

Mississauga seeks wage rollback

City unions have mixed reaction to mayor's request to accept lower salary increase than contract allows

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The City of Mississauga has asked unionized employees to roll back a 3 per cent annual wage increase guaranteed in their contracts, city manager Janice Baker says.

"We simply met with the unions and said, 'In light of the economic downturn, would you consider deferring some of that economic increase,'" she said yesterday.

Mississauga council has also asked the Ontario government to intervene. Last week, it passed a resolution asking Premier Dalton McGuinty to freeze the wages and benefits of all public sector employees in the province for one year.

Public sector employees should share the burden felt by taxpayers, says the resolution, passed with only one dissenting vote. Municipalities are "prevented from taking many actions due to the long-term contracts with unionized staff signed in better times," it adds.

The city doesn't have the power to reopen signed contracts. The wage rollback request would affect about 1,600 unionized employees, including maintenance and transit workers. They have been asked to accept a 1.5 per cent wage increase in April 2010 rather than the 3 per cent guaranteed in contracts, most of which were signed during the past year, Baker said.

"It was simply a request," Baker said. "It was not a demand."

A further 1.5 per cent wage increase would be given in October. The six-month salary reduction would save the city more than \$1 million, Baker added. Another \$650,000 would be saved by a proposal to limit wage increases to non-unionized managers and supervisors to 1 per cent in 2010.

Mississauga's cost-cutting attempts come as city employees in Toronto and Windsor, including garbage collectors, are striking to fight off demands for concessions.

Mississauga Mayor Hazel McCallion said council is trying to avoid a 2010 budget crunch in which taxes would increase by 3 or 4 per cent.

Mary Jo Falle, president of CUPE Local 966, flatly rejected the requested rollback.

"We definitely are not going to let them reopen our collective agreement," said Falle, whose local represents 437 library employees in Mississauga. Allowing McCallion to do so would invite further requests for concessions, she added.

Falle's local recently accepted the same deal signed by most other city unions: A three-year contract, starting April 2008, with 3 per cent wage increases each year. It was ratified six months ago – when the recession was no secret, Falle added.

Other unions were more cautious.

An official with the Amalgamated Transit Union, which represents 940 city employees, said the proposal was to be discussed by the union executive yesterday. He refused further comment.

Gary Hynes, whose International Association of Machinists' district represents 50 maintenance workers and custodians, said his officials had yet to fill him in on the request.

"With the economy the way it is, I'm definitely going to sit down and look at it," Hynes said.

The city's 678 unionized firefighters are currently negotiating a contract and are not involved in the rollback proposal.

Union leaders were told of proposed rollbacks at a meeting called by McCallion last week. She described the meeting as "cordial" and insisted she did not directly ask unions for a rollback. She said she made them aware of the proposal to keep management salary increases in 2010 well below the 3 per cent unionized employees are to get.

"It's up to them to decide whether they would like to follow" the proposal for management salaries, McCallion said of the unions. "All we asked of them is to take all the information back to the executives which they must."

McCallion said there would be no layoffs if unions reject a reduction in wage increases. Salaries make up about 80 per cent of the city's \$400 million budget.