



2017 Annual Report



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Introduction

In many ways, ACFO soared to new heights in 2017 in our ability to influence decision makers and make positive change for the FI Community in the public service and at NAV Canada. We made a record number of appearances at House of Commons committees on issues including financial reporting and whistleblower protection. We secured high-level meetings with elected officials and senior departmental officials on issues including Phoenix and the negotiations around employee wellness. We established ourselves as a professional, well-researched voice on these same issues in the media. And we strengthened our relationships with the Comptroller General and Auditor General by working on the issues of concern for the financial management and comptrollership community.

All of this was accomplished during a time of unprecedented upheaval. In addition to the issues with Phoenix, the political landscape around pay equity has been shifting even as we've finally made significant progress on our own pay equity case. Issues of outsourcing, misclassification and misallocation continue to threaten to undermine the integrity of the public service financial management framework. This added up to a higher-than-average number of calls to our Labour Relations team.

But on the balance, 2017 was a successful year for ACFO and our communities in the public service and NAV Canada. The sections that follow serve both as a report on our progress on our major priority issues and as an action plan for what comes next. We trust this context will help you make an informed choice when voting on the 2018 budget but, as always, if you have questions don't hesitate to reach out. We're here to serve you – and we're honoured to do so.

Phoenix

Unsurprisingly, pay cases dominated the year in terms of our case work and labour relations support as well as our outreach and advocacy

efforts on behalf of the community. The unprecedented scale of these issues meant all involved were in new territory and one of the main challenges for ACFO was figuring out the best way to support those of you who were directly affected while also advocating for systemic fixes. Early on in 2017 it was difficult to even get straight answers on the number of individuals affected; as we prepare to roll into 2018 the communication from the employer may have improved but issues remain.

2017: What we've done

- In January, we launched our second survey as part of the FI Community Phoenix Impact Study, followed by a third survey in April. This study was the first attempt by either the unions or the employer to truly track the scope and scale of the problem.
- Thanks to your participation in these surveys we were able to provide Public Services and Procurement Canada (PSPC), the pay centre and members of Parliament with quantifiable information about not just the volume of cases but which types of cases were causing the most severe problems.
- The survey also gave us the opportunity to speak to the media about specific numbers that nobody else could provide. This led directly to ACFO securing meetings with senior leaders at PSPC.



ACFO President Dany Richard met with PSPC Deputy Minister Marie Lemay in April to present the findings of the FI Community Phoenix Impact Study.

- Largely because of the results of the study and these media appearances, we were also able to establish a direct line to a senior manager at PSPC to whom we could escalate priority cases. This allowed us to quickly resolve several cases and highlight major systemic flaws.
- We made responding to Phoenix-related issues efficiently and effectively a top priority. We are proud to note that the number of affected members that have contacted ACFO represents only about 10% of our total membership, down from an estimated high of more than 60%. By contrast, recent reporting put the percentage of public servants as a whole with outstanding Phoenix cases at 50%.
- In the fall, we joined an NJC subcommittee that is considering options for the employer to address damages and interest to those of you affected by the Phoenix debacle. This subcommittee is also looking at other ways to mitigate the continuing impacts of the pay system problems as they slowly make their way to a stable system over the coming months.

2018: What we'll do

- While we've helped resolve many cases, this is cold comfort to those of you who continue to be affected. We will continue to make these cases a priority and work with our contacts at PSPC to find ways to resolve these lingering problems.
- We will continue to work with our union colleagues to keep the government accountable as they try to fix the ongoing problems with the system.
- We will follow up on our 2016 policy grievances to strengthen our efforts to secure additional compensation for any damages caused by Phoenix.
- We will escalate our advocacy efforts to ensure that, in the future, you are involved in these major transformation projects at every step and that your voices are heard when you raise concerns. The problems

with Phoenix were well known long before the system went live. The first external evaluation of the system confirmed this. We are fighting to ensure more of this sort of work is done by public servants and that when contractors are used they are subject to the same accountability and transparency mechanisms that you are, so problems can't just be swept under the rug.

Collective Bargaining and Employee Wellness

This year saw the ratification of new contracts for our members in the public service and at NAV Canada. In both cases we were able to secure important wins on key issues including above-pattern compensation, professional development and increased recognition for the professionalism of our communities. In the public service, we were also able to establish the framework for negotiating a better and more comprehensive sick leave and short-term disability system with the memorandum of understanding on employee wellness.

