

CRA Workers' Unions Are Poised to Begin Strike Votes

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The Canada Revenue Agency could face the prospect of an employee strike heading into tax season, according to a union announcement that says strike votes will begin at the end of January.

After reaching an impasse in discussions with the CRA, the Public Service Alliance of Canada and the Union of Taxation Employees (PSAC-UTE) said in a [January 10 release](#) that they will conduct strike votes between January 31 and April 7. Voting sessions are scheduled across the country ahead of Canada's deadline for personal income tax returns following the breakdown of negotiations concerning remote work and wages, the release says. Canada's filing deadline is April 30, but because that date falls on a Sunday, returns received or postmarked May 1 will not be considered late, according to the government.

The votes will affect over 35,000 CRA workers who have gone without a contract for over a year, according to the unions. "Wages that keep up with inflation and a sensible remote work policy are critical to reach a deal, but the agency has refused to respond to our wage offer and still has major concessions on the table," PSAC National President Chris Aylward said.

The [wage proposal](#) presented to the CRA by PSAC-UTE in July 2022 calls for a 4.5 percent increase to "all rates of pay for all bargaining unit employees" effective November 1, 2021; an 8 percent increase effective November 1, 2022; and an 8 percent increase effective November 1, 2023. "Despite having had ample time, CRA has still not responded," PSAC-UTE said in a [September 2022 release](#) declaring that negotiations had reached a "breaking point."

PSAC, which represents almost 230,000 workers across Canada and abroad, is managing an online voting platform and encouraging workers to register for sessions being held in the coming months. UTE, which joined PSAC in 1966, represents CRA employees in taxpayer services, audit, enforcement, human resources, information technology, and other areas. Almost 55,000 individuals are employed by the CRA in total, dwarfing the workforce in other federal departments and agencies, including national defense, the Canada Border Service Agency, and Health Canada.

The CRA and PSAC-UTE will engage in Public Interest Commission hearings with the Federal Public Sector Labour Relations and Employment Board during the voting period. After the commission's report is released, "PSAC-UTE will be in a legal strike position if members vote in favor of a strike mandate," the January 10 union release says. "A strong strike mandate doesn't automatically mean we'll call a strike," the unions said, adding, "it's the strongest tool we have to put pressure on the government to reach a deal."

During the pandemic, CRA workers processed almost 30 million applications for [Canada Emergency Response Benefits](#) and provided "historic financial relief to millions of people hardest hit by COVID-

19,” UTE National President Marc Brière said in the release. The CRA has “shown a complete lack of respect for workers at the bargaining table, and a strong strike mandate is the best way to ramp up pressure to reach a fair contract for our members,” he said.

A CRA spokesperson told *Tax Notes* that the agency is “committed to reach a new collective agreement that is fair to employees and respectful of Canadian taxpayers.” The CRA expects the Public Interest Commission’s recommendations on outstanding proposals to “assist the parties in eventually returning to the bargaining table,” she said.

“The COVID shutdowns resulted in processing logjams that persist to this day, and it’s very disconcerting to imagine the effect of a strike on the system,” said Roy Berg of Roy Berg International Tax Law. “Tax rates in Canada are among the highest in the OECD, and a functional tax collection and enforcement system doesn’t seem too much to ask for.”

Kim Moody of Moodys Tax Law said the possibility of an impending strike at this point in the year is concerning. “Tax season is one period of time that it is crucial to have a properly functioning system,” he said. The situation is also concerning because much of the CRA is still working from home, and “call waiting times and overall service experiences . . . have noticeably declined during the COVID period,” he added.

There are also value-for-money concerns, particularly given large [CRA funding increases](#) that have been included in recent budgets, Moody said. While it may be too early for taxpayers to be greatly concerned about their ability to file, some are keenly interested in issues like what the CRA is doing with its massive funding increases, how many new people have been hired, why workers are pressing to continue to work from home when the average Canadian can’t do that, and whether a new deal will improve service experiences, he said.