Agenda – Executive Policy Committee – December 3, 2019

REPORTS

Item No. 4 Fair Wage Policy ($15.00/hour minimum wage rate) for All City of Winnipeg Employees

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That this report, including all appendixes, be received as information.

Agenda – Executive Policy Committee – December 3, 2019

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE DECISION:

On October 8, 2019, the Executive Policy Committee did not concur in the recommendation of the Winnipeg Public Service and directed the Public Service to consult with stakeholders, including but not limited to City of Winnipeg labour unions and the Winnipeg Chamber of Commerce, and report back in 60 days on the cost implications of implementing a fair wage policy ($15/hour minimum wage rate) for all City of Winnipeg employees.

On September 17, 2019, the Executive Policy Committee laid over the matter for up to 30 days.

Molly McCracken, Director, Canadian Centre for Policy Alternatives – Manitoba office, submitted a document titled “A Family Living Wage for Manitoba – 2016/17 Update”.

ADMINISTRATIVE REPORT

Title: Fair Wage Policy ($15.00/hour minimum wage rate) for All City of Winnipeg Employees

Critical Path: Executive Policy Committee

AUTHORIZATION

Author	Department Head	CFO	CAO
A. Cusson	A. Cusson	B. D'Avignon, Acting Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Public Service has prepared the following report regarding the cost implications of implementing a Fair Wage Policy ($15.00/hour minimum wage rate) for all City of Winnipeg employees. Approximately 4% of City of Winnipeg employees earn less than $15.00 per hour. Classifications vary; however, they are largely part-time casual and summer student positions.

The estimated costing associated with implementing a living wage for classifications or steps within classifications that are below $15.00 is approximately $350,000 for the 2020 budget year.

Consultation occurred with C.U.P.E (Appendix A), the Winnipeg Police Association (WPA) as well as the Winnipeg Chamber of Commerce (Appendix B). No consensus exists amongst the consulted Stakeholders regarding whether a Fair Wage Policy should be implemented.

RECOMMENDATIONS

1. That this report, including all appendixes, be received as information.

REASON FOR THE REPORT

On October 8, 2019, the Executive Policy Committee (EPC) directed the Public Service to consult with stakeholders, including but not limited to, City of Winnipeg labour unions and the Winnipeg Chamber of Commerce, and report back in 60 days on the cost implications of implementing a Fair Wage Policy ($15.00/hour minimum wage rate) for all City of Winnipeg employees.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications arising from receiving this report as information; however, should a Fair Wage Policy be implemented, it should be noted that job classifications in Appendix C are governed by collective agreement(s). Amendments to wage rates would require agreement and ratification by the respective bargaining unit(s) and City Council. It is recommended any implementation of a Fair Wage Policy be referred back to the Public Service for inclusion in future rounds of negotiations.

HISTORY/DISCUSSION

In a motion passed on April 26, 2018, Council directed the Winnipeg Public Service to research what provisions are in place in other Canadian Cities for Contractors to pay their workers a Fair Wage. At its October 8, 2019 meeting, EPC considered the report submitted by the Public Service titled, "Review of Fair Wage Provision in Canadian Cities". At that meeting, EPC passed a motion directing the Public Service to consult with stakeholders, including but not limited to, City of Winnipeg labour unions and the Winnipeg Chamber of Commerce, and report back on the cost implications of implementing a fair wage policy ($15.00/hour minimum wage rate) for all City of Winnipeg employees.

The Public Service conducted a further review of the number of City of Winnipeg employees that earn less than $15.00 per hour. Average Annual Headcount, a human resource metric reported on in adopted budget documents, is used here.

Based on the 2018 Average Annual Headcount, 4% of City employees receive less than $15.00 per hour. Of this 4 %, classifications vary; they are largely made up of employees who work part-time hours (i.e. Recreation Technicians, 311 Customer Service Representatives and Library Shelvers); in addition to various student positions held over approximately a three-month period during the summer months. Appendix C outlines affected classifications and Appendix D provides the detailed cost implications of implementing a fair wage policy.

The Public Service consulted with C.U.P.E. on October 31, 2019 and a letter followed from C.U.P.E. regarding the initiative (Appendix A). C.U.P.E. is in support of the initiative and had commissioned a survey to gauge the support of Citizens for such an initiative which yielded an 83% approval. C.U.P.E. sees many potential benefits with the proposed living wage, such as: helping to raise family income above the poverty line; an overall positive effect on the local economy (as it is likely those extra dollars would be spent here); and that it will improve the retention of employees at the 311 contact center. This is not an exhaustive list. Notwithstanding, the collective agreement is in effect until February 28, 2021, CUPE would be amenable to immediate implementation which could be accomplished with a Memorandum of Agreement subject to ratification by both Parties.

The Public Service consulted with the WPA on November 4, 2019. While the WPA is generally supportive of the initiative, they require more time to review the means of implementation, a review of the impact on current classifications, and a general impact on the collective agreement as a whole.

The Public Service also consulted with the Winnipeg Chamber of Commerce. In a letter received on November 13, 2019, the Chamber highlighted concerns and risks associated, should the Public Service implement a Fair Wage Policy (Appendix B).