2017: What we've done

- In January, the new collective agreement for the public service was ratified with the support of more than 93% of the membership. The deal, which included better-than-pattern wage increases and the new million-dollar career development fund,



Members of the ACFO Negotiating Team met with officials from Treasury Board in April to formally sign the new public service FI Collective Agreement.

was reached after several years of tense negotiations which began with an unconstitutional threat to legislate away the existing sick leave plan.

- ACFO's decision to push for quick ratification meant we were also the first to formally sign our agreement and, as a result, we were the first to have our retro payments processed. This put us in the queue ahead of all other bargaining units, which has proved to be important given the volume of new pay issues that the larger units have created.



Former Prime Minister Jean Chrétien headlined the ACFO Spring Tune Up in Ottawa.

- The ACFO bargaining team began negotiations with the employer on the new Employee Wellness Plan in the summer of 2017 as well, with an eye to having a proposal in place before negotiations on the next collective agreement begin late in 2018.
- A new agreement for the FI Community at NAV Canada was reached and ratified in October. This agreement includes the creation of a joint professional development committee and improvements on maternity leave, along with wage increases.

2018: What we'll do

- The focus for 2018 will be to continue to negotiate the terms of the public service Employee Wellness Plan. The framework agreed to by both parties already ensures coverage will get better, not worse. Our focus will be on ensuring all members are fully covered in case of illness and you will never be asked to go to work sick.
- We will be assembling the next public service Compensation and Benefits Committee to begin the work of preparing for the next round of bargaining when the current agreement expires in November. We will also send out a survey to collect your suggested proposals, as we do every round. This helps define our priorities at the table.
- 2018 will also see negotiations take place regarding

the public service health plan and a new workforce adjustment directive at NAV Canada. ACFO will be taking a lead role on both in conjunction with the other unions.

- Lastly, we will track the implementation of the new NAV Canada agreement over the first weeks and months of the year.

Professional Development and Member Engagement

The ACFO Strategic Plan for 2017-18 identifies professional development and member engagement as the two biggest non-bargaining priorities for ACFO. The establishment of the million-dollar Joint Career Development Program (JCDP) in the latest collective agreement represents a historic step forward on both fronts. In conjunction with the Office of the Comptroller General we are rolling out an unprecedented program of training and development opportunities for our members across the country. This benefits you, as you will have access to incredible training at no cost, and it benefits us, as we will be able to engage with members in person and hear about the issues you are facing like never before.

2017: What we've done

- Following the establishment of the JCDP fund in the latest collective agreement, we established a joint

steering committee and developed the 2017-18 JCDP plan, which includes language training; CPA training; an FI Interchange program; professional development events across Canada; an FI-only uOttawa Institute of Fiscal Studies and Democracy (IFSD) course; and more.

- Prior to the establishment of the fund, we hosted approximately 1,000 FIs at the annual Spring Tune Up event in Ottawa, featuring presentations on leadership by the Right Honourable Jean Chrétien, experts in emotional intelligence and inter-generational workplaces and a panel of CFOs.
- We also hosted our first Regional Tune Up event in Moncton, along with smaller events in Toronto, Regina, St-Hubert, Charlottetown and Halifax. These events built on a series of successful events in 2016 in Vancouver, Edmonton, Winnipeg, Montreal and Moncton which allowed us to secure funding for regional events as part of the JCDP.
- More broadly in terms of member engagement, we welcomed 18 new departmental and regional representatives to the ACFO Departmental Representative program and drafted a strategy for broader member engagement which will be rolled out in full in 2018.
- The ACFO Scholarships Program, introduced in 2016, was doubled for 2017, with two scholarships available to members of our community pursuing their CPA designation and two scholarships available to your children and dependents.

2018: What we'll do

- In 2018 ACFO will make its largest ever investment in professional development and membership engagement. Thanks to the JCDP we will be able to connect with and provide training to a record number of our members.
 - More than 1,000 of you are expected to attend our annual Spring Tune Up event in Ottawa.
 - 300 of you will have access to language training, either in person or through an online training platform.
 - CPA training will be provided to 90 of you.
 - 40 of you who work outside of the National Capital Region will be part of an interchange program, allowing you to meet your fellow

FIs and be exposed to operations in central agencies in the NCR.

