

**Special Meeting of the
Union Management Consultation Committee (UMCC)**

3 April 2012 1400hrs – 1530hrs, Conference Room “B”, 13ST
National Defence Headquarters, 101 Col By

- Co-Chairs: Mr. R. Fonberg, Deputy Minister
Mr. M. Isaacs, Association of the Canadian Financial Officers (ACFO)
- Members: Gen W.J. Natynczyk, Chief of Defence Staff
Mr. M. King, Associate Deputy Minister
RAdm M.F.R. Lloyd, representing Vice Chief of the Defence Staff
VAdm P. Maddison, Commander, Royal Canadian Navy
LGen P.J. Devlin, Commander, Canadian Army
LGen J.P.A. Deschamps, Commander, Royal Canadian Air Force
Mr. D. Ross, Assistant Deputy Minister (Materiel)
Mr. K. Lindsey, Assistant Deputy Minister (Finance and Corporate Services)
Mr. J. Turner, Assistant Deputy Minister (Information Management)
RAdm A.M. Smith, Chief of the Military Personnel
Ms. G. Johnson, representing Assistant Deputy Minister (Human Resources-Civilian)
Mr. S. Stevenson, Assistant Deputy Minister, (Infrastructure and Environment)
Dr. M. Fortin, Assistant Deputy Minister (Science and Technology)
Mr. J. MacLennan, National President, Union of National Defence Employees (UNDE)
Mr. L. Brown, President, Federal Government Dockyards Trades and Labour Council (East) (FGDTLC-E)
Mr. T. Denault, President, Federal Government Dockyard Chargehands Association (FGDCA)
Mr. D. Rogers, President, Federal Government Dockyard Trades and Labour Council (West) (FGDTLC-W)
Dr. J-M. Noël, President, Canadian Military College Faculty Association (CMCFA)
Mr. F. Murphy representing Public Service Alliance of Canada (PSAC), Agriculture Union
Mr. R. Tellier, representing President, National Consultation Team, Professional Institute of the Public Service of the Canada (PIPSC)
Mr. D. Boulet, Business Manager, International Brotherhood of the Electrical Workers (IBEW Local 2228)
- Special Guest: Ms. J. Touchette, Assistant Deputy Minister (Public Affaires)
- Regrets: VAdm A.B. Donaldson, Vice Chief of the Defence Staff
Ms. C.L. Binnington, Assistant Deputy Minister (Human Resources-Civilian)
Mr. B. Kingston, National President, Public Service Alliance of Canada (PSAC), Agriculture Component
Mr. M. Boucher, President, Canadian Merchant Service Guild (CMSG)

ITEM 1: OPENING REMARKS

1. Mr. Fonberg welcomed the participants and thanked Gen Natynczyk for his presence at the meeting. Mr. Fonberg also expressed his appreciation for Milt Isaacs' willingness to replace Mr. Rogers as co-chair since he could not be physically present at the meeting.
2. Mr. Fonberg acknowledged the questions sent by Mr. MacLennan. He expressed the view that many would be answered during the course of the meeting and others to come.
3. Mr. Rogers thanked Mr. Isaacs and also that a teleconference was arranged so that he could participate at the meeting.

ITEM 2: ACCEPTANCE OF AGENDA

4. Mr. Isaacs asked for the Committee's acceptance of the agenda, which the Committee did.

ITEM 3: SETTING THE SCENE

5. Mr. Fonberg asked Mr. King to set the scene.
6. Mr. King noted that following the Government's release of the 2012 Federal Budget, the Department was now in a position to announce the results of the National Defence Strategic Review (SR) and Deficit Reduction Action Plan (DRAP). Mr. King remarked that as noted in the Budget 2012, National Defence would be implementing \$1.12B in savings by the fiscal year 2014/15.
7. Mr. King advised that DND would be decreasing its number of civilian employee positions. Mr. King noted that approximately 1800 names of potentially affected employees had been provided to the Bargaining Agents.
8. Mr. King indicated that, starting on 4 April 2012, managers would begin meeting with union representatives and employees. For those affected, individual meetings would take place and, on conclusion of those meetings, dependent on the information obtained, letters would follow. On the subject of the Guaranteed Reasonable Job Offer (GRJO), he noted that based on the Department's own information and projections from the Office of the Chief Human Resources Officer (OCHRO), DND could not predict employment opportunities beyond those we are actively using to absorb affected personnel. Accordingly, DND would not be offering GRJOs for a number of occupational groups.
9. Mr. King observed that the Department remains committed to treating employees fairly and with respect. The Department would be doing everything it could to minimize the impact on employees and would closely monitor the attrition rate to maximize employment opportunities for current employees.
10. Gen Natynczyk remarked that he was present at the meeting as a symbolic gesture. He added that the CF and DND are one team and have achieved much together. Consequently, he had instructed his commanders to maximize their efforts on the reviews not only to ensure for the Force of today and tomorrow, but also to show that the Department cares about its employees. Gen Natynczyk also advised that the CF and the Department would continue to carry on their missions and mandate at the same high quality, expertise and dedication.

