



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
AGENDA

Meeting #: 25-005
Date: April 10, 2025
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

1. **CALL TO ORDER**
2. **CEREMONIAL ACTIVITIES**
3. **APPROVAL OF AGENDA**
(Added Items, if applicable, will be noted with *)
4. **DECLARATIONS OF INTEREST**
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING**
 - 5.1 March 20, 2025
6. **DELEGATIONS**
7. **ITEMS FOR INFORMATION**
 - 7.1 HUR25003
Annual Employee Absence Report 2024 (City Wide)
 - 7.2 FCS25016
Development Charges Indexing (City Wide)

8. ITEMS FOR CONSIDERATION

8.1 AUD21004(b)

Cyber Security Follow Up Audit – Additional Public Disclosure (City Wide)

8.2 FCS24008/HUR24002

Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (Outstanding Business List Item) (City Wide)

This Report was deferred from the May 2, 2024, Audit, Finance & Administration Meeting.

8.2.a FCS24008(a)

Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (Outstanding Business List Item) (City Wide)

8.3 Amendments to the Outstanding Business List

8.3.a Items Considered Complete and Needing to be Removed:

8.3.a.a Cyber Security Follow Up Audit – Planning Summary (City Wide) (AUD21004(a))

Added: January 16, 2025

Addressed as Item 8.1 on today's agenda

8.3.a.b Fair Wage Policy Review

Added: April 6, 2023

Addressed as Item 8.2(a) on today's agenda

9. MOTIONS

9.1 Financial Support for Art Gallery of Hamilton Humidifier Replacement (Ward 2)

9.2 A Crosswalk for Heroes (Ward 15)

10. NOTICES OF MOTION

11. PRIVATE AND CONFIDENTIAL

12. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE

MINUTES AFA 25-004

9:30 a.m.

March 20, 2025

Council Chambers (Hybrid), City Hall, 2nd Floor

71 Main Street West, Hamilton, Ontario

Present: Councillors M. Spadafora (Chair), J. Beattie, B. Clark, T. Hwang, C. Kroetsch, M. Tadeson, A. Wilson (virtually) and M. Wilson

Also

Present: Councillor T. McMeekin

1. CALL TO ORDER

Chair Spadafora called the meeting to order at 9:30 a.m.

2. CEREMONIAL ACTIVITIES

There were no ceremonial activities.

3. APPROVAL OF AGENDA

(Clark/Hwang)

That the agenda for the March 20, 2025 Audit, Finance and Administration Committee meeting, be approved, as presented.

CARRIED

4. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

5. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

(Clark/Tadeson)

That the Minutes of the February 27, 2025 meeting, be adopted, as presented.

CARRIED

6. DELEGATIONS

Chair M. Spadafora relinquished the Chair to Vice-Chair Beattie during the delegation from Sue Taylor, Interval House of Hamilton, respecting Supporting motion for funding to support rural women experiencing intimate partner violence/gender-based violence (Item 6.2).

6.2 Sue Taylor, Interval House of Hamilton, respecting Supporting motion for funding to support rural women experiencing intimate partner violence/gender-based violence

Sue Taylor, Interval House of Hamilton, addressed Committee respecting Supporting motion for funding to support rural women experiencing intimate partner violence/gender-based violence.

Chair Spadafora assumed the Chair.

6.1 Andrew Selman, respecting Privacy by Design and the City of Hamilton's Failure to Implement its Principles

Andrew Selman, addressed Committee respecting Privacy by Design and the City of Hamilton's Failure to Implement its Principles.

(Beattie/Hwang)

- (a) That the Delegation from Andrew Selman, respecting Privacy by Design and the City of Hamilton's Failure to Implement its Principles, be received; and
- (b) That the Delegation from Sue Taylor, Interval House of Hamilton, respecting Supporting motion for funding to support rural women experiencing intimate partner violence/gender-based violence, be received and referred to the consideration of Item 9.3, Interval Housing Funding.

CARRIED

(Hwang/Tadeson)

That Item 9.3, respecting Interval House Funding, be considered immediately following Item 6, Delegations.

CARRIED

9. MOTIONS

Chair Spadafora relinquished the Chair to Vice-Chair Beattie to introduce the following motion:

9.3 Interval House Funding

(Spadafora/Tadeson)

WHEREAS, rural women experience intimate partner violence at rates 5 times higher than rural men and 75% higher than urban women (CWF, 2022);

WHEREAS, in 2021, the rate of gender-related homicide in Canada was 2.5 times greater in rural areas compared to urban areas (1.13 versus 0.44 per 100,000 women and girls. (Sutton, 2023);

WHEREAS, there are more firearms in rural homes than in urban homes and, in Ontario, it is reported that an abuser living in a rural area is 2.5 times more likely to use a firearm to kill their partner;

WHEREAS, rural women experience more challenges when a victim of domestic violence including isolation, lack of transportation, a lack of services, cultural norms and beliefs and practices amongst rural communities;

WHEREAS, according to city data, 'about 80%' of Hamilton's land mass, close to 220,000 acres (Shaker, 2024) and approximately 68% of this land has a rural zoning;

WHEREAS, in Wards 9,10, 11, 12, 13 and 15 there are 206,950 residents with 50.9% identifying as women;

WHEREAS, the rise in the number of domestic gender violence situations has so dramatically increased that Hamilton City Council in 2023 declared intimate partner gender-violence to be a crisis;

WHEREAS, Interval House was founded in 1986 to provide a response to assist women and childhood victims of domestic gender violence;

WHEREAS, in 2009 the Flamborough Women's Resource Centre (FWRC) opened in Waterdown to support women and children experiencing intimate domestic gender-based violence in the Waterdown and Flamborough area;

WHEREAS, Interval House is recognized by the Ministry of Children, Community and Social Services (MCCSS) as the lead agency for the provision of rural domestic gender abuse services in Hamilton;

WHEREAS, Interval House provides the only rural outreach to the victims of domestic gender-based violence living in the Flamborough Waterdown area, through the provision of NO charge counselling, safety planning, group program support, legal advocacy including in-court support, housing and

income navigation, employment readiness training and a mobile responses as occasionally required;

WHEREAS, in 2024, through temporary funding, the Women's Education and Rural Support (WEARS) program was piloted by Interval House Hamilton to support all rural women experiencing intimate partner violence;

WHEREAS, the WEARS program focuses on interagency collaboration, public education, professional education and advocacy outreach, with the goal of decreasing the risk of lethal harm, increasing, and making a survivor's sense of safety and well-being a priority and providing when necessary, a mobile response to a person in distress, including no-charge safety planning, counselling, access to necessary resources, transportation assistance, housing supports and legal navigation;

WHEREAS, the WEARS program works closely with Hamilton Police Services and Hamilton's child welfare system to ensure high risk women and their children are identified and provided with necessary surrounding services;

WHEREAS, since WEARS inception, the program has negotiated 14 safe spaces across Wards 9,10,11,12, 13 and 15 and remains both active and visible throughout the rural Wards;

WHEREAS, in 2025 a rural HUB will be established which WEARS and the FWRC will share space, providing a safe location to access services, including legal and housing supports. Emergency transportation assistance will also be provided to all rural women, if required, thus ensuring access to the HUB; and,

THEREFORE, BE IT RESOLVED:

- (a) That a grant in the amount of \$250,000 be made available to Interval House Hamilton to facilitate the expansion of the WEARS program and hiring of rural crisis support workers for a twelve-month period, to be funded from the Former Municipality Reserve for Flamborough - Account # 108032;
- (b) That funds be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund (e.g. the City's 30% formula);
- (c) That Children's and Community Services staff be directed to incorporate key deliverables and metrics into the funding agreement with Interval House Hamilton, and work with Interval House to report back to the Emergency and Community Services Committee in Q2 of

2026 with the outcomes of this funding support and recommendations for the continuation of any additional funding for subsequent years; and,

- (d) That the General Manager, Healthy and Safe Communities, be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor

Result: Motion CARRIED by a vote of 7 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 YES - Ward 4 Councillor Tammy Hwang
 NO - Ward 9 Councillor Brad Clark
 YES – ACTING CHAIR - Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - Ward 14 Councillor Mike Spadafora

Chair Spadafora assumed the Chair.

7. ITEMS FOR INFORMATION

(Tadeson/Kroetsch)

That the following Items for Information, be received:

- 7.1 FCS25013, respecting Development Charges Complaints and Communications (City Wide)**
- 7.2 FCS23094(a), respecting Master Trust Pension Investment Performance Report as at December 31, 2023 (City Wide)**
- 7.3 FCS25007, respecting Master Trust Pension Investment Performance Report as at June 30, 2024 (City Wide)**
- 7.4 FCS25020, respecting Report of the 2024 Remuneration and Expenses as Required under Section 284 of the Municipal Act**

CARRIED

8. ITEMS FOR CONSIDERATION

8.1 FCS25008

Master Trust Pension Statement of Investment Policies and Procedures (City Wide)

(A. Wilson/Tadeson)

That Report FCS25008 dated March 20, 2025, respecting Master Trust Pension Statement of Investment Policies and Procedures, be received, and the following recommendation be approved:

- (a) That Appendix "A" to Report FCS25008, respecting the 2024 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures, be approved and replace the previous 2023 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures contained in Report FCS23098 and approved by Council on January 24, 2024; and
- (b) That report FCS25008 and Appendix "A" to Report FCS25008, respecting the 2024 City of Hamilton Defined Benefit Pension Plans Master Trust Statement of Investment Policies and Procedures, be forwarded to the HMRF/ HWRF Pension Administration Sub-Committee and to the Hamilton Street Railway Pension Advisory Committee for their information.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 ABSENT - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES -- Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR Ward 14 Councillor Mike Spadafora

8.2 FCS25002

Reserve and Reserve Fund Policy Update (City Wide)

(M. Wilson/Clark)

That Report FCS25002, dated March 20, 2025, respecting Reserve and Reserve Fund Policy Update, be received, and the following recommendations be approved:

- (a) That the Reserve and Reserve Fund Policy, attached as Appendix "A" to Report FCS25002, be adopted.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 ABSENT - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES - Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR - Ward 14 Councillor Mike Spadafora

8.3 Procurement Sub-Committee Minutes PSCC 25-001 (March 7, 2025)

(Kroetsch/Tadeson)

That the Minutes PSCC 25-001, being the Minutes of the Procurement Sub-Committee meeting held on March 7, 2025, be received and the recommendations therein be approved.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 YES - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES - Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR - Ward 14 Councillor Mike Spadafora

9. MOTIONS (CONTINUED)

9.1 Ward 2 Community Grants - Q1 2025 (Ward 2)

(Kroetsch/Tadeson)

WHEREAS, the Ward 2 Community Grants program closed for Q1 on February 2, 2025 with a total of 12 applications;

WHEREAS, City staff in Financial Planning, Administration and Policy and Community Engagement - Grants reviewed the recommendations from the Ward 2 Community Grants program and found that the following were eligible;

WHEREAS, grants that are for capital infrastructure projects and are within the policy shall be funded from the Ward 2 Capital Re-investment (Area Rating) Reserve Account #108052;

WHEREAS, grants that are for programming that addresses food insecurity or student supports in Ward 2 shall be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602, when possible; and

WHEREAS, the following \$38,000 in 10 individual grants represents the fulfillment of Q1 - 2025 of the Ward 2 Community Grants program, with \$25,000 from the Ward 2 Capital Discretionary Account #3302309200 and \$13,000 from the Ward 2 Non-Property Tax Revenue Account #3301609602.

THEREFORE, BE IT RESOLVED:

- (a) That costs associated with hiring a consultant to guide a fundraising campaign to ABRAR Trauma and Mental Health Services be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$4,500;
- (b) That ingredients and supplies for the Golden Hearts Pantry at 226 Rebecca Street to CityHousing Hamilton be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$3,000;
- (c) That equipment for their after school volleyball program to Dr. J. Edgar Davey Elementary School be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$4,000;
- (d) That artists fees, equipment rentals, and promotional costs for the Frost Bites Double-Header to Hamilton Festival Theatre Company be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,000;
- (e) That food costs associated with Ward 2 program locations to Hamilton Out of the Cold be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$4,000;
- (f) That materials for Eco Home Kits that improve home energy efficiency in Ward 2 to Hamilton Wentworth Green Venture be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,000;
- (g) That facilitators, outreach, snacks, and translator services for five newcomer community-based performance workshops to Open Heart Arts Theatre be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,000;

- (h) That program costs associated with two McMaster Experiential Learning Placements within Ward 2 non-profit organizations to OPIRG McMaster be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$2,000;
- (i) That materials for the SWAP Hamilton archive in the Hamilton Public Library archives, technology maintenance in SWAP Hamilton's digital and web-based drive, and educational and professional development programming for community members to SWAP Hamilton be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,500;
- (j) That promotional initiatives and materials, including signage, brochure design and printing, and four branded banners to hang outside Custom House to Workers Arts & Heritage Centre be funded from Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,000;
- (k) That any funds allocated and distributed through the Ward 2 Community Grants Program be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund (e.g. the City's 30% formula); and
- (l) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 ABSENT - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES- Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR - Ward 14 Councillor Mike Spadafora

9.2 Financial Support for Sky Dragon Cooperative Redevelopment (Ward 2)

(Kroetsch/M. Wilson)

WHEREAS, Sky Dragon Cooperative is a non-profit community development organization that was founded in 2002, incorporated in 2004, and developed into a multi-use community centre in downtown Hamilton in 2005;

WHEREAS, Sky Dragon Cooperative is dedicated to nurturing and developing community projects that are socially, ecologically, and economically sustainable;

WHEREAS, Sky Dragon Cooperative is undergoing a development project to install an elevator that will make the building fully accessible, add three affordable rental housing units, and provide four large, multi-use, accessible and affordable studio spaces for use by Hamilton-based artists, wellness practitioners, community groups, non-profits, and entrepreneurs;

WHEREAS, the costs associated with this development project are significant and, as a non-profit organization, Sky Dragon Cooperative does not have sufficient funding for emerging costs; and

WHEREAS, an easement is necessary to satisfy a condition of development and that easement has been valued at \$54,000.