- Those of you who work in Montreal, Edmonton, Vancouver and Winnipeg (and their surrounding communities) will be able to attend professional development seminars at no cost.
- 20 of you will be able to attend a special course specifically for FIs developed and delivered by the uOttawa Institute of Fiscal Studies and Democracy.
- We will also be rolling out a comprehensive member engagement strategy to reach members we aren't currently reaching. This strategy will focus on breaking down barriers to communication, debunking persistent myths about the role of unions in the workplace and finding ways to reach more of you where you work.

Pay Equity

ACFO's work on pay equity is focused on two fronts: we continue to try to find a fair solution to our outstanding pay equity complaint and we are working to ensure new legislation is introduced that will help make lengthy, retroactive pay equity complaints a thing of the past.

2017: What we've done

- Throughout the first half of 2017, ACFO advocated on several fronts in an attempt to get the government to agree to an informal, collaborative process for resolving our pay equity case. This involved lobbying members of Parliament, including Treasury Board President Scott Brison, and senior department officials. We were supported in these efforts by the Canadian Labour Congress and other unions. We continue to work on a fair resolution for our group based on a more efficient, collaborative process.
- Throughout this process, we have also kept our case moving through formal channels. In January, the Public Service Labour Relations and Employment Board rejected an attempt by the employer to limit the scope of our case based on previous rulings.
- On the legislative front, ACFO was a participant in discussions and consultations on pay equity legislation that the government has committed to introducing in 2018.

2018: What we'll do

- We are confident that we will be able to find a successful resolution to our case using a more collaborative approach. However, if necessary, we will rely on the more formal, litigious approach to defend your rights. We believe in our case and will fight to ensure your rights are respected.
- We will also continue to push for new pay equity legislation at the federal level. It's been more than a year since the government endorsed the all-party special committee report on pay equity and its call for new, proactive legislation. Resolving our case will address historic issues but new legislation is needed to make sure that, in the future, gender-based wage discrimination does not creep back in.



ACFO President Dany Richard and General Counsel Scott Chamberlain appeared before the House of Commons finance committee to call attention to the issue of contracting out of finance work.

Workforce Issues

In addition to collective bargaining and pay equity, we are also working on several community-wide issues related to the financial management and comptrollership workforce in the public sector. In particular, outsourcing and privatization, allocation, classification reform and automation have been key issues of concern for ACFO. These issues all speak to the overall health of not just our community but also the financial management framework we support. Canadians invest billions of dollars annually into the federal public service; it is vital that competent, qualified professionals act in their role as stewards of the public purse. These tend to be bigger, longer-term issues but it's important that we continue to make progress when we can.

2017: What we've done

- In 2017, we launched a major study of outsourcing and contracting out of financial management work in the public service. The early results of this study were enough to convince us to make this issue the focus of our appearance at the House of Commons finance committee's pre-budget

consultation session in September. The routine use of outside firms to do your work is a threat to your jobs and puts many of you in an awkward position in the workplace. Our research shows that far too often, you are being excluded from building costing models, providing financial analysis and other core FI duties.

- We have ongoing challenges before the Public Service Labour Relations and Employment Board regarding FI jobs that are currently being done by other groups. Such challenges are important because the health of the financial management framework depends on qualified financial management professionals doing this work. These cases were accepted by the Board and we are waiting for hearing dates to be set.

2018: What we'll do

- Our work on privatization and outsourcing will expand in 2018 as well. Our efforts to raise the issue caught the attention of members of Parliament late in 2017 and with departmental spending reviews ongoing we intend to point out that outsourced accounting work is often duplicated by our community anyway. We will also continue to push for the mechanisms of accountability that guide your work – the statement of values and ethics, the access to information regime, access to the Public Sector

Integrity Commissioner when you see instances of wrongdoing – are extended to the contractors and firms that do work for the government as well.

- Finally, we plan to begin to look more deeply at the issue of workforce automation and AI in the workplace. This has been an area of major growth and innovation in recent years and Canada is emerging as a leader in the field. Understanding the implication for financial management professionals will be key to shaping our priorities going forward.

Operations

ACFO is proud to offer highly-rated, professional services to our members at a fraction of the cost of other unions. Efficiency and smart management have been hallmarks of our operations for years and despite a spike in casework because of the Phoenix debacle we are proud to have maintained our high levels of service excellence throughout 2017.

