

Amending Fair Wage Schedules and Related Items

(City Council on February 29, March 1 and 2, 2000, amended this Clause by adding thereto the following:

“It is further recommended that:

- (1) the report dated February 25, 2000, from the Manager, Fair Wage and Labour Trades Office, embodying the following recommendation, be adopted:*

‘It is recommended that the Manager, Fair Wage and Labour Trades Office, report back to the Administration Committee outlining the details and financial implications of using CUPE wage rates as the fair wage rate for non-construction classifications, such as janitorial workers or office cleaners, when the City procures these services.’;

- (2) the Manager, Fair Wage and Labour Trades Office, be requested to:*

(a) forward the fair wage schedule and related items to the Minister of Labour of the Province of Ontario, with a recommendation that consideration be given to implementing similar recommendations to those adopted by the City of Toronto;

(b) include in his forthcoming report to the Administration Committee on the financial implications of using CUPE wage rates as the fair wage rate for non-construction classifications, incremental costs and benefits and any other impacts of proposed changes or options; and

(c) submit a report to Council, through the Administration Committee, on the feasibility of separating certain jobs from the policy, in particular those jobs which could possibly be open to small business; and

- (3) the Commissioner of Economic Development, Culture and Tourism, and the Chief Administrative Officer be requested to submit a joint report to the Economic Development and Parks Committee on barriers and access issues for small- and medium-sized businesses in Toronto to gain access to City of Toronto contracts.”)*

The Administration Committee recommends:

- (I) the adoption of the report (December 22, 1999) from the Manager, Fair Wage and Labour Trades Office, subject to:**

- (i) striking out Recommendation No. (1); and**

- (ii) renumbering Recommendation No. (2) as Recommendation No. (1) and amending it to read as follows:

“(1) Option 2 be approved as the recommended option for establishing fair wage rates and schedules, the Manager, Fair Wage and Labour Trades Office prepare and file with the City Clerk, the following Fair Wage Schedules for 2000-2001. (These new Schedules will replace 1995-97 schedules currently on file with the City Clerk):

- Road Building Construction;
- Sewer and Watermain Construction;
- Heavy Construction;
- Industrial Commercial Institutional Construction;
- Residential Construction;
- General Classifications; and
- Utilities Construction;”;

so that the Recommendations embodied in the aforementioned report now read as follows:

“It is recommended that:

(1) Option 2 be approved as the recommended option for establishing fair wage rates and schedules, the Manager, Fair Wage and Labour Trades Office prepare and file with the City Clerk, the following Fair Wage Schedules for 2000-2001. (These new Schedules will replace 1995-97 schedules currently on file with the City Clerk):

- Road Building Construction;
- Sewer and Watermain Construction;
- Heavy Construction;
- Industrial Commercial Institutional Construction;
- Residential Construction;
- General Classifications; and
- Utilities Construction;

(2) all subsequent future fair wage rates and schedules be prepared using the recommended option and be filed with the City Clerk; and then be made available to contractors and be posted on the City of Toronto’s website;

(3) the Fair Wage and Labour Trades Office make a request on the possibility of participating on any provincial or federal

government committees charged with establishing or updating fair wage schedules in the Greater Toronto area;

- (4) the Manager, Fair Wage and Labour Trades Office review whether or not “stabilization funds” are being used on city projects, and report back to committee on any necessary fair wage policy amendments;**
- (5) the Executive Director of Human Resources report to the Administration Committee during the 2000 budget process, on the Fair Wage and Labour Trades Office’s additional resource requirements; and**
- (6) subject to approval during the 2000 budget process for additional staff resources, the Fair Wage and Labour Trades Office begin to concentrate on garment and printing workers to see how the Fair Wage Policy is impacting their wage and benefits, and report its findings to committee;”;** and

(II) that when the fair wage rate is being established for non-construction classifications such as janitorial workers and office cleaners, the existing CUPE base wage rate be considered the fair wage rate for those classifications.