THEREFORE, BE IT RESOLVED:

- (a) That costs associated with the development project to install an elevator that will make the building fully accessible, add three affordable rental housing units, and provide four large, multi-use, accessible and affordable studio spaces for use by Hamilton-based artists, wellness practitioners, community groups, non-profits, and entrepreneurs by Sky Dragon Cooperative be funded from the Ward 2 Capital Reinvestment Reserve #108052 at an upset limit, including contingency, not to exceed \$54,000; and
- (b) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 Councillor Cameron Kroetsch
 ABSENT - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES - Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR -Ward 14 Councillor Mike Spadafora

10. NOTICES OF MOTION

There were no Notices of Motion.

11. PRIVATE AND CONFIDENTIAL

There were no Private and Confidential Items.

12. ADJOURNMENT

There being no further business, the Audit, Finance and Administration Committee, adjourned at 11:16 a.m.

Respectfully submitted,

Tamara Bates
Legislative Coordinator
Office of the City Clerk

Councillor M. Spadafora,
Chair, Audit, Finance and
Administration Committee



City of Hamilton Report for Information

To: Chair and Members
Audit, Finance and Administration Committee

Date: April 10, 2025

Report No: **HUR25003**

Subject/Title: Annual Employee Absence Report 2024

Ward(s) Affected: City Wide

Recommendations

- 1) That Report HUR25003 respecting Annual Employee Absences 2024 **BE RECEIVED** for information.

Key Facts

- This Report includes information about the City's occupational claims experience, including lost time injury rate, severity, areas experiencing higher numbers of incidents and strategies to reduce incidents.
- The report also provides an overview of non-occupational illness and injury data, including an analysis of Short-Term Disability (STD) absences, Long-Term Disability (LTD) absences and work accommodation activity.
- The reporting period includes January to December 2024, with relevant comparisons from 2020 through to 2024.

Financial Considerations

Not applicable.

Background

Human Resources reports on the City's experience as it relates to employee absences for both occupational and non-occupational claims. In addition, Council further requested an analysis of divisions with a larger proportion of occupational and non-

occupational claims. This report includes data from 2024 and provides comparison data for the previous four years.

Analysis

1.0 Occupational Injury Measures

The tables and graphs below provide an overview of the City's occupational claims experience over the past five years. Occupational claims are managed by the Workplace Safety and Insurance Board (WSIB). Lost Time Injury measures include claims approved by the WSIB or where approval is pending, and excludes claims denied by WSIB or abandoned by the employee. In addition, claims from Hamilton Police Services and Hamilton Public Library are outside the scope of this Report,

In this report, the frequency of occupational injuries is expressed through Lost Time Injury Rate. Severity in the reporting year is demonstrated through Lost Time Injury Severity Rate – All Claims and includes days lost that were incurred from new and prior year claims. Previously, average days lost per lost time injury was stated as a measure of the severity of lost time injuries, however, this report now includes Lost Time Injury Severity Rate – All Claims which aligns with industry best practice for reporting data. Refer to Appendix A for definitions.

Table 1: Lost Time Injuries, Days Lost, Lost Time Injury Rates, Lost Time Injury Severity Rates – All Claims, and Claims Costs from 2020 to 2024

Year	Average Eligible Employee Headcount	New Lost Time Injuries	Lost Time Injury Rate	Days Lost – New Claims	Days Lost – All Claims	Lost Time Injury Severity Rate – All Claims	Total WSIB Costs
2020	8,183	322	6.35	2,292	12,907	216.12	\$9,354,472
2021	8,380	380	6.08	2,768	14,055	225.58	\$10,409,980
2022	8,433	385	5.89	2,406	13,124	204.12	\$10,022,612
2023	8,774	417	5.78	3,192	15,013	228.92	\$12,504,215
2024	9,034	379	5.62	3,066	16,746	248.35	\$14,672,562

In 2024, the City experienced the following:

- New Lost Time Injuries decreased by 9.1%, from 417 to 379
- Lost Time Injury Rate decreased by 2.7% from 5.78 in 2023 to 5.62

Annual Employee Absence Report 2024 (HUR25003) (City Wide)

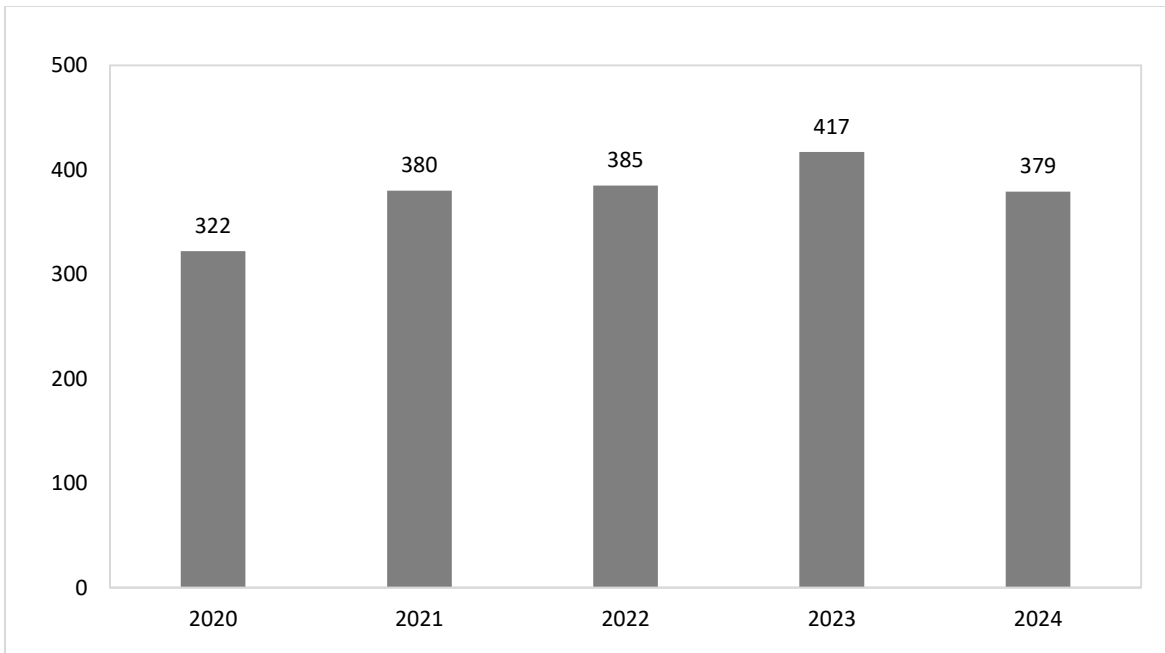
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- Days Lost from New Lost Time Claims decreased by 3.9% from 2023
- Days Lost from All Claims, including new claims and prior year claims continuing to accumulate lost time in 2024, increased by 11.5% when compared to 2023
- The Lost Time Injury Severity Rate for all claims, which include new and prior year claims continuing to accumulate lost time, increased by 8.5% from 2023
- Total WSIB costs increased from \$12,504,215 in 2023 to \$14,672,562

Human Resources continues to collaborate with operating departments to ensure preventative strategies and mitigation measures are implemented that improve the health, safety and wellness of employees. Activities across the organization include policy and procedure development, communication, training, targeted implementation of advanced tools, equipment, education and preventive measures all aimed at reducing the frequency and severity of injuries over time.

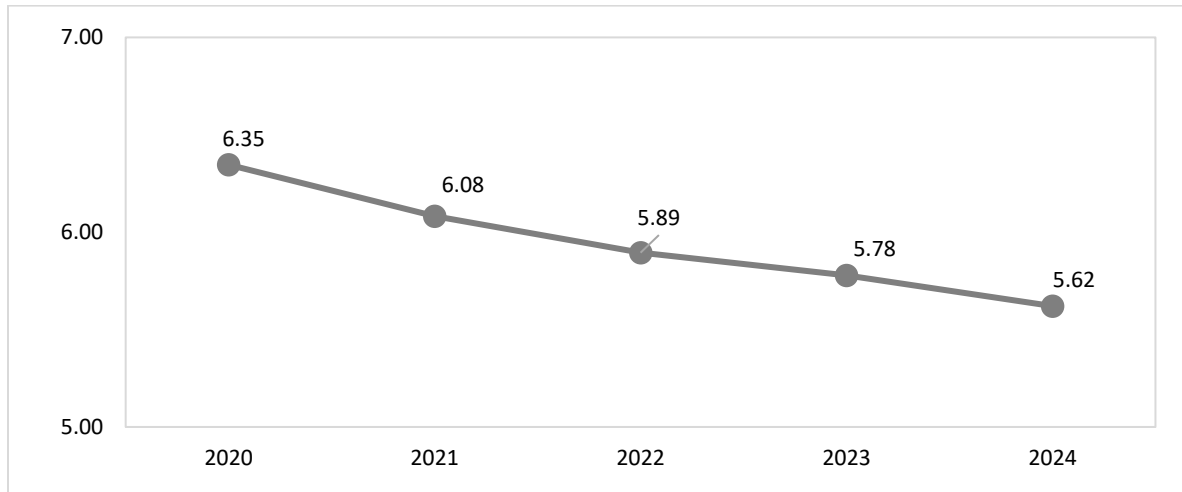
Graph 1: New Lost Time Injuries from 2020 to 2024

The number of New Lost Time Injuries decreased from 417 in 2023 to 379 in 2024 (-9.1%).



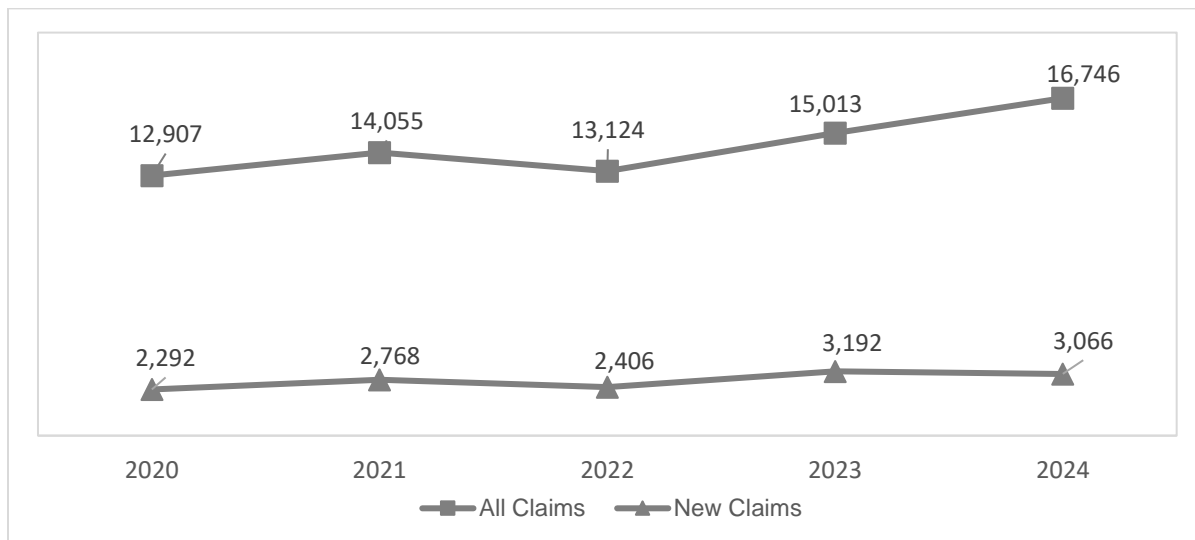
Graph 2: Lost Time Injury Rate from 2020 to 2024

The Lost Time Injury Rate decreased in 2024 by 2.7%.



Graph 3: Number of Days Lost from 2020 to 2024

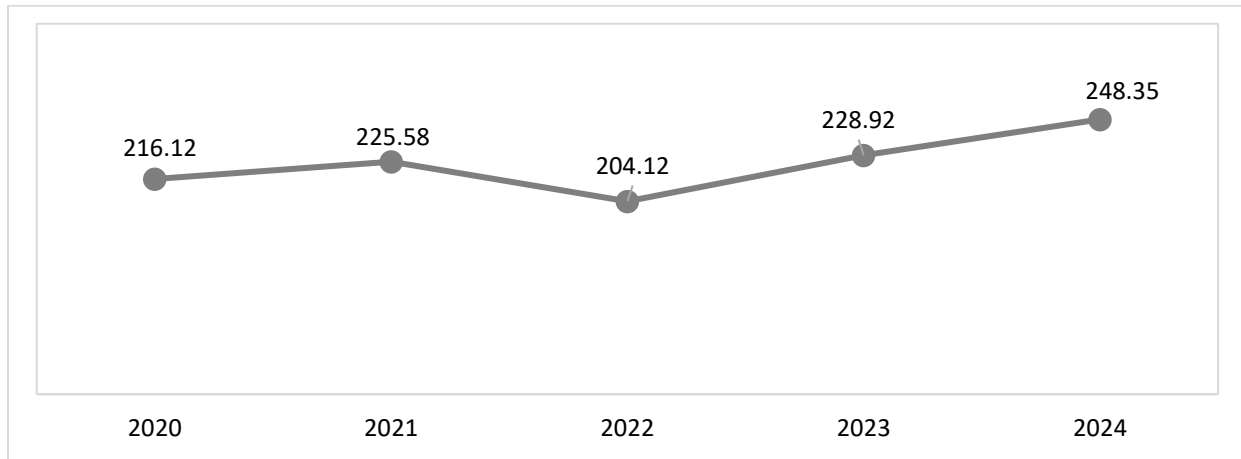
When compared to 2023, the number of days lost for new claims decreased by 3.9% and increased by 11.5% for all claims in 2024. Data for all claims reported below includes lost time accrued for claims initiated prior to the current reporting year that continue to accrue lost time until the injury has been resolved.



