

NO: **R007**

COUNCIL DATE: **January 28, 2013**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **January 22, 2013**

FROM: **City Manager
General Manager, Human Resources**

FILE: **MV LR Function**

SUBJECT: **Greater Vancouver Regional District Labour Relations Service
Bylaw No. 1182, 2012**

RECOMMENDATION

The City Manager's Department and the Human Resources Department recommend that Council resolve to:

1. receive this report as information;
2. consent to the terms and conditions for withdrawal from the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012, a copy of which is attached as Appendix "A" to this report, and approve the adoption by Metro Vancouver of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 by providing consent on behalf of the electors; and
3. authorize the City Clerk to forward a copy of this report and the related Council resolution to the Chair of the Metro Vancouver Board in response to his letter, dated December 5, 2012, related to the subject matter of this report.

INTENT

The purpose of this report is to:

- provide information about the context of a decision by the Metro Vancouver (MV) Board at its meeting of November 30, 2012 to introduce the "Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182,2012" (the "Bylaw"); and
- obtain a resolution of Council in support of the Region adopting the By-law.

A letter, dated December 5, 2012, from the Chair of the Metro Vancouver Board is attached as Appendix "A" that includes a copy of the Bylaw and a request that Surrey Council adopt a resolution in support of the Bylaw being adopted by the Region.

BACKGROUND

The Greater Vancouver Regional District was incorporated by Letters Patent issued under the Municipal Act on June 29, 1967. Supplementary Letters Patent were issued on December 13, 1973

and amended on November 22, 1982, granting the Greater Vancouver Regional District the authority to provide labour negotiations and ancillary services to municipalities. This communal labour relations work was carried out through the Labour Relations Bureau (the "Bureau").

Participation in the Labour Relations Bureau was voluntary. The City of Surrey Council took the position that Surrey would not participate in the Bureau as a voting member. While the City of Surrey shared information and resources on labour relations matters when there is a benefit to both Surrey and the Region, it chose not to have a third party represent it in labour relations matters nor to have a third party involved in the City's collective bargaining activities. The City of Surrey has paid an annual fee as part of the GVRD General Levy to support the Regional labour relations function. The amount of the annual fee was based on the City's population and the limited services that the City received from the function, being primarily information sharing.

Over the past couple of years, the Metro Vancouver (MV) Board, MV staff, the Region's member municipalities, the Regional Administrative Advisory Committee (RAAC), and the Human Resources Advisory Committee (HRAC) have been in discussions regarding the Regional Labour Relations function and the development of a new approach for collaboration across the Region relative to labour relations matters.

Agreement has evolved around a new approach that recognizes the common interests of member municipalities as employers, while supporting flexibility to reflect each municipality's unique culture and service delivery model. This new model is called the "autonomy model".

On June 24, 2011, the Metro Vancouver Board resolved to pursue the "autonomy model" for labour relations. The Board requested that RAAC develop this model for implementation. RAAC established a sub-committee to fulfill the Board's request. The "autonomy model" is intended to offer a flexible, labour relations service, where each of the Region's municipalities would be able to select the labour relations services that are useful to them from a menu of available services and then pay the related user fee for such services. The base service will include a forum for collective discussion regarding labour relations matters by the Region's municipalities and a platform for collecting, analyzing and disseminating LR information across the Region in support of effective LR services by each local government within the Region.

Given the Board's direction as referenced above, the Labour Relations Bureau ceased to meet in June 2011.

To allow time for the new LR function to be fully organized, in November 2011, Surrey Council along with other Regional local governments approved the Greater Vancouver Regional District Labour Relations Service Conversion and Amendment Bylaw No. 1156, 2011 that supported the delivery of the Regional LR function during period of time while the new permanent model was being refined. The proposed Bylaw referenced in this report, if adopted, will act to obviate Bylaw No. 1156.

From January through September 2012, a sub-committee of the Regional Administrators Advisory Committee developed and refined a proposed new LR model for the Region. Periodic reporting on the progress of the work of the sub-committee was made to the Metro Vancouver Board by RAAC representatives.

