Minute No. 373
Report – Executive Policy Committee – March 22, 2006

Item No. 5 Memorandum of Agreement - Winnipeg Police Association
File GU-4.3.9

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the Memorandum of Agreement agreed to by the negotiating committees of the City and the Winnipeg Police Association (WPA) be ratified.

2. That the Proper Officers of the City be authorized to do all things necessary to conclude a Collective Agreement with the Winnipeg Police Association (WPA) consistent with the terms of the Memorandum of Agreement.

Report – Executive Policy Committee – March 22, 2006

DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,
That the recommendation of the Executive Policy Committee be adopted.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 22, 2006, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

Re: NEGOTIATIONS BETWEEN THE CITY OF WINNIPEG AND THE WINNIPEG POLICE ASSOCIATION (WPA)

For submission to: EXECUTIVE POLICY COMMITTEE

Original report signed by: Cliff Jeffers
Acting Chief of Human Resources & Corporate Services

Report date: March 20, 2006

RECOMMENDATION(S):

1. That City Council ratify the Memorandum of Agreement agreed to by the negotiating committees of the City and the WPA.
2. That the Proper Officers of the City be authorized to do all things necessary to conclude a Collective Agreement with the WPA consistent with the terms of the Memorandum of Agreement.

Summary

KEY ISSUES:

The Agreement recommended by the Administration includes changes involving significant terms and material costs as follows:

1. Term of Agreement – December 24, 2004 to December 23, 2006 (24 months)
2. Salary Adjustments:
   - Effective PP1 2005 – 3.5%
   - Effective PP22 2005 – 1.25%
   - Effective PP1 2006 – 2.25%
3. Increase night shift premium from $0.60 per hour to $0.75 per hour (Uniform only). The total annual cost for the WPA bargaining unit is $93,310.
4. Extension of prorated benefits to part-time and casual staff at an annual cost of $75,000.

Other Significant Issues

1. **Shift Changes:** The City has negotiated changes that will allow the WPS to implement shift changes to provide immediate weekend coverage in some plainclothes units. Additionally, the WPS can now change shifts for plainclothes units with as little 90 days notice but in any event, will be able to change shifts annually. These provisions will result in reduction in annual overtime and standby costs estimated at approximately $259,000.

2. **Mandatory Firearms Training:** Officers assigned to patrol duties will take a day off during slower periods and attend firearms training on another day off thereby eliminating the requirement to schedule officers for firearms training at overtime rates.
3. **Standardized One Officer Units:** The WPS is now able to deploy one officer units that can be assigned to traffic, patrol or report car duties based entirely on the varying operational need. The hours of operation have been extended from 06:00 – 21:00.
4. **New Dispatch Protocol:** WPA has accepted a new dispatch system which allows for the dispatch of one officer units to urgent calls after a call-by-call analysis of risk to officer safety.
5. **Family Leave:** Increase the family leave provision to three days for civilian staff and provide a three day family leave provision for police personnel.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

	None
X	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City of Winnipeg
X	Involves a multi-year contract

Comment(s): Ratification of the proposed Agreement will, in part, determine wage and benefit increases to other Civic bargaining units.

Policy Implications

X	None
	Yes

Environmental Implications

X	None
	Yes

Human Resources Implications

	None
X	Yes

Comment(s): Ratification of the proposed Agreement will, in part, determine wage and benefit increases to other Civic bargaining units.

Financial Implications

	Within approved current and/or capital budget
X	Current and/or capital budget adjustment required

Comment(s): The attached financial analysis reports a budget shortfall of $0.4 million.

REASON FOR THE REPORT:

It is required that the Executive Policy Committee provide a negotiations mandate to the Administration and that City Council ratify all Collective Agreements entered into by the City of Winnipeg and Civic Unions/Associations.