Graph 4: Lost Time Injury Severity Rate – All Claims from 2020 to 2024

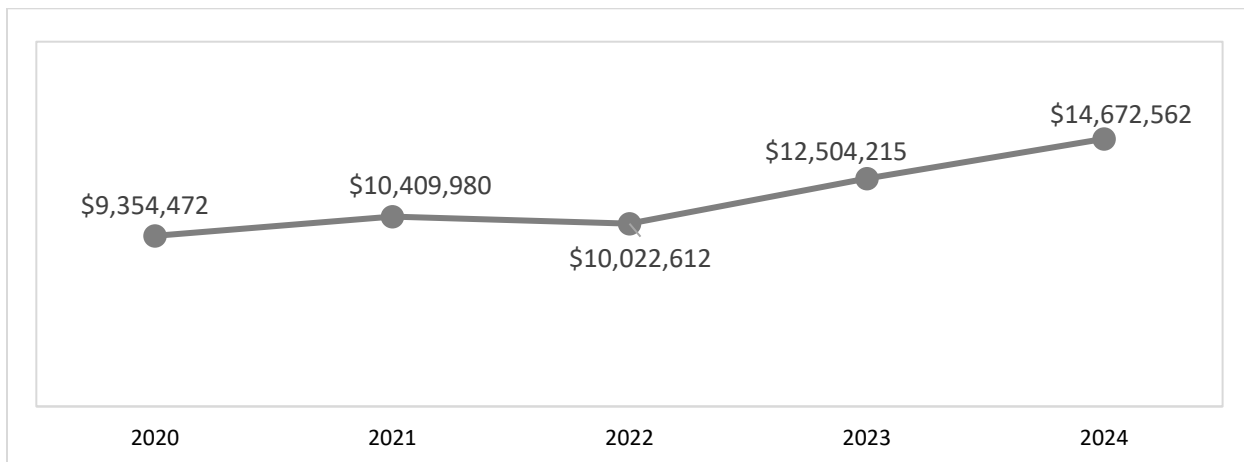
The Lost Time Injury Severity Rate increased by 8.5% in 2024 when compared to 2023. Although the Lost Time Injury Rate is declining year over year the severity rate has increased in 2024. This is the result of the number of days lost from injuries that occurred in prior years which continue to impact the severity rate in the current year. For example, a mental health claim can have lost time incurred over multiple years. Human

Resources continues to facilitate early and safe return to work for employees to promote shorter absences from work. Days lost can be impacted by the injury type, the employee's limitations and restrictions and the availability of suitable modified work.



Graph 5: Total WSIB costs for Occupational Injuries and Illnesses from 2020 to 2024

Costs related to all WSIB claims increased 17.3% in 2024 when compared to 2023. These costs include health care and employee loss of earnings, which increased with progression through wage grids and cost of living increases. Loss of earnings also includes lost time incurred in the reporting year from claims initiated in prior years. Costs reported exclude physician, administration fees applied by the WSIB, and bridge benefits paid to employees while their claim is pending.



Graph 6: Top Five Lost Time Injury Types from 2020 to 2024

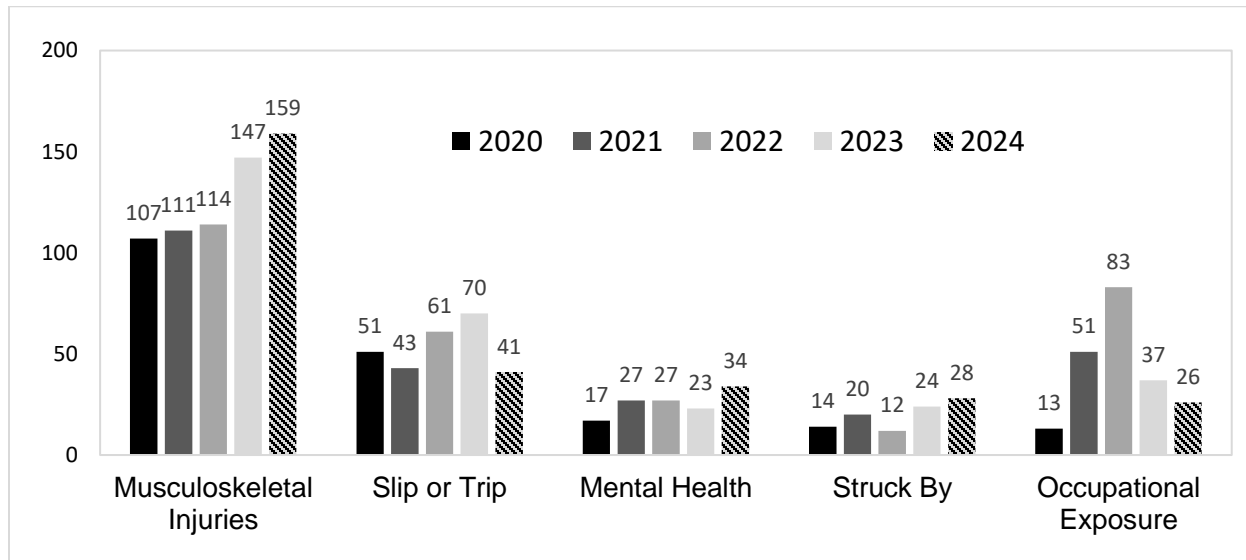
The most common types of Lost Time Injuries in 2024 were Musculoskeletal Disorders, injuries from a Slip or Trip, Mental Health, Struck By and Occupational Exposure. When comparing Lost Time Injury types in 2024 with previous years, there were significant declines in Slip or Trip injuries (-41.4%) and Occupational Exposure injuries (-29.7%),

Annual Employee Absence Report 2024 (HUR25003) (City Wide)

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and increases in Musculoskeletal (+8.2%), Mental Health (+47.8%), and Struck By (+16.7%) injuries.

Musculoskeletal Disorders remain the leading Lost Time Injury type in 2024, making up over 40% of all Lost Time Injuries. Much of the City's injury prevention work has focused on reducing the risks associated with ergonomic hazards and poor body mechanics.



Overall Lost Time Injuries by Department from 2020 to 2024

The tables below include departmental statistics related to Lost Time Injury Rate and Lost Time Injury Severity Rate.

Table 2: Lost Time Injury Rate from 2020 to 2024

	Lost Time Injury Rate				
	2020	2021	2022	2023	2024
City Housing Hamilton	2.24	2.96	4.35	3.62	2.65
City Manager's Office	0	0.89	0	0.81	0
Healthy and Safe Communities	7.38	8.72	8.67	7.70	8.10
Corporate Services	0.46	0.46	0	0.42	0.40
Planning & Economic Development	2.23	1.68	1.59	1.17	1.98
Public Works	5.37	5.57	5.27	7.70	5.22
Corporation Total	6.35	6.08	5.89	5.78	5.62

Table 3: Lost Time Injury Severity Rate – All Claims from 2020 to 2024

	Lost Time Injury Severity Rate – All Claims				
	2020	2021	2022	2023	2024
City Housing Hamilton	164.48	175.62	28.27	351.85	275.71
City Manager's Office	0.86	22.15	0	109.19	219.18
Healthy and Safe Communities	271.13	238.96	222.34	239.73	266.09
Corporate Services	63.07	86.49	88.64	57.14	91.56
Planning & Economic Development	153.61	31.53	34.39	74.68	47.45
Public Works	202.45	283.73	255.45	276.84	297.79
Corporation Total	216.12	225.58	204.12	228.92	248.35

1.1. Operational Areas of Focus

As per previous Council direction, this report provides updates from specific operational areas that account for a larger proportion of lost time injuries and illnesses. The updates include strategies and initiatives established to address occupational injuries and illnesses.

Table 4: Lost Time Injury Count by Division from 2020 to 2024

	Lost Time Injury Count				
	2020	2021	2022	2023	2024
Hamilton Fire Department	35	52	39	50	46
Hamilton Paramedic Services	76	89	108	73	99
Hamilton Street Railway	67	78	72	107	84
Long-Term Care	62	97	121	73	64

Injury trend analyses from 2020 to 2024 and initiatives to prevent and mitigate injuries for these divisions are available in Appendix B.

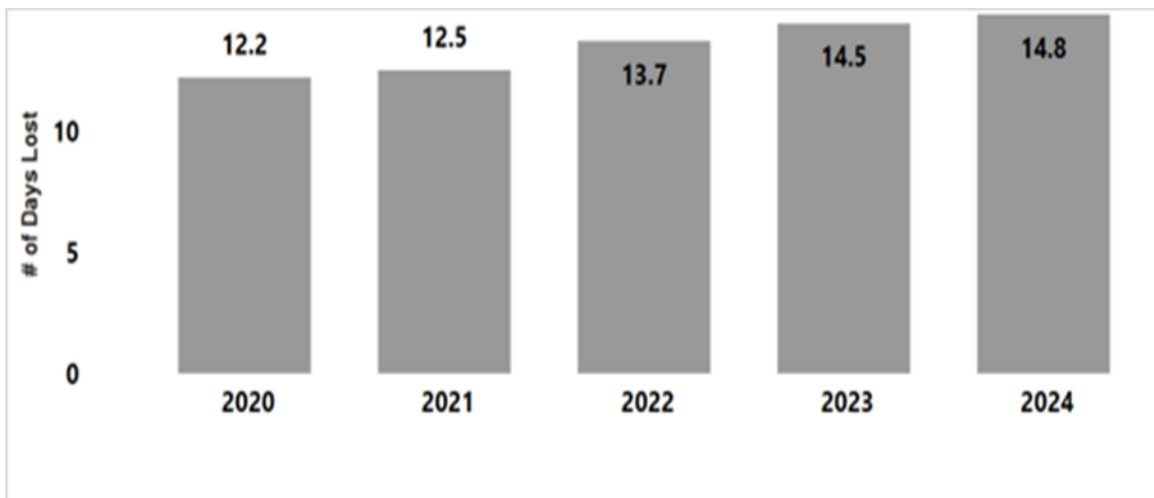
2.0 Short-Term Disability Absence Summary (excluding Fire, Police & Library)

The tables and graphs below provide an overview of the City's Short-Term Disability (STD) absence experience over the past five years both City-wide and by department. Also included is an analysis of absence duration and occurrences for the year 2024 only. Information provided excludes absence data from Hamilton Police Services, Fire and Hamilton Public Library. Fire sick data has historically been excluded from City-wide reporting as Fire employees have a sick bank with different collective agreement provisions regarding entitlement when compared to other union groups. STD absence data by department and top five divisional levels can be found in Appendix C.

In 2024, the City had 5,368 eligible employees for income protection. In this report, the average STD days lost per eligible employee is based on a standard 7-hour shift. The data is presented in this way to account for varying shift schedules across the City, which allows for comparison by department and division. For example, Hamilton Paramedics typically work 12-hour shifts, so in order to compare the average STD days lost per employee with other divisions, lost time is expressed in 7-hour days.

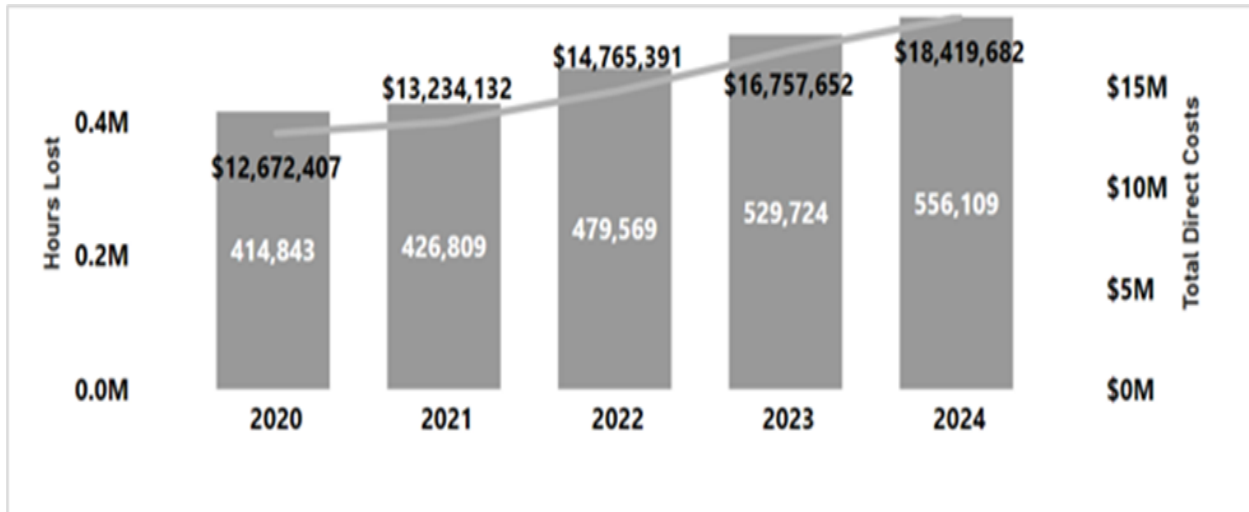
Human Resources continues to collaborate with operating departments to manage employee absences and provide support to employees who are absent from work. When an employee absence occurs, Human Resources ensures the absence is administered according to the terms and conditions of relevant collective agreements and City policies. Human Resources maintains communication with the absent employee and provides necessary support. When an employee is ready to return to work, by collaborating with healthcare providers and leveraging workplace resources, Human Resources provides individual accommodation plans to assist employees successfully return to the workplace.

