# **Record of Discussions and Decisions**

**National Labour Management Consultation Committee (NLMCC)**

## **Meeting of April 26, 2017**

**Management Representatives:**

**Louise Levonian**, Deputy Minister, Employment and Social Development Canada and Chairperson of Canada Employment Insurance Commission

**Anthony Giles**, Assistant Deputy Minister, Policy, Dispute Resolution and International Affairs (Labour)

For **Lori Sterling**, Deputy Minister, Labour Program

**Benoît Long**, Senior Assistant Deputy Minister, Transformation and Integrated Service Management Branch

For **Leslie MacLean**, Senior Associate Deputy Minister, Employment and Social Development Canada and Chief Operating Officer for Service Canada

**Chantal Roy**, Director General, Federal Programs, Labour Program

For **Gary Robertson**, Assistant Deputy Minister, Compliance, Operations and Program Development, Labour Program

**Nancy Milroy-Swainson**, Director General, Income Security and Social Development Branch

For **Kathryn McDade**, Senior Assistant Deputy Minister, Income Security & Social Development Branch

**Paul Thompson**, Senior Assistant Deputy Minister, Skills & Employment Branch

**Gail Johnson**, Assistant Deputy Minister, Human Resources Services Branch

**Jacques Paquette**, Senior Assistant Deputy Minister, Strategic & Service Policy Branch

**Brigitte Marois**, Senior Director, Internal Audit

For **Vincent Daluz**, Chief Audit Executive

**Mark Perlman**, Chief Financial Officer, Chief Financial Officer Branch

**Nancy Gardiner**, Assistant Deputy Minister, Program Operations Branch, Service Canada

**Élise Boisjoly**, Assistant Deputy Minister, Integrity Services Branch, Service Canada

**Cliff Groen**, Assistant Deputy Minister, Benefits Delivery Services

**Peter Simeoni**, Assistant Deputy Minister, Citizen Services Branch, Service Canada

**Alexis Conrad**,Assistant Deputy Minister, Learning Branch

**Alia Butt**, A/ Corporate Secretary

**Annick Langlois**, Director General, Operations, Human Resources Services Branch

**David Swol**, Director General, Centres of Expertise, Human Resources Services Branch

**Jennifer Hamilton**, Director, Centre of Expertise – Labour Relations and Compensation

**Sylvie Bérubé**, Assistant Deputy Minister, Western Canada and Territories Region (Service Canada)

**Mary Ann Triggs**, Assistant Deputy Minister, Ontario Region (Service Canada)

**Sara Filbee**, Assistant Deputy Minister, Atlantic Region (Service Canada)

**UNION REPRESENTATIVES:**

**Eddy Bourque**, National President, Canada Employment and Immigration Union - Public Service Alliance of Canada

**Crystal Warner**, National Executive Vice-President, Canada Employment and Immigration Union - Public Service Alliance of Canada

**Luc Pomerleau**, National Resources Officer, Canada Employment and Immigration Union - Public Service Alliance of Canada

**Doug Marshall**, National President, Union of National Employees - Public Service Alliance of Canada

**Richard Ballance**, Regional Vice-President, Union of National Employees

**Linda Koo**,Labour Relations Officer, Union of National Employees - Public Service Alliance of Canada

**Jim McDonald**, Labour Relations Advisor, Union of National Employees -Public Service Alliance of Canada

**Dany Richard**, President, Association of Canadian Financial Officers

**Stan Buday**,President National Consultation Team for ESDC, Professional Institute of the Public Service of Canada

**Dean Corda**, Vice-President, Professional Institute of the Public Service of Canada, National Consultation Team of ESDC

**Neil Burron**, President, Local 514, Canadian Association of Professional Employees

**Jennifer Chieh Ho**,Regional Vice-President, B.C. and Yukon, Union of National Employees - Public Service Alliance of Canada

**Michel D’Aoust**, Labour Relations Officer, Canadian Association of Professional Employees

For **Jake Baizana**, Labour Relations Officer, Canadian Association of Professional Employees

