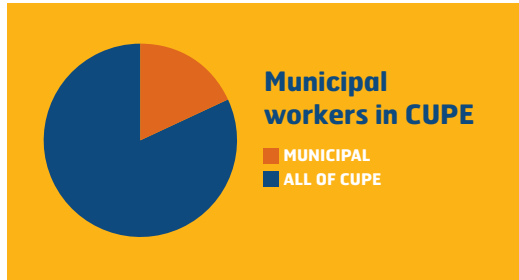




# MUNICIPAL



This profile is intended to provide CUPE members with basic information about the sector they work in from a national perspective. Find all our sector profiles and more information online at [cupe.ca](http://cupe.ca)



CUPE's 143,200 members in the municipal sector<sup>1</sup> work in water, roads, planning, public health, child care and more. They make up nearly a quarter of CUPE's membership and are identified primarily as inside or outside workers. CUPE municipal members do work that touches the lives of most Canadians every day – from garbage collection to snow removal to water treatment.

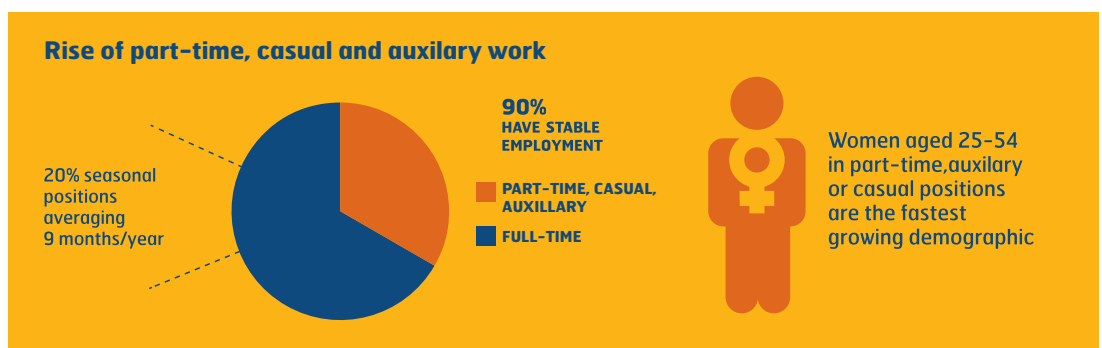
CUPE has 1,100 municipal bargaining units across Canada, covering more than 20,000 job classifications. About one-third of local

government staff work in casual, part-time or auxiliary jobs. Of the other two-thirds, about 20 per cent, work in seasonal positions averaging nine months of the year. Women aged 25-54 working in part-time, auxiliary or casual positions are the fastest-growing group in the sector.

## Governance and funding

There are more than 3,700 municipalities across Canada, each governed by elected mayors and councillors. For some services – like water and wastewater treatment or other large infrastructure functions – municipalities are grouped together in higher-tier regions or counties. In remote communities without a municipal structure, the province establishes district service delivery boards. Municipalities and the laws governing them are created and regulated at the provincial level.

<sup>1</sup> In 2015, CUPE's national sectors were reorganized. Members working in municipal long-term care, emergency services, urban transit, police dispatch and libraries are now counted in other sector totals.



**2 GOOD JOBS**  
Rise of part-time, temporary work in the sector.

**2 PRIVATIZATION**  
Contracting out continues, but some municipalities are bringing work back in house.

**2 PENSIONS**  
Members are facing employer attacks on workplace plans.

**4 STRONG COMMUNITIES**  
CUPE works with allies to protect good jobs and public services.



# 12¢

OF EVERY TAX DOLLAR  
COLLECTED IN CANADA  
GOES TO MUNICIPALITIES

### ISSUES

CUPE locals report a shift to more precarious work over the past 15 years. Municipalities are replacing full-time jobs with part-time temporary jobs that lack full access to benefits and pensions. Many CUPE members are working multiple precarious jobs to make ends meet. Employers are using the retirement of the baby boomers' generation to further reduce the workforce by leaving jobs unfilled, or to replace good jobs with precarious jobs.

### PRIVATIZATION

In many communities, municipal services are being contracted out and privatized. Targets include garbage collection, parks maintenance, and snow removal. In cities like Winnipeg and Toronto, privatized solid waste collection has resulted in deteriorating service quality, hidden costs, and violations of basic labour and health and safety standards. In 2015, Saint John, NB, voted to privatize its new drinking water treatment plant through a P3, despite widespread opposition. And recently in Ottawa, city council voted to increase contracting out of snow clearing operations, relying on a report filled with mathematical and methodological flaws.

At the same time, the veneer of privatization seems to be wearing off in other communities. Municipalities that have rejected privatization include White Rock, BC (drinking water), Wood Buffalo, AB (transit services), and Moncton, NB (wastewater treatment). This year, British Columbians in the Comox Valley Regional District rejected a proposed wastewater treatment P3 by 75 per cent. In 2015, Toronto's public works committee deferred a decision to contract out the in-house half of the city's solid waste collection services, given the excellent performance of its city-staffed service. CUPE members in the municipal sector demonstrate every day why quality public service provision is preferable to out-sourced, for-profit contracts. The Columbia Institute has documented the growing trend to end privatization, in the 2016 report *Back In House: Why Local Governments Are Bringing Services Home*.