Graph 7: Average STD Days Lost per Eligible Employee



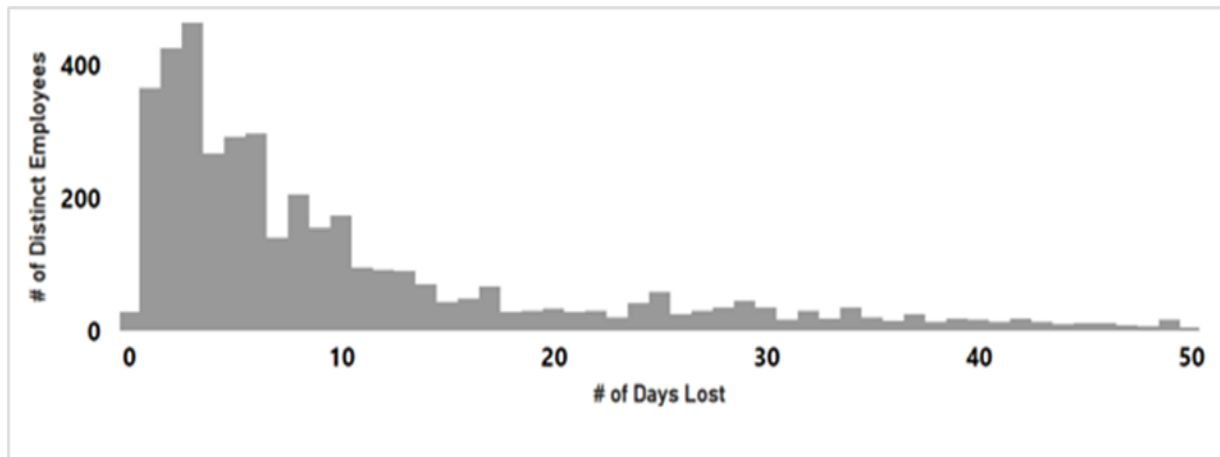
The average number of STD days lost per eligible employee in 2024 was 14.8 days. This is a 2.1% increase in STD days lost compared to 2023.

Graph 8: STD Lost Time and Direct Costs

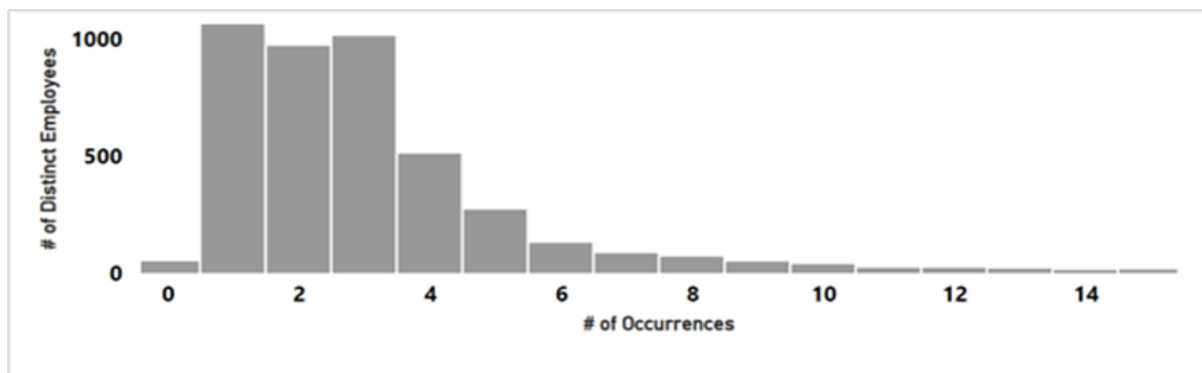


As Graph 8 illustrates, the total direct cost of STD absences in 2024 was \$18,419,682, which is a 9.9% increase from \$16,757,652 in 2023. The increase can be attributed to the rise in average lost days per employee in 2024 and increases in employee wages (progression through wage grids and cost of living increases) during the same period.

Graph 9: Employee Distribution by Number of STD Days Lost for 2024



Graph 9 illustrates that most STD absences are one to seven days in duration. This outcome is expected, in part due to the influence of two factors: the requirement to provide a doctor’s note on the fourth day of absence and the requirement to provide a completed STD claim form on the sixth or eighth day of absence, as per collective agreement and policy requirements, as applicable. Employees may opt to return to work prior to documentation being required by Human Resources.

Graph 10: STD Occurrence Distribution for 2024

An STD occurrence refers to any instance when an employee is not present at their scheduled shift due to a non-occupational sick absence. Each occurrence is recorded in the Human Resource's Time and Attendance tracking system. As illustrated above in Graph 10, most employees incurred three or fewer absence occurrences in 2024. This trend is likely explained by collective agreement or policy provisions that incorporate a reduction in compensation on the fourth and subsequent occurrences in a calendar year.

Table 5: Absence Summary by Department

The table below provides departmental statistics on average STD days lost per eligible employee.

	Average STD Days Lost Per Eligible Employee				
	2020	2021	2022	2023	2024
City Wide Data (excluding Fire, Police, Library)	12.2	12.5	13.7	14.4	14.8
City Housing Hamilton	12.1	13.6	12.2	15.0	12.6
City Manager's Office	5.4	1.1	5.7	5.5	7.8
Healthy and Safe Communities	14.0	14.3	15.3	16.4	17.5
Corporate Services	5.9	5.4	6.0	7.4	8.0
Planning & Economic Development	8.5	7.8	8.8	9.4	9.0
Public Works	13.5	14.4	15.9	15.9	16.3

3.0 Long-Term Disability Absences

Long-Term Disability (LTD) absences are non-occupational illnesses or injuries that extend beyond 130 days and are managed by a third-party (Manulife).

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Table 6 below shows 80 new LTD claims were received by Manulife in 2024, representing an increase of 5 claims or 6.7% when compared to 2023. The new LTD claim rate for 2024 is trending above 2023 but less claims than the highest number in the reporting period of 98 claims in 2020.

The incident rate for new LTD claims approved during the 2024 reporting period increased slightly from 14.01 in 2023 to 14.80 per 1000 insured employees in 2024. This number indicates that a stable number of employees continue to require long-term disability income protection at the City.

Table 6: Long-Term Disability Claims Data from 2020 to 2024

Data	2020	2021	2022	2023	2024
New LTD Claims	98	54	70	75	80
LTD Active Claims at the end of Q4 by Year	229	224	211	220	233
Incident rate for new claims per 1000 employees	20.63	11.47	14.87	14.01	14.80
LTD Costs (monthly benefit payments, administrative fees, legal fees, vacation payouts and severances)	\$8,381,638	\$7,944,549	\$8,778,436	\$9,188,641	\$8,905,185

Table 7: Long-Term Disability Claims Received by Diagnosis - 2022 to 2024

Claim Type	2022			2023			2024		
	MH	MSK	CAN	MH	MSK	CAN	MH	MSK	CAN
City of Hamilton	39%	27%	11%	41%	24%	8%	38%	31%	8%
Industry Comparator	46%	25%	9%	38%	26%	10%	42%	26%	10%
MH = Mental Health MSK = Musculoskeletal CAN = Cancer *Claim type for new claims received in year									

Mental health continues to be the most frequent diagnostic category representing 38% of all LTD claims received by Manulife in 2024. This percentage is slightly below the industry comparison group (N= 42%). The City's LTD claims arising from musculoskeletal conditions are above the industry average. Cancer claims are trending slightly below the industry average in 2024.

4.0 Absence Mitigation Strategies and Measures

Human Resources is dedicated to fostering a safe, supportive, and inclusive work environment for all employees. In addition to strategies and initiatives at the departmental and divisional level, Human Resources undertakes absence prevention and mitigation initiatives across the organization. Measures pertaining to mental health and wellbeing are explained later in this report.

Workplace Accommodation Activity

Human Resources continues to manage comprehensive return-to-work programs that ensure employees who have experienced illness or injury can reintegrate into the workplace on a safe and timely basis. The team coordinates necessary accommodations and creates structured plans for returning to work. In addition to these efforts, the team ensures that the City's practices meet legal requirements under the Human Rights Code regarding the duty to accommodate. The focus on accommodation efforts reflects the City's dedication to building a resilient and adaptable workforce.

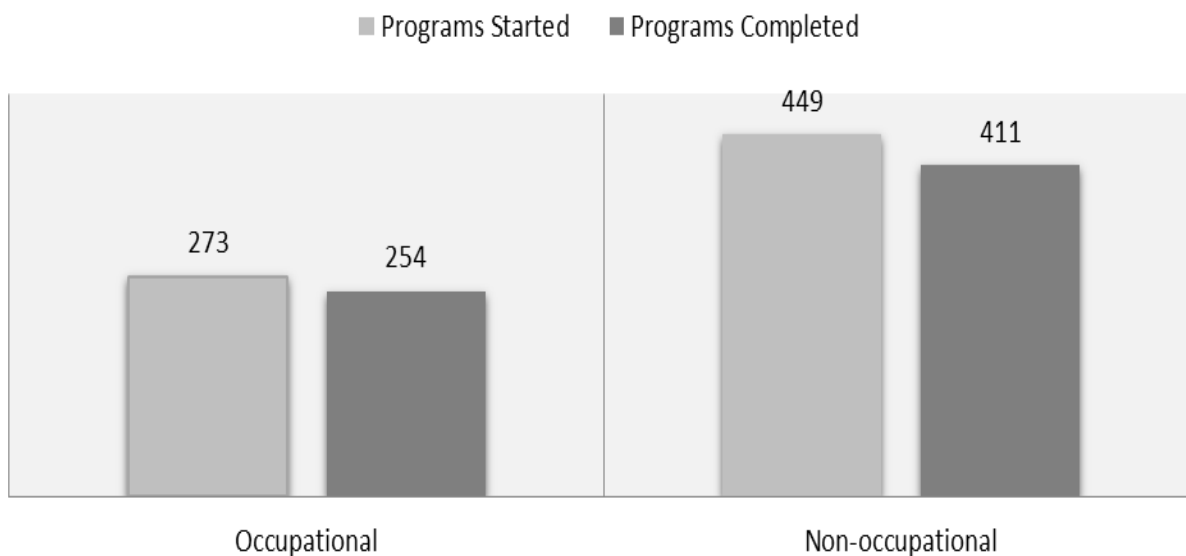
Table 8: Overview of Workplace Accommodation Activity from 2020 to 2024

In 2024, Human Resources assisted 630 employees successfully return to full-time hours and regular work duties through the accommodation process. When adjusted for those employees who classify as totally disabled, and those who retired or resigned their employment, this represents a 96.5% success rate in finding suitable accommodations for eligible employees.

Accommodation Outcomes	2020	2021	2022	2023	2024
Return to work full duties own position	459	498	606	587	630
Permanent accommodation own position	7	1	3	3	6
Permanent accommodation new position	3	3	14	10	7
Accommodation no longer available or not suitable	16	6	9	21	23
Recurrence or employee is totally disabled	42	59	63	67	64
Other (e.g., retired, maternity leave, resigned)	22	37	56	29	28
Total Accommodation Cases Closed	549	601	751	717	758

Graph 11: Workplace Accommodation Programs Started and Completed in 2024

In 2024, Human Resources received a total of 722 requests for accommodation by employees needing assistance in staying at work or returning to work: 273 accommodations arising from occupational claims and 449 accommodations arising from non-occupational (STD) claims.



Absence and Injury Prevention Activities

Human Resources works closely with departments and divisions to develop, implement, and maintain absence and injury prevention initiatives across the organization. A few highlights of these initiatives from 2024 include:

- Four emergency response learning modules were created, first as in-person training, and in 2024 were transitioned to online learning. The modules, available to all staff and managed by Corporate Safety and Security, include 1) Situational Awareness, 2) Lockdown, 3) Hold and Secure, and 4) Shelter in Place.
- Emergency drills were held, at various locations, to support employees with applying knowledge gained through formal training.
- A new robust Health, Safety and Wellness webpage was created on Howi to improve accessibility to important resources for employees and leaders. The page now includes a variety of topic related information and resources that employees and leaders can use to create safer workplaces. This resource also includes a newly developed page dedicated to Joint Health and Safety Committees across the City to them fulfill their responsibilities in supporting the Internal Responsibility System.

-
- Created 12 new health, safety and wellness resources and updated 20 existing resources to ensure employees and leaders are provided with valuable current information about injury prevention. Examples include bulletins on topics such as Heat Stress, Outdoor Air Quality, Preventing Workplace Violence, Tips for De-escalation, Talking About Suicide, Mental Health Resources, etc.
 - Managed the Corporate Respiratory Fit-testing Program and delivered services to 44 employees. 16 influenza clinics were held with 335 vaccines administered.
 - Supported the City's response to the solar eclipse by providing advice and resources to support the Emergency Operations Centre, employees and people leaders.
 - Hosted the City's Joint Health and Safety Committee Appreciation Day in October for over 100 attendees, which included opening remarks from the City Manager. This highly successful event enables Joint Health and Safety Committee members to gain valuable knowledge, skills and develop connections across departments for the purposes of sharing lessons learned.
 - Managed interactions with the Ministry of Labour, Immigration, Training and Skills Development Inspectors including:
 - 7 complaints
 - 20 critical injuries
 - 4 work refusals
 - 21 occupational illnesses.
 - 324 employees were trained in the Workplace Hazardous Materials Information System (WHMIS) training program. The program includes hazard classification system for workplace chemical safety symbols, labelling and information sheets in our workplaces.
 - 96 people leaders completed online required leader health and safety awareness training for supervisors; 857 front-line staff completed the required online training for workers. The training ensures leaders and employees are aware of their rights and duties under the Occupational Health and Safety Act.
 - 84 leaders completed Contractor Health and Safety Management training. This program is designed to equip leaders with the knowledge and skills needed to understand and apply legislative obligations as defined in the Occupational Health and Safety Act when hiring contractors. This program is now available on demand through online learning.
 - Delivered Safe Handling and Disposal of Sharps train the trainer program to leaders.
 - 140 supervisors completed the leader learning program that enables supervisors to understand their responsibilities under the Occupational Health and Safety Act and how to apply them in the workplace.

