Agenda – Council – October 29, 2020

Report – Executive Policy Committee – October 20, 2020

Item No. 5 Negotiations between the City of Winnipeg and the Winnipeg Association of Public Service Officers

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 20, 2020, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the City enter into, execute and deliver the Memorandum of Agreement agreed to by the negotiating committees of the City and the Winnipeg Association of Public Service Officers ("WAPSO") and a subsequent collective agreement with WAPSO.

2. That the Chief Administrative Officer be authorized to administer and implement the collective agreement in accordance with the Memorandum of Agreement and this report, and such terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City in administering and implementing the collective agreement.

3. That the Chief Administrative Officer be authorized to extend the general wage and benefit adjustments provided for in the ratified collective agreement to exempt employees who are considered WAPSO Exempt.

4. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – October 20, 2020

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 20, 2020, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: **Negotiations between the City of Winnipeg and the Winnipeg Association of Public Service Officers**

Critical Path: **EXECUTIVE POLICY COMMITTEE - COUNCIL**

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Dawson	A. Cusson	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Winnipeg Association of Public Service Officers collective agreement expired on December 31, 2019 whereby the parties exchanged proposals and began bargaining on January 10, 2020. A tentative memorandum of agreement was reached, dated August 5, 2020.

Over the last 25 years, the City's Labour Relations Strategy (although not enunciated in any document) has been to:

a) Minimize the increases in salary and benefits;
b) Maintain as many management rights as possible;
c) Make changes to Collective Agreement language to address current issues or issues that have arisen since the last round of negotiations;
d) Attempt to make changes to increase operational efficiency.

The Public Service believes that we have accomplished the above four goals within this round of collective bargaining.

RECOMMENDATIONS

1. That City Council enter into, execute and deliver the Memorandum of Agreement agreed to by the negotiating committees of the City and the Winnipeg Association of Public Service Officers ("WAPSO") and a subsequent collective agreement with WAPSO.

2. That the Chief Administrative Officer be authorized to administer and implement the collective agreement in accordance with the Memorandum of Agreement and this report, and such terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City in administering and implementing the collective agreement.

3. That City Council authorize the Chief Administrative Officer to extend the general wage and benefit adjustments provided for in the ratified collective agreement to exempt employees who are considered WAPSO Exempt.

4. That the proper officers of the City do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The City of Winnipeg Charter requires that City Council ratify all Collective Agreements entered into by the City of Winnipeg and Civic Unions/Associations.

IMPLICATIONS OF THE RECOMMENDATIONS

The Memorandum of Agreement ("MOA") between the City and the Winnipeg Association of Public Service Officers includes changes involving significant terms, material and other costs as follows:

1. Term of Agreement – January 1, 2020 – December 31, 2023 (48 Months) (MOA Clause 2 / MOA Appendix 1 Article 18)

2. General Wage Adjustment (MOA Clause 3 / MOA Appendix 1 Article 4)

General Wage Adjustment	Date of Increase	Amount
1	Pay period 14, 2021	0.50%
2	Pay period 2, 2022	0.50%
3	Pay period 18, 2022	1.00%
4	Pay period 2, 2023	0.75%
5	Pay period 18, 2023	1.25%

3. Signing Bonus (MOA Clause 4)

   On Pay period 2, 2021, every employee who was a member of the bargaining unit on the date that the tentative agreement was ratified shall receive a single payment in the amount of $500 less normal deductions. WAPSO Exempt is excluded from this clause.

4. Market Adjustment (MOA Clause 5 / MOA Appendix 1 Article 4)

   The Professional Engineer Market Adjustment payable as per Article 4 shall be renewed until December 31, 2023.

5. Safety Footwear (MOA Clause 6 / MOA Appendix 1 Article 26)

   The current payment of $110 shall increase by $30 annually effective January 1, 2022.

6. A1/A2 Salary Schedule (MOA Clause 7 / MOA Appendix 1 Article 4)

   Amend language in Article 4 to reflect that an employee who enters the bargaining unit on or after the date of ratification shall be placed on Schedule A2. Employees in the bargaining unit who are on Schedule A1 shall remain on Schedule A1 unless they move to Schedule A2 in accordance with Article 4.

7. Professional Development Fund / Scholarship

   Renewal of the Professional Development Fund, increasing fund by $7,200 (including WAPSO Exempt) over the term of the collective agreement. (MOA Appendix 1 Schedule I)

   Commencing January 1, 2021, the City will redirect $500 from the Professional Development Fund each year as a contribution to the Association's William S. Comstock Scholarship. (MOA Clause 9)

8. Benefits (MOA Clause 10 / MOA Appendix 2 Letter of Understanding Re: Flex Benefits)

   The parties will discuss flexible benefit options during the life of the collective agreement. Any flexible benefit options, including but not limited to a Health Care Spending Account, may be implemented during the life of the collective agreement.

