

DECLASSIFIED

FOIPOP Review

N/A

Approved to Release

C. Mac

Date

March 13, 2012 pending council
motion



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 5.1.1

Halifax Regional Council
March 13, 2012
In Camera

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

Handwritten signature of Richard Butts in black ink.

Richard Butts, Chief Administrative Officer

Handwritten signature of Mike Labrecque in black ink.

Mike Labrecque, Deputy Chief Administrative Officer

DATE: March 12, 2012

SUBJECT: Tentative Agreement between ATU Local 508 and Halifax Regional Municipality

PRIVATE & CONFIDENTIAL

ORIGIN

This report originates from a tentative agreement reached through the collective bargaining process between Halifax Regional Municipality and the ATU Local 508.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Ratify the new collective agreement with ATU Local 508 as per the key terms found in Table 1 of this report;
2. Approve the provision of free Metro Transit service from March 16, 2012 to March 31, 2012 and honour February transit passes for the month of April 2012; and
3. Release this report following council ratification.

BACKGROUND

After extensive contract negotiations starting in September 2011 and leading to a work stoppage in February 2012 the Halifax Regional Municipality has reached a tentative agreement with the Amalgamated Transit Union (ATU) Local 508 on March 11, 2012.

As per council direction on Tuesday March 6, 2012 the negotiating team had the following mandate:

- Bargaining team conclude a settlement that is affordable to tax payers, supports efficient transit and is fair to employees which includes cost savings and operational efficiencies
- 5 year collective agreement inclusive of rostering, and wage restructuring (offsets)
- A total cost not greater than the cost of the HRM February 23, 2012 package offer.

DISCUSSION

In accordance with the direction of Halifax Regional Council the negotiating team has successfully concluded a collective agreement that includes; rostering, wage steps, a new accident review policy, and a wage package that remains within Regional Council’s February 23, 2012 mandate of \$5,629,060 net.

The tentative agreement between Halifax Regional Municipality and ATU Local 508 sets the table for Metro Transit to move the organization into the future and establish a more sustainable and efficient transit system.

This agreement will enable significant long term improvements to systemic overtime issues, embedded industry best practices for a multiple transit facility environment, and allow for a more cost effective labour force. This will better position Metro Transit for future growth.

Tentative Agreement Highlights

Below in Table 1 are the highlights of the tentative agreement between Halifax Regional Municipality and ATU Local 508.

Table 1:

March 11, 2012 Tentative Agreement Highlights	
Term of agreement	5 Years, August 31, 2011-August 31, 2016
Lump Sum Payment	Year 1 - \$4,000 to all ATU Local 508 employees employed on date of signing (non-compoundable)
Salary Increases	2% remaining four years of the collective agreement (2012, 2013, 2014, 2015)
Rostering	Achieved within the Conventional Transit Division with a detailed Memorandum of Agreement (attachment A) outlining a process whereby the ATU can provide input into the creation of rosters. Article 29.02 amended as follows; 29.02 (b) <i>Nothing in the collective agreement, including Article 29.02(a) and 29.04, restricts management’s authority in establishing</i>

	<i>rosters. Although the Pick Committee may make recommendations, it has no jurisdiction in determining the make-up of the rosters. For greater certainty, the Employer's rosters will be established following the process provided for in the parties' MOU re rostering.</i>
Wage Steps	Full wage steps; (75% - Training 80% -Year 1, 85% -Year 2, 90% -Year 3, 95% -Year 4, 100% -Year 5)
Accident Review	Agreement to implement new policy which will have accidents reviewed by HRM management to determine preventability. The full details of the change have been outlined in a Letter of Intent (attachment B) and the wording in the collective agreement that prevented this change has been removed.
Pick Process	Agreement to expand to six picks per year if the Pick Process can be reduced to eight calendar days (current approximately 24 days)
Vacation Board	Language inserted into the collective agreement to make the Vacation Board more efficient. The new language puts Vacation Board Operators on the Spareboard with no limitations on what work they can be assigned
Two Day Rule in Ferry	Rule removed in the Ferry Division. Offered open work of two days or less to full-time employees at overtime rates before it could offer this work to part-time employees at straight time.
Acting Supervisor	Removal of all unionized acting management positions from the collective agreement.

BUDGET IMPLICATIONS

The mandate established by Council for the negotiations was \$5,629,060 which was the net cost of the February 23rd offer. As outlined below the final net cost of the tentative agreement is \$5,623,332, which is slightly less than the Bargaining Teams mandate.