HISTORY:

1. The prior Agreement between the City of Winnipeg and the WPA expired on December 23, 2004.
2. The terms and conditions of the expired collective agreement remain in effect until the parties conclude a new agreement.
3. The City of Winnipeg Act gives the WPA access to binding interest arbitration.
4. The parties commenced bargaining in 2004 and have continued discussions for the past 14 months.
5. A tentative settlement was reached on February 23, 2006 four weeks prior to the start of interest arbitration hearings.

DISCUSSION:

1. In determining an appropriate general wage and benefit increase to members of the Winnipeg Police Association bargaining unit consideration was given to:
   - The financial impact on the City
   - Negotiated settlements with other Civic bargaining units.
   - Negotiated settlements in the local market.
   - Wages paid to police officers in other western jurisdictions.

2. **Financial Impact:** The cost of the proposed terms of agreement over the period 2005 – 2006 is approximately $11.8 million.

   The Financial Impact Statement **(see attached)** reports that a budget adjustment of $0.4 million is required.

3. **Negotiated Settlements with other Civic Bargaining Units:** Recent agreements with other civic units include CUPE at 1.75% for 2006 and 2.25% for 2007. and WFPSOA at 2.0% in 2006. Other civic agreements for 2005 ranged from 3.0% - 3.5%.

4. **Negotiated Settlements in the Local Market:** Wage increases in Manitoba as reported by Human Resources Development Canada, Workplace Information Directorate show that annual wage increases (for major employers with 500+ employees in the bargaining unit) range from 2.5% to 3.0% for 2006 and beyond.

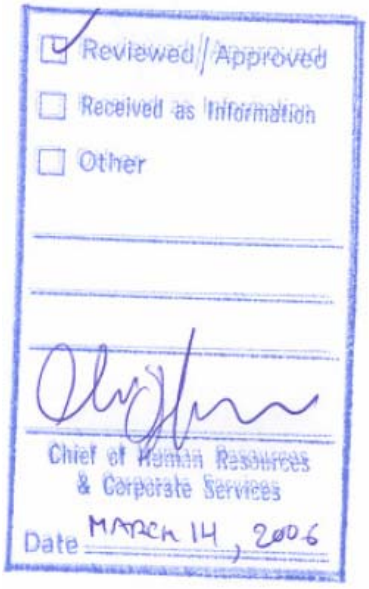
5. **Negotiated Settlements in Comparable Police Services:** Wage settlements for police in other jurisdictions indicate a range between 3.5% and 3.7%. Regina's latest agreement provided for average increases of 3.23% over a four year agreement. Edmonton's latest agreement provided average increases of 3.5% over a two year agreement and Calgary provided for 3.7% per year over a two year agreement.

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY THE CITY TREASURER'S OFFICE AS TO THE BUDGET INFORMATION PROVIDED IN THIS PROPOSAL:

Name	Jo-Anne Ferrier
Title	City Treasurer
Department	Corporate Finance Department

THIS REPORT SUBMITTED BY:

Department	Corporate Services Department
Division	Labour Relations and Compensation
Prepared By:	Sudhir Sandhu, Senior Labour Relations Specialist
File No.	



Financial Impact Statement

Date: March 20, 2006

Project Name:
WPA Combined - Memorandum of Settlement

First Year of Program 2005

($Millions)	2005	2006	2007	2008	Total
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 4.1	$ 7.7	$ -	$ -	$ 11.8
Less: Incremental Revenue/Recovery	-	-	-	-	$ -
Net Cost/(Benefit)	$ 4.1	$ 7.7	$ -	$ -	$ 11.8
Less: Existing Budget Amounts	4.1	7.3	-	-	$ 11.4
Net Budget Adjustment Required	$ -	$ 0.4	$ -	$ -	$ 0.4

Additional Comments:

1. The budget is not sufficient to cover the total cost of the settlement. The budget shortfall for the term of the agreement is $0.4 million.

