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# NATIONAL ASSEMBLY

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FIRST SESSION

FORTY-FIRST LEGISLATURE

Bill 110

**An Act respecting the process of  
negotiation of collective agreements and  
the settlement of disputes in the  
municipal sector**

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**Introduction**

**Introduced by  
Mr. Martin Coiteux  
Minister of Municipal Affairs and Land Occupancy**

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**Québec Official Publisher  
2016**

## **EXPLANATORY NOTES**

*This bill amends certain rules applicable to the negotiation of collective agreements and the settlement of disputes in the municipal sector to ensure that account is taken of the collective expectations of municipal sector employees and of the requirements of sound management.*

*It specifies the guiding principles to be used by any person involved in determining the conditions of employment of the employees concerned.*

*It provides for a dispute settlement procedure applicable to police officers and firefighters. The procedure includes mediation and the establishment of a three-person dispute settlement board to which disputes are referred in the event mediation fails.*

*The rules applicable to other employees in the municipal sector are determined. In addition to resorting to mediation and arbitration, the parties may call on a special mandatary entrusted with helping the parties settle their dispute and appointed by the Minister if, in the opinion of the Minister, exceptional circumstances so warrant.*

*Moreover, collective agreements entered into or decisions rendered in the municipal sector must have a specified period of at least five years.*

*Lastly, the bill contains transitional measures.*

### **LEGISLATION AMENDED BY THIS BILL:**

- Labour Code (chapter C-27);
- Act respecting municipal territorial organization (chapter O-9).

### **REGULATION AMENDED BY THIS BILL:**

- Regulation respecting the remuneration of arbitrators (chapter C-27, r. 6).

# Bill 110

## AN ACT RESPECTING THE PROCESS OF NEGOTIATION OF COLLECTIVE AGREEMENTS AND THE SETTLEMENT OF DISPUTES IN THE MUNICIPAL SECTOR

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### CHAPTER I

#### OBJECT OF THE ACT AND GUIDING PRINCIPLES

**1.** The purpose of this Act is to ensure, in determining the conditions of employment of employees in the municipal sector, that account is taken of the collective expectations of those employees and of the requirements of an effective and efficient management of financial resources intended for the provision of public services.

To that end, the determination of conditions of employment in that sector must at all times be guided by the following principles:

(1) as a democratic institution, a municipality is accountable to its ratepayers for the use of proceeds from the taxes and tariffs it collects to provide the public services incumbent on it or on another municipal employer whose expenses it assumes in whole or in part, each municipal employer having as its primary mission the provision of quality services to the residents of every territory served;

(2) the attraction and retention of qualified personnel require conditions of employment that are fair and reasonable in light of the qualifications required, the work performed and the nature of the services rendered;

(3) equity among personnel members requires that appropriate relationships be maintained as regards the conditions pertaining to the various categories or classes of employment, in particular, with respect to the wages, wage increases and benefits that may be granted; and

(4) it is the employer's responsibility to hire qualified personnel, manage its workforce and control its staffing levels to satisfy its operational needs.

**2.** In this Act, “municipal sector” means

(1) any municipality, except the Kativik Regional Government, the northern and Cree villages and the Naskapi village;

- (2) any metropolitan community;
- (3) any intermunicipal board; or
- (4) any public transit authority.

## **CHAPTER II**

### **PROVISIONS APPLICABLE TO POLICE OFFICERS AND FIREFIGHTERS**

#### **DIVISION I**

##### **APPLICATION**

**3.** This chapter applies to the settlement of disputes between an association of employees certified within the meaning of the Labour Code (chapter C-27) to represent police officers or firefighters and a municipality or an intermunicipal board.

#### **DIVISION II**

##### **MEDIATION**

**4.** If no collective agreement has been reached by the parties within the first 120 days of the stage of negotiation between the parties, the employer must notify the minister responsible for the administration of the Labour Code and send a copy of the notice to the certified association.

The employer may defer sending the notice if an agreement in principle is being examined by the employees. If the agreement is rejected, the employer must send the notice within seven days of the rejection.

If the employer fails to send the notice within the prescribed time, the certified association may do so itself.

**5.** On receiving the notice provided for in section 4, the minister responsible for the administration of the Labour Code must appoint a mediator to help the parties settle their dispute.

**6.** The mediator has 60 days to bring the parties to an agreement. The minister responsible for the administration of the Labour Code may, only once and at the request of the mediator, extend the period of mediation by not more than 30 days.

**7.** If there is no agreement at the expiry of the period of mediation, the mediator must give the parties a report specifying the matters on which there has been agreement and the matters which are still in dispute.

**8.** At the same time, the mediator must give a copy of the report with comments to the Minister and to the minister responsible for the administration of the Labour Code.

### **DIVISION III**

#### **DISPUTE SETTLEMENT BOARD**

**9.** On receiving a mediator's report, the Minister must refer the dispute to a dispute settlement board and notify the parties.