On November 20, 2012, the Metro Vancouver Board introduced and gave three readings to the Bylaw. The Bylaw, if adopted, will give effect to the new Regional Labour Relations Services model.

DISCUSSION

The Bylaw establishes a Labour Relations Service model that provides base services to all member municipalities. These base services include assisting and facilitating discussion among municipalities on labour relations issues including compensation, benefits, economic trends and labour negotiations. The Labour Relations Service will also lead research, data collection, analysis and information distribution to member municipalities on labour relations issues and opportunities. The Bylaw also provides for the Regional Labour Relations Service to offer optional services to member municipalities, who wish to purchase such services, with respect to collective bargaining and job evaluation.

Staff views it as important that all of the Region's member municipalities participate collaboratively in region-wide discussions on collective bargaining and labour relations issues so that decision-making by individual local governments with respect to matters related to collective bargaining and labour relations is undertaken in the context of not only the local conditions but with respect to the Regional ramifications.

The City of Surrey because of the scale of its operation can and does undertake collective bargaining and job evaluation using internal resources and, as such, does not need to acquire these services from the Region. However, most of the Region's smaller municipalities do not have the scale to justify the hiring of full time expertise in these areas and rely on the Regional LR Service to provide these services for them on a fee-for-service basis.

Funding for the New Labour Relations Service:

While the 2012 costs for the Regional Labour Relations Service were covered by accumulated reserves, a new funding model has been developed in support of the on-going delivery of the new LR model starting in 2013. The cost of providing the Labour Relation base services are proposed to be apportioned among all members in the function on a population basis. Surrey's share of the costs of the new Labour Relations Service for 2013 is \$160,556. The Labour Relations costs will be collected from member municipalities under the GVRD General Levy.

Staff is satisfied that the new Labour Relations Service represents a reasonable approach to maintaining collaboration across the Region in the context of labour relations and will serve Surrey's interests in that regard. It will also provide needed specialty labour relations services to the smaller member municipalities in an affordable manner, which will serve the Region's as well.

Withdrawal from the Regional Labour Relations Service

The Bylaw contains a provision for a member municipality to withdraw from the Regional LR Service subject to giving notice in writing to MV, which withdrawal takes effect 24 months from the date that the notice is given.

Next steps to Implement the New Labour Relations Service

As mentioned previously, on November 30, 2012, the Metro Vancouver Board of Directors introduced and gave three readings to the Bylaw. The Board cannot adopt the Bylaw until the participating municipalities consent to the approval of the Bylaw by separate resolution of each respective local Council, which is a requirement of the Local Government Act. The resolution as contained in the Recommendations section of this report, if adopted by Council, will satisfy this requirement.

Position of other Member Municipalities

MV staff has advised that the local Council of each of the member municipalities in the Region except Belcarra and Anmore has adopted the subject resolution consenting to the adoption of the Bylaw.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- consent to the terms and conditions for withdrawal from the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012, a copy of which is attached as Appendix "A" to this report, and approve the adoption by Metro Vancouver of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 by providing consent on behalf of the electors; and
- authorize the City Clerk to forward a copy of this report and the related Council resolution to the Chair of the Metro Vancouver Board in response to his letter, dated December 5, 2012, related to the subject matter of this report.

Murray Dinwoodie
City Manager

Nicola Webb
General Manager,
Human Resources

Attachment:

Appendix "A" - Letter from the Chair, Metro Vancouver Board, dated December 5, 2012, Re:
Labour Relations Service Bylaw No. 1182, 2012


metrovancover

Greater Vancouver Regional District • Greater Vancouver Water District

Greater Vancouver Sewerage and Drainage District • Metro Vancouver Housing Corporation

