Agenda – Executive Policy Committee – October 20, 2021

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

ADDENDUM REPORTS

Item No. 18 Negotiations - City of Winnipeg and the United Fire Fighters of Winnipeg, Union Local 867 of the International Association of Fire Fighters

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That City Council enter into, execute and deliver the Memorandum of Agreement agreed to by the negotiating committees of the City and the United Fire Fighters of Winnipeg Local 867 (UFFW) and a subsequent collective agreement with UFFW.

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 $104,500 in annual funding be approved, starting in 2022, to provide additional mental health supports within the Winnipeg Fire Paramedic Service (WFPS). The amount will be funded from surplus funds identified in the costing process for this agreement.

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

ADMINISTRATIVE REPORT

Title: **Negotiations - City of Winnipeg and the United Fire Fighters of Winnipeg, Union Local 867 of the International Association of Fire Fighters**

Critical Path: EXECUTIVE POLICY COMMITTEE - COUNCIL

AUTHORIZATION

Author	Department Head	CFO	CAO
A. Beach	A. Cusson	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The United Fire Fighters of Winnipeg's (UFFW) collective agreement expired on December 31, 2020. Notice to bargain was given by UFFW on October 1, 2020 after which the parties met and commenced collective bargaining. On September 2, 2021 a tentative agreement was reached, and a memorandum of agreement between the parties was signed on September 3, 2021, reflecting the terms of the tentative agreement.

Over the last 25 years, the City's Labour Relations Strategy has been to:

1. Negotiate fair, reasonable and sustainable adjustments to salary and benefits;
2. Retain as many management rights as possible;
3. Make changes to Collective Agreement language to address current issues or issues that have arisen since the last round of negotiations; and
4. 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 United Fire Fighters of Winnipeg Local 867 (UFFW) and a subsequent collective agreement with UFFW.

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 $104,500 in annual funding be approved, starting in 2022, to provide additional mental health supports within the Winnipeg Fire Paramedic Service (WFPS). The amount will be funded from surplus funds identified in the costing process for this agreement.

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, and approval is required to provide WFPS with additional annual funding of $104,500 for mental health supports.

IMPLICATIONS OF THE RECOMMENDATIONS

The Memorandum of Agreement ("MOA") between the City and the United Fire Fighters of Winnipeg Local 867 includes changes involving significant terms, material and other costs as follows:

1. Term of Agreement – January 1, 2021 – December 31, 2023 (36 Months) (MOA Clause 2 / MOA Appendix A Article 2)

2. General Wage Increase (MOA Clause 3)

General Wage Adjustment	Date of Increase	Amount
1	December 31, 2021	2.0%
2	December 31, 2022	1.9%
3	December 31, 2023	2.0%

3. Other Adjustments (MOA Clause 3 / Article 9.57 / Salary Schedule Amendments), which are in addition to the General Wage Increases for the positions noted herein.

   Effective January 2, 2022:

   - Increase PCP Premium to 5% rank differential (from 3% rank differential) after 9 years of service in bargaining unit as a Firefighter - PCP
   - Extend PCP Premium to eligible Academy Officers
   - Increase Platoon Safety Officer rank differential from 135% to 137%
   - Eliminate Safety Manager position and replace with Director of Safety and Health, rank differential to be Step 1 - 143%, Step 2 - 147% and Step 3 - 150%
   - Increase OST Coordinator premium to 4% rank differential (from 2%)
   - Wildland Trainer to receive OST premium of 2%

4. Clothing (MOA Appendix A Article 5 / Letter of Understanding (LOU) Re: Conversion of 100% Cotton Station Wear to Fire Resistant Station Clothing and Clothing and Equipment Issue)

   LOU 11 – Fire Fighter Clothing Entitlement – Point System, which provides for entitlement for clothing through a points allocation system, is ended as of January 2022 and clothing will be issued only on an "as required" basis going forward. Updates made to clothing items listed in Article 5 - Clothing.

   Station wear shirts and pants to convert from 100% cotton to fire resistant fabric; to reduce the budget impact in each year, the issue of the new wear will occur over a two-year period (2022 and 2023).

   Operations staff to be issued fire resistant T- Shirts, a change from cotton; transition to occur over a two-year period (2022 and 2023).

   Long sleeve white dress shirts will be issued as part of dress uniform ensemble.

5. Fire Fighter – Primary Care Paramedic (PCP) (MOA Appendix A Article 52)

   Language amended such that Fire Fighter PCP's hired after ratification of the collective agreement must commit to maintain their PCP status for 12 years (up from 9 years).

