



For Public Release

C2020-0960
Verbal (In Camera)

Date: 2025-12-09
Dept: People, Innovation & Collaboration Services

Collective Bargaining Update (Verbal)

2020 September 14

C2020-0960
ISC: CONFIDENTIAL



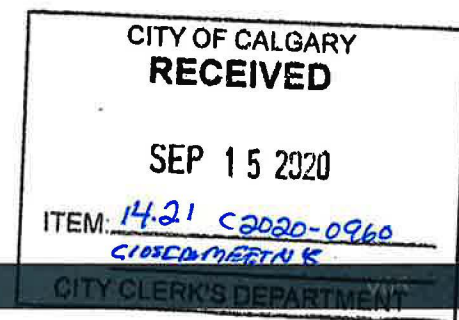
Collective bargaining considerations

- Recognize The City's fiscal situation
- Be competitive within relevant markets
- Maintain operational flexibility to accommodate multiple businesses
- Preserve/Enhance Management Rights
- Maintain operational stability (e.g. longer term agreements, if possible)
- Support positive labour/management relations
- Comply with the Labour Relations Code and other applicable legislation



Economic indicators - CPI

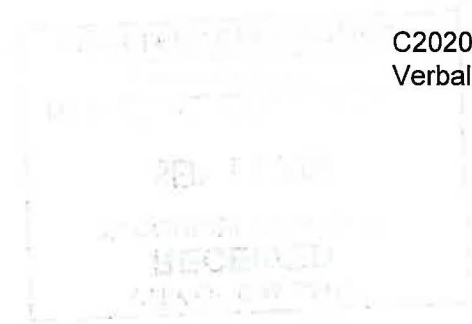
	Alberta Consumer Price Index (CPI)	Calgary Census Metropolitan Area (CMA) CPI
2017	1.2%	1.6%
2018	1.1%	2.4%
2019	1.6%	1.4%
Spring outlook		
2020	1.4%	1.4%
2021	1.8%	1.8%
2022	1.8%	1.9%
2023	2.0%	1.8%
2024	2.0%	1.9%
2025	2.1%	2.0%





Economic indicators - GDP

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	Alberta Real Gross Domestic Product growth (GDP)	Calgary Economic Region (CER) real GDP growth
2017	4.4%	4.0%
2018	2.3%	2.5%
2019	0.3%	1.3%
Spring outlook		
2020	-5.8%	-5.7%
2021	4.2%	4.5%
2022	2.4%	2.1%



Economic indicators – AB Average Weekly Earnings

	Alberta Average weekly earnings by industry, annual (all industries)	Alberta Average weekly earnings by industry, annual (all industries) % growth
2017	\$1,129.87	1.0%
2018	\$1,148.59	1.7%
2019	\$1,164.70	1.4%
Spring outlook		
2020	\$1,177.51	1.1%
2021	\$1,196.35	1.6%
2022	\$1,222.67	2.2%
2023	\$1,252.02	2.4%
2024	\$1,284.57	2.6%
2025	\$1,317.97	2.6%



Market data – Other Alberta Settlements

EMPLOYER	2019	2020	2021	2022
CITY OF CALGARY	0%	1.5%	-	-
CITY OF EDMONTON	0%	0%	-	-
Calgary Board of Education	0%	0%	-	-
City of Brooks	2.0%	2.0%	2.0%	1.5%
City of Canmore	1.5%	1.5%	-	-
City of Camrose	2.0%	1.25%	-	-
City of Grand Prairie	1.0%	2.0%	1.5%	-
City of Lethbridge	1.0%	1.5%	1.5%	2.0%
City of Lloydminster	2.0%	2.0%	2.0%	-
City of Medicine Hat	2.0%	0%	0%	2.0%
City of Red Deer	1.0%	1.0%	2.0%	-
City of St. Albert	2.0%	0%	1.25%	-
ENMAX Corporation	0%	1.5%	2.0%	-
Municipal District of Pincher Creek No. 9	0%	1.75%	1.75%	2.0%
Town of Drumheller	2.15%	2.25%	2.0%	2.5%



