

PRESENTATION TO

EXECUTIVE POLICY COMMITTEE

JULY 20, 2005

RE: SOLID WASTE COLLECTION SERVICES

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Introduction

CUPE Local 500 would like to thank you for the opportunity to express our views on the Administration's recommendation to contract out the manual and automated collection services currently being provided by civic employees.

At the outset CUPE would like to state that we are here today to speak against the recommendation to contract out the manual and automated collection service that is currently provided by city forces.

Background

The collection of solid waste in Winnipeg has been a controversial public issue for many decades.

Public services generally are under severe financial pressure and public scrutiny across Canada. Basically, the public wants efficient inexpensive waste collection as they generate increased amounts of solid waste. On one hand there is the ongoing call to reduce property and business taxes by some politicians. At the same time many residents and especially environmentalists are calling for increased efforts to reduce waste volume or to divert more waste from landfills. Thus municipal governments are caught within a resource and public opinion squeeze that tends to result in polarized positions and temporary solutions, rather than in pragmatic and sustainable adjustments.

In Winnipeg there has also been a history of corporate back-room manipulations that have seen companies collude to maintain prices of their services, aggressively buy-out competition and openly tried to influence politicians and administrators. Thus collecting solid waste has become a political issue, fought over by various ideological tendencies and often used as a place for staking out political authority.

We now find ourselves at the end of a process that has produced a Business Plan that recommends contracting out all manual and automated collection in the city.

As indicated above, the Union believes existing municipal services, rather than contracting out the service to private companies better provides solid waste collection. The Union believes that in-house collection is cost effective and provides important corollary benefits and assures long-term stability of service delivery for the city and its citizens. Government services are more flexible. Cost savings can be achieved more quickly, and the public has a greater potential for quality attention when city employees provide services.

While privately operated companies have assets they bring to an economic activity, we do not believe that the profit motive alone can lead to more effective public services. Companies must make a profit to exist, and therefore they try to reduce costs and minimize effort to stay commercially viable. These demands make it inherently difficult if not impossible to deliver quality services better than a government run operation, where services must respond to multiple public demands.

Advocates of public delivery of services say that government employees can be monitored and supervised to assure service quality and efficiency, costs can be controlled directly, and spin offs from the service contribute to other citizen needs as well as long term requirements of the city. In particular, public services are open to public input and scrutiny and therefore are less prone to abuse or misuse.

Advocates of private collection say that greater efficiency and therefore effectiveness of service can be achieved when independent companies are involved, as they are not encumbered with the standards of a government bureaucracy and are more motivated to keep costs down and yet maintain contractual/legal obligations. Contractors will show how they can delivery cheaper services when they can reduce labour costs. In the immediate case, Waste Management has a unionized workforce but has the ability

to hire up to 15% of its workforce (to supplement its own workforce) from the agency labour market and pay as little as $8.25/hour.

In deciding which type of service delivery is most appropriate, a "full cost analysis" of existing services is needed. A full cost analysis would include direct and indirect costs and benefits of the collection service. This type of analysis will allow a judgment of both public and private services on the basis of a "level playing field" (note: Federation of Canadian Municipalities, *Solid Waste as a Resource, Guide to Sustainable Communities*, 2005, Section 7 – Appendix 1).

The cost of this publicly delivered service has been made very transparent and as such any company interested in contracting solid waste collection should provide a full disclosure of its cost estimates. While there will be a call to protect confidential business information, the public interest should override these interests, and particularly if the companies are tied to American multinationals with reputations of providing somewhat less than what the public is deserving of.

Second, it is important to consider the secondary/corollary services that can be provided and in particular, those that can assist the city to reduce the overall volume of waste. A larger perspective that the city should consider is how its capacity to collect waste can help the city find better ways of collecting or reducing waste. However, this level of thinking requires Council direction and policies, and the Union can only point to the advantages of different ways of dealing with solid waste issues and offer to assist in subsequent action.

Historical Overview

In July 1999 Council approved the recommendations of the Alternative Service Delivery (ASD) Committee that included in part ***"that City forces continue in the direct delivery of solid waste collection services and that the Administration continue***

implementation of internal improvements and cost reductions for solid waste collection".

Since approving this recommendation the parties tried to work towards improving the efficiencies for both the Manual and Automated Collection Operations. A number of options were identified in the Auto-bin Collection operation as efficiencies with one of the options being implemented which identified savings in the area of $463,799 per year. Although other efficiencies were identified in the manual collection operation the parties implemented none at that time.

In the report dated March 16, 2004 the Union was in agreement with the Administration in terms of the status quo not being an option for the manual collection operation.

In April 2004, Council concurred in the recommendation of the Alternative Service Delivery Committee and adopted a resolution that directed the Administration to prepare a Business Plan consistent with the Collective Agreement and ASD process related to the provision of solid waste collection services. In August 2004 CUPE Local 500 was invited to participate in the ASD Business Planning process and did so on various committees that were formed.

Throughout this period of time the Union has favoured the overall approach to come up with and implement efficiencies for the manual collection operation. None of these efficiencies identified in the report were implemented.

In May 2005 the Administration of the Water and Waste Department produced a final Business Plan that recommends contracting out all solid waste collection for the city. This Plan and the recommendation to contract out these services was presented to and agreed to by the ASD Committee. The ASD Committee subsequently referred the Business Plan and its recommendations to the Executive Policy Committee (EPC) concurring with the Administration.

Associated Risks

In the Executive summary and throughout the Business Plan the Administration has listed a number of reasons why Council should adopt the recommendation to contract out these services.

In the view of the 80 staff of the Solid Waste Services Division represented by CUPE Local 500 the choice of contracting out collection is based on preconceived biases towards privatization and a limited examination of the factors that affect waste collection. As noted in the Union's presentation to the ASD Committee on May 17th, privatization of solid waste collection is a mistake because it puts the quality and costs of all collection at risk. In our written presentation for the ASD Committee, CUPE Local 500 stated that the Administration went out of their way to find reasons why this work should not be performed by civic forces and should have put more effort in listing the advantages of having a civic workforce perform this service. The Union stands by its comments previously listed in our presentation to the ASD Committee in regards to the noted associated risks. The Union firmly believes that the benefits greatly outweigh the negatives when you have the ability to provide this type of service by civic forces.

The Administration has indicated that it has a competitive bidding strategy that will ensure that the city is not susceptible to large rises in bids. The Union finds this strategy without merit given that in the Administration's own words they cannot understand how the private sector is delivering this service for such a low cost.

The Union would ask ***how do you foster a competitive bidding strategy with companies that have 51,000 employees and assets in excess of $20.6 billion?***

The Business Plan indicates the associated savings at the end of a 10-year period. The Union would challenge this statement by saying there is nothing that is guaranteed for 10 years including the price of private sector garbage collection. The Union would also challenge use of a 10-year period in the Business Plan. By using a 10-year plan the

Administration can hide the overall human resource costs over a longer period of time. By using a 10-year plan the overall savings looks greater at the end of the 10 years. The savings are not being accumulated over this period of time and then used on some other worthy project such as the infrastructure. The savings are being swallowed up each and every year by the budget process.