   The Chief Administrative Officer has the authority to make changes to the medical / health benefits provided in Article 21, Article 22 & Article 23 of the collective agreement and implement flexible benefits, on the basis that the overall cost of amended benefits is cost-neutral or lesser than cost of benefits provided under the collective agreement. The Chief Administrative Officer has the authority to extend such amendments to employees who are considered WAPSO Exempt. Any changes to benefits that would generate an increase in costs to the City would require City Council approval. Any changes made under this section shall be reported back to Council for information.

9. Interest Arbitration (MOA Clause 11 / MOA Appendix 1 Article 18)

   Article 18 will reintroduce provisions for voluntary interest arbitration in the event that the parties reach an impasse during the next round of collective bargaining.

10. Overtime (MOA Clause 12 / MOA Appendix 1 Article 13 / MOA Appendix 1 Schedule J)

    The parties have negotiated language to resolve the outstanding remedy from the 2019 overtime arbitration decision so to comply with the Employment Standards Code.

11. Gender-Neutral Language (MOA Clause 13)

    The parties will amend the agreement to incorporate gender-neutral language throughout the collective agreement.

12. Workplace Values

    a. Respectful Workplace – collective agreement language amended to support employer's respectful workplace administrative standard and its procedures. (MOA Appendix 1 Article 30)

    b. New Letters of Understanding:

        i. Workplace Violence/ Harassment/ Disrespectful Workplace – City/WAPSO committee will meet to review incidents of workplace violence, harassment, and disrespectful behavior that involve employees in the association to ensure employees are supported effectively through the respectful workplace administrative standard and workplace violence protocols. WAPSO will also be consulted on risk assessments or safety audits involving employees of the bargaining unit. (MOA Appendix 2 Letter of Understanding Re: Workplace Violence/ Harassment/ Disrespectful Behavior)

        ii. Equity, Diversity & Inclusion – the City and WAPSO commit to a workforce that is representative of the community it serves, and to building education and awareness to create a culture of inclusion and valuing diversity. The City will consult with WAPSO as it undertakes to develop an Equity, Diversity and Inclusion Program. (MOA Appendix 2 Letter of Understanding Re: Equity, Diversity, & Inclusion)

        iii. Transit Critical Incident Stress Management (CISM) – Transit Department's CISM Peer Support Program, program for members with Transit, will be incorporated into the collective agreement for the life of the agreement. The City and WAPSO will jointly select employees to respond to CISM peer support requirements and will regularly meet to review and audit the program. The City will consult with WAPSO on the content of training for new members of the program. (MOA Appendix 2 Letter of Understanding Re: Critical Incident Stress Management)

        iv. Transit Assault Review Committee – Establishes process within Transit Department to review incidents involving Transit supervisory and training staff where an assault/threat occurred in the course of duty. The parties may engage an external contractor to make determination if the assault/threat was avoidable or unavoidable. (MOA Appendix 2 Letter of Understanding Re: Transit Assault Review Committee)

Many of the language changes may result in operational efficiencies but any fiscal savings would be difficult to cost given they would be based on assumptions which may not be realized in ongoing operations. The MOA includes a number of other changes to collective agreement

articles and letters of understanding. These items and those identified above, except for Items 2, 3, 4, 5, 7 and 12 b. iv., have been assumed:

- to have no or no immediate financial impact; or
- that costs could not be reasonably estimated at this time; or
- that costs are deemed to be immaterial; or
- that changes are a reflection of the City of Winnipeg's existing operations; or
- that costs relate to statutory/legislative obligations [includes changes to overtime provisions to meet compliance with requirements of *The Employment Standards Code* (Manitoba)].

Unless otherwise stated, the changes in this collective agreement are effective on the date of ratification. The date of ratification of the agreement shall be the first date on which both parties have ratified the Memorandum of Agreement.

HISTORY/DISCUSSION

1. The current four (4) year and two and one-half (2-1/2) month Collective Agreement between the parties expired on December 31, 2019.

2. The general wage increases provided for over the previous collective agreement between the City and WAPSO was 8.20% (an average of 1.64% per annum). This was below the Manitoba Consumer Price Index (MB CPI) by 0.60% over the same calendar years.

	2015	2016	2017	2018	2019	Annual Avg.
WAPSO	2.20%	2.00%	2.00%	1.00%	1.00%	1.64%
MB CPI	1.2%	1.3%	1.6%	2.5%	2.2%	1.76%
+/- CPI	+1.00%	+0.70%	+0.40%	-1.50%	-1.20%	-0.12%

Wage adjustments were awarded by Interest Arbitration for the contract term October 18, 2015 to December 31, 2019 (4 years, 2.5 months).

3. The Consumer Price Index for Manitoba is projected to increase by 7.9% from 2020 to 2023 (four years). The WAPSO Memorandum of Agreement includes general wage increases over the four-year term that total 4.00% (an average of 1.00% per annum). This four-year average is below the Projected Manitoba Consumer Price Index by an average of 0.98% per year over the term of the Collective Agreement.