Market data – Salary Survey Data

Pay Increases (National) – including O's unless otherwise stated

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Actual	Projected
Korn Ferry (Hay Group)	2.20%	2.40%	2.50%	2.60%	2.60%
Mercer	2.10%	2.30%	2.40%	2.40%	2.50%
Conference Board	2.10%	2.20%	2.40%	2.60%	2.50%
Morneau Shepell	2.10%	2.20%	2.60%	2.60% (excl 0)	2.70% (excl 0)
Wynford	2.40%	2.40%	2.50%	2.53%	2.60%
Willis Towers Watson	-	-	-	2.80%	2.70%

Pay Increases (National - Public Sector) – including O's unless otherwise stated

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Actual	Projected
Korn Ferry (Hay Group)	2.20%	2.20%	2.20%	2.40%	2.40%
Mercer	-	2.00%	2.20%	2.50%	2.50%
Conference Board	2.20%	2.00%	2.30%	2.50%	2.40%
Morneau Shepell	1.70%	1.60%	2.40%	2.90% (excl 0)	3.0% (excl 0)
Wynford	1.50%	1.93%	1.60%	1.40%	2.20%
Willis Towers Watson	-	-	-		



Market data – Salary Survey Data

Pay Increases (Alberta) – including 0's unless otherwise stated

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Actual	Projected
Korn Ferry (Hay Group)	-	-	-	-	2.30%
Mercer	-	2.20%	2.40%	2.50%	2.50%
Conference Board	1.00%	1.70%	2.20%	2.30%	2.20%
Morneau Shepell	1.30%	2.10%	2.40%	2.60% (excl 0)	2.70% (excl 0)
Wynford	1.00%	2.12%	2.42%	2.47%	2.53%
Willis Towers Watson	-	-	-	2.60%	2.60%

Pay Increases (Calgary) – including 0's unless otherwise stated

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Actual	Projected
Korn Ferry (Hay Group)	-	-	-		
Mercer	-	2.20%	2.40%	2.50%	2.50%
Conference Board	-	-	-		
Morneau Shepell	-	-	-	-	-
Wynford	-	2.15%	-	2.43%	
Willis Towers Watson				2.60%	2.60%

City Financial Challenges

- Prior to COVID, Council required reductions to approved budgets for 2019 and 2020 to reduce tax increases and provide taxpayer relief programs.
- For 2020, the estimated impact of COVID is:
 - Revenue reduction of \$250M
 - Identified expenditure savings of \$80M
 - Temporary service reductions of over \$100M
 - Other savings are required to eliminate the gap
- For 2021, the estimated impact of COVID is:
 - Revenue reduction of almost \$140M
 - Identified expenditure savings & temporary service reductions of \$80M
- Balance of the 2021 COVID gap and Council direction for 0% tax increase in 2021 require at least an additional \$114M in base and one-time reductions from the previously approved 2021 budget



Mandate recommendation: Non-monetary

- Flexibility regarding movement of personnel
- More flexibility in hours of work, changes to schedules, and physical work location
- Other “easements” in certain sections of the collective agreements



Mandate recommendation: Monetary

Term: 3 years

Year	Change
2021	0%
2022	0%
2023	0%*

*Alternatively, for 2023 complete an additional fulsome review of the economic and market data at that time and look at having a wage reopener for the final year.

Total Compensation Review may require position specific adjustments (+/-) to be negotiated and possible notice of existing out-of-schedule rates ending based on market data. In certain cases, create a two tier wage system for specific positions which are compensated significantly over market.



Recommendation

C2020-0960
Verbal (In Camera)

That Council:

- Approve Administration's mandate recommendations for collective bargaining
- Direct Administration to provide an update by end-2020
- That the Closed Meeting discussions and presentation remain confidential pursuant to Section 24 (Advice from officials) of the Freedom of Information and Protection of Privacy Act.