If we were using the duration of one 3 or 4 year contract, how would this affect the overall savings attributed to contracting out this work? One would believe that the savings would not be that great at the end of the day because you would then be compressing these costs into a 3 or 4 year period, not over a ten year period. Add these savings to the savings associated with the internal improvements identified in the Business Plan and the option of selling off our equipment fleet and laying off employees does not look that desirable. Add these savings to any other savings that can be attributed to the Collective Bargaining process, which commences this fall, and this gap, can in the Union's opinion be further reduced.

The Union believes that the city missed an opportunity to save on budget dollars in 2005 by not implementing the internal improvements identified in the Business Plan. The CUPE members in the Solid Waste Services Division voted overwhelmingly to implement these internal improvements in February 2005 yet to date no action has been taken by the Employer to implement these changes that would have resulted in savings for 2005.

The Administration states that the risks associated with implementing the internal improvements are far and numerous and cannot be mitigated by the Employer. The Union would state that one of the most effective ways of mitigating such risks is to just simply manage the operation.

Redeployment Issues

During this relatively short time that this ASD Business Plan has been public there has been a number of city officials that have indicated that the CUPE Collective Agreement has job security provisions that will protect **all the current employees** that are affected by this recommendation. The Union keeps hearing how there will be **no job loss** as a result of the city contracting out this work.

These statements are simply not true. In a table located on page 3 of the Business Pan the number of employees in status quo operation are 79.9 full-time employees (FTEs). The Business Plan further explains that only 15 of these 79.0 FTEs would require redeployment. If the 79.9 FTE positions were filled with permanent employees there would be a greater number of employees that would require redeployment. Although the approximately 80 positions should be permanent positions throughout the past couple of years, the Union has worked cooperatively with the Administration in terms of filling this establishment with younger employees and this cooperation has resulted in a number of these permanent positions being filled on a year round basis with temporary employees. These temporary employees that have been working for the Solid Waste Services Division on a year round basis are not permanent employees and are not given the same protection as permanent employees in the Collective Agreement. The end result is that approximately 25 temporary employees will receive lay-offs or placed in other Departments and receive 2 to 3 months of work per year. These 25 temporary employees and their families see this lay-off as nothing short of being terminated. This group of employees have given you the absolute best level of service possible in their short careers with the city by loading literally tonnes of garbage on these trucks. Some officials have referred to this group of employees as **"Casualties of War".** If Council decides to privatize this service I wish it could be the politicians that deliver the lay off notices to this group of employees to see the look on their faces.

The Challenge

CUPE Local 500 members believe there are untapped opportunities for dealing with city solid waste. Instead of treating garbage as a major urban problem, we believe there are ways to deal with urban waste that can contribute to other developmental needs of Winnipeg.

CUPE LOCAL 500 wants to suggest an initiative that will focus on the assets and opportunities that now exist to meet a number of needs of residents, including:

- *Having a workforce ready for unique situational demands;* It is important to restate, that keeping a part of the city solid waste service in public hands is a practical means of assuring the quality and cost effectiveness of the city-wide service. Having the capacity to quickly and economically step in to complete work left undone by contractors is going to save the city money. To have a workforce that can be readily deployed in other situations or under emergency conditions can also mean huge benefits for city residents.

- *Expanding automation* of solid waste collection into select areas of southern Winnipeg. This would involve expanding the popular Auto-Bin service that the city now provides to certain areas of northern Winnipeg. Although not the same automated service is recommended, you can utilize the new technology for collecting waste in residential areas where back lanes do not exist and therefore front street methods are needed. When gradually introduced and linked to training and redeployment efforts, it is a win-win initiative for employees, residents and city officials.

- *Reducing pressure on Brady Road landfill* and generally dealing with other environmental issues that are and will face city residents. While landfills have been considered inexpensive and an effective means of dealing with solid waste, there are many risks and problems they create that will have a long-term effect on

Manitoba's environment. However, there is more than can be done as waste volume continues to put pressure on the city's landfill sites.

- *Creating job opportunities for students, Aboriginal youth and low-income men.* Waste collection provides an excellent opportunity for the disadvantaged to get well paid work, with prospects for meaningful improvement and advancement. Because of the social conditions these people often face, getting work is particularly difficult and jobs in waste collection can be a good starting point for their entry into permanent work. Currently university students get summer employment that is important to their future and to the long-term economic capacity of the city.

CUPE Local 500 proposes a four-year challenge, to include and utilize city workers in the Solid Waste Services Division to take advantage of the opportunities that are available and to reduce costs for this service.

This would be a means to achieve direct benefits as well as test a new method of city-union collaboration. We are confident we can achieve immediate cost reductions as well as long term environmental and social benefits for the city, if given the chance and if there is willingness on the part of management.

Obviously more planning and preparation is needed to implement the challenge proposed here. It would be important to prepare a Business Plan that addresses immediate needs as well as longer term opportunities. The Union has included some of the factors that should be included in this alternative business plan in Appendix 3.

Public Survey Results

In a recent survey which took place between June 6th and 12th commissioned by CUPE Local 500 by Viewpoint Research of Winnipeg, 80% of the respondents said they are very or somewhat satisfied with city garbage collection (Appendix 2).

67.9% said they would prefer to see city workers continue to provide services such as garbage collection because they would "not like to see long time city workers lose their jobs".

68.2% agreed with the statement, "I would prefer that the City of Winnipeg maintain responsibility and control over garbage collection rather than having it turned over to a large multinational company".

And 55.9% said they were willing to pay $10 a year more to maintain garbage collection by City of Winnipeg staff.

These survey results in the Union's opinion are very clear. **The public does not want to lose control of garbage collection.**

Action Process

Before the above noted challenge can be seriously implemented, there is time needed to develop a series of events and resources to make the collaboration work well. In particular, more attention is needed on:

- ✓ *Information Sharing:* On direct and indirect costs and other features of addressing the four features of this proposal
- ✓ *Joint Planning:* Between Division Management, Frontline Staff, Key Councillors, Union Officials, and in some cases relevant community groups (i.e. Aboriginal Leaders, Environmental Groups...)
- ✓ *Public Input:* On key aspects of changing collection practice and implementing the recycling and reusing opportunities available
- ✓ *Pilot Projects:* In key areas of the city that are amenable to improving recycling and alternative refuse collection methods
- ✓ *Workplace Training:* For staff to be able to work on behalf of the city, in the Solid Waste or other Departments

- ✓ *Ongoing Monitoring:* To help guide the implementation of this initiative and assure achievement of city objectives
- ✓ *Project Evaluation:* Of all activities so there can be further policy and program definition

Recommendations

CUPE members who work in the Solid Waste Services Division believe that a **public/ private mix of solid waste collection can provide the practical balance and comparisons to maintain productivity, cost and service controls** that the public system needs. The combination of public and private collection gives city management the ability to monitor and judge contractors in ways that competitive bidding is unable to. For the apparent difference in costs between city and corporate collection, city residents get the ability to assure quality service, to address other waste management needs, and to provide for other social needs of citizens.