6. Accredited Fire Officer Training (MOA Appendix A Appendix 2)

   Training program for District Chief to transition to accredited Fire Officer III program as part of the series of Fire Officer I and II training programs for Lieutenant and Captain.

7. Safety Program (MOA Appendix A Article 9.15 (b) / MOA Re: Platoon Safety Officer (PSO) / Director of Health and Safety (DOHS))

   Amendments made to training/education requirements and the line of progression for senior officer and safety administrative positions to enhance safety program expertise.

8. Sick Leave Cashout (MOA Appendix A LOU Re: Letter of Understanding #4 – Retirement Supplement)

   The parties have agreed to a new process to address the long-outstanding matter of changes to the sick leave cash-out benefit in the collective agreement, which includes specific timelines identified to move the issue forward between the parties. The process cannot result in an increased cost, but may result in a reduced cost to the City which cannot be quantified at this time.

9. Benefits (MOA Appendix A LOU 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 for in the collective agreement and implement flexible benefits, on the basis that the overall cost of amended benefits is cost-neutral or less than cost of benefits provided under the collective agreement. 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 through the CAO.

10. Equity, Diversity & Inclusion (MOA Appendix A LOU Re: Equity, Diversity & Inclusion)

    The City and UFFW 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 UFFW as it undertakes to develop an Equity, Diversity and Inclusion Program.

11. Union President Leave of Absence and UFFW Addiction and Mental Health Fund (LOU Re: UFFW President Leave of Absence (Alex Forrest) and UFFW Addition and Mental Health Fund)

    Commencing May 1, 2022 the City's recovery from UFFW for salary and benefits paid to the current President while on paid Union Leave will increase from 40% to 100%. Alternatively stated, this means that the City will no longer be paying the 60% of costs associated with the UFFW President's salary after May 1, 2022.

    Commencing May 1, 2022 the amount equal to the 60% of costs currently associated with the President's salary and benefits will be directed to a fund, jointly administered by the City and the Union, to be utilized by UFFW members for residential addiction and mental health treatment. This will continue until April 30, 2025.

12. National Day for Truth and Reconciliation (MOA Appendix A Article 19)

    National Day for Truth and Reconciliation is added to the list of public holidays in the collective agreement, and is designated the 13th public holiday for the purposes of Article 19.22.

    NOTE: This collective agreement has language deeming any newly proclaimed holiday as being automatically added to the listed holidays. The cost associated with this holiday were included in a decision of Council Re: Formal Recognition - National Day for Truth and Reconciliation made on September 29, 2021.

13. Gender Neutral Language (MOA Clause 13)

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

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. With the exception of items 2, 3 and 4, these items and those identified above 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.

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.

Mental Health Programs in the Winnipeg Fire Paramedic Service

The City's psychological injury claims (and attendant costs) have been increasing significantly in recent years, with the highest claims cost arising within the Winnipeg Fire Paramedic Service (WFPS). Consequently, identifying effective measures to prevent and mitigate psychological injury has been an issue of mutual concern for the City, the WFPS and the UFFW.

In order to facilitate improved prevention and mitigation efforts, a commitment was made during UFFW negotiations to provide financial resources to fund additional mental health supports within the WFPS, which has been determined to be $104,500 annually (beginning in January 2022). Approval of these financial resources, which are funded savings identified during the negotiation process, will confirm the City's commitment to protecting the mental health of WFPS employees who have high occupational exposure to trauma, which often results in psychological injury.

For clarity, this provision of financial resources is separate from the Memorandum of Agreement noted in item 11 above.

HISTORY/DISCUSSION

The current Collective Agreement between the parties expired on December 31, 2020. The parties commenced collective bargaining and reached a tentative agreement on September 2, 2021, which was committed to a MOA signed on September 3, 2021. The UFFW ratified the tentative agreement on September 14, 2021.

The tentative settlement of this agreement through voluntary collective bargaining addresses the risk associated with having the negotiations settled through the interest arbitration process, which would have been complicated by the 'missed proposal deadline' objection raised by the UFFW.

WFPS is currently seeking approval for a new permanent full time equivalent (FTE) through the 2022 budget process, as part of their efforts to enhance clinical resources for mental health within the department. The financial resources identified above through collective bargaining will be used to initially fund this FTE if approved through the budget process, and the department's budget request would be amended accordingly to reflect the identified funding source for the FTE.