The Administration Committee reports, for the information of Council, having requested the Manager, Fair Wage and Labour Trades Office to submit a report directly to Council for its meeting scheduled to be held on February 29, 2000, outlining the financial implications with respect to the foregoing Recommendation No. (II) of the Administration Committee.

The Administration Committee submits the following report (December 22, 1999) from the Manager, Fair Wage and Labour Trades Office:

Purpose:

The purpose of this report is to submit various options for consideration and decide which method to use in establishing new Fair Wage rates and Schedules applicable to suppliers of goods and services engaged in work with the City of Toronto; and related matters. The construction industry and the relevant affected City Agencies, Boards, and Commissions will be notified of this report, and will have the opportunity to make depositions to the Administration Committee at its meeting of January 11, 2000, with respect to the establishment of new fair wage rates and schedules.

Funding Sources:

None.

Recommendations:

It is recommended that:

- (1) the Administration Committee choose one of the options discussed in the report on the method to use in establishing fair wage rates and schedules;
- (2) if Option One, Two or Three is chosen as the recommended option for establishing fair wage rates and schedules, the Manager, Fair Wage and Labour Trades Office prepare and file with the City Clerk, the following Fair Wage Schedules for 2000-2001. (These new Schedules will replace 1995-97 schedules currently on file with the City Clerk):
 - Road Building Construction;
 - Sewer and Watermain Construction;
 - Heavy Construction;
 - Industrial Commercial Institutional Construction;
 - Residential Construction;
 - General Classifications; and
 - Utilities Construction;
- (3) all subsequent future fair wage rates and schedules be prepared using the recommended option and be filed with the City Clerk; and then be made available to contractors and be posted on the City of Toronto's website;
- (4) the Fair Wage and Labour Trades Office make a request on the possibility of participating on any provincial or federal government committees charged with establishing or updating fair wage schedules in the Greater Toronto area;
- (5) the Manager, Fair Wage and Labour Trades Office review whether or not "stabilization funds" are being used on city projects, and report back to committee on any necessary fair wage policy amendments;
- (6) the Executive Director of Human Resources report to the Administration Committee during the 2000 budget process, on the Fair Wage and Labour Trades Office's additional resource requirements; and
- (7) subject to approval during the 2000 budget process for additional staff resources, the Fair Wage and Labour Trades Office begin to concentrate on garment and printing workers to see how the Fair Wage Policy is impacting their wage and benefits, and report its findings to committee.

Council Reference/Background/History:

City Council, at its meeting held on October 1 and 2, 1998, adopted Clause No. 1 of Report No. 13 of The Corporate Services Committee, entitled "Review of Fair Wage Policy." A new Fair Wage Policy was adopted for all City Departments, Agencies, Boards and Commissions. The recommendations included a request to report on current and alternative methods of

establishing fair wage rates and schedules; and to conduct an assessment in 1999 on the competitiveness of the City of Toronto's fair wage rates and schedules using existing studies commissioned by the Government of Canada and other parties.

Also, a request was made to review the Fair Wage and Labour Trades Office's resource requirements; to include a clause in the Fair Wage Policy which would give preference to contractors who support apprenticeship programs and who hire and train apprentices; and to report on the feasibility of undertaking a study of the conditions of workers in other sectors of the economy such as the garment and printing industries to see how the Fair Wage Policy is impacting their wages and benefits.

Comments and Discussion:

Originally implemented in 1893, the Fair Wage Policy of the former City of Toronto had, as one of its main principles, the prohibition of the City doing business with contractors and suppliers who discriminated against their workers. The definition of "worker" under the policy has expanded over the years to include labourers, mechanics and construction workers and also non-construction classifications such as clerical, garment, and janitorial workers. The policy also requires compliance with the acceptable number of working hours and conditions of work.

