



Deep Roots  
Greater Heights

## District of Maple Ridge

**TO:** His Worship Mayor Ernie Daykin and Members of Council  
**DATE:** November 8, 2011  
**FROM:** Chief Administrative Officer  
**FILE NO:**  
**ATTN:** Council  
**SUBJECT:** Labour Relations Conversion and Amendment Interim Bylaw

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### EXECUTIVE SUMMARY:

For nearly two decades there has been much discussion and research in the pursuit of a labour relations model that balances the interests of regional taxpayers while affording individual municipalities the autonomy to bargain collective agreements and other terms of employment that meet the unique needs of that community and the local union/employer relationship. These efforts have, to date, not been fruitful with the consequence that a growing number of municipalities have withdrawn from or given notice to withdraw from the current model. In 2011 the Metro Vancouver Board identified the "autonomy model" as an approach that may enable a high level of cooperation and collaboration amongst all the regions municipalities while at the same time allowing for the independence so desired by many. The Board tasked the region's Chief Administrative Officers with developing a detailed implementation plan, including costing, for the autonomy model. That work is underway. In the interim, the Board believes it is prudent to put in place a bridging *Bylaw*, based on autonomy model principles that will serve the region until the detailed work is complete.

The Metro Vancouver Board of Directors introduced the *Greater Vancouver Regional District Labour Relations Conversion and Amendment Bylaw* (No. 1156, 2011) at its October 28, 2011 meeting as this interim measure. The *Bylaw* converts the labour negotiations function established under its letters patent to a labour relations service established pursuant to section 774.2 of the *Local Government Act*. The *Bylaw* is attached to this report.

### RECOMMENDATION(S):

That Maple Ridge Council consents on behalf of the electors to the adoption of *The Greater Vancouver Regional District Labour Relations Conversion and Amendment Bylaw* (No. 1156, 2011).

### DISCUSSION:

#### a) Background Context:

The labour relations function was established under "The Letters Patent" from the province in 1974, which were subsequently amended by the Province in 1982 ("The Supplementary Letters Patent"). The letters patent confer executive and administrative powers to the Labour Relations Bureau, a committee made up of one elected representative from each Metro municipality. These powers require participating jurisdictions to abide by the bargaining mandate established by the Labour Relations Bureau and necessitate tentative settlements to be voted on by the Bureau as well as by the individual municipal Council. By its design (adherence to a universal mandate, the double ratification process and other regional pay policies), the current model inhibits an individual municipality's autonomy to make independent decisions about its bargaining or job evaluation direction.

Throughout the 1990's there was growing discontent about the rigidity of the function fueled by a desire from municipalities to have more autonomy to act individually to meet local collective bargaining and job evaluation needs, as well as a concern from some of the larger municipalities about the cost/benefit of the function. The discontent triggered many reviews of the function (at least six formal reviews) but the reviews led only to tinkering with the function as opposed to fundamental change. Consequently, a number of municipalities withdrew from the function and others have given notice to withdraw. Table 1 below provides the status of membership in the function as of November 1, 2011.

**Table 1. Status of Membership in the Labour Relations Function as at Nov 1, 2011**

Members	Served Notice to Withdraw	Not Members
Maple Ridge	Vancouver (Nov 30,2011)*	Surrey
Port Moody	Delta (April 2012)	Port Coquitlam (1982)
City of North Vancouver	West Vancouver (July 2012)	Richmond (2002)
City of Langley	Dist of North Vancouver (June 2013)	Burnaby (2010)*
Township of Langley		
Coquitlam		
Lions Bay		
Metro Vancouver		
New Westminster		
Pitt Meadows		
White Rock		

*\*there are differing opinions as to the status of Vancouver and Burnaby. The letters patent require a municipality to provide 24 months' notice to withdraw from the function; however, if the notice period overlaps a period of bargaining, the notice is extended until the end of that bargaining. For Vancouver the bargaining period for their CUPE and some other Unions started on September 1, 2011 so, according to the letters patent, Vancouver is not officially out of the function until CUPE (and other) bargaining concludes. Vancouver disputes this interpretation. Under the same rationale, Burnaby remains a member of the function for their Fire unit only, and only until their current bargaining with their Firefighters concludes.*

The table tells us that, subject to the caveat above, the four largest municipalities in the region (Vancouver, Surrey, Burnaby and Richmond) will no longer be participating members in the function by the end of November 2011. These four municipalities represent more than 64% of the region's population. Currently, Vancouver contributes 40% of the function's annual budget.

