General Issues Committee
REPORT 10-002
9:30 a.m.
Wednesday, December 15, 2010
Council Chambers
Hamilton City Hall
71 Main Street West

Present: Deputy Mayor B. Clark (Chair)
Mayor B. Bratina
Councillors S. Duvall, J. Farr, L. Ferguson, T. Jackson, B. Johnson,
S. Merulla, B. Morelli, J. Partridge, R. Pasuta, M. Pearson, R. Powers

Absent with
Regrets: Councillor B. McHattie – Illness
Councillor C. Collins – Personal
Councillor T. Whitehead – Personal

Also Present: C. Murray, City Manager
R. Rossini, General Manager, Finance and Corporate Services
G. Davis, General Manager, Public Works
T. McCabe, General Manager, Economic Development & Planning
J. Priel, General Manager, Community Services
J. Kay, General Manager/Chief, Hamilton Emergency Services
H. Hale Tomasik, Executive Director, Human Resources and
Organizational Development
Dr. E. Richardson, Medical Officer of Health
C. Biggs, Co-ordinator, Committee Services/Council/Budgets

THE GENERAL ISSUES COMMITTEE PRESENTS REPORT 10-002 AND
RESPECTFULLY RECOMMENDS:

1. Unfairness respecting Municipal Tax Burden

   Whereas municipalities account for about 8% of the total tax burden in Canada, and;

   Whereas the Provincial and Federal Governments account for about 92% of the total tax burden, and;

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Whereas the local tax burden for the City of Hamilton, for a significant number of services and associated assets that directly impact quality of life is about $2,800 per household annually, and;

Whereas a significant portion of this local tax burden, about 20%, is applied to social and health services costs, that unfairly burdens Hamilton taxpayers and the community;

Therefore be it resolved:

(a) That the City of Hamilton communicate to the Prime Minister of Canada and the Premier of Ontario indicating the fact that this form of taxation is not sustainable and is regressive in nature and also we urge the Provincial and the Federal Governments to develop a plan of action to resolve this inequality;

(b) That copies of the correspondence be forwarded to FCM, AMO and all Ontario municipalities with a population over 50,000.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes:

In Camera Items:

(i) Verbal Update on Ontario Nurses Association, Lodges Component, Interest Arbitration Update (Added as Item 10.3)

(ii) Legal Services File No. 05-0140 respecting a litigation matter (Added as Item 10.4)

Staff Presentation:

(iii) Overview of 2011 Operating Budget (Added as Item 5.1)

On a motion (Morelli/Partridge) the agenda was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None
(c) **PRESENTATION**

Rob Rossini provided a power point presentation to set the context for the upcoming budget deliberations and noted that when budget information was previously provided in June, 2010, it did not include salaries and wages. This presentation update provided the following information:

**Budget Context:**
- 2010 Gross Tax Operating Budget by Service
- 2010 Gross Tax Revenues by Type
- 2010 Gross Tax Expenditures by Type
- Salary and Wage as a Percentage of Gross Expenditures
- 2010 Average Residential Tax Impact
- 2010 Average Residential Assessment by Former Municipality

**Budget Outlook:**
- June Outlook – Potential Tax Impact
- 2011 Operating Draft Budget: Update
- 2011 Major Pressures
- Additional Potential Budget Pressures (not included in current draft budget)
- Budget Outlook Scenarios
- 2011 Budget
- 2011 Budget Process.

On a motion (Bratina/Farr) staff was directed to provide information with respect to the accommodation cost per employee throughout the City.

Committee requested staff to provide current variance reports for the purposes of budget deliberations.

On a motion (Partridge/Johnson) the presentation respecting the 2011 Operating Budget Overview was received.

(d) **PRIVATE & CONFIDENTIAL**

On a motion (Johnson/Pearson) the Committee moved into Closed Session at 10:55 a.m. pursuant to Section 8.1(d) of the City’s Procedural By-law and Section 239 of The Municipal Act as the subject matters relate to labour relations or employee negotiations with respect to the City of Hamilton and the Hamilton Professional Fire Fighters’ Association Collective Bargaining, the Collective Bargaining Strategy, Ontario Nurses Association – Lodge Component – Interest Arbitration and Legal Services File No. 05-0140 respecting a litigation matter.
On a motion (Johnson/Farr) the Committee reconvene in Open Session at 1:55 p.m.

10.1 City of Hamilton and the Hamilton Professional Fire Fighters’ Association – Collective Bargaining (HUR10014) (City Wide) (Item 10.1)

This matter was referred to Council for further discussion and disposition.

10.2 Collective Bargaining Strategy

On a motion (Ferguson/Pearson) this matter was received and tabled to a future meeting to allow staff the opportunity to provide additional information.

10.3 Ontario Nurses Association (ONA) – Lodge Component – Insurance Arbitration

The verbal update on this matter was deferred to a future meeting of the Committee.

10.4 Legal Services File No. 05-0140 – Litigation

Direction was provided to staff In Camera.

(e) NOTICE OF MOTION

Councillor Ferguson introduced the following Notice of Motion:

Public Sector Wage Restraint Act – Notice of Motion

Whereas the Premier of Ontario has enacted the Public Sector Wage Restraint Act setting a guideline of 0% increase for non-union public sector wages, and;

Whereas the Premier has informed municipalities that any salary increase above 0% will not be funded by the Province where the Province shares costs (i.e. OW, Health Services, Police, and Ambulance, etc. and;

Whereas since the enactment of the above legislation arbitrators have awarded increases above 0% for the essential service employees;

Therefore be it resolved:

(a) That the City of Hamilton petition the Province of Ontario to enact the necessary legislation effectively to instruct the Provincial arbitrators to follow the guidelines for wage increases in the Public Sector Wage Restraint Act in the arbitration awards;
(b) That copies of the resolution be circulated to all municipalities having a population of over 50,000 and to AMO.

There being no further business, the Committee adjourned at 2:00 p.m.

Respectfully submitted

Councillor B. Clark, Deputy Mayor
General Issues Committee

Carolyn Biggs, Co-ordinator
Committee Services/Council/Budgets
December 15, 2010