As has been the case throughout this entire business-planning process, the Union has and is committed to cooperating with the city to maintain high quality affordable waste collection. Over the last year, the Union has shown its willingness to examine the fine details and to come up with cost cutting measures. The Union has never refused to collaborate on initiatives to make internal improvements.

Earlier in our presentation the CUPE members that currently provide this service for the citizens of Winnipeg believe there are **untapped opportunities** for dealing with city solid waste. A quick review of our four year challenge that will focus on the assets and opportunities that now exist to meet a number of needs of residents include:

- ❖ Having a workforce ready for core services as well as unique situational demands
- ❖ Expanding automated collection to Winnipeg's south side
- ❖ Reducing volume pressure on the city's landfill site
- ❖ Creating job opportunities for students, Aboriginal youth and low income residents

Union members believe there is a better approach to dealing with solid waste, one built on cooperation between frontline workers, managers and politicians. The past and current management style has led to demoralized workers and has generally laid the conditions for a less-than-productive service center. We believe a labour-management relationship that respects the contributions of all the players in the delivery of public services, that is open and transparent, which innovative and visionary, can best meet the needs of city residents.

As Tom Ford wrote recently, ***"Productivity is the combination of motivated, skilled people working with efficient machines and processes and with a management that keeps work flowing steadily. In other words, it requires the efforts of government, workers and management. The people in this combination are the managers. They train the workers; buy the equipment; set up the systems and processes; and arrange for the workflows."*** (Winnipeg Free Press, June 20, 2005)

The CUPE members have indicated their willingness to implement changes in the way they perform this service that will result in meaningful savings for the city. The key to this challenge and its success is a respect for collaboration among all the partners. To be clear, we expect that this process will rely on and utilize city workers in the Solid Waste Services Division, to take advantage of their knowledge, experience and commitment. However, all levels of city government must make a commitment to this process to make it work.

Closing Comments

In closing, CUPE Local 500 would like to once again state that we are opposed to the recommendation by the Administration to contract out all solid waste collection currently provided by civic forces.

By moving in such a direction, Council would be, in the Union's opinion, opening the door for increased costs, not overall savings. By having the unique opportunity to have such a good mix of public and private, the taxpayers of the City of Winnipeg have enjoyed some competitive bids from the private sector. With the elimination and selling off or your assets the City of Winnipeg is opening the door for a private sector monopoly that will place the entire city at risk. Do you want to risk not being in a position to react by not having your own equipment if you experience large increases in the future?

Why the Administration has not implemented the Internal Improvement model this year knowing full well that your employees have agreed to it and that it would have achieved savings in 2005 is an unanswered question in the Union's mind, but it is too late to worry about what could have been for 2005. We must move on and as such the Union is recommending that the Executive Policy Committee not approve the recommendation listed in the Business Plan. The Union is further requesting that the four-year challenge be adopted as part of an overall strategy to deal with solid waste today and into the future.

What could be clearer than a quote from Mayor Sam Katz on December 1, 2004 when he stated to the Sun City Hall Reporter:

"Katz backs city trash collectors"

Katz said, "He's looking for ways to streamline the municipal trash collection service in south Winnipeg, which has been criticized as bloated, overly costly and far less productive than the work done by private crews in the city's northern districts."

"There are always other options we can look at, and we're still doing some homework," Katz said. "I would like council and the mayor to show some creativity to show some vision to show we can accomplish a goal and that there's more than one route to get there".

Katz said, "Contracting Out will be his last resort to reduce the discrepancy."

In the June 29, 2005 Herald Community newspaper Mayor Katz is again quoted by saying:

"If CUPE can implement, even partially some of those savings, we would stay with them, but we have to consider a private option, that reduces our costs significantly."

Once again the Union is stating that we are opposed to this recommendation to contract out these services. We believe that the ASD Business Plan that has been submitted is less than complete and is badly slanted towards the Contracting Out option. We believe that the four-year challenge that has been raised by our CUPE membership is a very viable option for the City Council to adopt.

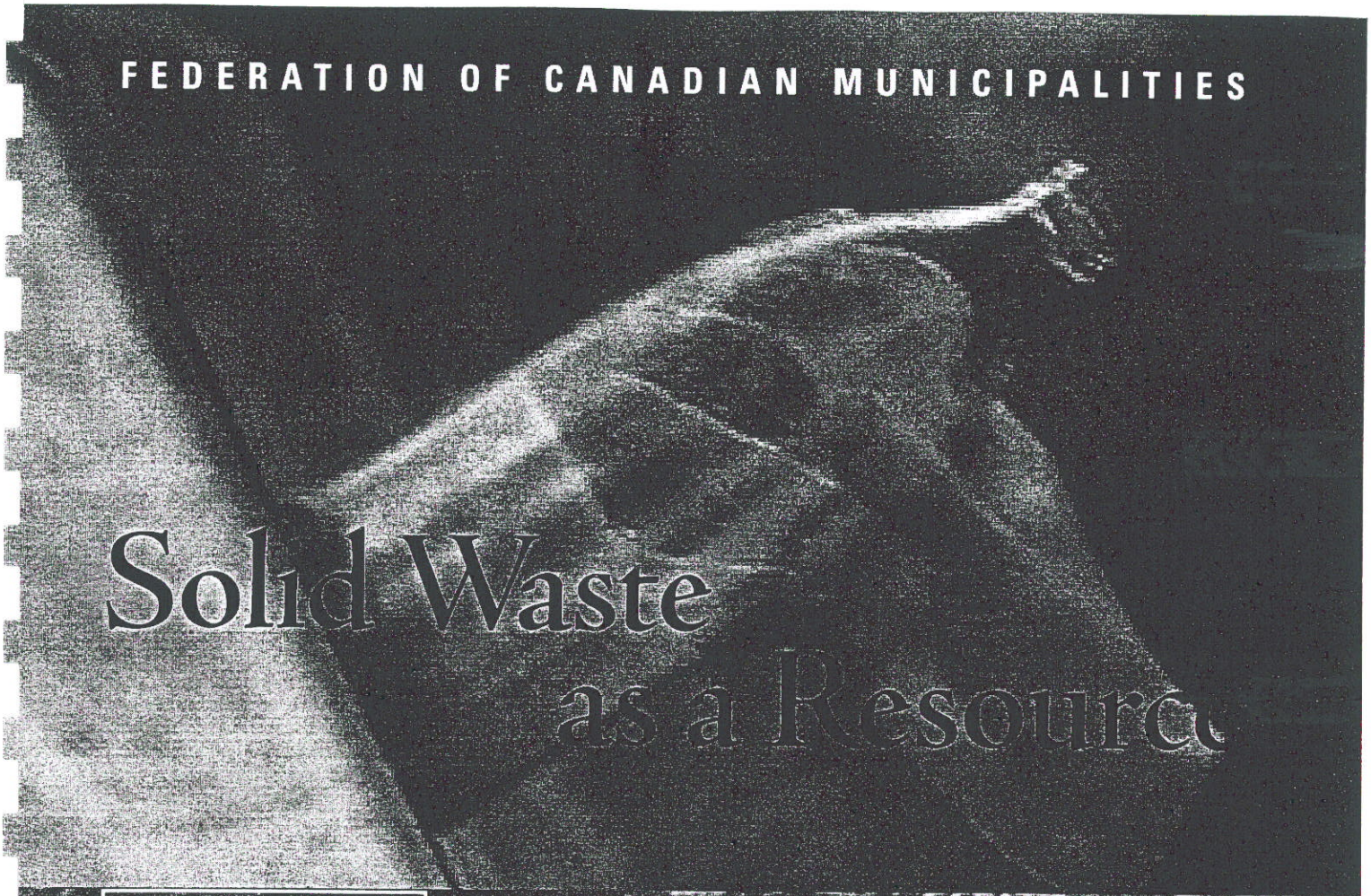
The current Public/Private mix of Solid Waste Collection is the only option that keeps the control and accountability in the City of Winnipeg's hands.