	2020	2021	2022	2023	Annual Avg.^
WAPSO	0.00%	0.50%	0.50% 1.00%	0.75% 1.25%	1.00%
Projected MB CPI	1.9%	2.0%	2.0%	2.0%	1.98%
+/- CPI	-1.90%	-1.50%	-0.50%	0.00%	-0.98%

CPI Forecast from The Conference Board of Canada, Metropolitan Outlook 1, Winter 2020. Note: This forecast was prepared on January 2nd before the

coronavirus outbreak and the commodity price crash.

^ WAPSO annual average based on five increases over the four-year agreement ending December 31, 2023.

Projected MB CPI annual average based on four years ending December 31, 2023.

4. The City has agreements with United Fire Fighters of Winnipeg (UFFW), Canadian Union of Public Employees (CUPE), Manitoba Government and General Employees' Union (MGEU), Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA), Winnipeg Police Association (WPA), Winnipeg Police Senior Officers' Association (WPSOA) and the Amalgamated Transit Union (ATU). UFFW's contract will expire December 31, 2020, CUPE's and MGEU's contracts extend to February 28, 2021, WFPSOA's contract extends to August 31, 2021, WPA's and WPSOA's contracts extend to December 31, 2021, and ATU's contract expires January 7, 2023.

	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**Annual Avg.^**
UFFW	0.00%	1.80%	2.00%	2.00%	2.00%				1.95%
CUPE	0.00%	1.50%	1.50%	1.50%	0.00%				1.13%
MGEU		0.00%	2.00%	2.00%	2.00%	2.00%			2.00%
WFPSOA		0.00%	2.00%	2.00%	2.00%	2.00%			2.00%
WPA	0.00%	2.50%	2.50%	2.50%	1.00% 1.50%	1.00% 1.50%			2.50%
WPSOA	0.00%	2.50%	2.50%	2.50%	1.00% 1.50%	1.00% 1.50%			2.50%
ATU				0.0%	1.25%	2.00%	1.75%	2.00%	1.75%
WAPSO					0.00%	0.50%	0.50% 1.00%	0.75% 1.25%	1.00%

Effective date of increases occur at some time in year indicated.

^ For UFFW, CUPE, MGEU, WFPSOA and ATU, first general wage increase in contracts occurred at or after the end of first year of contracts. Annual average based on increases over approximate four-year agreements ending December 31, 2020, February 28, 2021, February 28, 2021, August 31, 2021 and January 7, 2023 respectively. For WPA and WPSOA, first general wage increase occurred after the end of first year of contracts, and annual average based on increases over approximate five-year agreements ending December 31, 2021. For WAPSO, first general wage increase occurs in the middle of second year of contract. Annual average based on increases over four-year agreement ending December 31, 2023.

FINANCIAL IMPACT

Financial Impact Statement

Date: September 16, 2020

Project Name:

First Year of Program **2020**

Negotiations between the City of Winnipeg and the Winnipeg Association of Public Service Officers

	2020	2021	2022	2023	2024
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 198,354	$ 924,159	$ 1,780,368	$ 4,016,070	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 198,354	$ 924,159	$ 1,780,368	$ 4,016,070	$ -
Less: Existing Budget Amounts	198,354	924,159	1,780,368	4,016,070	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. "Direct Costs" reflect the cumulative cost over the term of the agreement to December 31, 2023 which total $6.919 million. The annualized cost of this proposal for a full year in 2024 is $5.048 million.
2. "Existing Budget Amounts" include the 2020 Adopted Operating Budget, and the projection for 2021 to 2023 from the 2021 Draft budget submission. Council has balanced and reviewed the 2021 to 2023 budget as part of the multi-year balanced budget. Budget amounts are subject to change as the annual budget process and decision-making moves forward.
3. The above costs and budgets includes the financial impact of the agreement for the full City WAPSO and WAPSO Exempt complement on all departments including the Water and Waste Utilities and Special Operating Agencies (SOA).

original signed by T. Yanchishyn

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

CONSULTATION

This Report has been prepared in consultation with:

Corporate Finance Department
Audit Department
Legal Services Department (as to legal issues)
External Auditor – KPMG LLP

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Human Resource Services
Division: Labour Relations
Prepared by: J. Dawson, Senior Manager, Labour Relations
Date: October 5, 2020
File No:

Attachments

Attachment 1 - Letter from City Auditor, City of Winnipeg

Attachment 2 - Letter from KPMG LLP

Attachment 3 – Memorandum of Agreement

Attachment 4 – City of Winnipeg and The Winnipeg Association of Public Service Officers Collective Agreement, October 18, 2015 to December 31, 2019.

Attachment 5 – Info graphics – Net of concessions