Agenda – Executive Policy Committee – February 13, 2024

REPORTS

Item No. 7 Negotiations - City of Winnipeg and the Amalgamated Transit Union, Local 1505

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That Council approve and enter into the Memorandum of Agreement agreed to by the negotiating committees of the City and the Amalgamated Transit Union, Local 1505 (ATU) and a subsequent collective agreement with ATU in accordance with said Memorandum of Agreement.

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 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 Amalgamated Transit Union, Local 1505

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

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

EXECUTIVE SUMMARY

The Amalgamated Transit Union, Local 1505's (ATU) collective agreement expired on January 7, 2023. Notice to bargain was given by ATU on October 14, 2022, after which the parties met and commenced collective bargaining. On December 2, 2023, a tentative agreement was reached and a memorandum of agreement was signed reflecting the terms of the tentative agreement. ATU members accepted the tentative agreement on December 8, 2023.

RECOMMENDATIONS

1. That Council approve and enter into the Memorandum of Agreement agreed to by the negotiating committees of the City and the Amalgamated Transit Union, Local 1505 (ATU) and a subsequent collective agreement with ATU in accordance with said Memorandum of Agreement.

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 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, SM 2002, c 39 requires that Council enter into Collective Agreements between the City of Winnipeg and Civic Unions/Associations.

IMPLICATIONS OF THE RECOMMENDATIONS

The Memorandum of Agreement ("MOA") between the City and the Amalgamated Transit Union, Local 1505 includes changes involving significant terms, material and other costs as follows:

1. Term of Agreement – January 8, 2023 – January 10, 2027 (48 Months) (MOA Clause 2)

2. General Wage Increase (MOA Clause 3)

General Wage Adjustment	Date of Increase	Amount
1	January 7, 2024	3.0%*
2	January 5, 2025	3.0%
3	January 4, 2026	3.0%
4	January 3, 2027	3.0%

*To be paid retroactively to all employees who are bargaining unit members on the date of ratification.

3. Recognition and Appreciation Payments (MOA Clause 4)

   Effective December 1, 2023, every employee who is a member of the bargaining unit on December 1, 2023, and remains active at time of payment shall receive a payment of $1,000 less normal deductions.

   Every employee who is a member of the bargaining unit on the date that the tentative agreement is ratified shall receive a payment of $800 less normal deductions.

4. Special Wage Adjustments (MOA Clause 5)

   - The hourly rate for the top step of the Damage Estimator classification will increase by $1.00 effective January 8, 2023.

   - The hourly rate for the top step for a number of Plant and Equipment trades related classifications will increase as follows:

     - July 1, 2024 - $0.90
     - July 1, 2025 - $1.00
     - July 1, 2026 - $1.25

5. Gender Neutral Language (MOA Clause 6)

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

6. Enhanced Mental Health Support (MOA Appendix A New LOA)

   Funding for enhanced mental health support is provided in each year of the collective agreement in the amounts of $50,000 in 2024, then $100,000 in 2025 and the years following.

7. Vision Care Plan (MOA Appendix A Section 1, Article 7)

   Effective January 1, 2024, benefits under the vision care plan will increase from $350 to $375 per eligible person in a 24-month period.

8. Sunday Crews, Sunday Premium, and Weekend Premium (MOA Appendix A Section 2, Articles 7 and 8)

   On the fourth change of 2024 (the start of the winter service schedule which occurs on the third Sunday of December), the current specifications for Sunday bus operator schedules will cease and be replaced with the same specifications that apply to Saturday. The amendments to Article 7 will increase flexibility to create more efficient work schedules for operators and reduce Sunday overtime costs.

   On the same day, the current Sunday premium (in addition to the hourly rate, one-quarter time for time worked on Sunday) will cease and a new Weekend Premium of $3.50 per hour will be paid to bus operators for all regular hours worked on Saturdays and Sundays.

9. Tool Allowance (MOA Appendix A Section 3, Article 5)

   Painters will be eligible for an annual tool allowance of $127.50 starting in 2024. Other language updates are made to this article.

10. Salary Schedule Adjustments (MOA Clause 10)

    Effective January 1, 2024 - Eliminate Bus Training Operator (8427) rate of pay

    Effective Date of Ratification:

    Delete the first step of the salary schedule for a number of Plant and Equipment trades related classifications.