4330 Kingsway, Burnaby, BC, Canada V5H 4G8 604-432-6200 www.metrovancover.org

 Office of the Chair
 Tel. 604 432-6215 Fax 604 451-6614

File: CR-07-01

DEC 05 2012

 Mayor Dianne Watts and Council
 City of Surrey
 14245 - 56th Avenue
 Surrey, BC V3X 3A2

Dear Mayor Watts and Council:

 Re: **Labour Relations Service Bylaw No. 1182, 2012**

The Metro Vancouver Board of Directors introduced and gave three readings to the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* at its November 30, 2012 meeting. The purpose of the *Bylaw* is to provide for the provision of labour relations services to participating members. Attached is a detailed financial schedule providing the proposed 2013 cost allocation model for participants. The *Bylaw* and its terms were approved unanimously by the Regional Administrators Advisory Committee.

Before the *Bylaw* can be finally adopted the following terms must be agreed to:

1. provide participating area consent to the terms and conditions of withdrawal pursuant to sections 800.2(1)(d) and 800.2(3) of the *Local Government Act*; and,
2. provide participating area approval to the bylaw pursuant to section 801 of the *Act*.

Section 801(2)(c) of the *Act* applies to participating area approval and therefore a council may give participating area approval by consenting on behalf of the electors to the adoption of the bylaw (s. 801.4).

A council may pass two resolutions addressing each of the requirements set out above or may roll both into a single resolution. A sample resolution is set out below for your convenience:

"The Council of _____ consents to the terms and conditions of withdrawal of the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* and approves the adoption of the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* by providing consent on behalf of the electors."

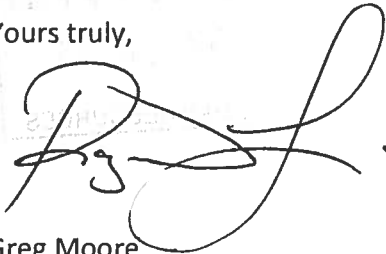
Before the *Bylaw* can be finally adopted the following terms must be agreed to:

1. provide participating area consent to the terms and conditions of withdrawal pursuant to sections 800.2(1)(d) and 800.2(3) of the *Local Government Act*; and,
2. provide participating area approval to the bylaw pursuant to section 801 of the *Act*.

We respectfully request that you include this item on the agenda of your next council meeting. Following receipt of all members' consents the *Bylaw* must be forwarded to the Inspector of Municipalities for approval before it is sent back to the GVRD Board for final adoption at its first meeting of 2013. Your approval by **January 11, 2013**, would be greatly appreciated in order to meet these timelines.

All Council consents should be forwarded to Paulette Vetleson, Corporate Secretary, at Paulette.Vetleson@metrovancover.org or via facsimile to 604-451-6686.

Yours truly,



FOR
Greg Moore
Chair, Metro Vancouver Board

GM/PV/tb

cc: CAOs/City Managers, Metro Vancouver members
Municipal Clerks, Metro Vancouver members

Attachments:

1. Labour Relations Service Bylaw No. 1182, 2012
2. 2013 Cost Allocation model

GREATER VANCOUVER REGIONAL DISTRICT
LABOUR RELATIONS SERVICE BYLAW NO. 1182, 2012

**A bylaw to establish the Labour Relations Service of the
Greater Vancouver Regional District**

WHEREAS:

- A. Subject to the limitations and conditions set out in the *Local Government Act* 1996 R.S.B.C. c. 323, a regional district may, pursuant to section 796(1) of the *Act*, operate any service that the board considers necessary or desirable for all or part of the regional district;
- B. In order to operate a service, the board of a regional district must first adopt an establishing bylaw for the service as provided for by section 800(1) of the *Local Government Act*;
- C. The board of the Greater Vancouver Regional District (the "**Board**") considers it desirable to provide labour relations services to its member municipalities and Tsawwassen First Nation;
- D. As required by subsections 800.2(1)(d) and 800.2(3) of the *Local Government Act*, each participant has approved the terms and conditions for withdrawal from the services established by this Bylaw; and
- E. In accordance with sections 801(2)(c) and 801.4 of the *Local Government Act*, each participating area has approved this service establishing Bylaw.