TENTATIVE DEAL MARCH 11, 2012	Y1	Y2	Y3	Y4	Y5	TOTAL
Proposed Wage Increase	\$4,000 Lump Sum + \$40,000 for Benefits	2.00%	2.00%	2.00%	2.00%	
Total Additional Cost In Year Based on Wage Increases	\$ 2,920,000	\$ 1,078,556	\$ 1,162,947	\$ 1,244,489	\$ 1,325,212	
Compounded Wage Increase	\$ 2,920,000	\$ 1,078,556	\$ 2,241,503	\$ 3,485,993	\$ 4,811,204	\$ 14,537,256
Add Savings Based On CA Changes	\$ (193,365)	\$ (1,518,889)	\$ (2,140,483)	\$ (2,474,864)	\$ (2,586,324)	\$ (8,913,924)
Net Cost	\$ 2,726,635	\$ (440,333)	\$ 101,020	\$ 1,011,129	\$ 2,224,880	\$ 5,623,332

The chart below represents the net effective impact to the HRM taxpayer after factoring in the savings achieved through wage steps for new hires and rostering.

	Y1	Y2	Y3	Y4	Y5
	\$4,000 Lump Sum + \$40,000 for Benefits				
ATU Increase		2.00%	2.00%	2.00%	2.00%
Effective Increase on Wage Budget	1.00%	0.50%	0.50%	0.50%	0.50%

Estimated 2011/12 Financial Position

2011/12 Metro Transit surplus prior to strike	\$ 200,000
Savings realized through strike	\$2,800,000
Free March service (16 days of lost revenue)	(\$1,500,000)
Cost of Year 1 settlement with fiscal offset	<u>(\$2,400,000)</u>
2011/12 Projected Deficit	(\$ 900,000)

The 2011/12 deficit can be carried forward to 2012/13 and can be covered through savings in wages that are currently set aside in fiscal to cover the collective agreement costs.

Customer Appreciation Plan

As with any transit work stoppage it is important to thank the customers for sticking by our service through a very difficult time. Ridership is affected in any strike and the best way to thank our customers and get passengers back onto the service is to provide incentives to come back to the transit service. To achieve this Metro Transit has outlined the customer appreciation plan as follows assuming the contract is ratified March 13, 2012:

- The provision of free transit service from Friday, March 16, 2012 to Saturday, March 31, 2012 (16 days).
- Allow Metro Transit customers who purchased a February Transit pass and did not receive a refund to utilize this pass for transit services through the month of April

The budget impact of this decision has been detailed in the budget implication section above.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

HRM must inform citizens of the details of the new collective agreement, what operationally happens as HRM returns to normal transit service, and what Transit customers can expect as HRM shows its appreciation of public support during the strike.

All Transit employees need to be openly welcomed back and supported as valuable team members, as HRM brings positive closure on the municipality's public position and direction. Also, Transit should actively market the Customer Appreciation Plan and why people should use Transit in general. Communications activities to support these objectives include:

- a news release, ongoing website updates for all audiences and Twitter
- a "welcome back onboard" print ad in Wednesday and Saturday dailies
- media interviews
- a Metro Transit "thank you, public" YouTube video
- a "welcome back onboard" posters on buses and ferries
- an email to Transit employees
- a social media campaign (YouTube, Twitter, Facebook) promoting free service period and Transit use

All communications will be evaluated for their impact on audiences throughout the strike and support of the above objectives once the free Transit service period ends.

ALTERNATIVES

Council could choose to reject ATU Local 508's offer, which was accepted by HRM's bargaining team as a tentative agreement, and direct the negotiating team to go back to the bargaining table with a revised mandate. The Metro Transit work stoppage would continue until an agreement could be achieved.

ATTACHMENTS

- Attachment A - Memorandum of Agreement Rostering
 - Attachment B - Letter of Intent Accident Review Policy
 - Attachment C - Service Resumption Plan
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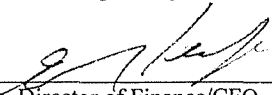
**Tentative Agreement between ATU - 6 -
Local 508 and Halifax Regional Municipality
In Camera Report**

March 13, 2012

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

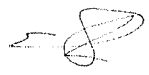
Report Prepared by: Eddie Robar, Director Metro Transit, 490-6720
Matthew Keliher, Financial Consultant, 490-6902
Bruce DeBaie, Manager Corporate Communications, 490-6787

Financial Approval by:



Greg Keefe, Director of Finance/CFO, 490-6308

Report Approved by:



Eddie Robar, Director Metro Transit, 490-6720

Attachment A - Memorandum of Agreement Rostering

March _____, 2012

Memorandum of Agreement

Between

Halifax Regional Municipality

("The Employer")

And

Amalgamated Transit Union, Local 508

("The Union")

Rostering will be implemented in the Conventional Transit division effective the November, 2012 Pick.

The Employer agrees that ATU may assign a representative paid by the Employer to work with the Employer to discuss the parameters that organize rosters in order to address concerns during the creation of the November, 2012 Rosters.