In response to the number of departures and notices to withdraw, in August 2010 the Bureau commissioned another review of the function. In March 2011, the Bureau received its report from labour relations specialist James Dorsey (the Dorsey Report) and in April 2011, the Bureau adopted all 13 of the recommendations in the report. The key direction of the Dorsey report is that the Bureau must reconstitute itself as an independent employers' organization with membership only from those municipalities who wish to be bound together. The following quote is from page 65 of Mr. Dorsey's report:

*"The four largest members represent over 60% of the Metro Vancouver population and employ over 60% of the unionized employees. They have decided not to be participating members. The other municipalities must let them go their separate ways and get on with it. There must be some tearing down before rebuilding. The four largest will act in their self-interest."*

Mr. Dorsey's report recommends a restructured Bureau made up exclusively of participating members. His recommendation #6 states:

*“ . . . There are to be no representative spokespersons of non-participating members regularly attending, sharing information and participating in Bureau meetings and decisions.”*

In addition to exclusivity at the political level, Mr. Dorsey also recommends exclusivity in the senior staff group supporting the Bureau. Recommendation #11 states:

*“The CAO Advisory Committee for the Bureau should consist of Chief Administrative Officers/City Managers from participating members. . .”*

The region's staff (Chief Administrative Officers and Human Resources Directors) were unanimous in their preference for a different approach than the approach recommended by Mr. Dorsey. Staff prefers an approach known as the “autonomy model” and asked the Metro Vancouver Board to support this model. Maple Ridge Council had also expressed a preference and willingness to explore the autonomy model in June 2010 and again in March 2011. The focus of the autonomy model is to maintain an all-inclusive alliance of employers in a structure that enables and maximizes levels of communication and collaboration while at the same time providing individual municipalities the authority to negotiate terms of employment that meet local needs and interests. In the absence of a system that provides for control over each other the best alternative is a system that provides for the ability to influence each other. The intent of the autonomy model is to enable the highest level of cooperation and collaboration thus potentially maximizing the degree of influence.

In June 2011, the Metro Vancouver Board advised the Bureau that the Board intended to pursue the autonomy model and tasked the region's Chief Administrative Officers with developing the detail required for the implementation of a labour relations service built on the autonomy model. In July, 2011, the Bureau decided to stand down. The work to build the detailed model is in its early stages and the interim *Bylaw*, built on the principles of the autonomy model, is intended to bridge the gap until the detailed model is crafted.

The interim *Bylaw*:

- Replaces the letters patent and thus, the Bureau
- Enables Metro Vancouver to provide labour relations services to the region's municipalities
- Provides for two types of services
  - Base services (facilitating strategic discussions and research)
  - Additional services (collective bargaining, job evaluation . . .)
- Funds these services, in 2012, out of reserves that have been accumulated over the years. All municipalities will receive the base services for “free” in 2012. Participating members who have not served notice, Maple Ridge is in this group, will also receive the additional services for “free” in 2012. Those who are not members or members who have served notice have the option of purchasing the additional services on a fee-for-service basis
- Allows each municipality to set its own bargaining mandate(s)
- Allows each municipality to independently approve its own tentative settlement(s)
- Allows for voluntary alliances between willing municipalities
- Allows for an extension of the *Bylaw* past 2012

The *Bylaw* requires unanimous consent from all municipalities before it can be sent to the Inspector of Municipalities for approval. The Board is hopeful that the *Bylaw* will be presented for final adoption at their meeting on November 25, 2011. The timing of the *Bylaw* is important for a number of reasons:

1. If the *Bylaw* fails and the status quo (following the rules of the letters patent) continues then the issues around the status of Vancouver and, to a much lesser extent, Burnaby will need to be resolved. Vancouver has been clear that they believe they will no longer be members of the function as of the end of November 2011. They do not anticipate being part of a regional mandate, regional ratification process; nor do they anticipate contributing their usual financial allocation (approximately \$1.1 million) to the budget of the function. Continuation of the letters patent would, seemingly, require Vancouver to meet all of these obligations. Adopting the *Bylaw* avoids the legal, financial and political wrangling that would ensue under the status quo
2. In addition to the "big four" three other municipalities have indicated (by serving notice to withdraw) that they do not want to operate under the current system. It is not clear how these municipalities will approach their imminent bargaining with CUPE. Will they adhere to the rules of the letters patent or will they not follow these rules?
3. For many, many years there has been discontent with how the labour relations model has operated; members of the Bureau have commented that the current system is dysfunctional. In 2011, some momentum has been gained and some consensus seems to be building, particularly at the staff and Board level, to make fundamental change to the model to better meet the desires of the individual municipalities while still respecting the interests of regional taxpayers. If the *Bylaw* is not adopted then this momentum may be lost and the system that municipalities are regularly abandoning will continue

In September 2011, Maple Ridge Council asked the Ministry of Community, Sport and Cultural Development for its opinion on whether the Regional District had the right to enact a service bylaw that would replace the letters patent. At the time of writing the District has not received a response from the Ministry.