    Salary Scale adjustments for the following classifications (current employees maintain their rate of pay):

    - Shelter Service (8341) – delete first step
    - Bus Servicer (8351) – delete first two steps
    - Maintenance Worker (8166) – delete first step
    - Driver, Truck (8071) – delete first two steps

11. Letters of Understanding (MOA LOUs)

    a. <u>Wind Down Retirement Plan [Amend]</u>

    The parties have expanded the eligibility for participants to join and remain in the wind down retirement plan (WDRP). Retirees of outside transit agencies may now be considered for employment in the program. In addition, work that can be assigned to participants is expanded from covering requested employee absences to any available work.

b. Recruitment and Retention Committee [New]

The City and ATU commit to meet regularly to explore alternative staffing opportunities and to identify retention opportunities to ensure sufficient staffing for the transit service. Should opportunities be agreed upon, required approvals will be sought.

c. Spareboard Improvements [New]

The parties will meet to discuss opportunities to optimize the daily assignment of work to Spare Operators who fill-in for ad hoc staffing needs.

d. Safe Work Committee [New]

The parties will form a non-legislated committee to review opportunities for improvements to safety in the workplace. Existing Workplace Safety and Health committees will continue to function in compliance with legislated requirements.

e. Cultural and Religious Leaves [New]

Adapting to the needs of a diverse workforce, a new unpaid leave of absence provision is added to the collective agreement. Employees may request up to four weeks of Cultural and Religious Leave every two years. Leaves will be granted where staffing levels permit.

12. Recruitment and Retention Solutions

The City and ATU discussed the need to improve employee recruitment and retention for Winnipeg Transit to provide a safe, efficient and reliable transit service. In addition to the items listed above, other provisions agreed upon with the intent to achieve better working conditions and greater employee retention are:

- LOU - Schedule Committee [Amend] – introduces improvements to the administration of the committee with a focus on service reliability.
- LOU – Shift Trade Programs [Amend] – to explore expanding shift trade opportunities to allow one-way trades for bus operators. This program change is not to increase overtime costs and will be subject to Manitoba Government (Employment Standards) approval.
- LOU – Day Off Schedules [New] – the parties will explore alternatives to scheduling days off to provide more consistent work schedules for bus operators.

Many of the language changes are as a result of clarification on current practices and interpretations of the Collective Agreement. Some language 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 significant number of other minor changes to collective agreement articles and letters of understanding. With the exception of items 2, 3, 4, 6, 7, 8, 9 and 10, 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.

The total cost of the agreement over four years is estimated at $23.94 million.

HISTORY/DISCUSSION

The current Collective Agreement between the parties expired on January 7, 2023. The parties commenced collective bargaining and reached a tentative agreement and a Memorandum of Agreement ("MOA") was signed on October 13, 2023. The ATU membership rejected the recommended tentative agreement on October 27, 2023, with an 81 percent "rejection" vote. Conciliation efforts were reconvened and a new tentative agreement was reached on November 8, 2023. The ATU membership rejected the second recommended tentative agreement on November 24, 2023, with a 79.2 percent "rejection" vote. Conciliation efforts resumed and a third tentative agreement was reached on December 2, 2023. The ATU membership accepted this third agreement with a 58.3 percent "acceptance" vote.

The Consumer Price Index (CPI) for Manitoba is projected to increase by 8.7 percent from 2024 to 2027 (over four years). The ATU Memorandum of Agreement includes general wage increases over the four-year term totaling 12 percent (an average of 3.00 percent per annum). This four-year average is above the Projected Manitoba CPI by an average of 0.8 percent per year over the term of the Collective Agreement.

	2024	**2025**	**2026**	**2027**	**Annual Avg. ^**
ATU	3.00%	3.00%	3.00%	3.00%	3.00%
MB CPI ^^	2.3%	2.0%	2.2%	2.2%	2.2%
+/- CPI	+0.70 %	+1.00%	+0.80%	+0.80%	+0.80%

^ Term of Agreement with ATU January 8, 2023 – January 10, 2027. ATU annual average based on four increases over the four-year agreement ending January 10, 2027. Projected MB CPI annual average based on four years ending December 31, 2027.
^^ Source: CPI Forecast from Oxford Economics October 2023 forecast.

Salary increases over the previous four-year collective agreement (January 13, 2019 – January 7, 2023), increased by 7.0 percent (an average of 1.75 percent per annum) as shown in the table below. This was less than the average rise in the Manitoba CPI by 2.05 percent over the four years ending December 31, 2023.

	2020	2021	2022	2023	Annual Avg. ^
ATU	1.25%	2.00%	1.75%	2.00%	1.75%
MB CPI ^^	0.5%	3.3%	7.9%	3.5%	3.8%
+/- CPI	+0.75%	-1.30%	-6.15%	-1.50%	-2.05%

^ Term of Agreement with ATU January 13, 2019 – January 7, 2023. ATU annual average based on four increases over the four-year agreement ending January 7, 2023. MB CPI annual average based on four years ending December 31, 2023.
^^ Source: Statistics Canada Table 18-10-0005-01 and City of Winnipeg Economic Research calculations.