- Positions with frequent absences or workplace injuries continue to be evaluated for the completion of Physical and Cognitive Demands Analysis. This analysis helps clearly define the physical and cognitive requirements of positions and supports the identification of appropriate modified duties.
- The Return-to-Work Services team within Human Resources continues to engage third-party providers such as occupational physicians, psychologists, occupational therapists, and ergonomists to aid in claims management and to help facilitate early and safe return to work. Partnering with these providers can help assist in an employee's recovery, reduce the risk of re-injury, and ensure accommodations are in place to support the employee's return to work.
- Fire and Paramedic Services Leadership Teams and Return-to-Work Services continue to proactively review opportunities for increased availability for early and safe return to work opportunities. This process is assisted by a dedicated Return-to-Work Specialist assigned to both Fire and Paramedic Services divisions. Fire and Paramedics face unique physical and psychological challenges that require specialized knowledge of occupational demands, functional abilities, and accommodation options. The dedicated RTW Specialists for these areas can tailor return-to-work plans to align with operational requirements, such as shift work, lifting restrictions, and exposure risks.
- In addition, with Council approval in the fall of 2024, Paramedic Services moved forward with the recruitment of an experienced Scheduling and Attendance Program Manager in December. The Program Manager working collaboratively with the dedicated Return-To-Work Specialist for the area will help promote early and safe return to work and mitigate the impact of absences on paramedic scheduling.

Human Resources continues to work on implementing the City's Workplace Mental Health and Wellbeing Strategy approved in 2023. Highlights of key deliverables completed in 2024 include:

- Critical Incident Peer Support (CIPS) Team responded to 21 events that affected the workplace. The CIPS Team is comprised of City employees who support others through critical incident stress management response. Interventions are designed to reduce emotional and physiological symptoms.
- Human Resources assisted in the creation of HSR's first Critical Incident Peer Support Team by providing guidance and support to enable training, volunteer recruitment and establish a framework for operation.
- RZone Respectful Environments Policy and program was launched on September 16th across the City of Hamilton to promote safe, positive and supportive work environments and interactions for all residents, visitors and staff at any City facility or space. The program includes setting expectations, broad communication across the

organization, employee education, incident reporting and tracking and a public awareness campaign. To date, approximately 6,000 City employees have completed the RZone training.

- 92 employees received training on non-violent crisis intervention techniques.
- A Caregiver Resources guide was developed and communicated to provide targeted support to this vulnerable employee group.
- Employees and their families have access to LifeSpeak, a web-based program with expert-led online videos, tip sheets, podcasts, web chat and more that address a wide variety of health, family, eldercare, personal growth and development and work-life balance topics. Over the course of the past year employees accessed over 6,000 of these resources. It's free, confidential, and available 24/7 from home or work on a computer or phone.
- Homewood Health delivers Employee Family Assistance Program (EFAP) services to all employees and their dependant family members. EFAP is a free and confidential service offering access to a variety of professionals who are available to help 24 hours a day, 7 days a week. It includes short-term counselling along with health and wellness services and resources for everyday challenges and life demands we all face. EFAP offers enhanced services through Pathfinder which includes tailored personalized care plans and service recommendations based on the employee's unique presenting concerns. Table 9 shows the service utilization rate over the last five years.

Table 9: Employee Family Assistance Program Service Utilization Rate from 2020 to 2024

	Percentage				
	2020	2021	2022	2023	2024
Service utilization rate	13.63	14.27	12.37	12.01	13.94
Municipal sector average	15.63	10.79	12.63	11.53	11.67

- EFAP counselling cases over the last five years show that mental health continues to be the most significant reason that employees are engaging in this service.

Table 10: Reasons for EFAP counselling cases from 2020 to 2024

Reason	Percentage				
	2020	2021	2022	2023	2024
Mental Health	58.4	57.5	48.8*	52.6	52.1
Marital/Relationships	16.3	15.9	21.3	18.2	18.5
Family Concerns	8.0	9.8	9.9	7.4	9.1
Work	8.2	8.1	10.1	10.8	9.4
Crisis/Trauma	4.8	4.6	6.3	5.2	4.7
Addiction	1.7	1.7	1.5	3.0	2.8
Health	1.8	1.3	1.2	1.2	2.0

*Counselling with professional and new self-directed online program for depression and anxiety starting 2022

- Life Smart Coaching is a service that employees and dependents have access to as part of EFAP. The table below indicates that legal advisory services, particularly regarding family, divorce and/or custody, continue to be the most significant area of coaching offered followed by relationship, stress and burnout solutions.

Table 11: Reasons for EFAP Life Smart Coaching from 2020 to 2024

Reason	Percentage				
	2020	2021	2022	2023	2024
Legal	54.0	43.2	42.9	37.7	32.1
Relationship solutions	2.8	7.8	10.6	11.9	18.1
Burnout and stress solutions	2.8	8.9	7.6	11.9	21.7
Nutrition	9.1	16.7	9.4	8.8	4.1
Child/eldercare	8.0	4.1	6.5	7.5	5.5
Financial	5.7	3.6	7.1	7.5	6.8
Career coaching	8.0	8.9	5.3	6.9	4.1
Grief and loss	4.5	3.1	8.8	5.0	5.9

- Positive mental health and wellbeing are kept top of mind for employees through regular communications by Human Resources (e.g. newsletters, Howi updates, etc.) that include curated content that aligns with national mental health and wellbeing awareness events, service provider campaigns, tools and resources. Campaigns are focused on priority topics for employees.
- The Working Mind training by the Mental Health Commission of Canada helps employees and leaders better understand mental illness and poor mental health, stigma and stigma's effect on individuals and the workplace. To date, 68 people leaders and 58 frontline staff have completed the training.

Alternatives

Not applicable

Relationship to Council Strategic Priorities

This information report contributes to Council's Priorities by supporting Responsiveness and Transparency enabling strategic decisions involving employee absences contributing to building a high performing public service.

Previous Reports Submitted

- [Annual Employee Absence Report 2023 HUR24005 City Wide](#)

Consultation

Leaders from the operational areas of focus identified in this report were consulted and include:

- Shawn De Jager, Manager and Assistant Deputy Chief, Hamilton Fire Department, Healthy and Safe Communities
- Michael Sanderson, Director/Chief of Hamilton Paramedic Service, Healthy and Safe Communities
- Maureen Cosyn Heath, Director, Transit, Public Works
- Holly Odoardi, Senior Administrator, Long Term Care Division, Healthy and Safe Communities

The Senior Leadership Team was consulted.

Appendices and Schedules Attached

Appendix A: Definitions

Appendix B: Injury trend analysis from 2020 to 2024 for operational areas of focus

Appendix C: Absence summary by department

Prepared by: Yakov Sluchenkov, Director, Employee Health & Labour Relations
City Manager's Office, Human Resources

Iva Peressini, Manager, Health, Safety and Wellness Services
City Manager's Office, Human Resources

Heather McNicol, Manager, Return-to-Work Services
City Manager's Office, Human Resources

Submitted and recommended by: Lora Fontana, Executive Director of Human Resources
City Manager's Office, Human Resources

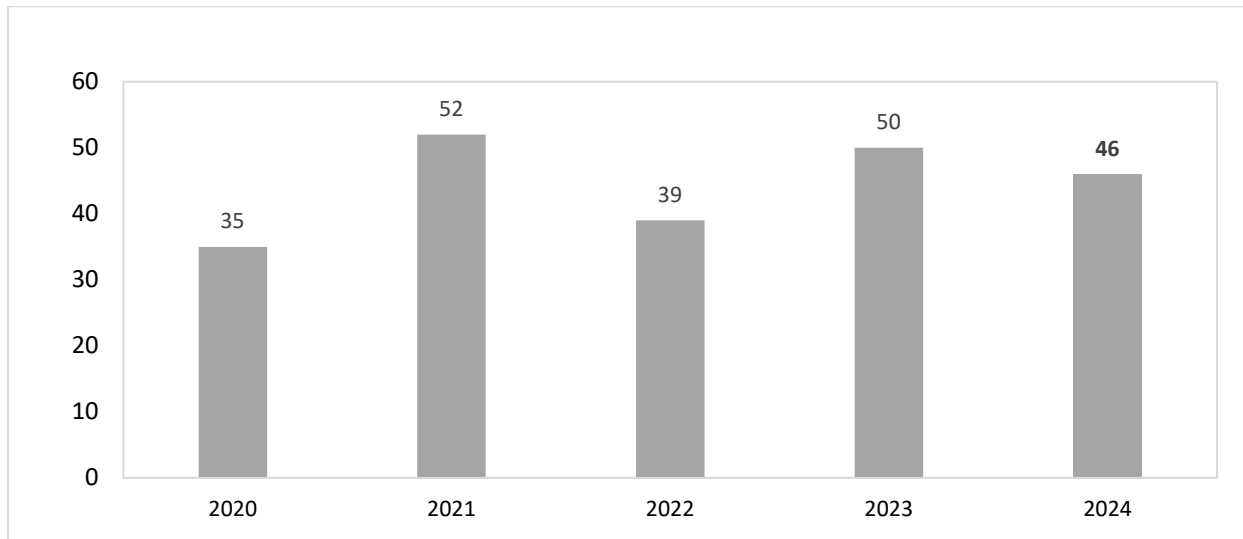
Definitions

Average eligible employee headcount	Is calculated by the sum of monthly headcount divided by twelve. It is a snapshot as of the last day of the month.
Eligible employee headcount	The total number of individuals employed by the City of Hamilton eligible for Workplace Safety and Insurance Board benefits, including and not limited to permanent, temporary and contract employees, volunteers, students, and excludes elected officials and third-party contractors.
Eligible employee	A full-time employee who meets the conditions of their collective agreement or employment contract eligibility for payment through the Income Protection Plan as a result of non-occupational illness injury.
Income Protection Plan (IPP)	Provides eligible employees with an income if they cannot perform their normal duties due to illness or non-occupational injury during both the STD and LTD period.
Long Term Disability (LTD) absences	Non-occupational Illnesses or injuries that extend beyond a 6-month qualifying period (i.e. 130 days), when an employee continues to be totally disabled beyond their STD absence. LTD absences are currently managed by Manulife Financial.
Lost Time Injury Rate	Number of allowed lost-time injuries/illnesses per 100 derived full-time equivalent (FTE) workers for the injury year specified. It is calculated by the Number of Lost Time Injuries x 200,000 Hours / Total Hours Worked. This calculation accounts for differences in hours worked amongst employees (including part-time and full-time) to get a more accurate indicator of hours worked and exposure to risk.
Lost Time Injury Severity Rate	The number of days lost due to lost time injuries per year for every 100 employees. It is calculated by the Number of Days Lost x 200,000 Hours / Total Hours Worked.
Service Utilization Rate	Total new cases divided by members covered (weighted) times 100.
Short Term Disability (STD) absences	Absences arising from non-occupational illnesses or injuries of less than 1 day up to 130 days and do not include COVID-19-related absences
STD days lost – Short Term Disability (STD) absences	Standardized as a 7-hour shift

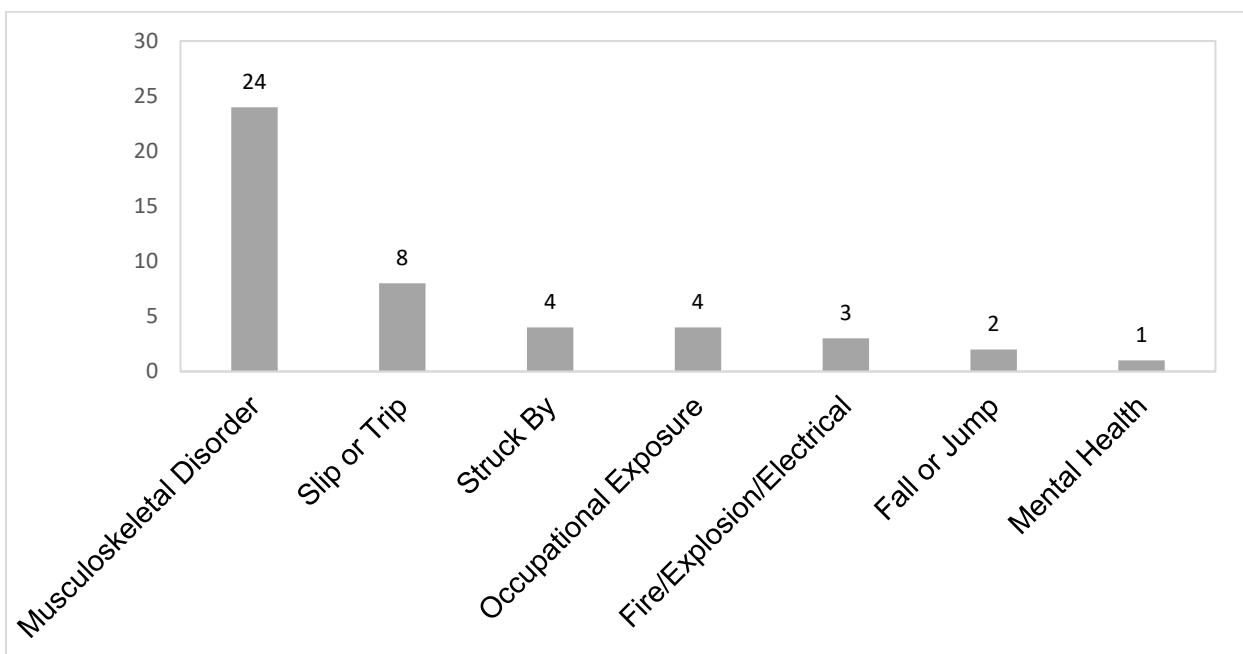
Injury trend analysis from 2020 to 2024 for operational areas of focus