**GUESTS:**

**Jason Choueiri**, Director General, Transformation Planning, Design and Oversight Directorate

**Megan Kennedy**, A/Director General, Canada Pension Plan & Old Age Security Business Transformation

**NLMCC SECRETARIAT:**

**Serge Viens**, Manager, Centre of Expertise – Corporate Labour Relations

**José Vasquez**,Advisor, Centre of Expertise – Corporate Labour Relations

**Glenn Crane**, Advisor, Centre of Expertise – Corporate Labour Relations

**REGRETS:**

**Benoît Robidoux**,Associate Deputy Minister, Employment and Social Development Canada

**Peter Littlefield**, Chief Information Officer, Innovation, Information and Technology Branch

**James Gilbert**, Assistant Deputy Minister, Public Affairs and Stakeholder Relations Branch

**Mark McCombs**, Senior General Counsel, Legal Services Branch

**Catherine Adam**, Associate Senior Assistant Deputy Minister, Strategic and Service Policy Branch

**Rachel Wernick**, Associate Assistant Deputy Minister Skills and Employment Branch

**Claire Caloren**, Assistant Deputy Minister, Quebec Region (Service Canada)

**Grant Boland**, Labour Relations Advisor, Association of Canadian Financial Officers

**Emmanuelle Tremblay**, President, Labour Relations, Canadian Association of Professional Employees

**Yvonne Snaddon**, Alternate contact of the National Consultation Team for ESDC,Professional Institute of the Public Service of Canada

