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**In reply please quote:
Ref.: 09-EX35.6**

October 29, 2009

EXECUTIVE COMMITTEE:

**Subject: Executive Committee Item 35.6
2009 Labour Disruption Costs and Savings (Ward All)**

City Council on October 26 and 27, 2009, adopted this Item, as amended, and among other things, directed that \$4.8 million of the tax related net savings arising from the 2009 labour disruption be allocated to the 2010 Solid Waste Management budget to offset the proposed 2% fee increase to the Solid Waste Management fees.

Council also directed that the Toronto Water net savings arising from the 2009 labour disruption (estimated at \$1.2 million as at September 14, 2009) be transferred to the Water and Wastewater Stabilization Reserve and utilized for Toronto Water's 2010 Operating Budget.

for City Clerk

M. Toft/

Attachment



Executive Committee

EX35.6		Amended		Ward: All
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2009 Labour Disruption Costs and Savings

City Council Decision

City Council on October 26 and 27, 2009, adopted the following:

1. City Council direct that the tax related net savings arising from the 2009 labour disruption be allocated as follows:
 - \$31.1 million be allocated to the 2009 surplus and be utilized for the 2010 operating budget
 - \$4.8 million be allocated to the 2010 Solid Waste Management budget to offset the proposed 2% fee increase to the Solid Waste Management fees.
2. City Council direct that the Solid Waste Management net costs incurred as a result of the 2009 labour disruption (estimated at \$4.1 million as at September 14, 2009) be absorbed within the 2009 Solid Waste Approved Operating Budget.
3. City Council direct that the Toronto Water net savings arising from the 2009 labour disruption (estimated at \$1.2 million as at September 14, 2009) be transferred to the Water and Wastewater Stabilization Reserve and utilized for Toronto Water's 2010 Operating Budget.
4. City Council direct that the final estimated net savings / costs arising from the 2009 labour disruption be reported as part of the 2009 Third Quarter Operating Budget Variance report.
5. City Council direct that a notice explaining the use of the savings resulting from the strike be either inserted in or printed on the 2010 Property Tax Bill.
6. City Council request the City Manager to report to the June 14, 2010 meeting of the Executive Committee on the results of the labour disruption by program area, in the following five categories:
 - a. costs;

- b. savings;
- c. program outputs;
- d. outcomes for program recipients; and
- e. operational changes indicated.

Committee Recommendations

The Executive Committee recommends that:

1. City Council direct that the tax related net savings arising from the 2009 labour disruption (estimated at \$36.1 million as at September 14, 2009) be allocated to the 2009 surplus and be utilized for the 2010 Operating Budget.
2. City Council direct that the Solid Waste Management net costs incurred as a result of the 2009 labour disruption (estimated at \$4.1 million as at September 14, 2009) be absorbed within the 2009 Solid Waste Approved Operating Budget.
3. City Council direct that the Toronto Water net savings arising from the 2009 labour disruption (estimated at \$1.2 million as at September 14, 2009) be transferred to the Water and Wastewater Stabilization Reserve and utilized for Toronto Water's 2010 Operating Budget.
4. City Council direct that the final estimated net savings / costs arising from the 2009 labour disruption be reported as part of the 2009 Third Quarter Operating Budget Variance report.
5. City Council direct that a notice explaining the reduction, resulting from the strike, be either inserted in, or printed on the 2010 Property Tax Bill.

Origin

(September 24, 2009) Report from Deputy City Manager and Chief Financial Officer

Summary

This report provides preliminary financial information with respect to costs incurred and savings realized during the 2009 labour disruption by CUPE Local 79 and TCEU Local 416, including costs associated with restoring services to normal levels following the disruption. The majority of strike related savings / costs were incurred after June 30th and therefore the projections to year end in the 2009 Second Quarter Operating Variance report do not capture the full impact of the labour disruption. Final impacts will be reported as part of the 2009 Third Quarter Operating Budget Variance report.

Background Information (Committee)

2009 Labour Disruption Costs and Savings

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-23752.pdf>)

Speakers (Committee)

Councillor Cliff Jenkins, Ward 25, Don Valley West
Councillor Gloria Lindsay Luby, Ward 4, Etobicoke Centre
Councillor Frances Nunziata, Ward 11, York South-Weston

Declared Interests (City Council)

The following member(s) declared an interest:

Councillor Peter Milczyn - only as it relates to motion 1c by Councillor Mammoliti, as his spouse is a member of CUPE Local 79.

Councillor Howard Moscoe - only as it relates to motion 1c by Councillor Mammoliti, as his daughter is a part-time child care worker with the City of Toronto.

Councillor David Shiner - only as it relates to motion 1c by Councillor Mammoliti, as a member of his family works for the City of Toronto on a seasonal basis.