**10.** The dispute settlement board consists of three members appointed by the Government, on the recommendation of the Minister. The member who chairs the sittings must be an advocate.

**11.** The members of the board are selected from among the persons recognized as qualified for appointment to the board, by decision of the Government. Together, the selected members must possess recognized experience in all the fields of competence referred to in the fourth paragraph.

For the purposes of the first paragraph, the Government must recognize at least six persons. Those persons must be recommended by a selection committee formed and acting in accordance with the conditions determined by the Government.

To be recognized as and remain qualified, those persons must

(1) not be, nor have been in the year preceding the recognition, employees, officers or other representatives of an employer in the municipal sector, of an association representing employees in that sector or of a grouping of such employers or associations; and

(2) undertake in writing not to act as arbitrator with respect to a grievance that relates to the interpretation or implementation of a decision rendered in accordance with this chapter.

The selection committee must, when identifying the persons it intends to recommend, give preference to those possessing recognized experience in labour relations, in the municipal field or in the field of economy.

The recognition by the Government of the persons qualified to be members of the board is valid for a period of five years.

**12.** A member of the board cannot have any pecuniary interest in the dispute submitted to the board or have acted in the dispute as a business agent, attorney, adviser or representative of any of the parties.

**13.** The Minister must send the mediator's report to the board.

**14.** Only matters not having been the subject of an agreement evidenced in the mediator's report may be submitted for decision to the board.

**15.** The board is required to render its decision according to equity and good conscience.

**16.** The board must render its decision on the basis of the evidence collected at the inquiry.

**17.** Subject to section 16, the board must, in rendering its decision, take into account

(1) the financial and fiscal situation of the municipality concerned or of the municipalities which are party to the agreement creating the intermunicipal board concerned and the impact of the decision on that municipality or those municipalities and their ratepayers;

(2) the conditions of employment applicable to the employees concerned;

(3) the conditions of employment applicable to the other employees of the municipality concerned or of the municipalities which are party to the agreement creating the intermunicipal board concerned;

(4) the policy on remuneration and the latest increases granted by the Government to employees in the public and parapublic sectors;

(5) the conditions of employment applicable in municipalities and intermunicipal boards that are similar or created to exercise similar functions;

(6) requirements relating to the sound management of public finances;

(7) prevailing local economic conditions; and

(8) prevailing and anticipated wage and economic conditions in Québec.

The board may also take into account any other evidence referred to in section 16.

**18.** The board must hear the dispute with diligence and according to the procedure and the method of proof it considers appropriate.

**19.** Sittings of the board are public, but the board of its own motion or upon application of either party may order private sittings.

**20.** The board has all the powers of a judge of the Superior Court for the conduct of its sittings; but it cannot order imprisonment.

**21.** Upon application by the parties or on the initiative of the board, witnesses are summoned by means of a written order signed by the chair of the board. The chair may administer the oath.

**22.** A person duly summoned to appear under section 21 who refuses to attend or to testify may be compelled to do so as if the person had been summoned according to the Code of Civil Procedure (chapter C-25.01).

**23.** A person summoned to testify under section 21 is entitled to the same indemnity as witnesses before the Superior Court and to the reimbursement of travelling and living expenses.

Such amount is payable by the party who proposed the summons, but a person who receives a salary during such a period is entitled only to the reimbursement of travelling and living expenses.

If a person is duly summoned on the initiative of the board, the amount is payable in equal shares by the parties.

**24.** The board may communicate or otherwise notify any order, document or proceeding issued by it or the parties involved.

**25.** The decisions of the board are made by a majority of its members. The decisions must give reasons, be in writing and be signed by the members who endorsed them. A member may express dissent in a written document separate from the decision.

**26.** Where, being unable to act, a member of the board is unable to continue with the hearing of a dispute, the two remaining members, provided one of them is an advocate, may validly continue with the hearing of the dispute and render a unanimous decision.

Where the board continues with the hearing of a dispute in accordance with the first paragraph and opinions are divided for the purpose of rendering the decision, the Government must appoint, after being notified by the board, a third member. That member may, for the purpose of rendering the decision and with the consent of the parties, rely on the evidence already filed.

Where the board cannot continue with the hearing of a dispute in accordance with the first paragraph, the advocate member who was chairing it must be replaced. The advocate member who is appointed as a replacement may also, with the consent of the parties, rely on the evidence already filed at the time of that member's appointment.

**27.** At any time before rendering its final decision, the board may render any interim decision it deems fair and useful.

**28.** The board must render its decision within six months of its establishment.

If the Minister considers that the circumstances and the interest of the parties so warrant, the Minister may grant the board an extension. The Minister may, on the same conditions, grant an additional extension.

**29.** The board must record in its decision the stipulations relating to the matters that were the subject of an agreement evidenced in the mediator's report.