Presented by
CUPE Local 500

jk/cope 491

Enclosures

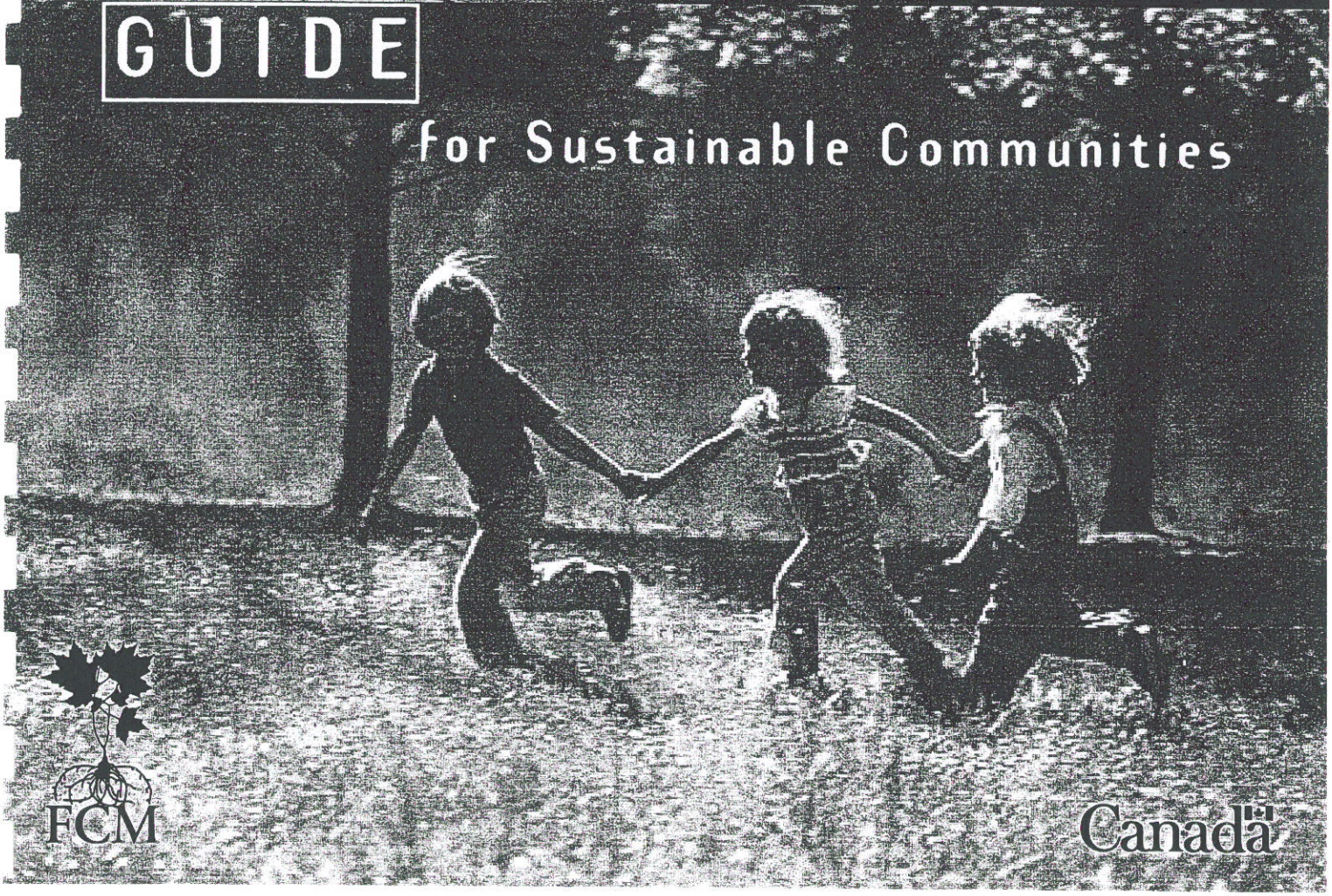
FEDERATION OF CANADIAN MUNICIPALITIES



Solid Waste as a Resource

GUIDE

for Sustainable Communities



FCM

Canada

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The Overview, Review of Waste Policies and Review of Waste Technologies sections each include a detailed table of contents and a list of tables and figures.

SECTION

Financial and Economic Considerations

This section reviews the economic considerations associated with an integrated resource and waste management system, including developing and comparing system costs and exploring funding opportunities.

The cost of municipal resource and waste management systems varies considerably across Canada, depending on local factors, such as waste composition, housing density, cost of landfill, and availability of markets. Despite the variances, it is still a useful exercise to collect financial and operational information from similar municipalities. A comparison of system components and costs will provide insight for future planning, contract negotiations, and purchases.

The most effective way to manage revenues and costs is to set up a separate cost centre for waste management services, making resource and waste management services financially independent and self-financing. It also provides a more accurate source of data when planning an integrated resource and waste management system.

Full-cost accounting can be used to estimate the direct and indirect costs of an integrated resource and waste management system. Full-cost accounting focuses on three principal types of costs that are relatively easy to determine:

- *Up-front costs* – The initial investments and expenses, including public education and outreach, land acquisition, permitting, and building construction or modification.

- *Operating costs* – The expenses for managing the system, including operations and maintenance, capital costs, debt service, and all unexpected costs.

- *Back-end costs* – Expenditures for wrapping up operations and for the care of landfills and other facilities at the end of their useful lives. Costs include site closure, building and equipment decommissioning, postclosure care, and retirement and health benefits for employees.

Remediation costs at active sites, contingent costs, and environmental and social costs also require special consideration.

Full-cost accounting is described in *A Full Cost Analysis Guide for Municipal Waste Managers*. This guide, published by Alberta Environment Protection, can be found at http://www3.gov.ab.ca/env/waste/aow/publications.html

In addition to actual dollars, a detailed economic analysis includes the benefits of an integrated resource and waste management strategy to the local area and economy. The number of jobs within the municipal government needs to be identified, as well as the number

How Edmonton Funds Waste Management

In the City of Edmonton, Alta., (pop. 651,000) property taxes fund all collection-related activities, such as garbage and recyclables, litter, community recycling depots, and related promotion and education programs. For every $1.00 paid in property taxes, $0.04 goes to waste management. Of this, almost $0.02 funds three recycling programs—Blue Bag, Multi-family Recycling and the Community Recycling Depots.