The City has eight collective agreements with its Unions. A tentative agreement for revision and renewal has been reached with ATU. The Winnipeg Association of Public Service Officers' (WAPSO) and United Fire Fighters of Winnipeg (UFFW) contracts expired on December 31, 2023; UFFW bargaining has commenced, WAPSO bargaining will begin in early 2024. The Manitoba Government Employees' Union (MGEU) collective agreement will expire February 29, 2024; MGEU has provided notice to bargain, bargaining will commence in 2024. The Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA) collective agreement will expire December 31, 2024. The Canadian Union of Public Employees (CUPE) collective agreement will expire February 28, 2025. The Winnipeg Police Association (WPA) and the Winnipeg Police Senior Officers' Association (WPSOA) collective agreements will expire on December 31, 2025.

Union	2020	2021	2022	2023	2024	2025	2026	2027	Annual Avg.^	Date of Expiry
ATU	1.25%	2.00%	1.75%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
WAPSO	0.00%	0.50%	0.50% 1.00%	0.75% 1.25%					1.00%	Dec 31, 2023
UFFW		2.0%	1.9%	2.0%					1.97%	Dec 31, 2023
MGEU			1.00% 1.50%	1.00% 1.50%	2.00%				2.33%	Feb 29, 2024
WFPSOA			2.00%	2.00%	1.90%				1.97%	Dec 31, 2024
CUPE		1.70%	1.00% 1.50%	1.50% 1.50%	1.50% 1.50%				2.55%	Feb 28, 2025
WPA			1.25% 1.50%	1.15% 2.10%	1.15% 2.10%	1.15% 2.10%			3.13%	Dec 31, 2025
WPSOA			1.25% 1.50%	1.15% 2.10%	1.15% 2.10%	1.15% 2.10%			3.13%	Dec 31, 2025

^ Effective date of increases occur at some time in year indicated. For ATU, first general wage increase in contract occurs on the last day of the first year of the contract (January 7, 2024); annual average based on increases over four-year agreement ending January 10, 2027. 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. For UFFW and WFPSOA, first general wage increases in contracts occurred at the end of first year of contracts. Annual average based on increases over approximate three+ year agreements ending December 31, 2023 (36-month agreement) and December 31, 2024 (40-month agreement) respectively. For MGEU, first general wage increase in contract occurs at the end of the first year of the contract. Annual average based on increases over three-year agreement ending February 29, 2024. For CUPE, first general wage increase occurs at the beginning of the first year of contract. Annual average based on increases over four-year agreement ending February 28, 2025. For WPA and WPSOA, first general wage increase occurs in the middle of the first year of the contract. Annual average based on increases over four-year agreements ending December 31, 2025.

FINANCIAL IMPACT

Financial Impact Statement

Date: January 19, 2024

Project Name:

First Year of Program **2023**

Negotiations - City of Winnipeg and the Amalgamated Transit Union, Local 1505

	2023	2024	2025	2026	2027
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	$ 1,480,754	$ 4,459,154	$ 6,986,049	$ 10,643,910	$ 371,757
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,480,754	$ 4,459,154	$ 6,986,049	$ 10,643,910	$ 371,757
Less: Existing Budget Amounts	1,480,754	4,459,154	6,986,049	10,643,910	371,757
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. Direct costs represent the cost increases associated with implementing the Amalgamated Transit Union, Local 1505 collective agreement.
2. The total financial impact of all increases from January 8, 2023 to January 10, 2027 is $23,941,625. The financial impact for the period January 1, 2027 to December 31, 2027 is $14,212,322.
3. The budget provision includes the 2023 Adopted Operating Budget and draft budget submission for 2024. The 2024 to 2027 budget years have not been reviewed by Council and are subject to change as the annual budget process and decision-making process moves forward.

Randy Bernard

Randy Bernard, CPA, CMA
Manager of Finance & Administration (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

OurWinnipeg 2045, Goal #1: Leadership and Good Governance

1.4 Integrated Knowledge and Resources
1.5 Evidence-Informed Decisions

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Human Resource Services
Division: Labour Relations
Prepared by: D. Clark, Manager of Labour Relations and Negotiation Services
Date: January 19, 2024

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 Amalgamated Transit Union, Local 1505 Collective Agreement, January 13, 2019 to January 7, 2023