The parties may, at any time, come to an agreement on a matter that is the subject of the dispute and the corresponding stipulations are also recorded in the decision by the board, which may not amend them except for the purpose of making such adaptations as are necessary to make the stipulations consistent with a clause of the decision.

**30.** The decision is binding on the parties for a specified period of at least five years. The parties may, however, agree to amend the content, in whole or in part.

**31.** The board must forward the original of the decision to the minister responsible for the administration of the Labour Code and send, at the same time, a copy to the Minister and to each party.

**32.** The board may at any time correct a decision containing an error in writing or calculation or any other clerical error.

**33.** The decision has the effect of a collective agreement signed by the parties in accordance with the Labour Code.

It may be executed under the authority of a court of competent jurisdiction at the suit of a party who is not obliged to implead the person for whose benefit the party is acting.

**34.** If there is a disagreement, other than a dispute or a grievance, between the parties, the minister responsible for the administration of the Labour Code may entrust a mediator with meeting the parties and attempting to bring them to an agreement.

The mediator must send a report to the minister responsible for the administration of the Labour Code and to the Minister. The latter may, despite any contrary provision in a law or a collective agreement, refer the disagreement to a dispute settlement board as if it were a dispute to which this chapter applies.

**35.** The costs of the board, including the fees of its members, are borne equally by the parties.

Those costs are determined by government regulation.

**36.** A member of the board cannot be prosecuted for acts performed in good faith in the exercise of the functions of office.

**37.** Except on a question of jurisdiction, no application for judicial review under the Code of Civil Procedure may be presented nor any injunction granted against members of the board acting in their official capacity.

### **CHAPTER III**

#### **PROVISIONS APPLICABLE TO OTHER EMPLOYEES**

##### **DIVISION I**

###### **APPLICATION**

**38.** This chapter applies to the settlement of disputes between a certified association, within the meaning of the Labour Code, representing employees other than police officers or firefighters, and a municipal sector employer.

##### **DIVISION II**

###### **MEDIATION**

**39.** If no collective agreement has been reached by the parties on the 120th day after the day the right to strike or to a lock-out is acquired, the employer must notify the minister responsible for the administration of the Labour Code and send a copy of the notice to the certified association.

The employer may defer sending the notice if an agreement in principle is being examined by the employees. If the agreement is rejected, the employer must send the notice within seven days of the rejection.

If the employer fails to send the notice within the prescribed time, the certified association may do so itself.

**40.** On receiving the notice provided for in section 39, the minister responsible for the administration of the Labour Code must appoint a mediator to help the parties settle their dispute.

Sections 6 to 8 concerning mediation apply, with the necessary modifications.

The mediator's report provided for in section 7 must be given to the arbitrator appointed under section 45.

##### **DIVISION III**

###### **SPECIAL MANDATARY**

**41.** If exceptional circumstances so warrant, a party may, after submission of the mediator's report under Division II, apply to the Minister, in writing and giving reasons, for the appointment of a special mandatary to foster settlement of the dispute.

**42.** The Minister must appoint a special mandatary if the Minister is of the opinion, after consultation with the minister responsible for the administration of the Labour Code, that all means of settling the dispute have been exhausted and that, in light of the exceptional circumstances described by the applying party, the continuation of the dispute may seriously jeopardize the provision of public services.

**43.** The special mandatary must possess recognized experience in labour relations, in the municipal field or in the field of economy.

The instrument of appointment of the special mandatary specifies the term of the special mandatary and any other condition to which the special mandatary is subject.

The term of the special mandatary may, at the special mandatary's request, be extended by the Minister for a maximum period of 30 days.

**44.** At the end of the special mandatary's term or as soon as the special mandatary considers that it is unlikely that the parties may come to an agreement, the special mandatary must submit an activity report to the parties and the Minister.

The report contains the recommendations the special mandatary considers appropriate for the settlement of the dispute. Such recommendations must take into account the criteria provided for in section 17. Despite section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), no person has a right of access to the report.

#### **DIVISION IV**

##### **ARBITRATION**

**45.** After an unsuccessful mediation conducted in accordance with Division II, the parties may jointly apply to have their dispute submitted to a single arbitrator.

However, an application for the appointment of a special mandatary under Division III suspends the right to arbitration until the Minister or the Government decides not to grant the application or until the report provided for in section 44 has been submitted.

**46.** On receiving an application in conformity with section 45, the Minister must appoint an arbitrator and notify the parties.

**47.** The arbitrator is selected from among the persons recognized as qualified for appointment as arbitrators by decision of the Government.

Those persons must be recommended by a selection committee formed and acting in accordance with the conditions determined by the Government.