2. Existing Budget Amounts provided by Financial Planning & Review, Corp. Finance Dept. These amounts are based on 2006 Preliminary Operating Budget, subject to change pending final Council adoption.

for

Radhika Abeysekera
Manager of Finance & Administration
CSD & CIT

Negotiations between the City of Winnipeg and the Winnipeg Police Association (WPA)

WPA Uniform & Staff Combined - Negotiations

Memorandum of Agreement

Term of Agreement December 24, 2004 - December 23, 2006

Wage Adjustments	Year	PP #	Negotiated % Increase Uniform	Negotiated % Increase Staff
	2005	1	3.50%	3.50%
		22	1.25%	1.25%
	2006	1	2.25%	2.25%
		1	0.00%	0.00%
Cumulative			**7.2%**	**7.2%**

Base Wage Negotiated Costs:		**2005**	**2006**	**Total**
Incremental Wage Adjustments[1]		4,020,807	2,691,646	6,712,453
Roll Over Effect[2]		-	1,120,773	1,120,773
Annual Incremental financial impact		**4,020,807**	**3,812,419**	**7,833,226**
Wage Adjustment by changing to Shiftwork [3]			**(18,920)**	**(18,920)**
Cumulative financial Impact For Fiscal Year		**4,020,807**	**7,814,306**	**11,835,113**
Base Wage[4]	**$107,255,908**	**3.7%**	**7.3%**	

Blue Cross Benefit Improvements:			
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Annual Incremental financial impact	**-**	**-**	**-**
Cumulative financial Impact For Fiscal Year	**-**	**-**	**-**

Other Significant Benefit Improvements:			
Benefits for Casual Staff	75,000		75,000
Night Shift Premium		93,310	93,310
Annual Incremental financial impact	**75,000**	**93,310**	**168,310**
Cumulative financial Impact For Fiscal Year	**75,000**	**168,310**	**243,310**

Savings from changing to Shiftwork		**(258,512)**	**(258,512)**
Total Financial Impact	**4,095,807**	**7,724,104**	**11,819,911**

Notes:

See attached list of notes and assumptions used in the calculation.

1) The Incremental Wage Adjustment does not include the step increases which were previously negotiated. It includes the incremental cost of benefits.

2) Adjustment required to reflect the full year effect of prior year salary and benefit increases.

3) This is the impact of negotiated wage increases on the savings from Stand-by pay and Overtime for weekend coverage (for major crimes only) changed to shiftwork.

4) For both Uniform and Staff, the base wage consists of 2005 actual gross pay and 2005 actual salary related benefits.

Negotiations between the City of Winnipeg and the Winnipeg Police Association (WPA)

WPA
Incremental Cost of Memorandum of Agreement
Notes and Assumptions

1. The Memorandum of Agreement stipulates the following increases:

	Uniform	Staff
• Pay Period 1, 2005	3.50%	3.50%
• Pay Period 22, 2005	1.25%	1.25%
• Pay Period 1, 2006	2.25%	2.25%

2. The Base Wage consists of the following:

   a. The 2005 actual gross annual pay including the step increases for 2005
   b. The 2005 actual salary related benefits, excluding Canada Pension Plan and Employment Insurance based on the percentage of employees who have reached the maximum rate.

3. The savings from changing Stand-by pay and Overtime for Weekend Coverage (major crime) to Shift Work ($258,512) was provided by Winnipeg Police Services.

4. The incremental impact on savings from overtime and stand-by pay for 2006 have been calculated separately on the 2005 actual base of $258,512 and are included in the costing.

5. Step adjustments have been estimated as follows and effective Pay Period 1, 2006:

   Uniform 2.34%
   Staff 1.04%

   The step increase for 2005 is included in the Base Wage.

6. The Agreement provides for an annual estimated $75,000 in benefit improvements for Casual Staff and an increase in Night Shift Premium for Uniform from $0.60 to $0.75 per hour. The increase in Night Shift Premium is effective on the date of ratification, which is assumed to be April 1, 2006.

7. The composition of the work force in the bargaining unit (as of December 31, 2005) has been kept constant at 1218 for uniform and 355 for staff, for the term of the contract.