The monthly utility bill fee funds all processing and disposal-related activities, including a transfer station for garbage, the recyclables processing plant, the co-composting facility, landfill disposal, and Eco Stations. In 2003, single family residents paid $10.45/month on their utility bill; residents in apartments, condominiums etc., paid $6.80/month.

involved in all other aspects of the waste management operation (collection, processing, disposal, promotion and education, and overhead). Spin-off benefits of providing materials to local industries also need to be identified to show the broad benefits to the public and council.

Revenues

Municipalities need to consider the full range of revenue options, such as taxes, user fees, tipping fees, enforcement fines, and resource recovery (e.g., those obtained through sale of recyclable materials, compost and energy). Revenues from tipping fees and user fees can offset total resource and waste management system costs. Since recyclable material is a world commodity, prices will fluctuate with supply and demand. A range of revenue assumptions should be used in any analysis, including energy and transport prices, market demand, tax variation, supply, etc. Energy prices are generally more predictable, particularly with a long-term energy contract.

Besides the full range of revenues, municipalities can look to the IC&I sector as another possible source of revenue. While some municipalities completely leave IC&I waste management to the private sector, others pick up commercial waste from small street-front operations. Still others pick up some (e.g., the City of Calgary) or all (e.g., the City of Red Deer, Alta.) of the IC&I waste generated within their jurisdiction.

Processing and disposal of IC&I waste can be a lucrative revenue source for municipalities through tipping fees charged at energy-from-waste, landfill, composting, and recycling facilities (if the facility is publicly owned). Because of economies of scale, adding IC&I waste can make the economics of operating these facilities more favourable. Most large facilities (e.g., Guelph, Ont., and Edmonton, Alta.) assume that some IC&I waste will be processed. This provides municipal revenues and allows the facility to be constructed with a larger capacity to process more recyclables.

Many Canadian municipalities accept IC&I waste at landfills and charge tipping fees. These fees can be a significant source of municipal revenue, and the landfill provides a service to the private sector as long as other disposal routes are not available. Raising tipping fees above a "willingness to pay" threshold results in IC&I waste going elsewhere if options exist. For example, the City of Toronto increased its tipping fees from $50/tonne to $150/tonne, resulting in a 90 per cent loss of IC&I waste (and revenues). Soon after, the city dropped its tipping fee to $50/tonne to bring back IC&I waste and revenues.

In some cases, the municipal landfill can impose restrictions on waste received through landfill bans on recyclable materials, such as cardboard. This encourages the IC&I sector to recycle. Municipalities need to consider the implications of encouraging landfill revenue on increasing long-term recycling and industry product stewardship.

Costs

Costs are typically developed for all aspects of the resource and waste management system, and are converted to

annual operating costs per household and per tonne managed. It is important to express costs as $/household as well as $/tonne and the total for each activity. Some services will look more expensive depending on how costs are represented. For example, household hazardous waste or household special waste programs are extremely expensive on a cost per tonne basis, but because of the relatively small amounts involved, are comparatively modest when expressed as cost per household.

Steps involved in developing system costs and comparative estimates are:

- Develop a good baseline estimate for current system costs. At a minimum, break down costs into collection, processing, and disposal. Overhead costs and promotion/education costs should be included. For more on identifying the costs of various components see the *Workbook* and GAP Web site (www.csr.org).
- Identify costs for options being considered.
- Develop a simple presentation format for comparative costs showing that higher diversion systems may cost more per tonne, but per household are only marginally higher due to savings in avoided disposal cost.
- Present range of revenue and cost implications for different options, along with advantages and disadvantages of different approaches to council along with a staff recommendation.

Costs of different resource and waste management options are typically divided as follows:

- Collection capital and operating costs (drop-off sites and curbside collection);
- Processing capital and operating costs (recycling, organics, mixed waste);
- Transfer and long haul costs;
- Disposal capital and costs (incineration, landfill);
- Promotion and education;
- Administration and overhead.

Collection costs include truck and bin purchases, administration staff, and operating and maintenance costs, such as salaries, fuel and insurance. Capital costs of trucks generally are amortized over seven years to identify one annual cost, including the capital required to pay for and replace equipment on an ongoing basis. Overhead costs for buildings associated with the truck fleet (garages, maintenance yards) ideally are included, but often are not found in preliminary cost estimates.

Processing costs include operating costs for recyclables, organics, and mixed waste processing facilities. When contracted out, the cost is easily identified. Where carried out by the municipality, costs are typically available through annual budget documents. Estimates for new processing operations need to be developed through discussions with other municipalities with similar operations and with local contractors.

Disposal costs include those for operating the landfill or incinerator (when owned by the municipality) or the tipping fee charged by private sector sites used. Some Canadian municipalities own

User Pay Program Saves Total System Costs

In 1997, the Town of Georgina, Ont., (pop. 38,000) implemented a full user pay program (residents pay for all bags/containers of garbage placed at the curb for collection). Costs of waste management have decreased by 14.3 per cent.

Savings are credited to:

- bag tag revenues;
- cheaper garbage collection contract (less garbage collected);
- avoided tipping fees from 40 per cent reduction in waste to landfill; and
- an increase in recycling revenues (higher recyclable recovery rates).

Increased costs related to higher:

- yard waste costs;
- administration fees (i.e., hiring of an inspector to manage illegal dumping);
- printing and advertising costs promoting program; and
- recycling contract (increased in recyclables collected).

the landfill or energy-from-waste (EFW) sites, but charge back market rates to internal departments to ensure that the full value of the disposal service is charged appropriately.

Transfer and long haul costs include transportation of material from transfer stations to disposal facilities. Haul costs refer to long-distance transportation of materials.

Overhead costs include staff to administer contracts. Ideally the portion of municipal overhead on a resource and waste management system includes these estimates.

Promotion and education costs need to be considered separate from overhead costs since they are critical to a program's success. The budget amount set aside for these campaigns depends on several factors, such as community and waste reduction goals, community support and program commitment, program complexity, and need for troubleshooting.

Informal Co-operative Markets

Informal Co-operatives involve casual agreements among like-minded municipalities. Bluewater Recycling Association, in Ontario—a non-profit co-operative servicing more than 80 municipalities—is the largest multi-material resource management organization in Canada. It collects, processes and markets more than 13 categories of recyclables.

Grants and Other Funding Sources for Resource and Waste Management Projects

There are several funding sources available to Canadian municipalities to help defray some capital and operating costs associated with the design and implementation of waste prevention, management policies and technologies:

Green Municipal Funds (GMF) – GMF provides funding to stimulate community investment in innovative environmental infrastructure. The $250-million Funds offer grants and low-interest loans for municipal initiatives that generate measurable environmental, economic and social benefits. Cutting GHG emissions is a priority of the Funds, as is improving local air, water and soil quality, and promoting renewable energy.

Grants of up to $350,000 are available for cost-shared planning initiatives, feasibility studies and field tests. Loans are available to build innovative environmental infrastructure. Municipal governments borrow at a low, preferred rate. Loans cover 15 to 25 per cent of the capital costs of qualifying projects. The Funds also offer a combination grant and loan of up to 50 per cent of the capital costs for highly innovative pilot installations (see www.fcm.ca).