Canada's cities and towns are facing an infrastructure crisis caused by aging infrastructure, increased demand due to population growth, and external pressures like climate change. The Federation of Canadian Municipalities estimates that the combined infrastructure deficit is \$172 billion. In the 2016 federal budget, a significant amount of money was earmarked for necessary infrastructure upgrades. This is a positive development. However, the federal government is still encouraging P3s for infrastructure projects.

### PENSIONS

CUPE's municipal locals have worked to ensure a high level of retirement security, with over 96 per cent of members eligible

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to receive some kind of retirement income. Three-quarters of those members have a defined benefit plan.

Many municipal employees are members of large, multi-employer defined benefit pension plans, like the Municipal Pension Plan in BC and the Municipal Employees Benefit Program in Manitoba. These plans are strong and sustainable. Like many investments, pension plans were hurt by the 2008 global economic crisis, leading to temporary funding challenges. Some governments, along with anti-public sector groups, are using these challenges to weaken municipal pension plans. On the bright side, the recent agreement to expand the Canada Pension Plan signals a shift in tone on retirement security. It remains to be seen whether this shift in tone will trickle down to members' pension funds; undoubtedly, much work to strengthen workplace pension plans remains to be done.

Some Canadian pension plans have become major investors in privatized infrastructure around the world. Now, privatized infrastructure that is owned

and operated by pension funds may be coming to Canada. The 2016 federal budget outlines a plan for major pension fund investment in P3 infrastructure. A proposed P3 light rail project in Montréal will be funded primarily by the *Caisse de dépôt et placement du Québec*, which manages the Quebec Pension Plan funds – Canada’s second-largest pension plan.

### BARGAINING

CUPE is the main union representing local government workers across Canada. CUPE has organized most major centres, including Canada’s ten largest cities.

Municipal locals bargain with their municipal council. Many municipalities have more than one CUPE local, representing different parts of the public

sector such as inside and outside workers. These locals work very closely during bargaining. In some larger urban areas, CUPE locals represent members of more than one municipality. For example, in the York Region, CUPE 905 represents members in ten Ontario municipalities. A similar situation exists in Metro Vancouver.

CUPE locals in BC, Alberta, and Ontario coordinate by bargaining sector or region. Many locals successfully use “lead local” strategies. In recent years, locals in Alberta and Prince Edward Island have made gains using the lead local strategy.

Like other public sector workers, municipal workers face a misperception, promoted by employer organizations, that public servants have good pay, great benefits, and easy jobs. This


campaign of misinformation makes it difficult to take the hard bargaining stand necessary to achieve significant gains. In addition, austerity budgets in many provinces add to the challenges for municipal locals at the bargaining table.

At the bargaining table, municipal employers are trying to enable contracting out by weakening job security language, or strengthening management rights clauses. CUPE members in a number of municipalities have had department-by-department core service reviews, which are often a precursor to privatization. Toronto’s 2011 core service review recommended contracting out in almost every department, and Port Alberni’s 2015 core service review recommended offloading the city-owned and operated museum to a private non-profit organization.


Despite challenges in municipal bargaining, CUPE settlements averaged modest wage increases over the past few years, staying close to the rise in the cost of living. Municipal locals also continue to gain incremental improvements to benefits plans.

### Allies

At the national level, CUPE works with the Federation of Canadian Municipalities and other stakeholder groups on common issues. With the Council of Canadians, CUPE advocates for the protection of municipal water resources and against the privatization of water and wastewater services. CUPE municipal members have been involved in the Blue Communities campaign, which asks



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**Municipalities need more sustainable, diverse, and growing revenue sources.**

municipalities to reject privatization, recognize water as a human right, and stop using bottled water in public buildings and at public events.

At the 2016 World Social Forum, CUPE hosted a workshop that advanced the case for public, safe, and accessible water and wastewater services in our communities. In Nanaimo, our municipal local has partnered with the neighbouring First Nation community to share knowledge and build capacity around water service delivery, setting an innovative example.

Locally, municipal members are building relationships with elected leaders and community groups that have helped our members make gains at the bargaining table and protect vital public services.

### **Future of the sector**

Municipalities need more sustainable, diverse, and growing revenue sources. Our local governments need a fairer share of provincial and federal tax revenues to address the infrastructure deficit, to deal with their growing responsibilities, and to pay for proper operations and maintenance. CUPE supports municipalities in their quest for a better deal on municipal revenue options and will be engaged with further research, discussions, and advocacy on this issue.

For these reasons, municipal elections are very important for CUPE members working in the sector. Our municipal councils influence the quality of our lives in our communities and at work. CUPE members work closely with other labour organizations to elect municipal officials who will protect and enhance public services and public service delivery.

### **Visit [cupe.ca](http://cupe.ca): Resources for members**

- More information for your sector
- Tools to help you and your local
- Success stories from across the country
- And more!