Hamilton Fire Department

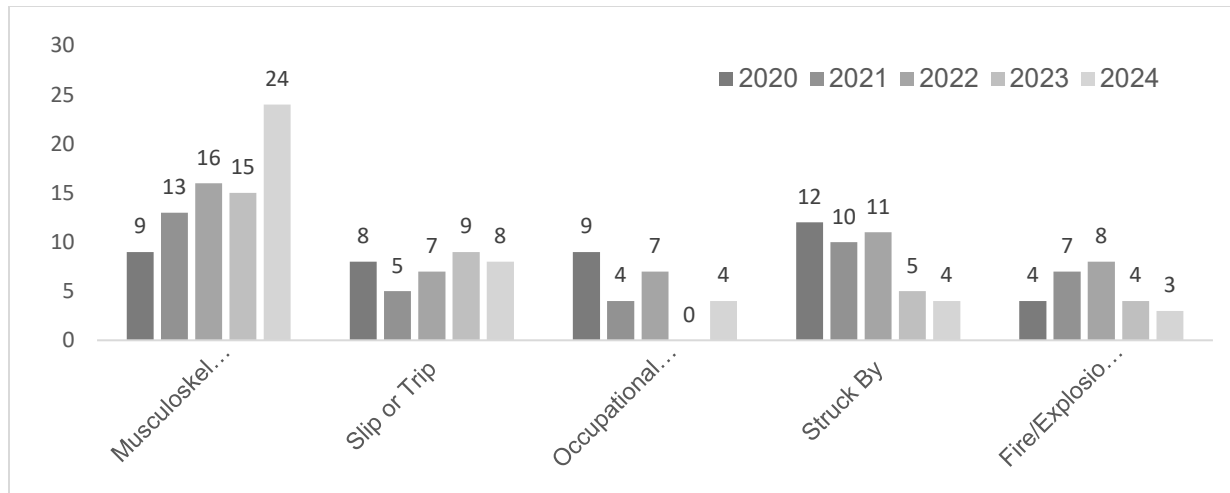
Graph 1: Hamilton Fire Department Lost Time Injuries from 2020 to 2024



Graph 2: Hamilton Fire Department Lost Time Injury Types in 2024



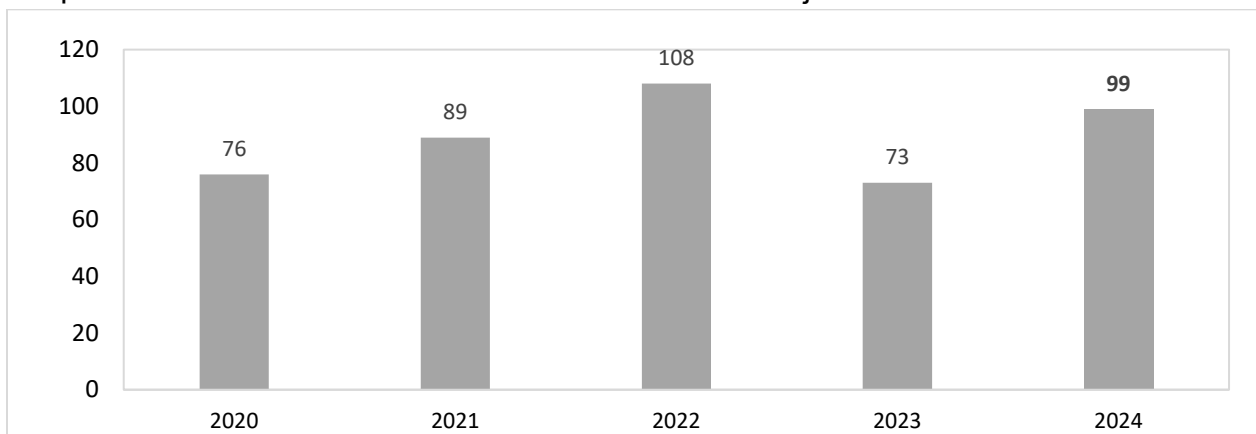
Graph 3: Hamilton Fire Department Top Five Injury Types



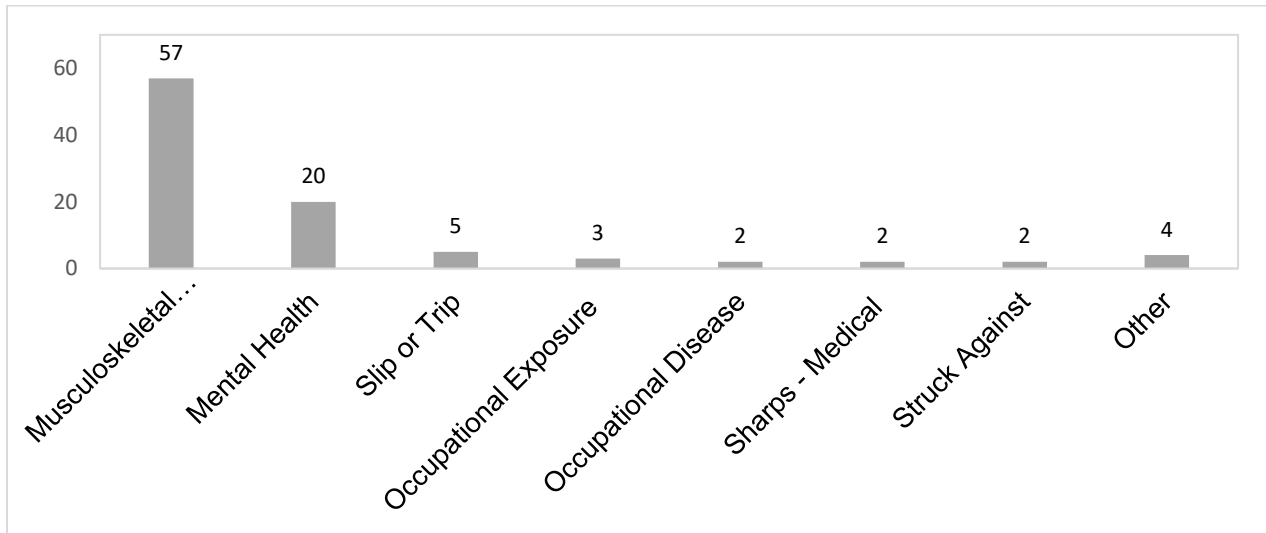
In 2024, the Fire Department saw an 8% decrease in the overall number of lost time injuries, from 50 LTIs in 2023 to 46 LTIs in 2024. Despite a significant increase in Musculoskeletal Injuries and injuries from Occupational Exposure in 2024, there was a decrease in all other injury types, such as Slip or Trip, Occupational Exposure, Struck By, Mental Health, Fall or Jump, Struck Against, Fall or Jump and Animal/Insect. The sustained trend of increasing overall incident responses year over year combined with the ongoing high number of structure fires has contributed to Musculoskeletal Injuries. To continue reducing the number of lost time injuries, the Fire Department’s Leadership Team, in concert with Health, Safety and Wellness Services team in Human Resources, continue to focus on providing training and prevention reviews to staff. In addition, the respiratory protection program and infection control policies were reviewed and updated.

Hamilton Paramedic Services

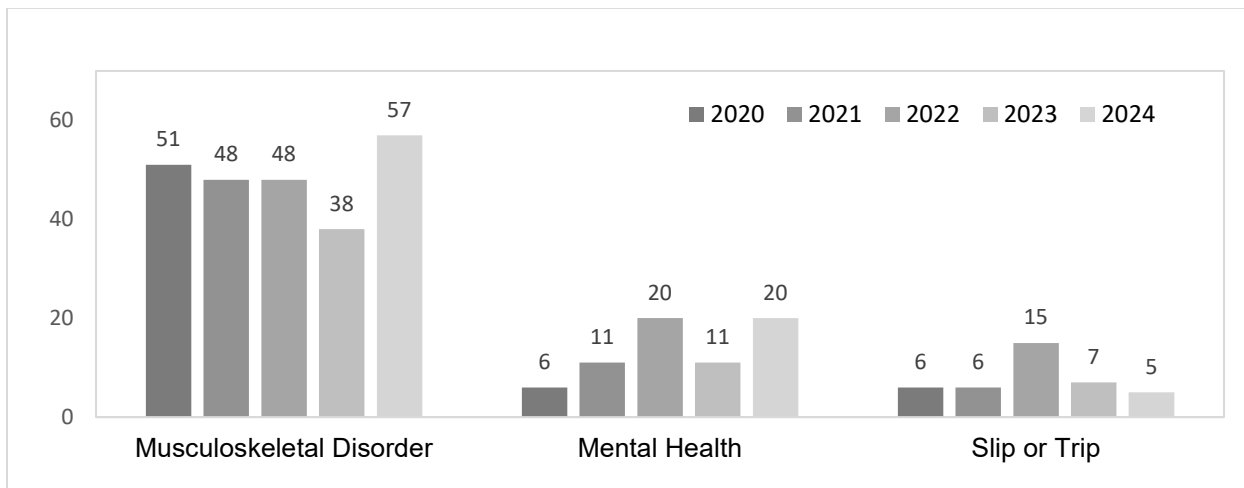
Graph 4: Hamilton Paramedic Services Lost Time Injuries from 2020 to 2024



Graph 5: Hamilton Paramedic Service Lost Time Injury Types in 2024



Graph 6: Hamilton Paramedic Service Top Three Injury Types



Hamilton Paramedic Service continues to demonstrate their commitment to supporting employee wellness and safety through several initiatives launched in 2024 aimed at enhancing mental health, physical well-being, and overall job satisfaction. Activities were designed to act on the results of a wellness survey and improve the work environment for all team members.

Results of the wellness survey were shared with staff and Committee (HSC25001). The survey feedback provided invaluable insights into the wellbeing of employees and guided the development of wellness initiatives. Key areas of focus included improving the Return-to-Work (RTW) process, providing wellness check-ins, and enhancing staff support through various activities.

Several programs and events were introduced or continued to promote staff wellness, including:

- RTW activities and meetings focused on supporting staff returning to work after injury or illness, offering personalized wellness check-ins to ensure a smooth transition back to the workplace.
- Educational cooking sessions providing staff with practical skills to improve their nutrition wellbeing and overall health.
- Family night for new recruits is a special orientation event for new recruits, co-op students, college students, and observers, providing a space to meet their families, network, and build connections that strengthen employee engagement.
- Co-op and college student and observer wellness sessions were held to ensure students and physicians felt supported before beginning practical training or observer ship.

In response to ongoing concerns about violence against paramedics, the External Violence Against Paramedics (EVAP) Survey was developed and launched. This confidential survey aimed to gather data on why incidents of violence were often unreported and paramedics understanding of their rights and responsibilities pertaining workplace violence. The results from this survey will provide valuable insights to inform the EVAP program.

To improve awareness and adherence to safety protocols, the Shift Summary Reports for supervisors were updated. These reports were designed to provide detailed updates on staff status, incidents, and any issues encountered during shifts. Supervisors are now required to review these summaries to ensure they are aware of ongoing concerns and to address any issues, including violent incidents, before the start of the next shift. Additionally, supervisors were educated on the new process for reporting violent incidents. This training included detailed guidance on how to use the External Violence Incident Report and emphasized the importance of timely and accurate reporting. Supervisors were also trained on how to support staff through these incidents and ensure proper documentation on Alleged Assault Report form is completed.

A new External Violence Incident Report was implemented to encourage staff to report incidents of violence, which is a mandatory requirement from the Ministry of Health (MOH). This new reporting tool ensures that these incidents are accurately captured and monitored, leading to more effective responses to violence-related issues.

Additionally, HPS evaluated new restraint systems designed to improve the safety of paramedics when interacting with violent patients, and is working closely with the Hamilton Police Service to develop joint education programs. These initiatives aim to

address knowledge gaps in how both paramedics and police respond to incidents involving violence against paramedics.

The wellness initiatives and safety programs introduced in 2024 reflect the organization's commitment to the well-being of staff. By continuing to act on the feedback from the wellness survey and addressing critical areas of concern, such as violence against paramedics, employees are able to benefit from a safer, healthier, and more supportive environment.

Equipment Enhancements

HPS introduced two new oral suction catheters that have improved paramedic safety by more effectively clearing airway secretions, vomit and blood, reducing the likelihood of paramedics suffering splash/biohazard exposure while improving patient care.

Collaborative High Reliability

HPS completed training for all staff in Collaborative High Reliability (CHR). In 2025 HPS will seek accreditation as a Collaborative High Reliability Organization.

Collaborative High Reliability is a framework or approach often used in high-stakes, complex environments to achieve consistently high levels of performance, safety, and reliability. It combines the principles of high reliability organizations (HROs) with a strong emphasis on collaboration among teams, departments, and stakeholders.

Through this process, and with feedback from staff, a risk was identified with the equipment paramedics are using to perform needle chest decompressions on patients with suspected pneumothorax. HPS added scalpels to the paramedics' equipment after collaborating with the regional base hospital and completion of training.