CUPE News Release
On the front line
Canadian Union of Public Employees – cupe.mb.ca

NEWS RELEASE

June 24, 2005

PUBLIC CAUTIOUS ABOUT CONTRACTING-OUT OF CITY GARBAGE COLLECTION

WINNIPEG – Over 80% of the respondents in a recent poll say they are very or somewhat satisfied with city garbage collection.

City residents who have city employees collect their garbage were polled between June 6th - 12th by Viewpoints Research of Winnipeg. The study of 400 residents was commissioned by CUPE Local 500 that represents almost 5,000 city workers.

Union members who collect solid waste are campaigning against recommendations by city managers and the Alternative Services Delivery Committee to contract-out all collection in the city.

Other results of the survey:

- 68.5% are satisfied with city street cleaning and snow removal;
- 82.1% were satisfied with their city parks and recreational facilities;
- Only 43.2% of respondents said they favoured privatization or contacting-out of city services to a private company;
- 67.9% said they would prefer to see city workers continue to provide services such as garbage collection because they would "not like to see long time city workers lose their jobs";
- 68.2% agreed with the statement, "I would prefer that the City of Winnipeg maintain responsibility and control over garbage collection rather than having it turned over to a large multinational company";
- And 55.9% said they were willing to pay $10 a year more to maintain garbage collection by City of Winnipeg staff.

"The survey results tell us more clearly what we thought. The public doesn't want to lose control of garbage collection," says CUPE 500 President Mike Davidson. "We're calling on the public to help us keep this service public, and we know people are generally supportive of what we do and what we stand for."

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The Canadian Union of Public Employees is Canada's largest union representing more than a half-million women and men. In Manitoba, CUPE represents 24,000 members working in health care facilities, school divisions, municipal services, social services, child care centres, public utilities, libraries and family emergency services. About 8,000 of these members work in municipalities across Manitoba.

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The Challenge

Obviously more planning and preparation is needed to implement the challenge proposed here. It would be important to prepare a Business Plan that addresses immediate needs as well as longer term opportunities. This would be the first stage and should take only two or three months.

Some of the factors to be included in an alternative business plan would be:

Reserve workforce and service capacity

Keeping a part of the city solid waste service in public hands is a practical means of assuring the quality and cost effectiveness of the service. Having the capacity to quickly and economically step in to complete work left undone by contractors, as happened in Charleswood in the 1990's, or to serve the refuse needs at major community events, is going to save the city money. To have a workforce that can be easily deployed in other situations or under emergency conditions (such as when sand bagging was needed in June of this year to protect homes from the flooding Red River), can also bean huge benefits for city residents.

To have that capacity in waiting will act as a concrete measure for both administrators and contractors for estimating costs for the city service or contracts. Also, city workers collecting waste can also be utilized for other community services that are often situational or unique. For example, city staff can be available for waste collection at major public events and can be a contact for police surveillance or other security needs in neighbourhoods.

Expanding automation

Some areas of southern Winnipeg could adopt automated collection methods. This could involve expanding the Auto-Bin service that the city now provides to certain areas of northern Winnipeg. This could also include using new technologies for collecting waste from larger bins in residential areas where back lanes do not exist and therefore street front methods are needed.

Based on the popular appeal and support of existing Auto-Bin service in the northern part of Winnipeg, it would be relatively easy to promote and implement such an expansion. Also, the technology has developed to a point that automation could be considered for areas where the urban architecture was more complicated and restrictive. For example, Labrie (sold and serviced by CUBEX in Winnipeg - note the attached information on this equipment) has developed a mechanical arm, side-loading packer that can reach objects and into areas that were considered impractical before. Cost analysis and planning of implementation is obviously needed here before decisions can be made to change the type of collection.

Reducing pressure on city landfill

While landfills have been considered inexpensive and an effective means of dealing with solid waste, there are many risks and problems they create that will have a long-term effect on Manitoba's environment. The city has already taken major steps towards recycling paper, glass, metal and plastic. However, there is more that can and should be done as waste volume continues to put pressure on the city's landfill sites. For example,

- routes and schedules could be shifted for collecting organic material for composting or diversion from landfills (in this area, the city could actually get federal and provincial environmental grants to cover costs and thus the service could be a revenue earner for the city). This could be done on a phased and pilot basis to reduce costs and inconveniences for residents.

- city workers can deliver educational materials and programmes to the public and discuss with them new ways of reducing and recycling waste, for the long-term environmental benefit of city residents. Note the Towards Green Communities produced by CUPE Local 416 and the Toronto Environmental Alliance which created a model for environmental attention where community groups, local government and unionized workers collaborated (attached).

Also, there is a package of programmatic and policy resources development by the Federation of Canadian Municipalities (2005), which could provide a tested guide for implementing a comprehensive environmental waste initiative.

Solid Waste as a Resource: Guide for Sustainable Communities was designed and produced to assist municipal governments in developing management systems to minimize waste and maximize the use of natural resources. "Solid waste managers, particularly in smaller communities, which have fewer staff and experts in this field, will likely be the prime users of the Guide and its accompanying Workbook. It is hoped that consultants hired to design integrated resource and solid waste systems will also use the Guide to understand and meet the goals that have been adopted by the more than 1,000 municipal members of the Federation of Canadian Municipalities (FCM). Politicians may benefit from the Guide in understanding staff recommendations and are directed especially to the Overview, which describes the rationale and process for integrated resource and solid waste management. Community members may also use this Guide in preparation for consultations on waste or even on broader municipal strategic planning."

Creating job opportunities

Waste collection provides an excellent opportunity for students, Aboriginal youth and low income men to get into well paid work, with prospects for meaningful improvement and advancement. Currently university students get summer employment that is important to their future and the long-term economic capacity of the city's future. Efforts by the city to be an employment resource for Aboriginal and Metis workers can be facilitated through positions such as those in the Solid Waste Division. Considering the number of Aboriginal people in Winnipeg and the city's intention of providing more jobs for Aboriginal workers, this opportunity should be a key factor.

As the Canadian Council on Social Development noted in a recent report, "... new longitudinal research suggests that most low-paid adult workers – particularly women and those with low levels of education – remain low paid over time (Drolet and Morissette, 1998; Finnie, 2000; Beach, Finnie and Gray, 2003; Janz, 2004). Many working-poor families cycle in and out of poverty and near poverty as they find, or fail to find, enough weeks of work at decent wages during the year. A single person in a large urban centre must work more or less full-time in a full- year job and earn about $10 an hour in order to escape poverty. Obviously that threshold is even higher if the single earner is supporting a child or spouse. A two-adult family with children must put in about 75 weeks of work a year at $10 per hour in order to clear the poverty line (National Council of Welfare, 2004a).