Should the City decide to raise hourly wage rates, for classifications or steps within classifications that are listed in Appendix C to $15.00, it is estimated that a budget increase of approximately $350,000 would be required for 2020. This estimate is based on the 2019 Adopted Operating Budget and the projections for 2020 from the 2019 budget process. The budget year 2020 has not yet been approved or balanced by City Council. Actual expenditures may vary from budget adjustment.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 4, 2019

Project Name:

Fair Wage Policy for All City of Winnipeg Employees

COMMENTS:

There is no financial impact associated with receiving this report as information.

However, should the City decide to raise hourly wage rates, for classifications or steps within classifications that are below, to $15.00 it is estimated that a budget increase of approximately $350,000 would be required for 2020. This estimate is based on the 2019 Adopted Operating Budget and the projections for 2020 from the 2019 budget process. The budget year 2020 has not yet been approved or balanced by City Council. Actual expenditures may vary from budget adjustment.

original signed by

Tanis Yanchishyn, CPA, CA
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

Human Resource Services
Corporate Finance
Legal Services
Corporate Communications
Canadian Union of Public Employees, Local 500
Winnipeg Police Association
Winnipeg Chamber of Commerce

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Human Resource Services
Division: Campus Human Resources
Prepared by: Angie Cusson, Director, Human Resource Services
Date: November 15, 2019

Attachments:

Appendix A – CUPE 500 Living Wage Stakeholder Comments Submitted by Gord Delbridge – November 4, 2019

Appendix B – Letter from The Winnipeg Chamber of Commerce

Appendix C – Classifications in City of Winnipeg Collective Agreements with a Wage Rate Below $15.00 an Hour as of October 31, 2019

Appendix D – Cost Implications of Implementing a Fair Wage Policy

Appendix C - CLASSIFICATIONS IN CITY OF WINNIPEG COLLECTIVE AGREEMENTS WITH A WAGE RATE BELOW $15.00 AN HOUR AS OF OCTOBER 31, 2019

CUPE = Canadian Union of Public Employees, Local 500 (Rates Effective October 31, 2019)
WPA = Winnipeg Police Association (Rates Effective December 31, 2018)

JOB CLASSIFICATION DESCRIPTION	JOB SUMMARY
311 Customer Service Representative I (CUPE)	(311 Contact Center) Deal directly with the public by responding to incoming calls, emails, mail and social media interactions. Majority are part-time hours (12 – 32 hours per week). Employees may move into full-time positions over time.
Cashier/Clerk – Aquatic and Recreation Facilities (CUPE)	(Aquatic Facilities) Respond to general inquiries from the public; perform cash transactions and general office duties. Primarily part-time hours (Shifts packages can greatly differ in hours per week due to operational requirements).
Clerk A (40 Hour Work Week) (CUPE)	(Winnipeg Parking Authority) Parking Service Representative, either at the front counter or over the phone, process ticket payments, direct customers on process to contest or review tickets, process payment for Residential/Meter/Parking permits. Full-time hours.

Wage rates for the above classifications:

Step 1	$14.11 *
Step 2	$15.57
Step 3	$17.05
Step 4	$18.50
Step 5	$20.00
Step 6	$20.49 (311 Customer Service Representative I only)

* Eligibility for annual increments for temporary employees whose service is interrupted due to lay off and subsequent recall, and for seasonal and part-time employees, is considered upon the accumulation of the equivalent of 252 days worked. For other employees a year will be the beginning of the pay period in which their annual anniversary date of hire or promotion occurs.

JOB CLASSIFICATION DESCRIPTION	JOB SUMMARY
Recreation Technician A (CUPE) Step 1 $11.64	Children's Leader for Free Play and What's Up Programs.
Recreation Technician B (CUPE) Step 1 $14.13	Children's Leader for Free Play and What's Up Programs Wading Pool Attendants Preschool Leader for L'il Critters & Cartown Recreation Programs Building Supervisor & Facility Monitor (Recreation Facilities and/or weight rooms) Primarily part-time positions (0 –32 hours per week). Some positions full-time, 40 hours a week, from May to September long weekend.
Library Shelver (CUPE) Step 1 $11.95 Step 2 $13.31	Organize and shelve library materials. Primarily part-time positions (8 –12 hours per week).
Locker Room Attendant 1 (CUPE) Step 1 $13.76 Step 2 $14.46	(Pools) Assist patrons with the lockers and ensure the locker room and related equipment is clean. Part-time positions (weekends). Pan Am Pool and Cindy Klassen Recreation Complex.
Student (40 Hour Work Week) (CUPE) Step 1 $13.74	Assist traffic control and barricade/sign removal Preparation and clean-up of worksites Grounds maintenance, shovelling materials (including gravel, concrete and asphalt) and painting Operate, clean, and maintain various types of hand and power tools including lawnmowers, weed eaters, saws and drills. Students are generally hired on a full-time basis for a term starting and ending sometime between April 15th and September 15th on the understanding the employee intends to return to school at the end of the season.
Park Watch Ambassador Step 1 $14.13	Note: Rate in salary schedule, however classification not used for at least the last three years.
Internships (CUPE) Intern rate of pay is 80% of the first step of the classification the intern is assigned to or the current minimum wage for the Province of Manitoba, whichever is greater.	There have been occasional internships over the last three years where the rate of pay was below $15.00 per hour.

JOB CLASSIFICATION DESCRIPTION	JOB SUMMARY
Caretaker – Intern (WPA) Step 1 $13.27 Rate increases to $13.60 effective December 31, 2019.	 Approximate 3-month term position may be staffed on a year by year basis.