NOW THEREFORE the Board in open meeting assembled enacts as follows:

1. CITATION

- 1.1. This bylaw may be officially cited for all purposes as the "Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012".

2. DEFINITIONS

"Collective Bargaining Service Recipient" means the Regional District and those Participating Areas and Schedule "A" Entities that have retained the Regional District to provide Collective Bargaining Services;

"Job Evaluation Service Recipient" means the Regional District and those Participating Areas and Schedule "A" Entities that have retained the Regional District to provide Collective Bargaining Services;

"Population" means, for each Participating Area, the population of that Participating Area as recorded in the most recent British Columbia population statistics available from BC Stats within the Ministry of Labour and Citizens' Services, or its successor;

"Unionized Employees" means, for each Collective Bargaining Service Recipient, the number of full time equivalent unionized employees that were employed by the Collective Bargaining Service Recipient on the date of its most recent calculation of full time equivalent unionized employees; and

"Schedule "A" Entity" means each public body listed in Schedule "A" of this Bylaw.

3. DEFINITION OF PARTICIPATING AREA

3.1. The Greater Vancouver Regional District ("Regional District"), the Tsawwassen First Nation and each member municipality of the Regional District, excluding Electoral Area "A", is a participating area for the purposes of the Base Services (each a **"Participating Area"**).

4. SERVICE AREA

4.1. The service area for the Labour Relations Services is the area within the boundaries of all of the Participating Areas (the **"Service Area"**).

5. SCOPE OF SERVICES

5.1. The Regional District will undertake and carry out for all Participating Areas the following services (the **"Base Services"**):

- a) Assisting and facilitating strategic discussions amongst Participating Areas on labour relations issues including compensation, benefits, economic trends and labour negotiations; and
- b) Researching, collecting data and distributing information to Participating Areas on labour relations issues including compensation, benefits, economic trends and labour negotiations.

5.2. If a Participating Area has retained the Regional District to provide Base Services it may also retain the Regional District to provide collective bargaining and labour negotiation services (**"Collective Bargaining Services"**).

5.3. If a Participating Area has retained the Regional District to provide Base Services it may also retain the Regional District to provide compensation, job evaluation and related research (**"Job Evaluation Services"**).

5.4. The Regional District may provide Collective Bargaining Services or Job Evaluation Services to any Schedule "A" Entity by entering into a contract for service containing the same terms regarding apportionment and withdrawal as are applicable to Participating Areas.

5.5. On a fee for services basis the Regional District may provide Collective Bargaining Services or Job Evaluation Services to other public bodies. For the purposes of this section, other public bodies include school boards, health boards, library boards, police boards, museum boards, parks and recreation commission, community associations and other municipalities outside the Regional District other than Schedule "A" Entities.

6. COST RECOVERY

6.1. As provided in section 803 of the *Local Government Act*, the annual costs for providing the Base Services, Collective Bargaining Services and Job Evaluation Services (collectively, the "**Labour Relations Services**") shall be recovered by one or more of the following:

- (a) property value taxes imposed in accordance with Division 4.3 of the *Local Government Act*,
- (b) parcel taxes imposed in accordance with Division 4.3 of Part 24 of the *Local Government Act*,
- (c) fees and charges imposed under section 363 of the *Local Government Act*,
- (d) revenues raised by other means authorized by the *Local Government Act* or another Act; or
- (e) revenues received by way of agreement, enterprise, gift, grant or otherwise.

7. COST APPORTIONMENT

7.1. The total annual costs of the Labour Relations Services, after deducting from the total annual cost of providing the Labour Relations Services the revenues, if any, raised or received under subsections 5.5, shall be apportioned on the basis of whether they will be incurred for Base Service, Collective Bargaining Services or Job Evaluation Services.

7.2. The Regional District's total budgeted cost of providing the Base Services shall be apportioned among all Participating Areas on the basis of the proportion that each Participating Area's Population bears to the total Population of all Participating Areas.