The intent of the Fair Wage Policy can be summarized as follows:

- (i) to produce stable labour relations with minimal disruptions;
- (ii) to compromise between the wage differentials of organized labour and unorganized labour;
- (iii) to create a level playing field in competitions for City work;
- (iv) to protect the public; and
- (v) to enhance the reputation of the City for ethical business dealings.

Establishing fair wage rates and schedules are intended to minimize potential conflicts between organized and unorganized labour in the tendering and awarding of civic contracts. Fair wage rates and schedules are established through discussions with employee and employer groups and associations (having both union and non-union members). These rates are voted on by the above noted groups and are recommended to Council for approval every three years. Many non-construction classifications are based on market and industrial surveys in accordance with the prevailing wages for non-union workers in the geographic area.

The City of Toronto fair wage rates and schedules provides rates of pay that are about ninety-five percent of the negotiated collective agreement rates for the Greater Toronto Area. As well, the federal and provincial governments have fair wage rates and schedules that provide rates of pay that are about sixty-five percent (federal) and seventy-five percent (provincial) of the negotiated collective agreement rates in the GTA.

Over sixty different organizations of the construction industry were invited to attend an information/consultation session held on November 15, 1999. A total of forty were in attendance. Discussions were held and subsequent submissions were received from the various parties. The current method of establishing fair wage rates and schedules was discussed in detail and is identified as Option One. One of the new options, Option Two, was proposed by over 90 percent of the attendees present at the session. Option Three, was submitted by The Independent Contractors Association.

As well, an Option Four is also submitted for committee's consideration. However, this option was not considered nor was it mentioned at the November 15, 1999 meeting held with the construction industry.

It should be noted that regardless of which option is utilized, the fair wage rates and schedules do not apply to small businesses, typically those with owner-operators, or partnerships, or principals of companies as long as they undertake the work themselves.

(i) Option One (current method):

The present City of Toronto method of establishing fair wage rates and schedules involves reviewing the various provisions of the construction negotiated collective agreements in the Greater Toronto Area. From these collective agreements, the following particular items are identified and used as the basis for fair wage rates. The highlights of the current method is as follows:

- (a) the base wage rate for each of the different classifications of worker is used;
- (b) the maximum weekly hours of work before overtime is used;
- (c) a four percent vacation pay is used;
- (d) a six percent holiday pay is used in lieu of any paid statutory holidays; and
- (e) the fringe benefits payable to workers includes only the pension and the extended health and welfare portions.

As well, wage surveys are undertaken in preparing fair wage rates for non-construction classifications.

Observations:

The current option provides rates of pay that are about ninety-five percent of the negotiated collective agreement rate. The combined vacation pay of four percent and the holiday pay in lieu of statutory holidays of six percent are the fixed standard in most construction negotiated collective agreements. However, if an employer pays their employees statutory holidays and/or vacation pay, the rates for vacation pay and holiday pay in the fair wage rates and schedules are reduced accordingly. As a "rule of thumb", up to fifteen percent of the total wage package is

designated for fringe benefits payable to workers. All construction negotiated collective agreements make provisions for fringe benefits payable to workers.

The majority of contractors and service suppliers who bid on City work are aware of the prevailing fair wage rates for the City of Toronto.

(ii) Option Two (new option proposed by over 90 percent of the organizations):

Same as Option One, but with an additional, new criterion, part (f), as follows:

- include the apprenticeship training portion as part of the worker's overall wages when establishing fair wage rates and schedules.

Observations:

Most negotiated collective agreements allocate between two cents per hour and twenty-five cents per hour for apprenticeship training. It was felt by many construction organizations that apprenticeship programs and training were crucial to the on-going survival of the construction industry in the GTA, especially in view of declining apprentices in many construction classifications.

In addition, City Council approved a clause in the Fair Wage Policy (see attached) that gives preference to contractors who support approved apprenticeship programs and who hire and train apprentices under these programs.

