



Fairness for Municipal Employees: The Time is Now

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Lower Mainland municipalities are prosperous and expanding. In this round of bargaining, Greater Vancouver municipal employers can afford to be fair

Municipal Revenues are Growing

Overall municipal revenues are up sharply. A few examples, comparing 2005 budget to 2006 budget:

- City of Surrey: up 5.46%
- City of Vancouver: up 4.6%
- City of Richmond: up 47.5%

Financial Reserves are in Great Shape

- City of Surrey has \$210 million in unallocated reserves in 2006
- At the end of 2005, City of Richmond had reserves totalling \$162 million
- At the end of 2005, City of Vancouver had \$294.8 million in specific purpose reserves, up 21% from the year before. Vancouver also had \$35.5 million in its Property Endowment Fund

The Lower Mainland Economy is Healthy and will Keep Expanding

- Between 2005 and 2007, Greater Vancouver's G.D.P. (ie. economic growth) is projected to increase 4.2% per year
- The region's unemployment rate was 4.7% in September 2006 – very low by historical standards
- Greater Vancouver business incorporations were up 23.8% in 2005
- Total City of Vancouver building permit values (at \$237 million) were up 114% in August 2006, compared to the same month in 2005
- Retail sales were up 7.1% in the Lower Mainland in the first quarter of 2006, compared to the same period in 2005
- Average weekly employee earnings in this region were up 3.9% in the second quarter of 2006 compared to the same period in 2005
- Greater Vancouver housing starts were up 23.9% in the first quarter of 2006, compared to the same period last year

Lower Mainland Communities are Growing Rapidly - Public Services Need to Keep Pace

- Total Lower Mainland population is projected to grow 7.3% from 2006 to 2011
- In 2007, the number of people living in the Lower Mainland is projected to be 2,211,221 – up 1.34% from 2006
- From 2006 to 2011, Surrey's population is projected to grow 11%
- Coquitlam is projected to grow 8.4% between 2006 to 2011
- Richmond will grow 6.2% in that same period
- Burnaby will grow 4.9%

Lower Mainland Civic Workers Face Skyrocketing Costs for Housing and Gasoline

- The average price of a detached house in Greater Vancouver in the second quarter of 2006 was \$635,307, up 21% from the same period the year before
- The average price of an apartment rose 23.5% in that same period
- The average price of an attached house went up 19.8%
- In 2005, the average rent for a three-bedroom apartment in the Lower Mainland was \$1,184 per month. For a two-bedroom apartment, the average rent was \$1,004 per month while for a one bedroom the rate was \$788 per month.
- Lower Mainland gasoline prices increased 13.7% in 2005
- Although gasoline prices have moderated recently, the general trend is still towards higher prices
- The highest weekly average gasoline price in 2005 was \$1.14 per litre. Just this last spring, prices in the Lower Mainland rose as high as \$1.19 per litre

Municipal Managers are Paid Handsomely

- In 2005, 284 employees of the City of Vancouver were paid more than \$100,000 each. A full 30% of the total City of Vancouver payroll goes to employees earning more than \$75,000 per year. The trend is similar in municipalities around the Lower Mainland. Pay packets for municipal managers in this region are often huge, in many cases topping \$200,000 per year.

As the economy and population grow, municipal revenues expand as well. While living costs for working people in this region skyrocket, civic workers are told to hold the line on wages. Yet, municipalities can somehow afford pay packets in the six-figure range for municipal managers. The time for fairness is now. In this round of bargaining, Lower Mainland municipal employers can afford a reasonable settlement.

(Sources: the data in this fact sheet is derived from a variety of sources including municipal budgets, B.C. Stats, the City of Vancouver Economic Development Commission, G.V.R.D. "Key Facts" and the Canada Mortgage and Housing Corporation. For more detail on specific sources, contact CUPE Research at the B.C. Regional Office)