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| **ITEM** | **SUBJECT** | **ACTION / DECISION** |
| **1.** | **Opening Remarks and Approvals** |  |
|  | * 1. **Opening Remarks:**   Deputy Minister Louise Levonian opened the meeting by welcoming all committee members including the new Committee Co-Chair Eddy Bourque, who introduced the new union members of the committee.  **1.2** **Approval of Agenda:**  With the addition of a Phoenix Update the meeting agenda was approved by members.  Some points concerning the agenda for future meetings were raised through the course of the meeting.  The Deputy Minister (DM) stated that Phoenix updates and Benefits Delivery Modernisation (BDM) would be added as standing items to the NLMCC agenda.  Eddy Bourque requested that there be more time allowed for the meeting and the DM agreed that the duration of future meetings could be looked at.  There was a discussion around union input to the agenda with Jim McDonald requesting that items be attributed to their requestor.  Crystal Warner said that in the future more items would be submitted by the bargaining agents and that they would discuss this off line.  **1.3 Minutes of Previous Meeting:**  The DM noted that all of the action points from the previous meeting had been addressed and the only two outstanding items would be addressed during the current meeting.  Eddy Bourque asked for the minutes to be sent out sooner for review. The DM agreed with this request.    Linda Koo proposed adding an agenda item for business arising from the last meeting in order to review action items.  The minutes of the meeting of October 20, 2016, were approved by members. | 1. The NLMCC secretariat will add Phoenix and BDM to the agenda as standing items and will reflect the other requests in meeting agendas going forwards.    2. The NLMCC Secretariat will send out the minutes for preliminary approval within one month of the meeting.  3. The NLMCC secretariat will follow up on action items in consultation with union and management to determine the best way to address at future meetings. |
| **2.** | **Business Items** |  |
|  | **2.1 Budget:** (Jacques Paquette)  Jacques Paquette presented his deck on the 2017 budget addressing how ESDC has a central role to play in many of the government’s key initiatives.  Dany Richards stated that the key concerns for him were the impacts of these budget items on the union’s members. Jacques Paquette said that this was positive for the department, with additional funding being allocated by the government. We are not in a position to provide the specific impact by program but overall, it is a net positive impact on resources.    Doug Marshall echoed Dany Richards’ point about how will the budget initiatives impact members? Doug asked for details regarding Modernizing the Canada Labour Code, specifically the point on slide nine stating “Providing federally regulated workers the right to request flexible work arrangements from their employer, and introduce new unpaid leaves for family responsibilities, to participate in traditional Indigenous practices, and to seek care if they are victims of family violence, and make bereavement leave more flexible.” Anthony Giles answered that there were no details at this time but that the unions would be kept informed as more details became available.  Neil Burron asked about the elimination of unpaid internships. Anthony Giles confirmed that there was no policy available regarding this and Gail Johnson confirmed that there are no unpaid internships at ESDC.  **2.2 Old Age Security Service Improvement Strategy Project Update :** (Benoît Long / Megan Kennedy)  Megan presented the information regarding the OAS-SIS and the four key, remaining deliverables, which are (1) Introduce Guaranteed Income Supplement (GIS) Automatic Enrolment, (2) Complete migration of OAS legacy systems to the same Information Technology (IT) platform as the Canada Pension Plan (CPP), (3) Implement a suite of OAS client-centric e-services and (4) Implement a series of business processing improvements. Megan stressed the importance of staff engagement, including keeping staff across the country informed regarding the minor changes to processing, limiting impacts on processing agents, ensuring that employees are supported and that implementation is monitored.  Crystal Warner spoke of her site visit to the processing centre in Victoria and her concern regarding job losses as processes move away from a paper based system. Megan responded that the processes were changing from a citizen and employee perspective but they were not designed for job losses.  Cliff Groen talked of OAS and Benefits Modernization and how demand has increased 50% over the last ten years and would grow another 50% over the next ten years. The goal is efficiency to meet the increased demand with the same staff compliment.  Eddy Bourque asked if increased funding would be available and Cliff responded that additional money had been made available in the last two budgets.  **2.3 Transformation:** (Benoît Long / Jason Choueiri)  Benoît Long and Jason Choueiri presented the update on Transformation. The provided deck laid out the Multi-Year Service Transformation Plan and how the five year road map is being finalised. Engagement has been a high priority of this initiative which has included bringing roughly 50 employees together from across the country. Tangible results and solutions have been the aim with a fully engaged, aware and motivated workforce who contribute to the transformation and feel ownership and shared responsibility for it.    The impact of Jurisdictional Research has also been important as other national, provincial, departmental and private sector organisations were reviewed to learn from large scale transformation activities they had undertaken. It was confirmed that the Jurisdictional Research report will be shared with Committee members.  Crystal Warner asked to keep the Unions involved in ongoing and meaningful consultations. Benoît Long and Jason Choueiri confirmed their commitment to ongoing consultation, engagement and bargaining agent involvement. They stated a calendar of events over the next three years is being developed for formalised engagement activities. Benoît also spoke of areas of excellence in engagement (such as Edmonton) and continuing this trend.  **2.4 Benefits Delivery Modernization:** (Benoît Long/ Jason Choueiri)  Benoît Long and Jason Choueiri made a presentation pertaining to Benefits Delivery Modernization (BDM). Benoît said that the focus was on Employment Insurance first and excellent progress had been made so far. Jason explained that the emphasis was on digital service delivery and inclusivity for clients. Insight gained from the Service Quality Review would be incorporated into this renewal. This business driven renewal will address running the largest statutory program on a 40 year old IT infrastructure.  