As the allocation of between two cents and twenty-five cents per hour for apprenticeship training is very minimal, the rates of pay under this option would still be at about 95 percent of the negotiated collective agreement rate, similar to Option One.

(iii) Option Three (new option proposed by The Independent Contractors Association):

- (a) a. use the current provincial base wage rates as the standard;
- (b) use the Employment Standards Act as the basis for weekly hours of work;
- (c) a four percent vacation pay is used;
- (d) elimination of the six percent holiday pay;
- (e) elimination of the fringe benefits portion payable to workers of approximately fifteen percent; and
- (f) no allocation of funds for apprenticeship training in establishing wage rates.

Observations:

This new option provides rates of pay that are about seventy-five percent of the negotiated collective agreement rate, about twenty percent lower than both Options One or Two (comparable to the current provincial fair wage schedules at the 1995 negotiated collective agreements wage levels for the GTA).

The Employment Standards Act requires overtime pay in excess of forty-four hours worked per week. Most of the negotiated collective agreements require overtime pay after forty hours of work. Under this option, a worker will not be paid for any statutory holidays. As well, if a contractor does pay or offer fringe benefits, it can use up to fifteen percent of the base wage rate to do so.

This option changes the City's current method of establishing fair wage rates and schedules to the method used by the province.

(iv) Option Four (this option was not discussed with the construction industry):

Keep the status quo. Most construction wage rates will have increased a total of about thirteen- percent for the ten-year period of 1991-2001. The fair wage rates and schedules under this option will remain frozen for a couple of years and committee can re-consider this matter again in the fall of 2001.

Summary of Options:

It should be also noted that because of the City's binding collective agreements in the construction industry, about sixteen of the two hundred and forty-eight classifications found in the fair wage schedules are fixed-in-place by collective bargaining and cannot be altered by any option.

The major differences between the options (with the exception of keeping the wage rates and schedules as status quo under Option Four) is as follows:

Options One and Two basically mirror the same concept and method in establishing fair wage rates and schedules. The base wage rates in the negotiated collective agreements are used. It then adds about fifteen percent per classification as part of a worker's total wage rate for fringe benefits (pension, health and welfare); and with Option Two, there's an additional amount for apprenticeship training. As well, because most construction workers do not receive payment for statutory holidays, a payment in lieu of statutory holidays of about six percent is also included in both of these options.

Option Three provides a method that differs substantially. It reduces the overall wage packages paid to workers by about twenty percent and is similar to the provincial schedules and standards at 1995 levels and until such time as adjusted by the Province.

The impact of the relevant options, can be seen by the following comparison that was prepared last year as Appendix 6 in connection with the consideration of the fair wage policy by Council (October, 1998):

Appendix 6
Fair Wage Rates Comparison

Classification of Labour	Province of Ontario Fair Wage Rates (Minimum Hourly Rates) (April 1, 1995)	Former City/Metro Fair Wage Rates (Minimum Hourly Rates) (1997)		
		Total Hourly Rate \$	Hourly Rate \$	Benefits ** \$
Bricklayers and Stonemasons	28.42	28.55	3.50	32.05
Cement finishers	25.61	25.89	3.39	29.28
Labourers – common	24.73	24.29	3.77	28.06
Labourers – demolition	17.73	18.05	1.97	20.02
Mortarmen (brick, plaster, stone)	24.88	22.29	3.77	26.06
Plasterers	24.70	24.29	3.77	28.06
Refrigeration mechanics	31.14	31.93	3.20	35.13
Roofers (built-up)	27.04	27.95	2.00	29.95
Sprinkler installers	29.01	30.19	3.73	33.92
Tile and linoleum layers (resilient floor layers)	25.68	25.68	4.15	29.83
Truck drivers (floats)	24.13	24.85	2.85	27.70
Licensed Operators: Engineers operating cranes, shovels, hoists, clams, gradalls, backhoes, draglines, piledrivers, mobile truck cranes, derricks, caisson boring machines over 25 hp, drillers and similar equipment	26.29	26.29	5.59	31.88

* Up to fifteen percent of the Fair Wage rates may be in the form of benefits not required by law (for example: medical, dental, pension plans).

