



Report Number: PFC2019-1397

Meeting: Combined Meeting of Council

Meeting Date: 2019 November 18

NOTICE OF MOTION

RE: Preserving Positions Through Adjustments to City of Calgary Compensation

Sponsoring Council Member(s): Ward Sutherland, Jeff Davison, Sean Chu, Jeromy Farkas, and Joe Magliocca

WHEREAS:

1. in November 2019, the City of Calgary Council will make readjustments to its budget plan for 2020 and beyond;
2. City Council must consider significant future economic forecasting which contemplates the continued slowing of economic recovery in Calgary;
3. economic factors in our City have continued to decline since negotiations began in 2017, and the result is that homeowners and businesses could face unsustainable property tax increases for years to come if the City's base budgeting is not reset;
4. a 1.5% wage increase in 2020 represents an approximately \$31M increase to the base operational budget, which equates to a 1.8% property tax increase;
5. the increase of \$31M to the operational budget represents half of the \$60M in cuts made in the summer of 2019, the opportunity for council to deliver a 0% property tax 2020 will not be possible without significance cuts, reduction of workforce, or wages without an increase;
6. under the current economic environment, the City of Calgary's revenue and economic forecast in 2020 will not compensate for the wage increases;
7. Calgary Union – L37, L38, L709, L583, AND L2103 have seen on average of 1.33% wage increase the last 3 years;
8. the last 3 years of Council compensation adjustments are as follows: 2016(-2.49%), 2017(-0.08%), 2018-0% = (-.91%) Average
9. Councillor Remuneration is reviewed on a yearly term and any change of compensation is determined by a Council Compensation Review Committee policy;
10. base salary adjustments are effective, the first pay period of each year and the current Councillor base salary is \$113,416.36 per annum taxable; (Attachment 2)
11. base salary percentage may increase or decrease as per the Average Weekly Earnings of Alberta as reported by the Statistics Canada survey of Employment Payroll and Hours;

THEREFORE BE IT RESOLVED:

1. Council directs Administration to:
 - a. Officially request all bargaining units to consider a 0 to -5% range of compensation adjustment the 2020 year, with the promise that savings will be applied to preserving bargaining unit positions (in the range of 150 to 250 positions) and report back directly to Council as soon as possible with their response.
 - b. Pending the results of the above, to bring forward recommendations to Council on non-bargaining unit compensation adjustments for the purposes of equity.
2. Council reconsiders its decision on January 14, 2019 (Council Member Remuneration Calculation - C2019-0058). This reconsideration pertains to Council compensation for the 2020 calendar year only. C2019-0058 will otherwise remain in force, and the independent citizen committee is to continue its work and prepare a recommendation for Council. 2020 Council compensation will be determined as follows, without a further vote:
 - a. In the event that compensation reductions are achieved with bargaining units, Council will automatically match the most severe reduction in their base pay.
 - b. In the event that compensation reductions are not achieved with bargaining units:
 - i. If the change in average Alberta weekly earnings is an increase, Council will forego any increase and adopt a freeze for 2020.
 - ii. If the change in average Alberta weekly earnings is a decrease, Council will adopt that decrease.
3. Council directs administration to:
 - a. Prepare a detailed analysis of the legal framework for wage settlements and in the municipal context, including an assessment of the viability of implementing non voluntary rollbacks.
 - b. Prepare a summary of current provincial action, legislation, and efforts toward restraining public sector compensation, with a focus on applicability to the municipal context.
 - c. To engage with the provincial government on the issue of “successor rights” and potential legislative changes to enable municipalities to deliver services at higher quality and lower cost.