

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



CUPE's 149,355 members in the municipal sector 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 waste removal to snow removal to water treatment.

CUPE has over 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.

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. This can lead to workplaces with two-tiered benefits.

Privatization

In many communities, municipal services are being contracted out and privatized. Targets include waste removal, 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. A few years ago in Ottawa, city council voted to increase contracting out of snow clearing operations, relying on a report filled with mathematical and methodological flaws. In 2015, Saint John, NB, voted to privatize its new drinking water treatment plant through a P3, despite widespread opposition. And in nearby Moncton, the city is currently considering the renewal of a private contract for the operation of its drinking water system.

At the same time, in other communities the veneer of privatization seems to be wearing off. Municipalities that have rejected privatization include White Rock, BC (drinking water), Wood Buffalo, AB (transit services), and Moncton, NB (wastewater treatment).

In 2016, 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. And recently in Winnipeg, thanks to the work of the municipal CUPE local over many years, the city initiated an in-house waste collection pilot project. CUPE members in the municipal sector demonstrate every day why quality public service provision is preferable to out-sourced, for-profit contracts.¹

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 recent federal budgets, 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 via the Canada Infrastructure Bank, and very little of the other promised infrastructure funding has actually been spent.

Pensions

CUPE's municipal locals have worked to ensure a high level of retirement security, with over 96 per cent of members eligible 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 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 Canada Infrastructure Bank has been set up to attract major pension fund investment in P3 infrastructure. With the support of the bank, a 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. We await subsequent project announcements from the bank and expect they will implicate several other large Canadian pension plans.

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. 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 10 Ontario municipalities. A similar situation exists in Metro Vancouver.

¹ 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*.



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 continue to win modest wage increases, staying close to the rise in the cost of living. Municipal locals also continue to gain incremental improvements to benefits plans. We remain wary, however, of proposals that inequitably benefit current versus new employees, creating two-tiered compensation packages and damaging worker solidarity.

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 municipalities to reject privatization, recognize water as a human right, eliminate punitive water service disconnection policies for residents who are unable to pay, and stop using bottled water in public buildings and at public events.

At the 2018 Federation of Canadian Municipalities annual meeting, CUPE hosted a workshop that highlighted how municipalities can both defend and advance human rights. Recently in Montreal, CUPE partnered with other labour unions, public sector advocacy organizations, and community and Indigenous groups to advance a pro-public agenda, one that envisions a strong and proactive public sector delivering water, power, childcare, education, banking and more. 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.



Recent events in Ontario also demonstrate that municipalities need greater autonomy in making the decisions and carrying out the functions that touch our everyday lives. Local democratic outcomes should not be subject to the whimsical veto of other levels of government.

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.

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