Ongoing Work

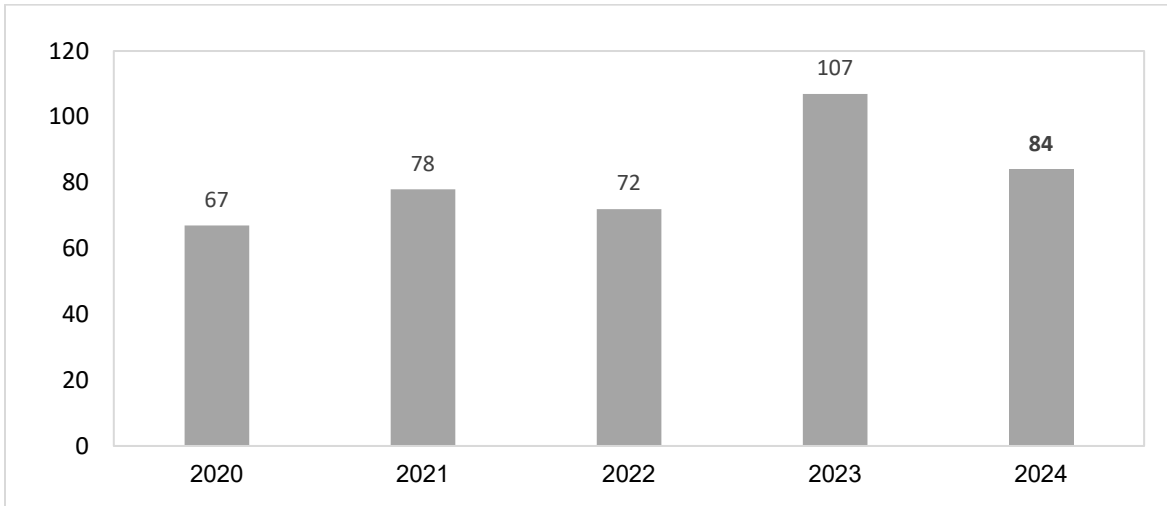
The Joint Occupational Health and Safety Committee continues to work collaboratively with Ministry of Labour, Immigration, Training and Skills Development and Long-term Care to ensure proper processes are in place for those with a 'no lift policy'. This has led to a continued reduction in "lift assist" calls from Long Term Care, reducing risk to paramedics suffering musculoskeletal injuries.

The Professional Development team annually quantitatively fit tests all staff with various mask products to ensure proper fit which reduces risk of infectious disease transmission.

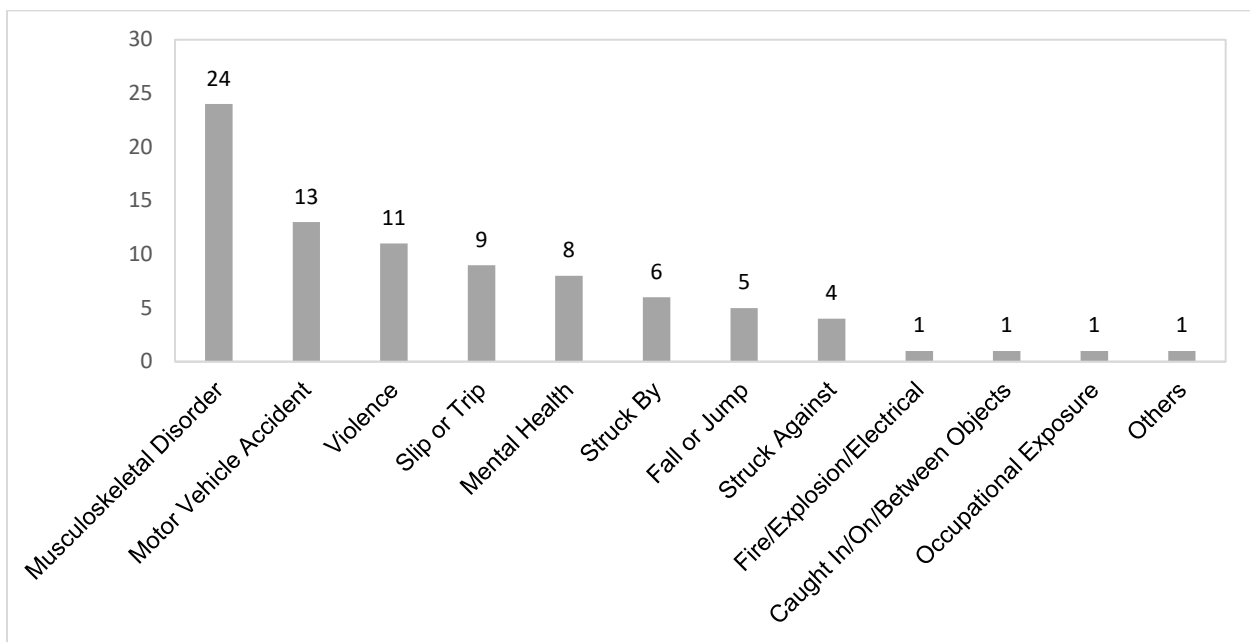
The Powered Air Purifying Respirator (PAPR) were purchased, and four more staff were accommodated bringing the total number of staff utilizing PAPR's to 17. It safeguards employees against contaminated air for those that cannot get a proper seal with an N95.

Hamilton Street Railway

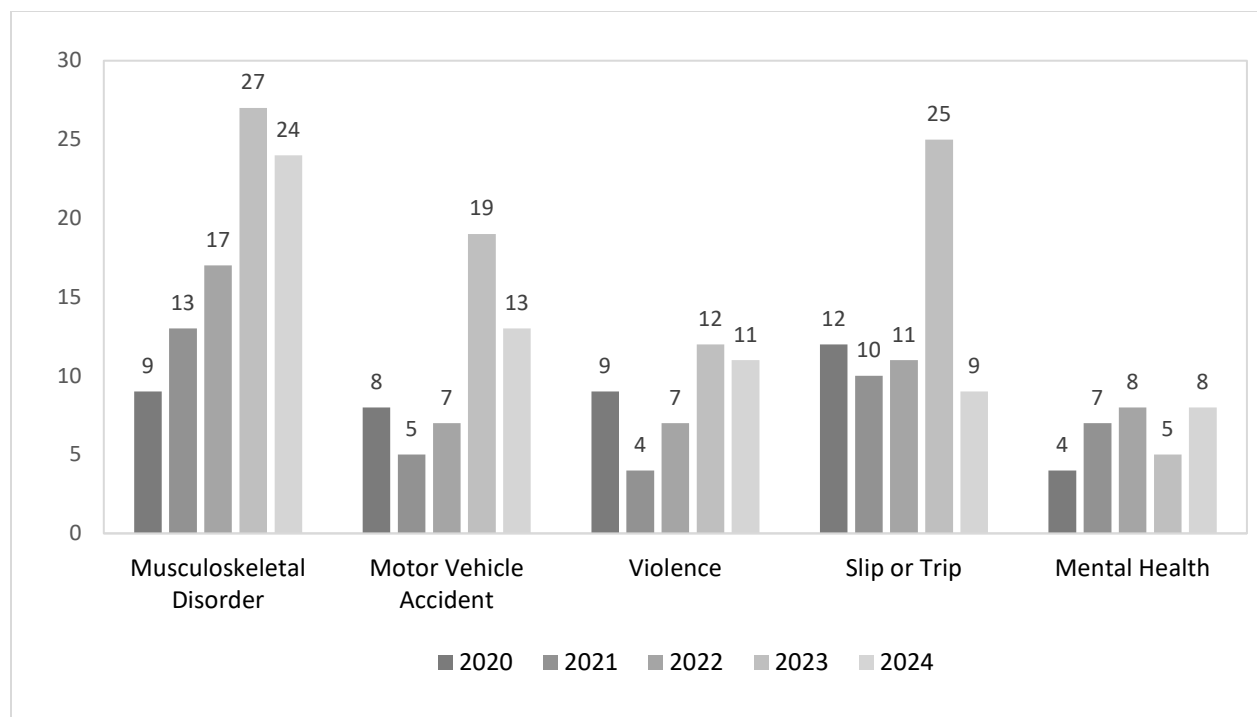
Graph 7: Hamilton Street Railway Lost Time Injuries from 2020 to 2024



Graph 8: Hamilton Street Railway Lost Time Injury Types 2024



Graph 9: Hamilton Street Railway Top Five Injury Types



In 2024, HSR saw a 21.5% decrease in the overall number of Lost Time Injuries, from 107 in 2023 to 84 in 2024. Of the Lost Time Injuries, 28.5% were attributed to musculoskeletal injuries, which remained the top cause for injury despite a slight decline in 2024. HSR continued to focus on ergonomics during new operator training, Driving Safety Evaluations and Return to Work training, such as reminding operators to stretch and take rest breaks throughout their shifts, educating operators on proper seating postures and performing seat adjustments.

HSR achieved significant improvement in slip and trip injury prevention, as indicated by a 64% decrease in Lost Time Injuries attributable to this cause. Improvements could be attributed to diligent employees reporting and quickly resolving slip and trip hazards. Injuries from motor vehicle accidents also experienced a significant decline by 31.6%. Operator refresher training was introduced in 2023, reinforcing operator skills and knowledge in safe vehicle operation and defensive driving techniques. However, this was paused in 2024 because of the cybersecurity incident and prioritization of new operator training. Operating refresher training will resume in 2025 with a target of 250 operators trained by the end of the year.

Mental health and employee wellbeing is a key priority for HSR. Through the Customer Experience and Innovation Team, HSR continued to engage employees through the HSR Way Program, designed to improve employee satisfaction and inclusion. Through

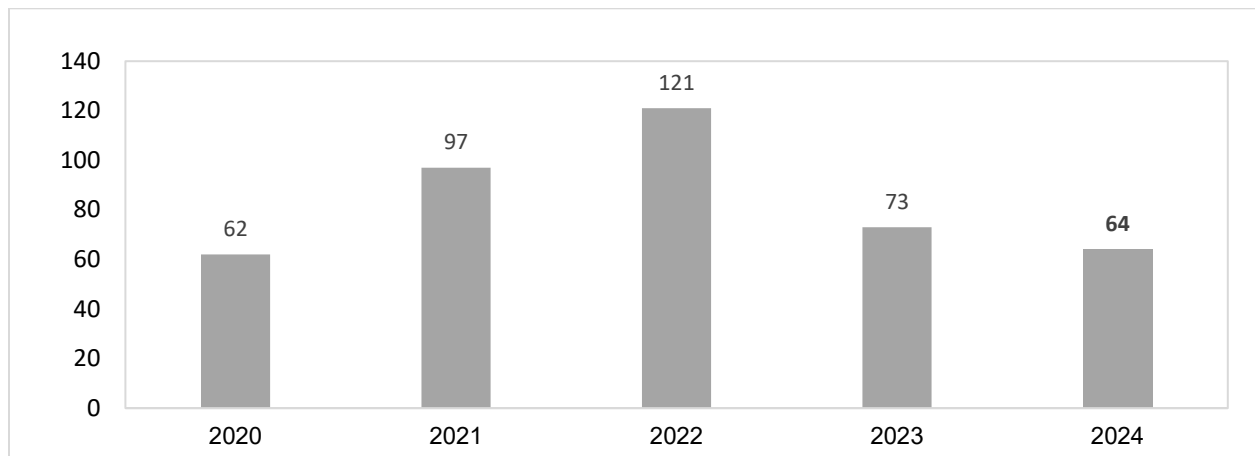
the survey, employees have shared examples of what they have learned on the job made that them more resilient to the demands of a public-facing role including examples such as dealing with aggressive customers by emphasizing de-escalation and calmness. The Accessible Transportation Supervisor is certified to deliver Non-violent Crisis Intervention training and provides effective tools for dealing with escalating incidents.

Furthermore, in collaboration with Human Resources, HSR launched a Critical Incident Peer Support Team that includes 16 members. Volunteer members are from various levels in HSR ranging from Bus Operators to Superintendents. They provide valuable support to employees following critical incidents. Peer support offered through the lens of shared experiences can have a significant positive impact on the recovery and emotional wellbeing of employees. Communication was rolled out across HSR and is on-going to promote the benefits and encourage employee utilization of this program.