The parties agree to the following roster creation process for the duration of this collective agreement:

- 1. The Employer will generate three Roster Reports (Roster 1, 2 and 3).**
- 2. The Employer will give the three Roster Reports to the Union President or his designate.**
- 3. The Union President or his designate will review the three Rosters and either:
(i) accept one of the three Rosters and this Roster will be implemented; or
(ii) select one of the three Rosters and present suggestions to the Employer to change parameters on this Roster. This Roster will be referred to as Roster A.**
- 4. If suggestions are given under 3(ii) above, the Employer will generate a Roster Report (Roster B) using the Union President or designate's suggestions. If Roster B contains 10 or less open shifts, Roster B will be implemented.

(i) If Roster B contains more than 10 open shifts, Roster B will not be**

- (ii) *implemented. The Union President or his designate at this point will either:*
 - (iii) *accept Roster A; or*
 - (iv) *present additional suggestions to the Employer to change parameters of Roster A.*
5. *If suggestions are given under 5(ii) above, the Employer will generate a Roster Report (Roster C) using the Union President or designate's suggestions. If Roster C contains 10 or less open shifts, Roster C will be implemented.*
 6. *If Roster C contains more than 10 open shifts, Roster A will be implemented.*
 7. *This process must take no longer than eight business days from the day that Rosters 1, 2 and 3 are given to the Union President or designate to the day that the determination of which Roster is implemented (either Roster A, B, or C) is made, unless mutually agreed by the parties.*
 8. *In the event the process is not completed within eight business days and there is no mutual agreement to extend the timelines, Roster A will be implemented. Also, in the event that the Union President or his designate does not make a decision between Rosters 1, 2, and 3 as per Step 3 above, the Employer will choose between Rosters 1, 2, and 3 and this Roster will be implemented.*
 9. *All parameters used to create Rosters must comply with the collective agreement.*

Peter Kelly, Mayor
Halifax Regional Municipality

Date

Ken Wilson
President and Business Agent

Date

[New 2011]

Attachment B - Letter of Intent Accident Review Policy



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

March 11, 2012

Kenny Wilson
President/Business Agent, ATU Local 508
30 Rosedale Drive, Dartmouth, NS B3A 1L8

Dear Kenny,

This letter is to confirm the parties' understanding on the Accident Review Policy:

- The Employer will roll out a new policy to replace the current Accident Review Policy.
- Accidents will initially be adjudicated by the HRM's Accident & Claims Investigator who will make a decision on whether or not the accident is preventable or non-preventable.
- An Appeals Committee will include a union representative, a management representative and a Chairperson from the Police Department.
- The Appeals Committee will reach a consensus decision and, where this is not possible, the Chair renders the decision.
- All Committee members must be trained in Accident Investigation procedures. This training will be paid for by the Employer under article 21.05.
- Each Committee member must have a trained alternate replacement in order to move forward with meetings.
- Once the new policy is rolled out, the union may not rely on past discipline and/or corrective action under the old policy as precedent moving forward.

Sincerely,

Eddie Robar
Director, Metro Transit

Attachment C - Service Resumption Plan

Service Resumption Plan

Metro Transit has developed a service resumption plan for implementation once the strike has officially ended. Following the ratification of the tentative agreement by both ATU Local 508 and Halifax Regional Municipality, Metro Transit will begin to phase in its services. The service resumption will occur as follows:

Ferry Service

The Ferry Service will be the first to resume service. Employees will report for refresher training on Wednesday, March 14 with service to resume for its regular service commencement time on Thursday, March 15. It is undetermined at this time exactly what Ferry Service will be provided as full service is conditional on the availability of a sufficient number of employees. If required to phase in service due to availability of qualified employees, the first service to commence will be the Alderney hour service; the second service will be the Woodside service; and the third service will be the Alderney quarter boat service.

Conventional and Community Transit Service

Metro Transit Conventional Service will resume operation at the beginning of the regular service day on Friday, March 16. The buses will be inspected, fuelled, and prepped on Thursday, March 17. The provision of full Conventional Transit service will be contingent on available qualified employees. Currently, there is no indication that staffing levels will be below what is required.

Access-A-Bus Service

Access-A-Bus will resume its full services on Monday, March 19. In order to facilitate the resumption of full Metro Transit Access-A-Bus services, the call taking for scheduling trips will be closed effective 5 pm on Tuesday, March 13 and will resume on Friday, March 16 at 7 am. Requests for all types of service trips can be made starting on Friday, March 16. Previously booked medical appointments and dialysis appointment will be provided from Wednesday, March 14 through Sunday, March 18. New requests for service on Saturday, March 17 and Sunday, March 18 can be made starting on Friday, March 16 however there may be limited availability as full service is not scheduled to begin until Monday, March 19. The provision of full Access-A-Bus service will be contingent on available qualified employees. Currently, there is no indication that staffing levels will be below what is required.