11. Mr. Fonberg proposed that bargaining agents questions be asked during Round Table due to time constraints. Mr. Isaacs agreed.

ITEM 4: DETAILED SR/DRAP RESULTS

12. Mr. Fonberg asked RAdm Lloyd to introduce the next presenter. RAdm Lloyd presented Mr. Guy Simard, Senior Advisor, Chief of Programme.

13. Mr. Simard's presentation provided an overview of the impacts of the Strategic Review and Deficit Reduction Action Plan. Particularly, he noted that 56 divestments were approved through the Strategic Review of which 16 had civilian workforce reduction implications. Three of the nine approved proposals for the Deficit Reduction Action Plan also had civilian workforce reduction implications.

ITEM 5: HUMAN RESOURCES MEASURES

14. Mr. Fonberg invited Ms. Johnson to introduce this topic.

15. Ms. Johnson noted different mechanisms that the Department had implemented in the last year to limit growth. She also reiterated that prior to town halls or WFA announcements to employees, managers would meet with union representative and they would also be invited to attend the employee meetings.

16. Ms. Johnson acknowledged that they had received UNDE's letter and that a response would be provided in the next few weeks. Mr. McLennan requested that the letter be sent to all unions to which Ms. Johnson agreed.

17. Ms. Johnson then introduced Ms. Stéphanie Poliquin, Director General Workforce Development to provide the presentation.

18. Ms. Poliquin's presentation included a brief summary of the HR measures that are in place and are being developed to support managers and employees. It also included information on the WFA implementation strategy, the selection for retention process and alternation.

ITEM 6: L1 REPORTS ON IMPACTS

19. Mr. Fonberg requested that the L1s and Commanders provide the impacts of the SR and DRAP on their respective organisation.

20. RCN: VAdm Maddison advised the major divestment areas within his organisation and advised that the divestments would result in workforce adjustment of approximately 44 employees. The RCN remained committed to discussion with the union leaders and civilian employees to provide all the necessary support to the affected employees.

21. CA: LGen Devlin advised that the Army would execute 12 significant divestments and personnel reductions for a total of \$282M. He indicated that the CA is being reduced by \$282M, which includes a reduction in funds spent on the Army's behalf by ADM(Mat) and that 297 civilian positions had been identified for workforce adjustment. Finally, LGen Devlin noted the Army would be further discussing WFA situations with the unions.

22. RCAF: LGen Deschamps advised that following careful planning by the Royal Canadian Air Force he was confident that the current rate of attrition would meet the targets under SR/DRAP.
23. VCDS: BGen King indicated that the VCDS Group would have a reduction of 81 full time reservist positions and were anticipating that 39 civilians would be affected by WFA. He noted that the WFA directives and collective agreements would be respected when managing the WFA situations.
24. ADM(S&T): Mr. Fortin advised that DRDC's activities were evolving to match the changing CF priorities and that investments would be aligned with them. In total, DRDC estimated that 242 positions would be affected by WFA. He expected to use selection for retention or lay-off processes. He committed to making all the efforts possible to find positions for DRDC staff and stated his wish to work with unions to ease the process for employees.
25. ADM(Fin CS): Mr. Lindsey advised that there were no affected civilian employees within ADM(Fin CS).
26. CMP: RAdm Smith noted the major divestment areas within his organisation and advised that following these divestments, it was clear that WFA would be required and they anticipated 266 workforce adjustment situations. CMP committed to respecting the WFAD and collective agreements.
27. ADM(IE): Mr. Stevenson informed that ADM (IE) had been asked to reduce its SWE envelope by \$1.4 M to eliminate all full time Reserve positions and reduce contract spending by \$9M . He added that this target could be met by eliminating a number of vacant positions but there would be a modest number of employees who would be subject to workforce adjustment. ADM (IE) would continue to analyse and develop plans, however it has not received approval on its WFA submission. As further planning unfolds and cases of WFA occur, ADM (IE) undertook to ensure that the WFAD and collective agreements would be respected.
28. ADM(Mat): Mr. Ross noted that the SR had no impact on his civilian workforce and DRAP reduced the Department's National Procurement budget by \$75M. A reduction of FTEs over the next three years would be managed by attrition and workforce management measures.
29. ADM(IM): Mr. Turner advised that his Group would meet its targets through attrition, additional voluntary transfers to Shared Services Canada and reviewing LWOP cases.
30. ADM(PA): Ms Touchette noted that some positions would be affected and a five employees would be declared surplus following a SERLO. She ensured that her organisation would respect the WFAD and collective agreements.
31. ADM(HR-Civ): Ms. Johnson advised that ADM(HR-Civ) expected to achieve its reductions through attrition and the reallocation of employees to higher priority positions. She further noted that the Business Process Redesign would provide needed room for delivering HR services effectively.

ITEM 7: ANNOUNCEMENT STRATEGY

32. Mr. Fonberg invited Ms. Touchette to present this topic.
33. Ms. Touchette provided the SR and DRAP announcement roll out scenario.

