Agenda – Executive Policy Committee – December 10, 2021

BUDGET REVIEW

Item No. 7 Formal Recognition - National Day for Truth and Reconciliation

COUNCIL DECISION:

On September 29, 2021, Council concurred in the recommendation of the Executive Policy Committee, which included the following recommendation:

3. That the financial impact for 2021 be funded by savings within departmental budgets and/or a transfer from the Financial Stabilization Reserve, to be confirmed before December 31, 2021, and that implications for future years be referred to the 2022 budget process.

DECISION MAKING HISTORY:

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ADMINISTRATIVE REPORT

Title: **Formal Recognition - National Day for Truth and Reconciliation**

Critical Path: **Executive Policy Committee – Council**

AUTHORIZATION

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

EXECUTIVE SUMMARY

In June 2021, the Federal Government created a new statutory holiday to recognize the legacy of residential schools, which will be observed on September 30 annually from 2021 onward. Under six (6) of the eight (8) City of Winnipeg Collective Agreements, we are legally required to offer the new holiday to employees covered by these Agreements at an estimated cost of $1,700,000. These six (6) Collective Agreements cover approximately 95% of employees or about 10,000 of the approximately 10,500 City employees (both unionized and excluded).

The Public Service is recommending that this holiday be extended to the remaining 500 employees not currently covered at an estimated additional cost of $40,000. Extending this new holiday to the remaining 5% of employees would be a sensible and equitable approach. The employee groups to be added include those in the Manitoba Government Employees Union (paramedics) and Winnipeg Fire Paramedic Senior Officers Association bargaining units, and a small number of excluded employees and statutory employees.

The total incremental estimated cost to the City for all employees (including the small group currently ineligible) is $1,740,000 in 2021. Estimates are based on actual costs incurred for Louis Riel Day with 2% added in future years for assumed annual wage and benefit increases. Departments will review expenditures for the remainder of the year to absorb as much as possible within current year budgets. If all costs cannot be absorbed, an over-expenditure report will be provided later in the fiscal year.

The City of Winnipeg wants to acknowledge the importance of this day and affirm our continued commitment to truth and reconciliation by offering this day to all City employees equitably.

RECOMMENDATIONS

1. That Council receive as information that approximately ten thousand (10,000) employees will be receiving the new National Day for Truth and Reconciliation as legally required under existing Collective Agreement language in 2021 and annually thereafter.

2. That the remaining approximately five hundred (500) employees not currently covered to receive the holiday be approved to observe the National Day for Truth and Reconciliation on September 30, 2021, and annually thereafter.

3. That the financial impact for 2021 be funded by savings within departmental budgets and/or a transfer from the Financial Stabilization Reserve, to be confirmed before December 31, 2021, and that implications for future years be referred to the 2022 budget process.

4. That authority be delegated to the CAO to negotiate and enter into any necessary agreements with the Manitoba Government Employees Union ("MGEU"), the Winnipeg Fire Paramedic Senior Officers Association ("WFPSOA") to implement the foregoing.

5. That authority be delegated to the CAO to negotiate and enter into any necessary incidental agreements with the remaining City Unions to implement the foregoing.

6. That authority be delegated to the CAO to negotiate and enter into any necessary agreements with exempt/statutory employees to implement the foregoing.

7. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The creation of the new National Day for Truth and Reconciliation holiday will require incidental modifications to existing Collective Agreements for proper implementation, and the Public Service requires direction from Council on whether the City wishes to extend the new holiday to all employees so that operations can be planned accordingly. Further, the recommended plan for addressing the financial impact of the new holiday requires Council approval so that the Public Service can take the necessary steps in the budgeting process.

IMPLICATIONS OF THE RECOMMENDATIONS

City Council has approved the Collective Agreements which have committed to adding new federal holidays as they are legislated. This is a legal requirement affecting (6) six of (8) eight Collective Agreements and approximately 10,000 of our 10,500 employees.

The City will provide the financial support and approval for City operations to offer time off, premium time, or time in lieu of payment, in keeping with the current Collective Agreements,

This cost of adding a new holiday City-wide was not covered in the existing multi-year budgets. It is anticipated that the financial impact for 2021 will be funded partially by savings within department budgets and/or a transfer from the Financial Stabilization Reserve, with implications for future years being referred to the 2022 budget process.

HISTORY / DISCUSSION

A new federal holiday has not been added for many years, so there is no history on record at the City of Winnipeg for implementing a new federal holiday. However, in 2015 when Louis Riel Day was recognized in Manitoba, the City of Winnipeg implemented the new Provincial general holiday City-wide for all employees and updated the Collective Agreements as required by law and through agreements with City Unions.