"Those trapped in low wage employment also face a higher risk of having the employment terminated, and they have limited access to benefits (Vosko, Zukewich and Cranford, 2003). In 2000, for instance, only 13% of low wage earners (those with wages below $10 per hour) had access to non-wage benefits such as extended medical, dental, life and/or disability insurance, compared to 51% of workers who earned $10 to $19.99 per hour, and 77% of workers who earned over $20 per hour (Marshall, 2003). What's more, low wage, precarious employment rarely involves the development of skills and capacities that can increase a worker's ability to access better

jobs, to start and proceed on a lifetime career ladder, or to better handle labour risks such as unemployment (see Saunders, 2005: 12). It does not allow for the exercise of skills, capacities and capabilities on the job. "Dead-end" jobs – held disproportionately by women, recent immigrants, Aboriginal people and persons with disabilities – beget "dead-end" jobs" (Saunders, 2005. The World We Have, Canadian Council on Social Development).

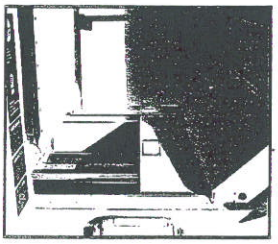
EXPERT COOL HAND / HELPING HAND

Drop frame automated side loaders

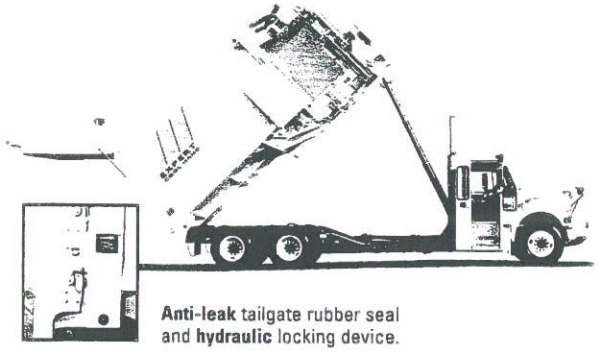
Automation and optimum productivity, hand in hand

Labrie has taken the proven flexibility, reliability and productivity of the Expert 2000 to new lengths. The Expert Cool Hand / Helping Hand automated side loaders integrate the advanced features of an automated arm with the outstanding performance you've come to rely on. Designed and engineered with cutting-edge technology, the Expert Cool Hand / Helping Hand are yet two other examples of productivity through innovation from Labrie.

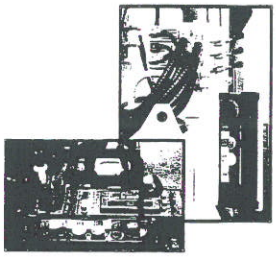
The Expert Cool Hand / Helping Hand are logical and innovative extensions of the impressive range of advantages offered by the Expert 2000. They feature the same **large hopper**, the **greatest swept volume capacity**, the most powerful **compaction cylinder force** in their category and a state-of-the-art **dropped frame chassis** for optimum flexibility.



18" (457 mm) deep hopper, impressive 1.38 cu. yd. (1.05 m³) swept volume, 52" (1321 mm) ram stroke, 12" (305 mm) packer ram penetration and the **greatest compaction cylinder** force in its category.



Anti-leak tailgate rubber seal and **hydraulic** locking device.

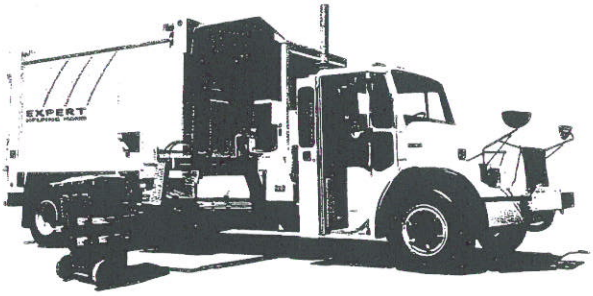


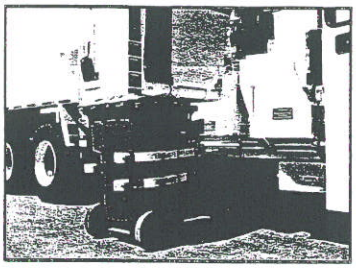
Standard packer controls located on the **right-hand side** of the body. As an option, controls can also be located on the **left-hand side** and on the console located inside the cab.

Compaction cycles can be **programmed** (2 to 6 multi-cycles available).

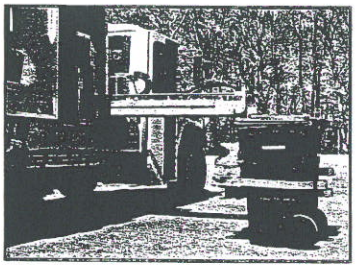
EXPERT HELPING HAND AUTOMATED ARM

The **Helping Hand automated arm's** unique design offers unmatched **reliability** and **flexibility**. Requiring minimum training and experience to use, it enhances single-operator productivity and adapts to all types of routes: manual, partially automated (bags and carts) and fully automated.

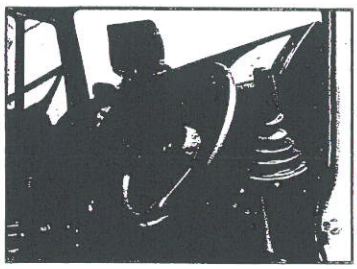




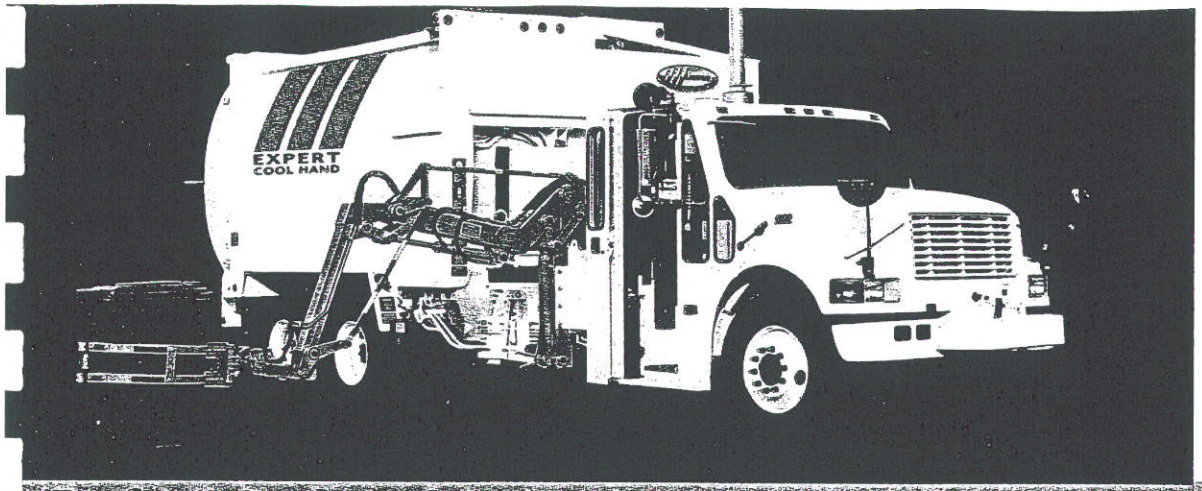
The telescopic arm offers **smooth, basic movement** with close grabbing capabilities that allow zero clearance between the cart and the body.