** Represents fringe benefits (i.e., medical, dental, pension plans).

*** The total former City/Metro Fair Wage rates include Benefits amount (between ten - fifteen percent).

Note: The above is a list of sample classifications for comparison purposes and is not a complete list of either rates. The hourly rates listed are journey person fair wage rates. The apprentice fair wage for the City ranges from ten percent to sixty percent less than the journey person rate.

If either Option One or Two is the preferred choice, then the new schedules will represent just under a two percent increase in total wages for each year from 1998-1999 to 2000-2001. It should be realized that the labour component on construction projects generally constitutes only about twenty to thirty percent of total construction costs; the other construction costs are related to supplies, equipment, overhead, profit, etc.

Fair Wage Schedules Studies:

The office also reviewed the only two studies readily available on the impact of the Fair Wage Schedules on construction costs in Canada. The first one was entitled "Analysis of the Impact on Construction Costs of British Columbia's Fair Wage and Skills Development Policy" dated 1997. The data analyzed by the Quantity Surveyors Society of British Columbia was supplied by several open-shop contractors who actively bid on BC government projects. The report was submitted to our office by The Independent Contractors Association. The executive summary states in part that any "increase in construction cost may not have had an effect on the total cost of the projects awarded, but may have affected the project in terms of physical size, quality and quantity of materials, equipment, furnishings, etc." A total of seven projects were reviewed.

The second study reviewed was entitled "The Impact of Skills Development and Fair Wage Policy on Construction Costs in British Columbia" dated 1997. The study was commissioned by the Construction Labour Relations Association of British Columbia, and the B.C. Provincial Council of Carpenters. The study was financially assisted by the Government of Canada under the Labour-Management Partnerships Program. The Study had not revealed any measurable effect on total construction costs with the inclusion of fair wage schedules.

Stabilization Funds:

The Independent Contractors Association expressed a concern with respect to whether or not "stabilization funds" are being used in bidding for City work. In brief, "stabilization funds" are special funds that are established by union trades and are used to assist them when bidding on a specific project to offset the lower wages paid by open shop contractors. It's my understanding that only three construction trade unions have such a fund established and that this stabilization fund is not used on any City project because of the existence of the City's fair wage policy and the labour trades requirements. However, this matter will be reviewed thoroughly and reported back to committee.

Conclusions:

As provided under the regulations governing the duties of the Manager, Fair Wage and Labour Trades Office, amended Fair Wage Schedules and rates will be prepared, filed with the City Clerk's Office, and be made available to contractors. Current and alternative methods of

establishing fair wage schedules and rates have been reviewed and presented for Committee's consideration. The "apprenticeship clause" has been inserted in the Fair Wage Policy and the Manager, Fair Wage and Labour Trades Office will be reporting back to committee on related matters.

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Fair Wage Policy

(A) The Purpose of Fair Wage Policy:

The Fair Wage Policy has as a central principle the prohibition of the City doing business with contractors and suppliers who discriminate against their workers. Originally implemented in 1893 to ensure that contractors for the City paid their workers the union rates or, for non-union workers, the prevailing wages and benefits in their field, the Fair Wage Policy has expanded over the years to other non-construction classifications such as clerical workers. The Policy also requires compliance with acceptable number of working hours and conditions of work in order to protect the rights of workers.

The intent of the Fair Wage Policy can be summarized as follows:

- (i) to produce stable labour relations with minimal disruption;
- (ii) to compromise between the wage differentials of organized and unorganized labour;
- (iii) to create a level playing field in competitions for City works;
- (iv) to protect the public; and
- (v) to enhance the reputation of the City for ethical and fair business dealings.