The Jurisdictional Research has helped with this project and the presenters repeated the commitment to share this report. Lessons taken from this research were to undertake incremental phases, to measure and harvest benefits only when achieved, not to build solely for efficiency and to build and run in parallel (or in other words to maintain legacy systems during transition). Dean Corda reconfirmed with management that this research would be shared.  Front line staff were engaged in January and February 2017, specific client groups including EI recipients have been consulted and Private industry has been engaged to seek insight. A procurement process has been undertaken to find a transformation partner.  Crystal Warner stated that the Bargaining Agents need management to succeed and the employees are the experts so please continue engaging them and the bargaining agents and seeking employees’ input. She also said that updates on the procurement processes for transformation partners would be appreciated.  The DM said she has been struck by employees’ dedication and their desire to do well and serve Canadians.    Crystal Warner also said that staff feel that they don’t have the tools needed to do their jobs to which Benoît replied that it is management’s desire to provide employees with the tools that they need but large scale, complex changes must be done safely and surely. He also reaffirmed his commitment to continued engagement with the unions.  Sara Filbee acknowledged that management valued and responded to union input, giving the example of a communications plan being rejected for a more inclusive approach. | 4. Budget 2017 updates to be provided at HRUMCC, including impact on members/  employees.  5. Budget updates at HRUMCC will include more details on the Canada Labour Code modernization as they become available.  6. Jason Choueiri will make the report on Jurisdictional Research available for committee members.  7. Benoît Long and Jason Choueiri committed to more formal, structured engagement and consultation with employees and bargaining agents. |
| **3.** | **Human Resources Initiatives** |  |
|  | **3.1: Student Hiring:** (Gail Johnson)  Gail Johnson provided a summary of student hiring at ESDC, where student hiring and bridging are seen as a priority. The DM and ADMs have signed a pledge committing to hiring students in a timely fashion and providing a good orientation and meaningful work. Student hiring is also being used as an opportunity to focus on diversity and the department is involved with programs such as the Youth with Disability Summer Employment Program.  Gail provided some information on numbers of students hired. During FY 2016-2017, ESDC hired over 730 students in FSWEP and COOP programs. Approximately 60% of student hires in 2016-17 were in the National Capital Region; the remaining 40% were hired in all regions across Canada. This number is expected to increase in 2017-18.  Onboarding and orientation guidelines have been updated, students are assigned a peer buddy, mentoring is facilitated, and hiring processes have been streamlined.  Doug Marshall supports student hiring but was concerned cheaper student labour was being used to replace employees in higher paying jobs. This point was supported by Crystal Warner. Gail Johnson said she would welcome looking into any examples of this that were provided to her.  Crystal mentioned concerns regarding student bridging to which Gail said managers have been informed that this should be non-advertised processes into indeterminate positions.  **3.2 Update on the Phoenix Pay System:** (David Swol)  The DM opened the discussion by reiterating that Phoenix is a major concern and a major focus for management. The department has paid over $6 million in Emergency Salary Advances and Priority Payments, the escalation process has been improved, and the department is working directly with the Pay Centre to help address backlogs. The DM reiterated that the management team is seized with this issue and is committed to assisting our employees through their pay challenges.  David Swol provided an update on the Phoenix Pay System building on the update he provided at the Human Resources Union-Management Consultation Committee meeting held on March 27, 2017.    David Swol shared a few numbers:   * As of 21 April 2017, 2239 cases have been escalated to the Public Service Pay Centre (PSPC), with an overall and consistent resolution rate of 38% (or 862 cases) * The department now has direct access to the Winnipeg satellite office. Cases which can be referred there are limited, but of the 357 cases which were escalated to the Winnipeg office, he is pleased with the resolution rate of 55% (or 195 cases). * 224 pay grievances have been filed of which 43 have been resolved. Many of the others are in abeyance as they are being worked upon by the liaison office. * All employees have been encouraged to file taxes by the deadline with the T4s they have received. In cases where T4s may be reissued by the Pay Centre they will be supplied to the employee and directly to the Canada Revenue Agency, who will perform reassessments automatically in the summer. David urged the bargaining agents to encourage employees to check for updated T4s regularly. * The department is looking to add ten more staff members to the liaison office. The pay centre has announced boot camp training for new departmental compensation advisors staff. * David noted that ESDC staff have been very patient during this difficult time but should follow the escalation process when they experience pay issues.   Linda Koo recognised Jennifer Hamilton’s assistance in addressing pay issues and David reiterated that he and Jennifer are available to help escalate pay issues.  Richard Ballance recommended that the Phoenix training be taken by all staff but enquired about the boot camp training and if union representatives could attend. Richard also raised concerns from employees regarding the pay out of severance at retirement or termination and that this was not specifically identified in available documentation. David indicated that he would speak with the Public Service Pay Centre regarding the bootcamp training. David also mentioned that the Canada School of the Public Service is working with the Chief Human Resources Officer to develop further and more targeted Phoenix related training for the HR community. With respect to severance, it is a component of the final payout at retirement or termination.  Linda Koo and Eddy Bourque asked questions about T4s being reissued more than once and what if the revised T4 made things worse for the employee? David responded that employees should watch for revised T4s carefully and if there were new problems they should follow the regular escalation process. | 8. David discussed the Phoenix training off line with Richard Ballance after confirming that this was training specifically targeted to Compensation advisors. |
| **4.** | **Round Table and Closing Remarks** |  |
|  | Crystal said that there would be a union request in the future regarding lists of actings, terms and casuals. This is a request they have made at the local and regional levels.  The next NLMCC meeting will be taking place in 6 months. |  |