



BMR

In Review

SCHOOL CLOSURES: ARE THEY THE SOLUTION?

A recent Bureau study by this title, aimed at helping trustees, administrators and the community to deal better with school closure decisions, is having an impact across the Province.

The report is being discussed at school board meetings; being used by administrators to assess their current process of decision making; serving as a guide to citizens to understand and prepare for discussions on school closures. An editorial in a major Toronto newspaper described it as a "thoughtful" study whose "implications are well worth pondering". The interest has been so overwhelming that after 2 months the report is already in second printing.

The focus of the study is on two aspects of school closures: the decision making process which should take place before a closure is decided upon, and the factors to be considered in making the decision. Recommendations in both of these areas are presented along with the conclusion that closures do not have to be inevitable.

CONTRACTING OUT MUNICIPAL SERVICES

A Bureau study published in February, 1981 entitled "Providing Municipal Services - Methods, Costs and Trade-offs" looks at the issue of contracting out municipal services to private companies.

The report makes an important contribution to this issue by documenting the extent of contracting out in Canada, and dealing with the issue of whether contracting out services is a cheaper and more efficient alternative.

There are a number of factors which

BMR ANNUAL LUNCHEON AND MEETING

The Bureau Annual Luncheon and Business Meeting will be held on May 7, 1981 at the Sheraton Centre, Downtown Toronto.

The Luncheon will take place between 12:00 noon and 2:00 p.m. in the Civic Ballroom. The speaker is Julian Porter, Chairman of the Toronto Transit Commission. Mr. Porter will be speaking on "Transit - A Business Under Public Control" and will be addressing the issue of how to satisfy the public, meet transportation planning goals and still run a business. Mr. Porter is well known for his work with the TTC as well as his recent aid to the Stratford Festival this past summer.

The Bureau Annual Business Meeting will precede the Luncheon and will take place between 11:00 a.m. and 12:00 noon. The activities of the past year will be reviewed, along with the election of Council members for the coming year.

For more information or reservations please call the Bureau offices at 363-9265.

should be considered in the decision to contract out. Besides the cost of the contract, the hidden cost of administering the contract should be included. Of equal importance is responsiveness to citizens, responsibility to employees, control over operation and efficiency of service.

Contracting out does not automatically mean a cheaper more efficient service and can often mean a decrease in the quality and responsiveness of the service. The recommendations presented take these factors into account.

MUNICIPAL WAGE SETTLEMENTS

Nearly all major municipal wage agreements in Ontario are up for bargaining this year. The Association of Municipalities of Ontario (AMO) has published its "1981 Guidelines for Municipal Bargaining" which outlines the bargaining position municipalities should take. It suggests that wage increases should be in the range of 8 - 9%. By keeping them below the rate of increase in the Consumer Price Index, AMO states that the increases will be non-inflationary.

The Canadian Union of Public Employees (CUPE), which represents most inside and outside workers, has also published its bargaining guidelines. Unlike AMO, CUPE feels that the wage increases should be 13% to match the projected increase in the CPI. This would prevent inflation making further inroads into real wages, keeping them at par with previous years.

These two positions will form the basis of the 1981 municipal negotiations. Information presented below indicates what wage settlements have been in the past and what the trends are for the future.

Wage Increases Over Last 4 Years

The first table outlines the wage increases of a labourer in selected municipalities over the past 4 years. These increases have averaged between 5 - 8% per year. For the same period, Statistics Canada indicates that the average weekly earnings in all industries across Canada have risen 8.9%.

For all industries in Ontario with 200 or more employees who negotiated collective agreements for this same 4 year period, the average increase was 7.8%. The CPI for the same period increased by 43.7% or 10.9% per year.

1980 Ontario Municipal Wage Settlements

The next table gives the wage rates and percentage increase for 1980 for municipalities and regional municipalities in Ontario of over 100,000 population. The wage rates within categories were made as comparable as possible. "Inside

WAGE INCREASES FOR LABOURERS BETWEEN JANUARY 1977 AND DECEMBER 1980

Municipality	Increase Over 4 Year Period	Average Yearly Increase
<u>Regional Municipalities</u>		
Metro Toronto	27.5%	6.9%
Durham	21.9%	5.5%
Hamilton/Wentworth	24.6%	4.1%
Niagara	21.2%	5.3%
Ottawa/Carleton	22.3%	5.6%
Peel	31.1%	7.8%
Sudbury	31.1%	7.8%
Waterloo	24.4%	6.1%
York	26.3%	6.6%

worker" refers to a junior clerk/typist and "outside worker" to a labourer. Fire and police wage rates refer to a first class fire fighter and officer.

The largest differences in rates occur in the inside worker category. This could be due to the fluctuation of job descriptions between areas. The other three categories are more comparable in terms of responsibilities and wage rates.

A number of area municipalities bargain along with their regions including such areas as Ottawa & Ottawa/Carleton, Toronto & Metro Toronto and Sudbury & Sudbury Region. The resulting increases and wage rates are the same. The wage settlements in one area affect the level of settlement in surrounding areas. This is particularly true for Metro Toronto. An additional factor comes into play in the police and fire negotiations where associations across Ontario are seeking parity with other settlements. For example, the fire fighter associations in Etobicoke, Ottawa and Scarborough all sought parity in 1980 with the Toronto fire fighters' settlement. The Toronto settlement also became an issue in the Metro police negotiations.

Other Issues Besides Wages

A number of other issues were present in the 1980 negotiations. As shown in the table, a few of the areas have cost of

living (COLA) clauses in their agreements. These clauses add a wage increase above a basic agreed percentage which is tied to the increase in the CPI. Since the abolition of the Anti-inflation Board, COLA clauses have become more prevalent in both public and private agreements. In 1979 the wage settlements negotiated for over 200 employees in Ontario showed the private sector using COLA clauses in 25% of their agreements; municipalities used them in 12%.