The Consumer Price Index for Winnipeg CMA is projected to increase by 7.4% from 2021 to 2023 (over three years). The UFFW Memorandum of Agreement includes general wage increases over the three-year term that total 5.90% (an average of 1.97% per annum). This three-year average is below the Projected Winnipeg CMA Consumer Price Index by an average of 0.50% per year over the term of the Collective Agreement.

	2021	2022	2023	Average/year
UFFW	2.00%	1.90%	2.00%	1.97%
WPG CPI ^	2.8%	2.4%	2.2%	2.5%
+/- CPI	-0.80%	-0.50%	-0.20%	-0.50%

^Source: CPI Forecast from The Conference Board of Canada, September 1, 2021. Projected Winnipeg CMA CPI annual average based on three years ending December 31, 2023. *NOTE: The use of this recently updated forecast (instead of the posted Spring 2021 assumptions) has been approved by the CFO.*

Salary increases over the previous four-year Collective Agreement increased by 7.8% (an average of 1.95% per annum). This exceeded the Winnipeg CMA Consumer Price Index by 0.9% over the life of the Agreement.

	2017	2018	2019	2020	Average/year
UFFW	1.80%	2.00%	2.00%	2.00%	1.95%
WPG CPI	1.6%	2.4%	2.3%	0.6%	1.7%
+/- CPI	+0.20%	-0.40%	-0.30%	+1.40%	0.23%

The City has eight (8) collective agreements with its Unions. A tentative agreement for revision and renewal has been reached for the United Fire Fighters collective agreement. The Canadian Union of Public Employees (CUPE) and Manitoba Government and General Employees' Union (MGEU) contracts expired on February 28, 2021, and revisions are currently being negotiated. The Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA) contract expired August

31, 2021, notice to revise and renew the agreement has been received and negotiations are scheduled to commence in November 2021. The contracts with Winnipeg Police Association (WPA) and Winnipeg Police Senior Officers' Association (WPSOA) will expire on December 31, 2021, notice to bargain has not been given/received yet on these contracts. Amalgamated Transit Union's (ATU) contract will expire on January 7, 2023 and Winnipeg Association of Public Service Officers' (WAPSO) contract will expire on December 31, 2023.

Union	2016	2017	2018	2019	2020	2021	2022	2023	Annual Avg.^
UFFW	0.00%					2.0%	1.9%	2.0%	1.97%
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.

The firefighter collective agreements in these four western Canadian 'comparator' cites are all expired and have not been renewed yet through negotiations or arbitration (if applicable).

	2016	2017	2018	2019	2020	Last CA Expiry
Winnipeg	0.00%	1.80%	2.00%	2.00%	2.00%	**Dec. 31, 2020**
Calgary	2.50%	2.50%	0.00%	1.50%		**Dec. 31, 2019**
Edmonton	2.50%	3.00%	2.50%			**Dec. 22, 2018**
Saskatoon	3.00%	2.50%	2.00%	1.75%	1.85%	**Dec. 31, 2020**
Regina	2.57%	2.73%	2.20%	1.80%	2.00%	**Dec. 31, 2020**

FINANCIAL IMPACT

Financial Impact Statement

Date: October 5, 2021

Project Name:

Negotiations between the City of Winnipeg and the United Fire Fighters of Winnipeg, Union Local 867 of the International Association of Fire Fighters

First Year of Program **2021**

	2021	2022	2023	2024	2025
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	$ 7,772	$ 3,913,949	$ 5,710,619	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 7,772	$ 3,913,949	$ 5,710,619	$ -	$ -
Less: Existing Budget Amounts	7,772	3,913,949	5,710,619	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. Direct Costs reflect the cumulative cost over the term of the agreement to December 31, 2023 which totals $9,423,340. An additional amount of $104,500 has been added in 2022 and 2023 to provide additional mental health supports within the Winnipeg Fire Paramedic Service.
2. Existing Budget Amounts include the 2021 Adopted Operating Budget, and the draft 2022 Operating Budget submission for 2022 and 2023. 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 include the financial impact of the agreement for the City's UFFW complement.
4. Costs for the National Day for Truth and Reconciliation are not included in the direct cost amounts above. Council approved this holiday for all City staff on September 29, 2021 and referred the costs related to this holiday for 2022 and forward to the 2022 budget process.

"electronically approved by J. Peters"
Jocelyn Peters, CPA, CGA
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: A. Beach
Senior Manager of Labour Relations and Negotiation Services
Date: October 13, 2021
File No: N/A

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 United Firefighters of Winnipeg, Local 867 of the International Association of Firefighters Collective Agreement, December 25, 2016 to December 31, 2020.