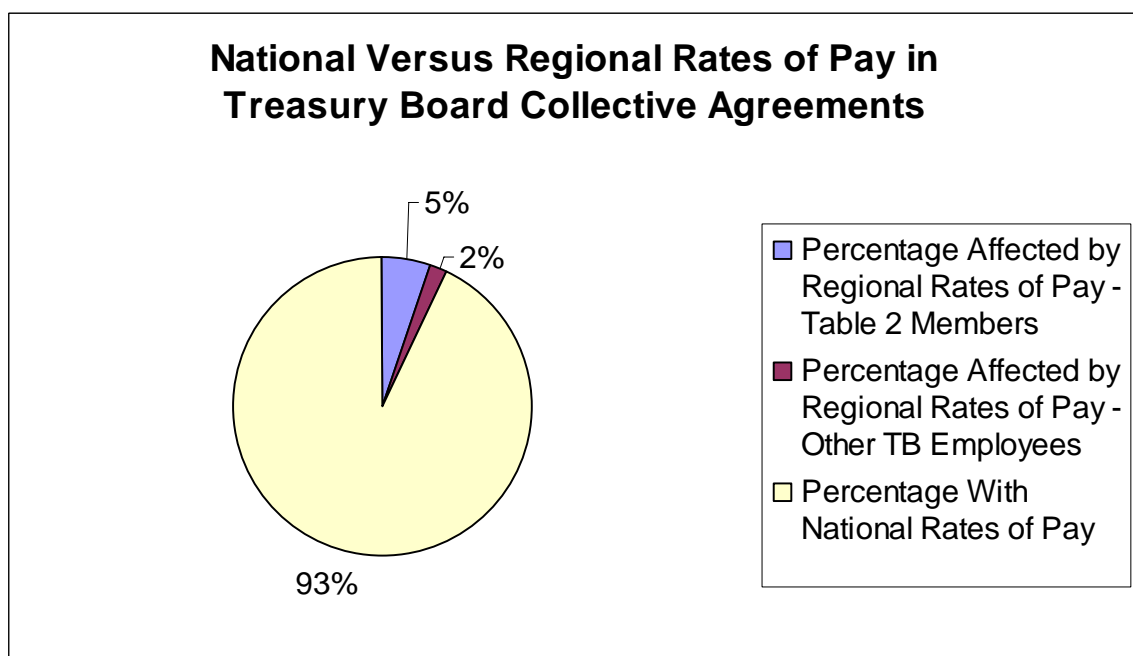
Regional Rates of Pay: Unfair and Inconsistent Lobbying Backgrounder

Key Talking Points:

- Approximately 8,000 employees under the Treasury Board Table 2 (Operational Services) collective agreement are being paid based on a regional wage rate structure that divides the country into three separate zones.
- 93% of Treasury Board Employees already enjoy National Rates of Pay. It is time to eliminate this inconsistency.
- Receiving less pay for doing the same work for the same employer significantly reduces employee morale, particularly when the vast majority of the federal public service enjoys national rates of pay.
- Having lower rates of pay can result in recruitment and retention difficulties in parts of the country.
- Eliminating regional rates of pay at Table 2 would only result in a 6.84% increase to the Treasury Board Table 2 (Operating Services) payroll for GL, GS and HS groups.



The Vast Majority of the Federal Public Service Enjoy National Rates of Pay:



Which Treasury Board classifications are affected by pay zones?

Classification	Full Name	Collective Agreement	Bargaining Agent	Population	Notes
ED EST	Elementary and Secondary Teaching	Table 5	PSAC	200	(Population includes both ED EST and EU)
EU	Education Support	Table 5	PSAC		
OP	Occupational and Physical Therapy	Health Services HS Group	PIPSC	50	
NU-CHN	Community Health Nurse	Health Services HS Group	PIPSC	1586	(Population includes everyone in the NU category)
NU-HOS	Hospital Nursing	Health Services HS Group	PIPSC		
GL	General Labour and Trades	Table 2	PSAC	5035	
GS	General Services	Table 2	PSAC	3059	
HS	Hospital Services	Table 2	PSAC	595	
OFO	Offset Production	Non Supervisory Printing Services	Graphic Communications International Union	45	(Population Includes both OFO and OFE)
OFE	Offset Preparation	Non Supervisory Printing Services	Graphic Communications International Union		
SR	Ship Repair	Ship Repair East, Ship Repair Chargehands, Ship Repair West	Federal Government Dockyard Chargehands Association, and Trades Councils (various Unions)	1421	(Population includes all SRs)

Total affected by Regional Rates of Pay	11,991
Total Employed by the Treasury Board	165,856
Percentage Affected by Regional Rates of Pay	7.23%
Percentage With National Rates of Pay	92.77%

(Population data based on employer produced pay equity data that was current as of 2005 with the exception of Table 5 data which is based on membership data as of 2005)

What has been done up to this point to reduce the number of pay zones?

Collective Bargaining:

At the time collective bargaining commenced in 1967, there were some 27,000 “prevailing rate” employees. These employees were paid hundreds of different local rates of pay established in comparison with local market conditions. Rates were established by tracking local market conditions so that the wages paid to federal employees neither led nor followed the prevailing rates. There were, for example, 320 GL pay zones.

The first collective agreement reduced the number of zones for the GL and GS group to 36 zones. The number of zones was further reduced to 25 in 1972, 22 in 1975, 16 in 1984, 10 in 1987, 7 in 1997, and finally 3 for Table 2 and 2 for the CCRA in 2000.

Grievances:

In 1989, over 100 employees of Banff National Park in Alberta filed grievances claiming “The present pay zone system is completely inequitable”. They were strongly supported by the Parks Superintendent in writing. Despite this support the grievances were denied. They were being paid in keeping with the terms of the collective agreement.

Legal Challenge:

On June 24, 1996 in the Federal court of Canada, seven federal government employees challenged a collective agreement, under which employees in Saskatchewan were paid less than others with the same job classification and doing the same work elsewhere in Canada. The case was filed under the *Charter of Rights* with the plaintiffs claiming they were discriminated against based on their province of residence. The trial judge ruled that different rates of pay between the GLT group in Saskatchewan and the GLT group in other provinces did not amount to discrimination and there was no genuine issue for trial. This decision was appealed in 1997 and the appeal was dismissed.

How much are Table 2 members in Zone 2 or Zone 3 behind?

On average, Table 2 members that are subjected to regional rates of pay in Zone 2 are 7.5% less than their counterparts in BC and the Territories. The figure for Zone 3 is 9.4%.

How much would it cost to get rid of pay zones?

Getting rid of Pay Zones at Table 2 would result in approximately a 0.27% increase in the Treasury Board payroll.

What would MP salaries be if they had pay zones?

It's not acceptable for some Table 2 members to be penalized based on where they live. A Member of Parliament from Toronto would never agree to be paid a salary of \$134,233 (7.5% less) while BC MPs are being paid \$144,300 nor would an MP from Edmonton accept being paid a lower salary of \$131,901 (9.4% less). If this would be unacceptable for Members of Parliament, why should it be acceptable for federal government employees?