In both private and public agreements, the basic wage increase is less in COLA agreements than in non-COLA agreements. It is interesting to note that AMO does

not support COLA clauses, while CUPE does, and that Thunder Bay ties its COLA increases to the Thunder Bay CPI not the Ontario or national.

Another trend since the lifting of AIB controls is towards longer term agreements. CUPE advocates one year contracts while AMO believes that longer term are better. Again, in the 1980 table those settlements which involve more than a one year contract are noted. Most of the longer term agreements are also ones which contain COLA clauses, a combination which is found often in both private and public agreements. In agreements negotiated in 1979 30% of the private contracts, and 71% of the public

WAGE RATES DECEMBER 1980 & PERCENTAGE INCREASE OVER 1979

Municipality	Inside Worker		Outside Worker		Fire Fighter		Police	
	\$	%	\$ (hrly)	%	\$	%	\$	%
<u>Regional Municipalities</u>								
Metro Toronto	11,703	10.3	7.74	10.1	n/a		24,030#	10.3
Durham	10,679	7.0	7.22#	7.0	n/a		23,363	7.5
Hamilton/Wentworth	11,047	9.2	7.59	9.2	n/a		23,460	7.5
Niagara	11,448	8.5	7.09	8.6	n/a		23,624	7.5
Ottawa/Carleton	12,638	7.0	7.29	7.0	n/a		n/a	
Peel	12,460	(a)	7.46	(a)	n/a		23,345#	7.5
Sudbury	9,919##	21.0	7.25##	15.1	n/a		23,566#	9.0
Waterloo	8,480	9.0	7.18	9.0	n/a		23,350	9.6
York	11,757	8.6	7.50	8.7	n/a		23,458	8.5
<u>Cities</u>								
Brampton	10,129	8.0	7.12	8.0	23,343	9.7	n/a	
Burlington	11,125	(a)	7.18	7.2	22,982	9.2	n/a	
East York	11,389*#	6.0	7.45*#	6.0	23,740	9.4	n/a	
Etobicoke	9,705	6.0	7.39*#	6.0	23,914#	11.6	n/a	
Hamilton	11,043	9.1	7.59	9.2	23,437	9.1	n/a	
Kingston	11,921	8.6	7.26	8.5	(b)		22,636	10.0
Kitchener	9,741	9.2	7.18	9.6	23,241	12.0	n/a	
London	12,354*	7.5	7.36*	7.4	22,900	8.2	23,034#	7.6
Mississauga	9,940	10.1	7.36	12.2	23,345#	7.5	n/a	
North York	11,202	9.1	7.68	9.1	23,745#	9.1	n/a	
Oshawa	11,655*#	7.0	7.99*#	7.0	21,840	6.5	n/a	
Ottawa	12,638	7.0	7.29	7.0	24,154	10.2	24,189	11.2
St. Catharines	9,812	10.1	7.18	10.1	22,766	13.4	n/a	
Scarborough	10,353	10.2	7.74	10.1	24,018	10.3	n/a	
Thunder Bay	12,516##	10.4	8.05##	12.6	23,567	13.0	23,578	8.5
Toronto	11,229	10.2	7.73	10.1	24,473#	11.2	n/a	
Windsor	11,353*#	3.0	7.10*#	3.0	23,554#	9.0	23,556	8.5
York	10,712	10.2	7.74	10.1	23,745	9.4	n/a	

*COLA increase to be added

Part of a 2 or 3 year Contract

##COLA takes effect in subsequent years of contract

n/a - not applicable

a - Reclassification of jobs

b - Contract still under negotiation

contracts were for one year terms.

Of concern also in 1980 negotiations were pensions, fringe benefits and contracting out to private companies.

1981 Settlements

The 1981 settlements will be interesting to watch to see if the same trends in wage increases, COLA clauses, and length of contract are present. The contracts already agreed upon are noted below.

WAGE INCREASES FOR 1981

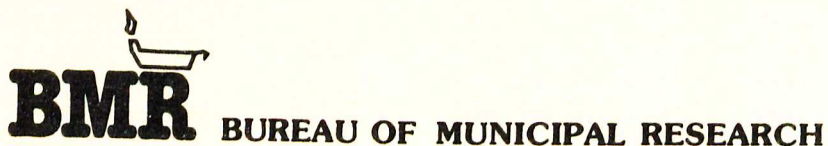
<u>Inside Workers</u>	\$	%
Sudbury (Region)	10,283*#	3.7
Waterloo (Region)	9,328	10.0
Burlington	12,160	9.3
Etobicoke	10,840	11.7
Thunder Bay	13,642#	9.0
<u>Outside Workers</u>		
Sudbury (Region)	7.45*#	2.8
Waterloo (Region)	7.93	10.4
Brampton	7.83	10.0

<u>Outside Workers(cont)</u>	\$	%
Thunder Bay	8.77*#	8.9
Mississauga	8.10	10.1
<u>Fire</u>		
Thunder Bay	25,688	9.0
Toronto	26,676	9.0
<u>Police</u>		
Metro Toronto	27,000	12.4
Peel	25,820#	10.6
Sudbury (Region)	25,334#	7.5
Kingston	24,786	9.5
Thunder Bay	25,700	9.0

BMR IN REVIEW

BMR in Review is published on a periodic basis. It serves as both a newsletter on Bureau activities and a vehicle to provide information on various issues. If there is an area that you feel should be covered in future editions please contact the Bureau office. Any comments are welcome.

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