To be recognized as and remain qualified, those persons must

(1) be members of the Barreau du Québec and have recognized experience in the field of labour relations or municipal law;

(2) not be, nor have been in the year preceding the recognition, employees, officers or other representatives of an employer in the municipal sector, of an association representing employees of that sector or of a grouping of such employers or associations; and

(3) undertake in writing not to act as arbitrator with respect to a grievance that relates to the interpretation or implementation of a decision rendered in accordance with this chapter.

The recognition by the Government of the persons qualified for appointment as arbitrators is valid for a period of five years.

**48.** Sections 13 to 25, 27 to 33 and 35 to 37 apply to arbitration conducted under this division, with the necessary modifications.

## **CHAPTER IV**

### **OTHER PROVISIONS**

**49.** Sections 54 to 57 and Divisions I and I.1 of Chapter IV of the Labour Code do not apply to a dispute to which this Act applies.

The other provisions of that Code apply in the municipal sector, to the extent that they are not inconsistent with this Act.

**50.** An application for arbitration made under Chapter III terminates any strike or lock-out in progress.

**51.** Despite section 65 of the Labour Code, a collective agreement binding a certified association and a municipal sector employer, including a first collective agreement, must have a specified period of a least five years.

## CHAPTER V

### AMENDING, TRANSITIONAL AND FINAL PROVISIONS

#### DIVISION I

##### AMENDING PROVISIONS

##### LABOUR CODE

**52.** Division II of Chapter IV of the Labour Code (chapter C-27), comprising sections 94 to 99.11, is repealed.

##### ACT RESPECTING MUNICIPAL TERRITORIAL ORGANIZATION

**53.** Section 176.22 of the Act respecting municipal territorial organization (chapter O-9) is amended by replacing the second, third and fourth paragraphs by the following paragraph:

“The settlement of such a dispute is governed by sections 4 to 15 and 18 to 33 of the Act respecting the process of negotiation of collective agreements and the settlement of disputes in the municipal sector (*insert the year and chapter number of that Act*), and by the fourth paragraph of section 176.19 and sections 176.20 to 176.21 of this Act. However, despite section 4 of the Act respecting the process of negotiation of collective agreements and the settlement of disputes in the municipal sector, the notice must be given jointly by the parties within the time they determine.”

##### REGULATION RESPECTING THE REMUNERATION OF ARBITRATORS

**54.** Section 19 of the Regulation respecting the remuneration of arbitrators (chapter C-27, r. 6) is amended by replacing “sections 93.3 and 97” in the third paragraph by “section 93.3”.

#### DIVISION II

##### TRANSITIONAL AND FINAL PROVISIONS

**55.** An employer whose time limit for giving a notice to the minister responsible for the administration of the Labour Code (chapter C-27) in accordance with section 4 or 39 of this Act has expired on (*insert the date of assent to this Act*) must give such notice within 30 days after the expiry of the time limit and send a copy to the certified association, if the employer is still in a situation giving rise to the application of either section.

If the employer fails to send the notice within the prescribed time, the certified association may do so itself.

**56.** Any arbitration hearing conducted under the Labour Code that has begun on (*insert the date of introduction of this bill*) continues to be governed by that Code, as it read on that date.

An arbitrator who, on that date, has not begun to hear a dispute pending before the arbitrator is removed from the dispute; any act done after that date is deemed to be null and void.

Section 55 applies to disputes referred to in the second paragraph, unless there has been mediation or conciliation in accordance with the Labour Code, in which case the employer notifies the Minister on or before (*insert the date that is 30 days after the date of coming into force of this Act*). The following rules then apply:

(1) the Minister must refer the dispute to which section 3 applies to a dispute settlement board, unless, within the same time, both parties notified the Minister that they wish to submit their dispute to the mediation provided for in Division II of Chapter II; and

(2) the Minister must refer the dispute to which section 38 applies to an arbitrator, unless, within the same time, both parties notified the Minister that they wish to submit their dispute to the mediation provided for in Division II of Chapter III or unless a party applied for the appointment of a special mandatarly in accordance with Division III of that chapter.

If the employer fails to send the notice provided for in the third paragraph within the prescribed time, the certified association may do so itself.

**57.** The Regulation respecting the remuneration of arbitrators (chapter C-27, r. 6) applies, with the necessary modifications, to the remuneration of the members of a dispute settlement board or of the arbitrators governed by this Act, until the coming into force of a regulation made under section 35.

Among such modifications, that regulation applies as if the arbitration were that of a dispute referred to arbitration under section 75 of the Labour Code. In the case of a dispute settlement board, each member of the board is entitled to the fees the member would receive if the member were the sole arbitrator involved. However, the total number of hours allowed for the drafting of the decision, in accordance with the second paragraph of section 4 of the Regulation, must be allocated among the three members of the board, as they specify.

**58.** The minister who is responsible for municipal affairs is responsible for the administration of this Act.

**59.** This Act comes into force on (*insert the date of assent to this Act*).