**b) Desired Outcome(s):**

The desired outcome is to find a model for the delivery of regional labour relations services that best enables the cooperation and collaboration of all municipalities in Metro Vancouver. It is very clear that an increasing number of municipalities, including the four largest in the region, do not want to participate in a function where other municipalities are able to control their collective bargaining or job evaluation outcomes. The big four and now three others are leaving the current function.

**c) Business Plan/Financial Implications:**

For 2012 the District will enjoy a one-time saving of our annual allocation for the labour relations function. This is a saving in the range of \$65,000. During 2012 the District will determine how best to obtain support for bargaining and job evaluation services for 2013 and beyond.

**d) Alternatives:**

Council may deny consent of the *Bylaw*. If consent is denied, staff understands that the same dispute resolution mechanism that was enacted for the Regional Growth Strategy approval process would apply.

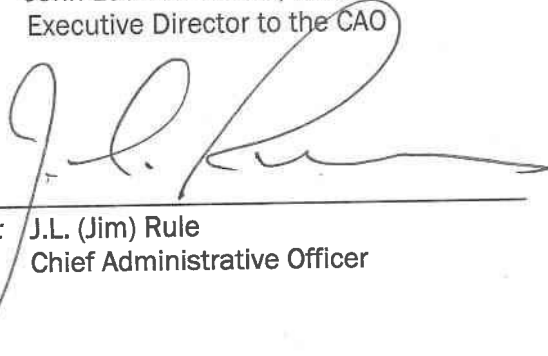
**CONCLUSIONS:**

For nearly two decades there has been much discussion and research in the pursuit of a labour relations model that balances the interests of regional taxpayers while affording individual municipalities the autonomy to bargain collective agreements and other terms of employment that meet the unique needs of that community and the local union/employer relationship. That search has, to date, not been fruitful with the consequence that a growing number of municipalities have withdrawn from or given notice to withdraw from the current model. In 2011 the Metro Vancouver Board identified the "autonomy model" as an approach that may enable a high level of cooperation and collaboration amongst all the regions municipalities while at the same time allowing for the independence so desired by many. The Board tasked the region's Chief Administrative Officers with developing a detailed implementation plan, including costing, for the autonomy model. That work is underway. In the interim, the Board believes it is prudent to put in place a bridging *Bylaw*, based on autonomy model principles that will serve the region until the detail work is complete. Staff recommends that Council consent to the interim *Bylaw*.



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Prepared by: John Leeburn BCOM, MBA  
Executive Director to the CAO



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Concurrence: J.L. (Jim) Rule  
Chief Administrative Officer

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Attach.

GREATER VANCOUVER REGIONAL DISTRICT

LABOUR RELATIONS CONVERSION AND AMENDMENT BYLAW NO. 1156, 2011

A bylaw to convert and amend the Labour Relations Function of the Greater Vancouver Regional District to a Labour Relations Service

WHEREAS:

- A. The Greater Vancouver Regional District was incorporated by Letters Patent issued pursuant to the provisions of the *Municipal Act* on June 29, 1967;
- B. Supplementary Letters Patent dated December 13, 1973, as amended by Supplementary Letters Patent dated November 22, 1982, granted the Greater Vancouver Regional District the authority to provide labour negotiations and ancillary services;
- C. Pursuant to section 774.2(3) of the *Local Government Act* a regional district may convert the labour negotiations service to a service exercised under the authority of an establishing bylaw and may in the same bylaw amend the power to the extent that it could if the power were in fact exercised under the authority of an establishing bylaw;
- D. The Board of the Greater Vancouver Regional District wishes to convert the labour negotiations service to a labour relations service exercised under the authority of an establishing bylaw and to amend the service established thereby;
- E. The consent of all of the participants has been obtained in accordance with section 802.3 of the *Local Government Act*.

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 Conversion and Amendment Bylaw No. 1156, 2011".

