File: 32714

March 1, 2012

VIA EMAIL ONLY

Honourable Fred Schell Minister of Human Resources PO Box 1200 Iqaluit, NU X0A 0H0

Dear Mr. Minister:

Re: Government of Nunavut –and-Nunavut Employees' Union (Public Service Alliance of Canada) (Mediation)

On August 31, 2011, I was appointed by the Honourable Minister of Human Resources for the Government of Nunavut under Section 41.1(1) of the *Public Service Act* of Nunavut (the *Act*) as a mediator to assist the parties to resolve their collective bargaining dispute. Section 41.2 of the *Act* sets out the terms of reference for mediation as follows:

(1) The mediator shall, in a manner he or she considers fit, inquire into the differences of the parties and attempt to resolve them and shall, during the inquiry:

- (a) hear the representations of the parties;
- (b) mediate between the parties; and
- (c) encourage the parties to resolve their differences.

Mediator's report

(2) Within 14 days of the day a mediator is appointed or within such further time as the parties may agree to, the mediator shall provide to the parties a report

- (a) recommending a resolution of their differences; or
- (b) stating that he or she will not make a recommendation and the reasons why he or she will not do so....

I met with the parties at Iqaluit, Nunavut on February 17, 18, 19, 20 and 21, 2012 jointly and singularly and heard their representations on the matters in dispute.

Considerable progress was made on a significant number of issues. However, at the conclusion of mediation the parties remained deadlocked primarily on the issue of wage and salary increases, northern bonuses and several other matters.

I declared an impasse on those matters and now therefore provide you with my report.

In accordance with Section 41.2 (2)(b) I have decided not to provide the parties with recommendations to settle this dispute for the following reasons:

(1) Because of the gap between the parties, particularly on wage and salary increases and the northern allowance, I believe that until the parties revise their positions on these issues no resolution is possible. Therefore recommendations at this juncture would be untimely and would not result in a resolution.

(2) With respect to the remaining issues I believe that once the stalemate on the issues set out in (1) above are resolved, these matters will require further negotiation but should not be a roadblock to a settlement.

Finally, I confirm what I told the parties at the conclusion of the mediation proceedings, that I stand ready to provide further assistance at their request.

All of which is respectfully submitted.

VINCENT L. READY LABOUR ARBITRATION & MEDIATION SERVICES LTD.

Vincent L. Ready

VLR/cls

cc: Deputy Minister of Human Resources; Joe Adla Kunuk McLennan Ross; Attn: Glenn Tait Public Service Alliance of Canada; Attn: Michael McNamara Nunavut Employees' Union; Attn: Doug Workman