Establishing fair wage rates and schedules are intended to minimize potential conflicts between organized and unorganized labour in the tendering and awarding of civic contracts. Fair Wage rates are established through discussion with employee and employer groups and associations (having both union and non-union members). These rates are voted on by the above-noted groups and are recommended to Council for approval every three years. Certain designated construction related rates are based on the lowest rate established by collective bargaining, while the wage rates for other classifications are based on market and industrial surveys in accordance with the prevailing wages for non-union workers in the geographic area. Similarly, the City encourages contractors to hire and train apprentices under approved programs. In this

regard, guidance on appropriate fair wage rates will be sought from employee and employer groups as part of establishing Fair Wage Schedules.

The fair wage rates do not apply to small businesses, typically those with owner-operators, or partnerships, or principals of companies as long as they undertake the work themselves.

(B) City of Toronto Council Reference:

The City of Toronto Council on October 1 and 2, 1998, adopted the recommendation of The Corporate Services Committee (Report 13, Clause 1) which states: “the Fair Wage Policy...be adopted for all City Departments, Agencies, Boards and Commissions and replace all existing fair wage policies of the former local municipalities.

It should be noted that under the above authority, the conditions of the Fair Wage Policy cannot be waived, unless authorized by Council to do so.

(C) Fair Wage Definitions:

- (i) Field Work - “field work” shall mean all work in performance of the Contract that is not shop works;
- (ii) Shop Work - “shop work” shall mean any work in performance of the Contract that is done in or at any factory, foundry, shop or place of manufacture not located at or upon the site of the work, and not operated solely for the purpose of the work;
- (iii) Workers - “workers” shall include mechanics, workers, labourers, owners and drivers of a truck or other vehicle employed in the execution of the Contract by the Contractor or by any subcontractor under them and clerical staff;
- (iv) Fair Wage Schedule - “Fair Wage Schedule” shall mean stipulated rates of pay for different classifications of work produced and obtainable from the Fair Wage and Labour Trades Office; and
- (v) Fringe Benefits - “Fringe Benefits” shall include such benefits as company pension plans, extended health care benefits, dental and prescription plans, etc. It does NOT include payroll burden deductions such as C.P.P., E.H.T., W.C.B., U.I.C., etc.

(D) Fair Wage Policy and Provisions:

- (a) The Contractor shall not discriminate against workers or applicants for employment as workers because of race, creed, colour, national origin, political or religious affiliation, sex, sexual orientation, age, marital status, family relationship, and disability.

- (b) The Contractor shall at all times comply with the Occupational Health and Safety Act and its regulations and take every precaution reasonable in the circumstances for the protection of workers. If the Contractor sub-contracts any or all of the work or services to be performed, the Contractor will ensure the sub-contractors are qualified to perform the work or services and comply with the Occupational Health and Safety Act and its regulations.
- (c) The Contractor shall pay or cause to be paid weekly or biweekly to every worker employed in the execution of the Contract (and shall see that every owner of a truck or other vehicle employed by the Contractor or by any subcontractor in the execution of the Contract shall pay, or cause to be paid, weekly or biweekly to each of the owner's drivers) wages at the following rates, namely:
 - (i) for workers employed in shop work, the Union rate of wages in the particular district or locality in which the work is undertaken for any class of work in respect of which there is such Union rate, and for any class of work for which there is no such Union rate, the rate of wages shall be the rate of wages prevailing in the particular district or locality in which the work is undertaken; and
 - (ii) for workers employed in field work:
 - (a) where the Contractor is in contractual relationship with a Union recognized by the Ontario Labour Relations Board as the bargaining agent for the relevant workers, the applicable rate of wages set out in the collective agreement; and
 - (b) where there is no such contractual relationship, a rate not less than that set out for such work in the Schedule of Wage Rates filed by the Manager, Fair Wage and Labour Trades Office, with the City Clerk of the Corporation after being first approved by Toronto Council (hereinafter called "the Fair Wage Schedule");

and for the purpose of this paragraph, "wages" or "rate of wages" shall include any applicable amount for fringe benefits shown in the current Fair Wage Schedule, to be paid to the worker as part of the worker's wages or for the worker's benefit as provided in any collective agreement as aforesaid applicable to such worker.