7.3. For the purposes of calculating the Regional District's apportionment pursuant to section 7.2, the Regional District's population is deemed to be equal to the average population of the City of Burnaby, the City of Richmond, the City of Surrey and the City of Vancouver.

7.4. The Regional District's total budgeted cost of providing the Collective Bargaining Services, after deducting anticipated revenues raised or received under subsection 5.5, will be apportioned as follows among the Collective Bargaining Service Recipients:

- (a) One half apportioned on the basis of the proportion that the total number of each such Collective Bargaining Service Recipient's Unionized Employees bears to the total number Unionized Employees of all such Collective Bargaining Service Recipients; and
- (b) One half apportioned on the basis of the proportion that the total number of collective agreements entered into by each such Collective Bargaining Service Recipient bears to the total number of collective agreements of all such Collective Bargaining Service Recipients.

7.5. The Regional District's total budgeted cost of providing the Job Evaluation Services, after deducting anticipated revenues raised or received under subsection 5.5, will be apportioned among the Job Evaluation Service Recipients on the basis of the proportion that each Job Evaluation Service Recipient's average annual number of requests for Job Evaluation Services for the most recent five year period bears to the total average annual number of requests for Job Evaluation Services for the most recent five years period requested by all such Job Evaluation Service Recipients.

8. WITHDRAWAL FROM BASE SERVICES AND ADDITIONAL SERVICES

8.1. After January 1, 2014 a Participating Area may withdraw from Base Services by providing notice in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.

8.2. After January 1, 2014 a Collective Bargaining Service Recipient may withdraw from the Collective Bargaining Services by providing notice of such intention in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.

8.3. After January 1, 2014 a Job Evaluation Service Recipient may withdraw from the Job Evaluation Services by providing notice of such intention in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.

9. MAXIMUM REQUISITION

9.1. The annual maximum amount that may be requisitioned for the Labour Relations Services is the amount equivalent to \$0.03425 for each \$1,000.00 of net taxable value of land and improvements included in the service area.

READ A FIRST TIME this 30th day of November, 2012.

READ A SECOND TIME this 30th day of November, 2012.

READ A THIRD TIME this 30th day of November, 2012.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this _____ day of _____, 2012.

RECONSIDERED, PASSED AND FINALLY ADOPTED by an affirmative vote this _____ day of _____, 2012.

Paulette A. Vetleson
Secretary

Greg Moore
Chair

Schedule "A"

Burnaby Public Library
Coquitlam Public Library
Delta Police Board
New Westminster Police Board
New Westminster Public Library
North Vancouver City Public Library
North Vancouver District Public Library
Port Moody Police Board
Richmond Public Library
Surrey Public Library
Vancouver Public Library
Vancouver Police Board
West Vancouver Police Board
West Vancouver Library Board

