
MEMORANDUM

July 10, 2007

TO: All CUPE Local 15 Employees

FROM: Judy Rogers, City Manager

SUBJECT: 2007 CONTRACT NEGOTIATIONS

The Mayor and I, in consultation with senior managers and the negotiation team, authorized the presentation of one last offer to the Union in an attempt to avert what is likely to be a prolonged strike - a strike that will adversely impact our employees and the services we strive to provide to the general public. We also asked the Union to at least take this offer to the employees for a vote before serving strike notice and initiating a shut down of services. Unfortunately, on Monday, July 9, 2007 the Union rejected the offer and refused to conduct the requested vote.

The City has made an application to the Labour Relations Board, to conduct a supervised "last offer vote" of the employees. The vote will be conducted at a number of worksites throughout the City's operations and you will be notified in the next few days of the voting locations and times. Voting is by secret ballot vote in order to ensure confidentiality. We urge you to participate.

The Offer:

The City has also heard, through your negotiating team and directly from yourselves, a number of the concerns voiced by employees. The offer you will be voting on:

- Does not include any amendments to the level of Health and Welfare benefits for existing or new employees (that includes the current sick leave plan and gratuity credits). These were originally included as possible ways to fund an LTD plan for employees. The proposed LTD plan and revised sick leave plan is now off the table for existing and new employees.
- Does not freeze the wages of the custodial classifications.
- Does not include a severance pay option for the City in lieu of using the layoff and bumping procedures currently contained in the collective agreement.
- Does not delete the paid Meal Break provision during over time.
- Does not change the Supplementary Vacation entitlement of employees, or
- Does not include any unilateral ability for the City to amend the length of an employee's work week.

The existing language in the collective agreement concerning all of the above-noted issues will remain intact under our last offer.

The last offer DOES provide the following improvements to the previous offer tabled on May 16, 2007:

- The wage offer has been increased from 9.25% over the thirty-nine month term of the agreement to 9.75% over the term (with compounding that means wage levels will have increased by 10.1% by December 31, 2009). The 39-month term is simply a 90-day extension of what would normally be a 3-year agreement in order to ensure labour stability during the 2010 Olympic and Paralympic Winter Games.
- There is no staging of the 3.0% increase in 2007 - it will be retroactive to January 1, 2007 - this ensures full retroactivity.
- The staging of increases in 2008 and 2009 has been amended and are as follows:
 - January 1, 2008 2.0% (was April 1, 2008)
 - April 1, 2008 1.0% (was October 1, 2008)
 - January 1, 2009 2.5% (was 2.0 % on April 1, 2009)
 - April 1, 2009 1.0% (was October 1, 2009)
 - December 31, 2009 0.25% (was March 31, 2010)
- As requested by the Union, Job Evaluation language has been further modified to enable cross comparisons between classes in the City and Parks Board and for an arbitrator to hear and resolve disputes based on existing Schedule 'A' rates for new classifications introduced by the City.
- The proposed time frame for the second stage of the wage adjustments for specified classes in pay grades 28 and above has been moved from December 31, 2008 to July 1, 2008.
- An improvement to the Remote Access/Assistance language - double time for hours actually worked with a minimum of ½ hour. This was ¼ hour minimum.
- A guarantee for Auxiliary employees working at "Designated Facilities" during the "Exclusive Use Period" for the 2010 Olympic and Paralympic Winter Games that they will receive a minimum rate of pay grade 13 step 5 for hours worked unless assigned to a higher classification at a step that exceeds pay grade 13 step 5.

This offer also continues to include the following improvements:

- Shift Premium - increased from \$.75 to \$.85 per hour.
- First Aid Premium - level 2 increased from \$85 to \$125 per month and level 3 increased from \$100 to \$145 per month.
- Vacations - 1st calendar year increased from 2 to 3 weeks (prorated for hires part way through year).
- A provision to enable temporary market adjustments of up to 2 pay grades during the term of the agreement.
- A letter of understanding on Telecommuting.
- A comprehensive review and conversion of auxiliary hours to regular full or part-time positions in accordance with terms previously used by the parties.
- Complete transportability of service for those in the Employment Pool (including Britannia and Ray-Cam Employees) when determining seniority, salary step placement, annual vacation, sick leave and other benefits affected by length of service.

- As a result of the Partnership Agreement, no loss of regular hours during the 2010 Olympic and Paralympic Winter Games and a guarantee of reassignment to alternate work at their existing rate if a regular employee is not assigned to work on Olympic or Paralympic activities.

The offer is contingent on the Union removing the balance of its items from the table.

So that employees have the fullest information possible prior to the last offer vote we have attached information which has been shared with the Union. This includes information on:

1. City of Vancouver 2006 wages compared to 2006 market salary survey data.
2. How City of Vancouver wage rates over the past 10 years have compared to increases in the Consumer Price Index for Vancouver.
3. A listing of all of the benefits currently provided to our employees - benefits that are more than competitive with the market.
4. Detailed information on virtually all CUPE settlements throughout the Province for 2007, 2008 and 2009 as well as wage settlement forecasts projected by the major financial institutions for 2007, 2008 and 2009.

The City believes that the offer provides more than a fair and reasonable balancing of the interests of its employees with those of the taxpayers. It maintains the City's rates of pay and overall benefits at levels that exceed those in the general market, provides special adjustments to address areas in which the City anticipates hiring difficulties in a tight labour market and continues to provide increases that exceed the level of inflation. It also ensures that there is labour stability during the 2010 Olympic and Paralympic Winter Games through a partnership agreement that provides protections for employees during the games without altering any of the existing collective agreement provisions. Above all, it provides for a balanced settlement that ensures wage continuation for regular employees, provides hours of work for auxiliary employees during their major employment period, maintains services for public and does so at a level that is affordable to the taxpayers.

We hope that you will give serious consideration to a much revised offer.

Yours truly,



Judy Rogers
City Manager

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