- (d) The Contractor shall:
 - (i) at all times keep a list of the names of all workers employed in the Work and a record of the amounts paid to each;

- (ii) from time to time, if demanded by the Manager, Fair Wage and Labour Trades Office, furnish a certified copy of all paysheets, lists, records and books relating to the work and keep the originals thereof open at all times for examination by the Manager; and
 - (iii) at all times furnish and disclose to the said Manager any other information respecting wages of workers that may be desired by the Manager in connection with the Work.
- (e) In case of a jurisdictional dispute or dispute as to rate of wages to be paid under the Contract or as to the amount to be paid to any worker, the decision of the Manager, Fair Wage and Labour Trades Office, shall be final and binding upon all parties.
- (f) The Contractor shall not compel or permit any worker engaged for the Work to work more than the number of hours per day and the number of hours per week set out in the Fair Wage Schedule for the particular type of work involved except in case of emergency, and then only with the written permission of the Commissioner or head of the Department having charge of the Work or the person then acting as such.
- (g) If the Contractor fails to pay any worker (or if any owner of a truck or other vehicle fails to pay any driver) wages at the rate called for in paragraph (D), the Corporation may pay the balance necessary to make up the amount that should have been paid and may charge such balance, together with an administrative fee not in excess of ten per cent of such balance, to the Contractor.
- (h) If the Contract is to be for the purchase of supplies or materials to which the provisions in paragraph (D) respecting the rates of wages to be paid to workers engaged in shop work and field work do not apply, Toronto Council will, before awarding same, cause to be secured from the Manager, Fair Wage and Labour Trades Office, a report as to whether or not the Tenderer or Bidder maintains a fair wage level.
- (i) Workers engaged in clerical office work are to be paid a rate of wages no less than the surveyed standard for each classification of worker for the particular industry at the time of tendering.
- (j) The Contractor **MUST** display legible copies of this “Fair Wage Policy” in a prominent position in his/her workshop(s), accessible to all employees.
- (k) The contractor shall attach to all accounts rendered for payment of money upon the contract, a statutory declaration affirming that the requirements of the foregoing paragraphs have been fully complied with.

The Administration Committee reports, for the information of Council, having also had before it the following communications:

- (1) (January 25, 2000) from Mr. Barry L. Brown, General Manager, The Utility Contractors' Association of Ontario, advising that the Utility Contractors' Association of Ontario supports Option No. (2) embodied in the report (December 22, 1999) from the Manager, Fair Wage and Labour Trades Office, respecting the Fair Wage Policy for the City of Toronto, in that it "includes the apprenticeship training portion as part of the worker's overall wages when establishing fair wage rates and schedules";
- (2) (February 3, 2000) from Mr. E. Lewis, President, The Heavy Construction Association of Toronto, advising that the Heavy Construction Association of Toronto supports the adoption of Option No. (2) embodied in the report (December 22, 1999) from the Manager, Fair Wage and Labour Trades Office, respecting the Fair Wage Policy for the City of Toronto, which includes the "apprenticeship training portion as part of the workers overall wages";
- (3) (January 26, 2000) from Mr. Salvatore Morra, P. Eng., Executive Director, Greater Toronto Sewer and Watermain Contractors Association, advising that The Greater Toronto Sewer and Watermain Contractors Association (GTSWCA) supports the City of Toronto's Fair Wage Policy, and wants to see it continue and remain effective;
- (4) (December 8, 2000) from Mr. Arthur Potts, The Independent Contractors Association, responding to the City of Toronto's review of its Fair Wage Policy and submitting recommendations in regard thereto for consideration by the Administration Committee;
- (5) (December 24, 1999) from Mr. Donald J. Cameron, President, Ontario General Contractors Association, respecting the review of the City of Toronto's Fair Wage Schedules and submitting recommendations for consideration by the Administration Committee; and
- (6) (February 4, 2000) from Mr. Mike O'Connor, Executive Director, Toronto and Area Road Builders Association, advising that the Toronto and Area Road Builders Association (TARBA) at its January 26, 2000 meeting, unanimously recommended the adoption of Option 2 embodied in the report (December 22, 1999) from the Manager, Fair Wage and Labour Trades Office respecting the City of Toronto's Fair Wage Policy.