ITEM 8: ROUND TABLE

34. FGD TLC(W): Mr. Rogers inquired into which coast would see the majority of Ship Repair employees being workforce adjusted. VAdm Maddison responded that the majority of WFA situations were in Esquimalt. He added that the RCN would be briefing the regions the next day and WFA and alternation rules would be respected.
35. FGD TLC(E): Mr. Brown raised concerns that apprentices currently in the program would not be placed in the Department. This was particularly an issue since many Dockyards employees were retiring in the next few years. VAdm Maddison noted that Navy was working with ADM(HR-Civ) to address this issue, as the fleet could not move forward without a funded apprenticeship program.
36. Agriculture Union: Mr. Murphy acknowledged that the unions had received the list of potentially affected employees, but was asking when more detail would be provided. He also requested that the unions be advised in advance which employees would receive GRJO's. Ms. Johnson and Ms. Poliquin confirmed that managers would be meeting with regional and/or local unions and employees beginning on 4 April 2012 and that detailed information would be provided at that time.
37. CMCFA: Dr. Noël asked for a breakdown of the employees being Workforce Adjusted at RMC. RAdm Smith indicated that the Director of RMC would be able to provide this information at the meeting on 4 April 2012.
38. UNDE: Mr. MacLennan questioned why certain positions were being targeted and requested to receive further information. Mr MacLennan also noted that there were positions and functions on the potentially affected list provided that had also been previously submitted under the ESA negotiations. He added that the positions could be required during a strike situation but not during a downsizing period.
39. He also requested information on what was considered core functions at DRDC and if non-core would be contracted out. Dr. Fortin advised that DRDC would be focusing on its core mission: Research. Other support activities could be areas of divestment in the future.
40. Mr. MacLennan enquired if a date had been set for the closures of ASU's. LGen Devlin indicated that he would be pleased to meet with UNDE on the details. Gen Natynczyk remarked on the significant change in employment of CF members, particularly with the reduction of the Forces role in Afghanistan. He noted that just 2 years ago over 13,000 CF members were deployed internationally, getting ready to deploy, or just returning from deployment. Now that number was approximately 1300. While the CF was employed overseas civilian employees were hired to perform many of their domestic functions. With reduction in overseas commitments, the number is closer to 1300, and CF would be employed in garrison functions. Gen Natynczyk expressed his

appreciation for the dedication and hard work of civilians in support of the CF on Bases and Wings as well as those who supported the CF overseas.

41. Mr. MacLennan asked how employees who do not have on-line access would be able to participate on the alternation program. Ms. Johnson remarked that for those employees, a process was being set up in which the Human Resources Officers would input the information for them.

42. Finally, Mr. MacLennan pointed out that business cases prepared by employees who found efficiencies had been given to the Department but no results had come from them. He questioned if the Department was seriously reviewing them. Mr. King noted that the Department would need to review how to handle suggestions.

43. FGDC: Mr. Denault reminded the committee that if employees registered their names for alternation opportunities on the GC Forums site, their registration would expire after 90 days. Consequently, it was important that employees are made aware of this and that they need to resubmit their names.

44. PIPSC: Mr. Tellier observed that the Department had provided several figures for reductions for the CF and for civilian employees but none for contractors. He asked what considerations had been undertaken to review contractors and temporary agency help in accordance with the WFA provisions of the collective agreements prior to WFA being considered.

45. Mr. King observed that a major component of DRAP reduction was a commitment to reduce contracting. He advised that DND was reducing its reliance on contractors, consultants and temporary help. In the first year the Department would be reducing by \$100M, escalating to \$500M per year reduction in year 3 and onwards. Mr. King also remarked that actual numbers could not be confirmed but the Department fully intends to meet its DRAP reduction targets. Ms. Poliquin confirmed that Section 1.1.27 of the WFA provisions was considered when making WFA decision and the Department would continue to do so when future WFA situation occurred. Mr. Tellier opined that it appeared that DND was meeting its obligation.

46. IBEW: Mr. Boulet remarked on the importance of sharing information with the unions.

47. ACFO: Mr. Isaacs noted that it would be helpful for the unions if the Department would provide the rationale for why sections were targeted for WFA and a chart which includes the divestments for each organisation under SR and DRAP. Mr. Fonberg advised that more information could be provided. **Action item: Further information will be provided over the coming months.**

48. Mr. MacLennan noted that for both CMP and ADM(PA) there would be significant reductions but there were no forums for consultation. RAdm Smith responded that he would be pleased to meet with the unions.

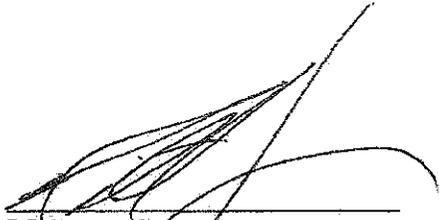
ITEM 9: NEXT MEETING AND CLOSING REMARKS

49. Gen Natynzyk appreciated the rigor and the tone of the committee.

50. Mr. Fonberg observed that the Department was facing difficult times but it remained committed to communicating and working with Unions and employees. He thanked the Unions for their patience and everyone around the table who got the Department to this point and going forward.

Approved by:


MAY 31 2012
R. Fonberg
Deputy Minister
Co-Chair


M. Isaacs
President, ACFO
Co-Chair