Provincial holidays must be provided to employees in Manitoba based on Manitoba legislation. The new National Day for Truth & Reconciliation holiday falls under federal jurisdiction, not provincial, so its proclamation does not automatically apply to employers in Manitoba unless they are in federally regulated industries, Collective Agreements require it, or the organization chooses to recognize it voluntarily. The City of Winnipeg will treat the implementation of the new federal holiday similar to what was done in 2015 for Louis Riel Day.

At the City of Winnipeg six (6) of eight (8) Collective Agreements legally require that new federal holidays be provided to City employees. Two Collective Agreements do not currently have language that supports employees in those bargaining units being included. This impacts approximately four hundred (400) employees in MGEU and fifty (50) in WFPSOA. There are also approximately fifty (50) exempt/statutory employees that would need coverage extended to them as well.

Recognition of this important new federal holiday is consistent with the City's ongoing efforts towards reconciliation and its commitment to support Equity, Diversity and Inclusion ("EDI").

September 30th has traditionally been "Orange Shirt Day." Nationally people will still observe Orange Shirt Day on September 30, and the City of Winnipeg will continue to observe Orange Shirt Day. For 2021 we will be encouraging employees to wear orange on September 29.

The total cost to implement the new holiday in 2021 is estimated at $1,740,000 for all 10,500 employees. Council is not being asked to approve the cost for employees already eligible to receive the holiday ($1,700,000) as Council previously approved the (6) six Collective Agreements which legally require the City offer any new holidays to City employees under those Agreements. Council approval is being requested to approve the $40,000 to cover the 500 employees not currently eligible to receive the holiday at this time.

Some City services that would typically generate revenue on this day include Planning, Property and Development, Inspections, Recreation, Aquatics, Libraries, Counter Service for 311, Taxation, and Water & Waste. All will have reduced service levels or be closed to the public in recognition of the holiday. For the majority of these closures, there is no impact on revenues as those requested services will be offered on alternate dates. Certain recreation facilities will be operating on a holiday schedule while most will remain closed. The financial impact of this modified operating schedule is a net reduction of $8,300 for the Community Services Department. Transit will be operating on a normal weekday 'non-holiday' bus schedule.

Council approval is needed to amend the net operating budget amount in the course of the year and to amend the approved operating projections in the multi-year budget.

If the General Revenue Fund reports a deficit at the end of 2021, a transfer from the Financial Stabilization Reserve Fund may be made to bring it back into balance, subject to Council approval.

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 27, 2021

Project Name: **First Year of Program** **2021**

National Day for Truth & Reconciliation - Annually September 30

	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	$ 1,748,300	$ 1,783,300	$ 1,818,900	$ 1,855,300	$ 1,892,400
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,748,300	$ 1,783,300	$ 1,818,900	$ 1,855,300	$ 1,892,400
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 1,748,300	$ 1,783,300	$ 1,818,900	$ 1,855,300	$ 1,892,400

Additional Comments: Direct costs represent the total estimated salary and benefits for the addition of a statutory holiday, $1,700,000 approved under existing collective agreements and $40,000 subject to Council approval and a decrease to Community Service revenue of $8,300 due to a modified operating schedule in recreation facilties. There is currently no funding source available for these costs, which are proposed to be funded by departmental savings and/or a transfer from the financial stabilization reserve in 2021, and addressed through the 2022 budget process for years 2022 and beyond. Estimates are based on actual costs incurred for Louis Riel Day (salaries) and September 30 revenue projections for recreation facilities, with 2% added in future years for assumed annual revenue, wage and benefit increases.

"electronically approved by J. Peters"

Jocelyn Peters, CPA, CGA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services
- Corporate Finance
- Indigenous Relations Division
- Human Resource Services – Equity, Diversity & Inclusion Division and Labour Relations Division

OURWINNIPEG POLICY ALIGNMENT

Page 75. 03-1 Opportunity. Direction 03:
Work with community partners to foster an inclusive and equitable community.

- Support social inclusion and equitability in the general community and in City programs, services and activities.
- Support community-led initiatives aimed at fostering equity and inclusion or at opposing discrimination.

Page 76. 03-1 Opportunity. Direction 05:
Acknowledge that Aboriginal Winnipeggers bring a diverse richness of cultures, traditions, languages, teachings, values, skills and perspectives to our City.

- Collaborate with Aboriginal communities to enhance current practices and policies to respect cultural differences.
- Collaborate with Aboriginal Winnipeggers to ensure that all Aboriginal residents have opportunities to live, work and play in our City.
- Work with community partners to raise the profile of Aboriginal culture in our community.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Human Resource Services
Prepared by: A. Beach, Senior Manager, Labour Relations and Negotiation Services & A. Cusson, Director, Human Resource Services
Date: September 7, 2021
File No: N/A

Attachments: N/A