The following persons appeared before the Administration Committee in connection with the foregoing matter:

- Mr. Ray Penning, Public Relations Director, Christian Labour Association, and filed a written submission in regard thereto and a publication, entitled "Buying a Labour Monopoly, a copy of which is on file in the office of the City Clerk;
- Mr. Arthur Potts, Executive Director, The Independent Contractors Association;

- Mr. Dave MacDonald, Kenaidan Contracting Ltd., and filed a written submission in regard thereto;
- Mr. Cosmo Manella, Director, LIUNA Canadian Tri-Fund;
- Mr. Roger Quinn, President, Universal Workers Union, Local 183;
- Mr. John Cartwright, Construction Trades Council, and filed a written submission in regard thereto;
- Mr. Mike Yorke, Carpenters and Allied Workers, Local 27;
- Mr. Wm. Nicholls, International Brotherhood of Painters and Allied Trades, and filed a written submission in regard thereto;
- Mr. Cameron Forbes, VP/General Manager, Heather & Little Limited;
- Mr. Joe Fashion, Business Manager/Financial Secretary, International Brotherhood of Electrical Workers, Local 353, and filed a written submission in regard thereto;
- Councillor Joe Mihevc – York – Eglinton; and
- Councillor Mario Silva – Trinity Niagara.

(City Council on February 29, March 1 and 2, 2000, had before it, during consideration of the foregoing Clause, the following report (February 25, 2000) from the Manager, Fair Wage and Labour Trades Office:

Purpose:

To report to City Council and outline the financial implications of using CUPE base wage rates as the fair wage rate for non-construction classifications, such as janitorial workers or office cleaners when the City procures these services.

Financial Implications and Impact Statement:

None.

Recommendation:

It is recommended that the Manager, Fair Wage and Labour Trades Office report back to the Administration Committee outlining the details and financial implications of using CUPE wage rates as the fair wage rate for non-construction classifications, such as janitorial workers or office cleaners when the City procures these services.

Background:

The Administration Committee, at its meeting held on February 8, 2000, considered the report entitled "Amending Fair Wage Schedules and Related Items." A new recommendation was added to the report, noted as Recommendation No. (II) which stated "that when the fair wage rate is being established for non-construction classifications such as janitorial workers and office cleaners, the existing CUPE base wage rate be considered the fair wage rate for those classifications."

The Administration Committee requested that the Manager, Fair Wage and Labour Trades Office submit a report directly to Council for its meeting to be held on February 29, 2000, outlining the financial implications with respect to the foregoing Recommendation No. (II) of the Administration Committee.

Comments and Discussions:

The Fair Wage and Labour Trades Office is still in the process of collecting all the necessary information with respect to Recommendation No. (II).

Therefore, it is recommended that Recommendation No. (II) be referred back to the Administration Committee for consideration as soon as the report from the Manager, Fair Wage and Labour Trades Office is finalized.

Contact Name:

*Louie Gervasi
Manager, Fair Wage and Labour Trades Office
392-7300)*

(City Council also had before it, during consideration of the foregoing Clause, the following communications expressing concerns about the Fair Wage Policy:

- (i) (February 22, 2000) from Carolyn and Frank Stafford; and*
- (i) (February 29, 2000) from Mr. Arthur Potts, Executive Director, The Independent Contractors Association.)*