2017: What we've done

- 2017 saw record numbers of cases and inquiries from our members, thanks in large part to pay system issues and the processing of retro pay following another successful round of collective bargaining. Despite this extra work volume, you told us in our satisfaction survey in September that we continue to provide high-quality service. This is a source of pride for us. We take our cues from you and the professionalism you bring to your work and we're proud to be able to serve you with the same sort of professionalism.
- 2017 also saw the roll out of the Joint Career Development Program. The logistics to get a program of this size and scale running are complex and a dedicated resource was assigned just to this project. Fortunately, this position is funded by the program so the overall impact on our budget was negligible.
- This year we also officially outgrew our space. As some of you might remember, we bought our current office in 2006. Our Queensview Drive office has served us well for more than a decade but our slow and steady growth, matching the growth of the FI Community, has finally hit the point where we no longer fit. After a two-year search, we bought a new property in Westboro in 2017. This new space

is closer to our members – walkable for members at Tunney's Pasture and a short drive from Place du Portage and the Ottawa downtown core. It is also located along the new LRT route in a desirable part of the city, which makes it a sound long-term investment.

2018: What we'll do

- In 2018 we will do what we have always done, focus on serving our members efficiently and effectively. We don't expect any major changes in our operations or staff size.
- The biggest operational changes will be the move to the new building in early 2018, along with the sale of our Queensview Drive building. We will also begin the migration to a new membership management solution that will help us better process information provided by Treasury Board and NAV Canada, as well as give you the ability to control the information you receive from ACFO.
- We will also undertake a comprehensive review of our internal policies and bylaws to ensure they are up to date and reflect best practices in transparency and accountability.

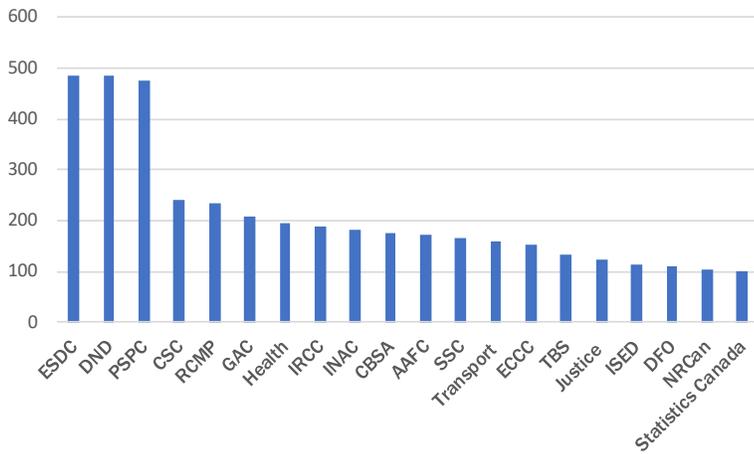
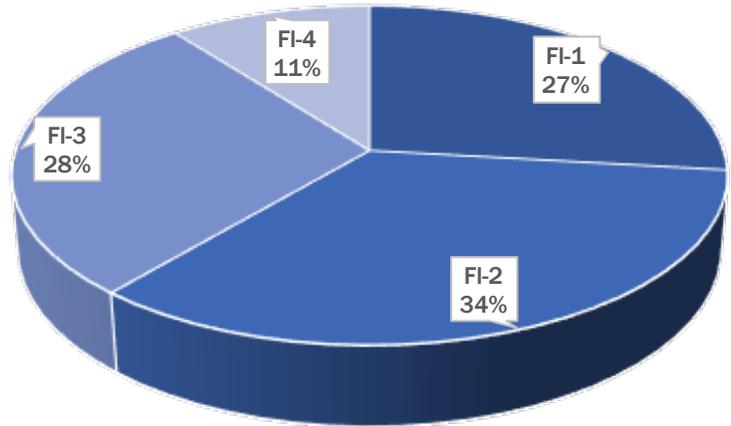
Conclusion

We are proud to report that overall, 2017 was a successful year for ACFO and our communities in the public service and NAV Canada. Through high-level meetings and appearances in both the media and government committees, ACFO strengthened important relationships, expanded our influence and increased our ability to make positive change for our members. We faced new and ongoing challenges but still made progress on the priorities of the FI Community and secured important victories including two above-pattern collective agreements and significant commitments to professional development. We also built a solid plan for the year to come.

Through it all, we have been incredibly grateful to and inspired by the community we serve. Your professionalism, integrity and dedication are an example to us and we were honoured to represent you.

Our Community at a Glance

FIs by Level



FIs by Department (20 largest)

FIs by Region

