

Update on GSO Payroll Debacle - Unions Obtain Federal Court Order - January 2017

As you know, early last year, the Guild along with 13 other bargaining agents representing thousands of federal government employees filed action against the employer in the Federal Court regarding the new dysfunctional pay system called “phoenix”. We are seeking an order from the court directing the federal government to implement a pay administration system that meets its obligations under the *Financial Administration Act* and the *Directive on Terms and Conditions of Employment*.

The federal government is responsible for paying public service workers on time for the work they do and that is not happening. The unions are demanding that the federal government meet its legal duty to provide timely and accurate pay for public service employees.

Among many other issues, the added complexity of Guild members’ different work systems has caused a large number of members to receive pay that is much lower than what they are entitled to. Grievances have been filed in a number of cases and the Guild has also been a large contributor to the phoenix court case.

In conjunction with the work that is being doing on this court case, all of the Guild offices have been working to assist many members with payroll problems. At the Ottawa level, the Guild also continues to work closely with senior officials at Coast Guard and DND to resolve serious pay problems that require more immediate attention.

Recently, the Guild, along with the 13 other bargaining agents **received an order from the Federal Court** outlining obligations the employer must meet as it works towards a resolution of the phoenix fiasco. It requires the federal government to continue to increase the staffing and resources that are necessary to resolve the on-going pay problems.

The Guild participates in the Union Management Consultation Committee (UMCC) through the National Joint Council. This forum has already been used to address some pay-related matters and to attempt to find solutions. The court order states that the employer must provide this UMCC with information and access to phoenix expertise to support the work of the UMCC. This is a very positive development that keeps pressure on the employer to actively engage the unions at the National level in efforts to repair the payroll system.

This important matter still remains before the courts. The Guild, with our affiliated unions, will head back to the courts if the government isn’t using every possible avenue to fix the problems caused by their new phoenix system as soon as possible.

Members who are victims of phoenix pay problems and are not able to make progress using the systems that have been set up by the employer, should contact their nearest Guild office. We recognize the difficulty of keeping track of what has been paid and what has not, but it is useful if Members have pay records and specific details with them when they contact the Guild. Everything possible will be done to help Members, including assisting with obtaining an emergency pay advance if possible.



Date: 20161222

Docket: T-1021-16

Ottawa, Ontario, December 22, 2016

PRESENT: The Honourable Mr. Justice O'Reilly

BETWEEN:

PUBLIC SERVICE ALLIANCE OF CANADA, ASSOCIATION OF JUSTICE COUNSEL, CANADIAN ASSOCIATION OF PROFESSIONAL EMPLOYEES, CANADIAN FEDERAL PILOTS ASSOCIATION, CANADIAN MERCHANT SERVICE GUILD, CANADIAN MILITARY COLLEGES FACULTY ASSOCIATION, FEDERAL GOVERNMENT DOCKYARD CHARGEHANDS ASSOCIATION, FEDERAL GOVERNMENT DOCKYARD TRADES AND LABOUR COUNCIL (EAST), FEDERAL GOVERNMENT DOCKYARD TRADES AND LABOUR COUNCIL (WEST), INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 2228, PROFESSIONAL ASSOCIATION OF FOREIGN SERVICE OFFICERS, RESEARCH COUNCIL EMPLOYEES' UNION, UNIFOR

Applicants

and

CANADA (TREASURY BOARD)

Respondent

ORDER

UPON the consent of the parties;

THIS COURT ORDERS that:

1. Subject to the terms of this Order, this application for *mandamus* is adjourned *sine die*.
2. The Respondent will work with the Applicant bargaining agents through the senior-level Union Management Consultation Committee ("UMCC") and its subcommittee to resolve the pay administration issues that have arisen following the

implementation of Phoenix. The UMCC will provide an open and transparent forum for discussing the range of options available to address these issues;

3. Information sharing and communication with the Applicants' members shall be undertaken through the UMCC, and any subcommittees established by the UMCC and the existing terms of Reference of the UMCC's sub-committee. The UMCC may release reports and share information as it determines necessary for public distribution. The Respondent may continue to present public technical or other briefings or to update employees, Parliament or other entities on the status of pay administration issues, as necessary;
4. The Respondent will make Phoenix experts available to support the work of the UMCC and any subcommittees established by the UMCC, which will determine the extent and nature of the expertise required;
5. The Respondent will maintain a dedicated team of compensation advisors as long as necessary to address any disruptions in income experienced by individuals who are beginning disability, maternity or parental leave. The Respondent will take all necessary steps to ensure that any such problems are resolved as quickly as possible. The Respondent will discuss through the UMCC the possibility of establishing a direct means of contact to ensure that individuals whose income is disrupted in these circumstances can gain direct access to members of this dedicated team to have their issues resolved;
6. The Respondent will ensure that individuals who are beginning disability, maternity or parental leave will not be denied "emergency replacement pay services" or "priority pay" on the basis that they are on a period of leave;
7. Informed by the discussions at the UMCC, the Respondent will keep satellite pay offices and call centres open for as long as the Respondent determines necessary to resolve any ongoing pay administration issues;
8. The Respondent will continue its practice of not objecting on the basis of timeliness to individual claims for compensation submitted by employees through the claims process established for this purpose. Employees who pursue the individual claims process will be informed in writing at the conclusion of that process that the timelines for individual grievances in their respective collective agreements will begin to run as of the date they are informed of the decision in the individual claims process;
9. The Respondent will work to identify and resolve any problems with the remittance of union dues to the Applicants through the UMCC. The Respondent will take steps through the UMCC to ensure that the Applicants have as accurate information as

possible regarding whether the failure to receive dues from particular employees is on account of the issues related to the pay administration system;

10. In the event that either of the parties wish to resume these proceedings, they can contact the case management judge to arrange for any necessary steps in preparing this application for hearing to be conducted on an expedited basis;
11. The Applicants shall be entitled to the costs related to the application, as agreed to by the parties; and
12. The adjournment of this application is without prejudice to the determination of the merits of the application.

“James W. O’Reilly”

Judge