PROPOSED COST MODEL - LABOUR RELATIONS FUNCTION

Cost Allocation Method ^{3,4,5,6,7}	Population	# of EE's & CA's	%	%	%	%	
	2010 Adjusted Requisition¹	Base Contribution 2013	Collective Bargaining 2013	JE Services 2013	Sub Total By ER 2013	Total By Muni 2013	Difference in \$ from 2010
Burnaby²	\$302,456	\$77,851			\$77,851	\$77,851	-\$224,605
<i>Burnaby Pub. Lib.</i>							
Coquitlam	\$137,970	\$43,354	\$33,918	\$73,041	\$150,313	\$158,519	\$20,548
<i>Coquitlam Pub. Lib.</i>			\$6,674	\$1,532	\$8,206		
Delta	\$132,360	\$33,959	\$31,787	\$29,625	\$95,371	\$127,073	-\$5,287
<i>Delta Pol. Board</i>			\$17,400	\$14,302	\$31,702		
Langley City	\$28,940	\$8,861	\$12,946	\$6,640	\$28,447	\$28,447	-\$493
Langley Twp.	\$133,123	\$35,877	\$26,655	\$71,508	\$134,041	\$134,041	\$917
Lions Bay	\$3,148	\$478	\$5,304		\$5,782	\$5,782	\$2,634
Maple Ridge	\$67,300	\$26,260	\$21,104	\$39,330	\$86,694	\$86,694	\$19,395
New Westminster	\$62,165	\$23,030	\$30,960	\$33,711	\$87,701	\$102,386	\$40,221
<i>New West Police Bd.</i>			\$8,654		\$8,654		
<i>New West Pub. Lib.</i>			\$6,031		\$6,031		
North Vancouver City	\$72,345	\$17,331	\$19,833	\$42,905	\$80,069	\$105,524	\$33,180
<i>NVC Pub. Lib.</i>			\$6,026	\$12,769	\$18,796		
North Vancouver Dist.	\$127,370	\$30,086	\$27,352	\$33,200	\$90,638	\$130,880	\$3,510
<i>NVD Pub. Lib.</i>			\$6,760	\$17,877	\$24,637		
<i>Northlands Golf</i>			\$5,616		\$5,616		
<i>NVRC - 60/40⁸</i>			\$11,541	\$5,108	\$16,649		
Pitt Meadows	\$17,224	\$6,227	\$11,942	\$4,086	\$22,256	\$22,256	\$5,032
Port Coquitlam	\$11,642	\$19,558	\$19,047	\$7,151	\$45,755	\$45,755	\$34,113
Port Moody	\$36,628	\$11,701	\$15,871		\$27,572	\$39,920	\$3,292
<i>Port Moody Pol. Bd.</i>			\$12,347		\$12,347		
Richmond	\$58,098	\$67,051			\$67,051	\$81,438	\$23,340
<i>Richmond Pub. Lib</i>			\$7,748	\$6,640	\$14,388		
Surrey	\$84,344	\$160,556		\$0	\$160,556	\$160,556	\$76,213
<i>Surrey Public Lib.</i>							
Vancouver	\$1,060,573	\$220,882			\$220,882	\$328,282	-\$732,292
<i>Van., Pub. Lib.</i>							
<i>Van. Police Board</i>			\$67,559	\$39,840	\$107,400		
West Vancouver	\$118,310	\$14,961	\$30,527	\$26,560	\$72,048	\$97,284	-\$21,026
<i>West Van. Pol. Bd.</i>			\$13,261	\$511	\$13,771		
<i>West Van Lib. Bd.,</i>			\$6,357	\$5,108	\$11,465		
White Rock	\$24,664	\$6,552	\$13,273	\$18,388	\$38,213	\$38,213	\$13,549
Metro Vancouver	\$187,108	\$131,585	\$41,831	\$37,286	\$210,702	\$210,702	\$23,594
Others⁹	\$7,200	\$11,344			\$11,344	\$11,344	\$4,144
TOTALS	\$2,672,969	\$947,503	\$518,326	\$527,119	\$1,992,947	\$1,992,947	

Notes:

1. For purposes of the above the 2010 requisition has not been adjusted down based on other revenue in the budget which included money from surplus and other sources. These requisitions are higher than those actually assessed
2. For 2010 it is assumed that Burnaby was in for the full year even though they withdrew in the last quarter
3. The 2013 budget figure for the 'Municipal Levy' was used for cost allocations.
4. Base Services are Adm., Research, 50% of Central Services, and 10% of each of Collective Barg. and JE.
5. JE (Compensation) budget reduced by moving 0.5 FTE cost of Administrator to Research.
6. Both CB and JE have been allocated 25% of the Central Service costs.
7. Each of the 4 programs have been credited with 25% of the other revenues in the 2013 Budget - \$82,930 total.
8. Costs for North Vancouver Recreation Commission (NVRC) are split 60%/40% between the District and City of North Vancouver.
9. Others include Anmore, Belcarra, Bowen Island, Electoral areas and the Tsawwassen First Nation.