**2. CONVERSION**

- 2.1 The function of labour negotiations and ancillary services as granted to the Greater Vancouver Regional District by Supplementary Letters Patent dated December 13, 1973, and amended by Supplementary Letters Patent dated November 22, 1982, is hereby converted, amended and established as a local service to provide labour relations and ancillary services.

### **3. TERM OF SERVICES**

- 3.1 The local service to provide labour relations and ancillary services shall expire on December 31, 2012 unless the GVRD Board of Directors extends the service beyond that date by a majority weighted vote of those directors present representing participating municipalities.

### **4. SCOPE OF SERVICES**

- 4.1 It shall be the function of the Greater Vancouver Regional District ("the Regional District") to undertake and carry out for all members the following base services:

- a) Assisting and undertaking strategic discussions on labour negotiations and labour relations issues amongst the members; and,
- b) Providing research on compensation, benefits and labour negotiations; ("Base Services").

- 4.2 On a fee for services basis member municipalities may retain the Regional District to provide one or more of the following additional services:

- a) Labour negotiations and collective bargaining services;
- b) Compensation and job evaluations and related research;
- c) Customized training program;
- d) Human rights complaint investigations and human rights training; and,
- e) Benefits services including education and training on usage patterns and assessing, managing and controlling benefits costs; ("Additional Services").

- 4.3 On a fee for services basis the Greater Vancouver Regional District may provide Base Services and Additional Services to other public bodies. For the purposes of this section, other public bodies include, without limiting the generality of the foregoing, school boards, health boards, library boards, police boards, museum boards, parks and recreation commission, community associations and other municipalities outside the Greater Vancouver Regional District.

### **5. COST RECOVERY**

- 5.1 For the year 2012, the annual cost attributable to providing the Base Services to participating members shall be paid out of the accumulated reserves of the labour negotiations function as they existed immediately before the adoption of this bylaw.

- 5.2 The costs attributable to providing the Additional Services shall be charged on a fee for services basis, except that during 2012, participating members who were previously members of the Labour Relations function and had not served notice to leave that function may have bargaining, compensation and job evaluation services provided and the costs paid out of accumulated reserves of the labour relations function as they existed immediately before the adoption of this bylaw so long as funds remain in those accumulated reserves sufficient for that purpose.
- 5.3 If the Labour Relations Service is extended beyond 2012, the annual costs for the Base Services shall be recovered by:
- (a) The imposition of fees and other charges that may be fixed by a separate bylaw;
  - (b) Property value taxes imposed in accordance with Division 4.3 of the *Local Government Act*;
  - (c) Revenues raised by other means authorized under the *Local Government Act* or another *Act*; or,
  - (d) Revenues received by way of agreement, enterprise, gift, grant or otherwise.
- 5.4 The costs of the Base Services after deducting the revenues (if any) raised or received under subsections 5.3(a), (c) and (d) above, shall be apportioned among all of the Participating Areas on the basis of the proportion that the net taxable assessment of each participating member bears to the total net taxable assessment of all participating members.

## 6. PARTICIPATING AREA

- 6.1 The Regional District and each member municipality of the Greater Vancouver Regional District, excluding the City of Abbotsford, is a participating area for the purposes of the Base Services (each a "**Participating Area**").

## 7. SERVICE AREA

- 7.1 The service area for the Base Services is the area within the boundaries of all of the Participating Areas (the "**Service Area**").

## 8. MAXIMUM REQUISITION

- 8.1 In 2012 the accumulated reserves of the Labour Negotiations Function shall be applied to the costs of the Base Services and the Additional Services in accordance with the provisions of sections 5.1 and 5.2. The maximum amount that may be requisitioned for the Labour Relations Service in 2012 is \$0.00.

8.2 If the Board approves the extension of the service past December 31, 2012, the maximum amount that may be annually requisitioned for the Labour Relations Service is \$ 2.0 million.

READ A FIRST TIME this \_\_\_\_ day of \_\_\_\_\_, 2011.

READ A SECOND TIME this \_\_\_\_ day of \_\_\_\_\_, 2011.

READ A THIRD TIME this \_\_\_\_ day of \_\_\_\_\_, 2011.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_ day of \_\_\_\_\_, 2011.

RECONSIDERED, PASSED AND FINALLY ADOPTED by an affirmative vote this \_\_\_\_  
day of \_\_\_\_\_, 2011.

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Paulette a. Vetleson  
Secretary

\_\_\_\_\_  
Lois E. Jackson  
Chair