Simple to operate, the Helping Hand allows a **maximum horizontal reach** from the side of the vehicle of 72" (1830 mm).



Cab modification enables both left-hand side seated driving and right-hand side stand-up driving. **The movable joystick** can be easily operated from one side or another. An ergonomic back rest is available on right-hand cab modification.



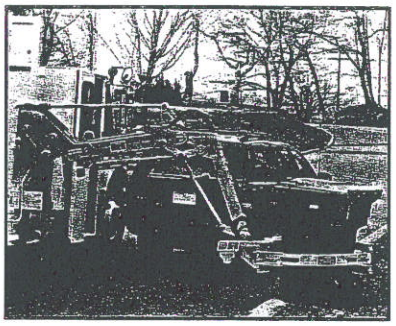
Productivity through innovation

Labrie's commitment to customer satisfaction is reflected in its status as the first collection equipment manufacturer in North America to have obtained **ISO 9001 certification.**

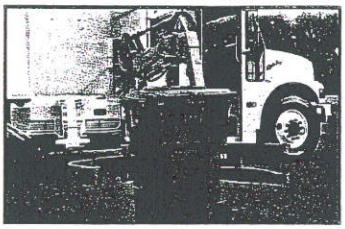
ISO 9001 CERTIFIED

EXPERT COOL HAND AUTOMATED ARM

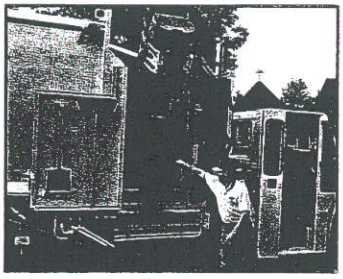
The sophisticated **Cool Hand automated arm** is both **highly maneuverable** and **heavy duty.** Its fluid movement, smooth operation and outstanding reach allow the operator to easily maneuver around obstacles. In addition, its sturdy design reduces maintenance to an absolute minimum.



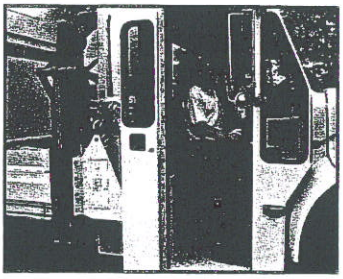
The Cool Hand has a minimum reach of 3'7" (1090 mm) and **maximum reach** of 9'6" (2900 mm).



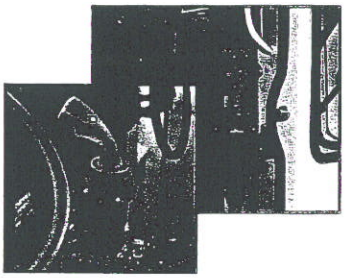
The Cool Hand uses **rubber belts** and gentle **gripping clamps** to ensure container-friendly operation and avoid damage to carts. It can accept almost all types of containers, from 32 to 95 US gallons (120 to 360 litres).



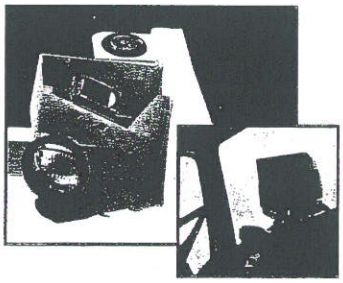
The unique design of the Cool Hand increases flexibility and productivity on **manual, partially automated (bags and carts) and fully automated routes.**



An ergonomic back rest inside the cab enhances **single-operator productivity and safety** (option).



An ergonomic movable joystick can be located inside the cab where it can be easily transfered from one side to another (option).

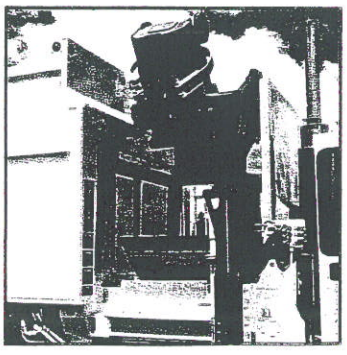


A camera/monitor system allows in-cab viewing, precise alignment of the arm and additional security on fully automated routes.

OTHER PRODUCTIVITY OPTION

Co-mingle

- 60/40 vertical split body and hopper keep material types **separate.**



High-tech concept and design strategy

Labrie stays at the cutting edge of innovation and design by using the very latest in computer design technology. Our 3D solid software allows us to examine in detail every aspect of a vehicle's construction before it leaves the drawing-board, ensuring that the finished product is fine-tuned for maximum productivity.

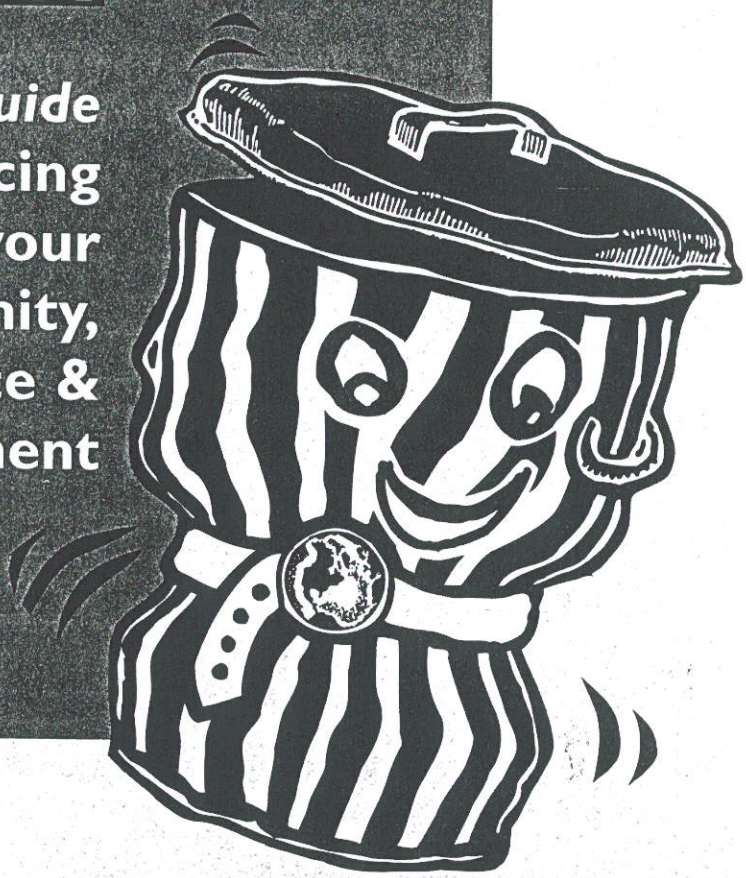
Outstanding distribution network and in-house facilities

Labrie gives you access to one of the most extensive distribution networks in North America and provides tailor-made leasing programs. We keep a wide selection of chassis in stock, perform cab conversions and make in-house drop frame modifications to ensure that you get on the road right on time with vehicles that allow you to fulfill your daily commitments.

Towards Green COMMUNITIES



A Simple Guide to Reducing Waste in your Community, Workplace & Environment



Canadian Union of Public Employees - www.cupe.ca