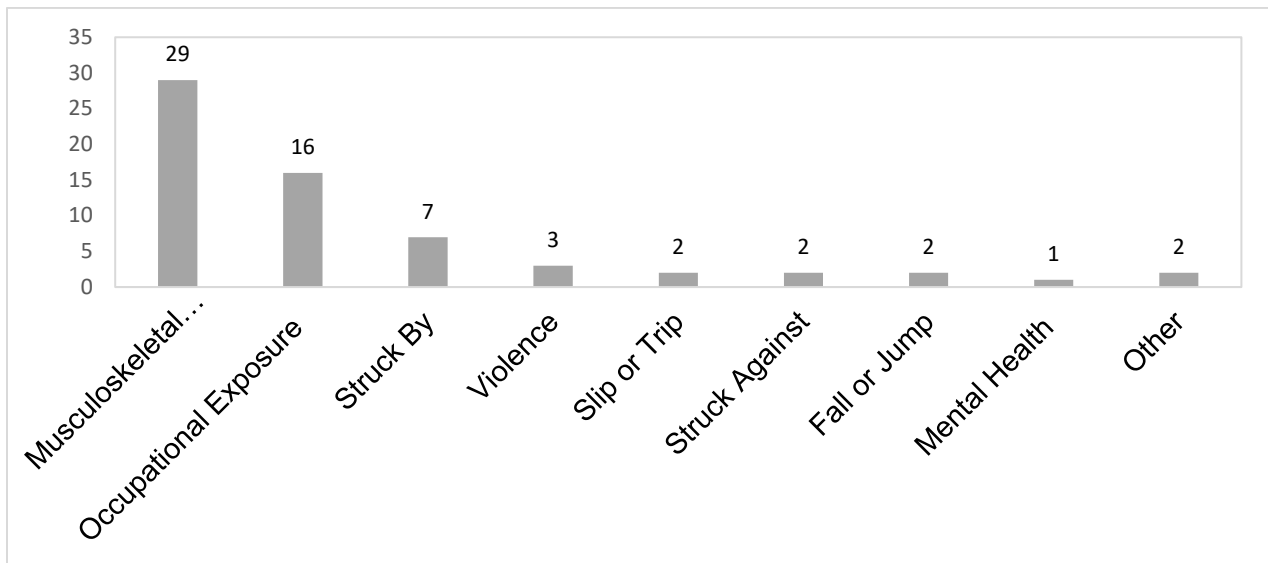
The 2024 Wellness Fair at Mountain Transit Centre was a great success. HSR hosted guests from Hamilton Public Health, Smoke Cessation, Lifespeak, Health, Safety and Wellness Services and Workplace Safety & Prevention Services to provide a wide variety of wellness information and resources to employees. This event brought to the forefront HSR's commitment in promoting employee wellbeing and encouraging a healthy workplace. The 2025 Wellness Fair will include nutrition and continue to focus on mental health and wellness.

Long-Term Care (LTC)

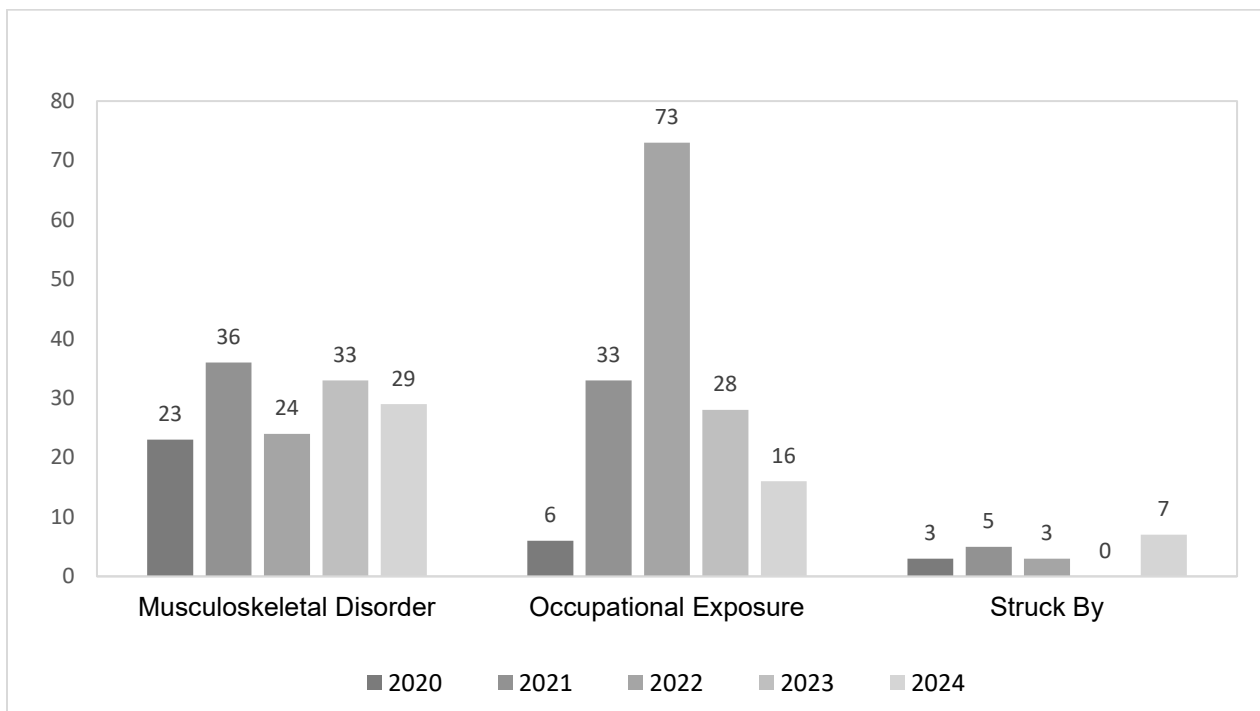
Graph 10: Long-Term Care Lost Time Injuries from 2020 to 2024



Graph 11: Long-Term Care Lost Time Injury Types in 2024



Graph 12: Long-Term Care Top 3 Injury Types



As part of Long-Term Care’s ongoing commitment to enhance workplace safety and reduce workplace injuries and illnesses, numerous measures and initiatives were implemented throughout 2024 contributing to an overall decrease in lost time injuries in 2024 when compared to 2023.

LTC occupational exposure illnesses continued to decline over the last three years irrespective of outbreaks common in a health care setting. Occupational exposure illnesses peaked in 2022 at 71, declined to 28 in 2023 and further fell to 16 in 2024. Regular infection prevention and control audits are critical to highlighting the good work that staff are doing, identifying any gaps and swiftly address issues through education, policies and procedures, purchasing new equipment or replacing existing equipment. LTC teams work in conjunction with Hamilton Public Health, IPAC Hub and other key stakeholders to ensure that new and prevailing practices are incorporated to address infectious diseases and mitigate risk to our residents and staff. Annual on-site COVID-19 and flu shot clinics are provided for staff in conjunction with Health, Safety and Wellness Services.

Numerous initiatives have been implemented as part of our ongoing efforts to prevent musculoskeletal and other injuries, including:

- the dietary department purchased new bun racks that are lighter and require less force to push and transfer from different prep areas in the kitchen
- the nursing department completed in person enhanced lift and transfer education and a practical demonstration for over 94% of staff (previous years was a written sign off) which emphasizes proper techniques and ergonomics
- the nursing department enhanced available equipment to support increased number of resident transfers required by mechanical lifts
- the nursing department updated medication carts with enhanced ergonomic features such as adjustable arms for laptops to support varied heights of staff
- the nursing department continues with preventative maintenance improvements on all the medication and treatment carts to ensure they move freely thereby reducing the force to move them throughout the workplace
- the laundry department purchased new laundry carts that are lighter and require less force to push and pull
- the laundry department also replaced or installed all back savers for the linen transfer carts. These are spring loaded inserts that prevent the need to bend over into the cart as linen is removed by staff
- a feasibility study for Macassa Lodge laundry service area has been completed due to the number of musculoskeletal injuries and ergonomic concerns raised
- safety talks are completed at monthly communication or team meetings and include topics such as Musculoskeletal Disorders; What Workers Can Do to Keep Themselves Safe and Healthy; Preventing Slips, Trips and Falls; Responsive Behaviours

Responsive or violent behaviours and related incidents continue to be a high priority for our Nurse Leaders. The team remains steadfast in thoroughly reviewing applications of those with high-risk responsive or violent behaviours or mental health diagnosis and those with dual diagnosis to determine if LTC have the nursing and medical expertise and resources to be safely manage these mental health or behavioural health needs. Our Medical Directors, Administrators and Directors of Nursing work closely on these high-risk potential admissions and when in-house residents care needs change

regarding high-risk behaviours. Employees are provided with mandatory training on dementia and responsive behaviours to create safer interactions with residents at new employee orientation as well during annual mandatory training. LTC continues to work closely with Behavioural Support Ontario resources to support new or existing residents through focused assessments to identify triggers used to create, modify or enhance resident care plans and support staff on recommended individual interventions. In addition, LTC works closely with Geriatric Psychiatry with St. Joseph's Hospital and St. Peter's Hospital to support changing mental health needs of our residents.

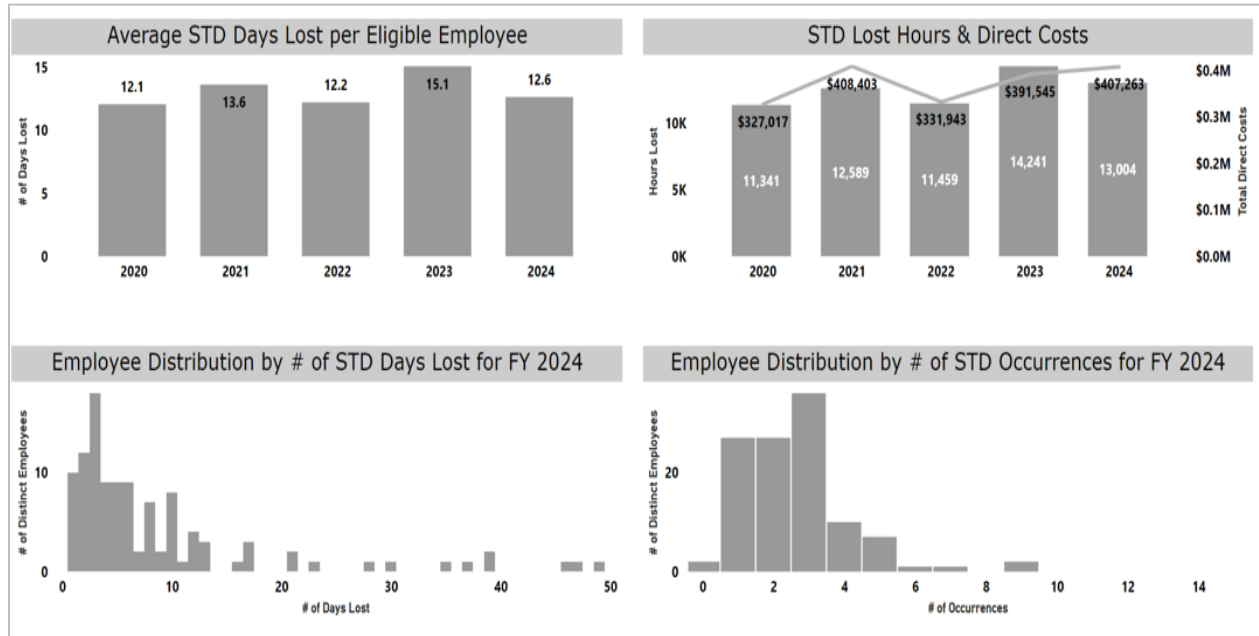
The collaborative work actioned with the Return-to-Work Specialist and LTC leadership team has been critical in decreasing lost time and having team members return to the work place as soon as possible, often with no lost time or minimal lost time, through a modified workplan.

The Wellness Committees continue to support our Homes with monthly updates to the Wellness Board, as well as other activities to engage employees and support their mental health and well-being. As well, R-Zone training was completed for approximately 55% of staff in 2024. Due to extenuating circumstances that affected business continuity, training was not completed as planned. There is a comprehensive plan for the remaining 45% of staff to receive this education during our 2025 annual mandatory education. For 2025, all new hires receive this education during new employee orientation.

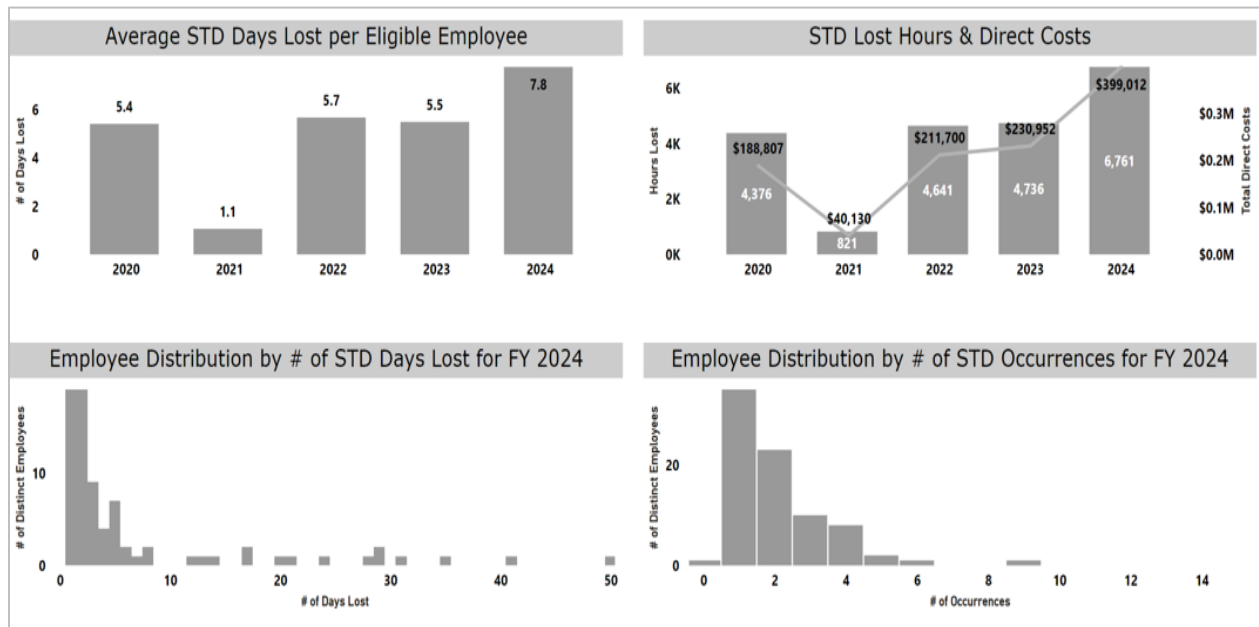
These initiatives implemented in 2024 have had a positive impact on the health, safety and wellbeing of staff. By investing in education, ergonomic solutions, and ongoing training, the goal is to continue to reduce occupational injuries and illnesses moving forward.

Short-Term Disability (STD) Absence Data by Department

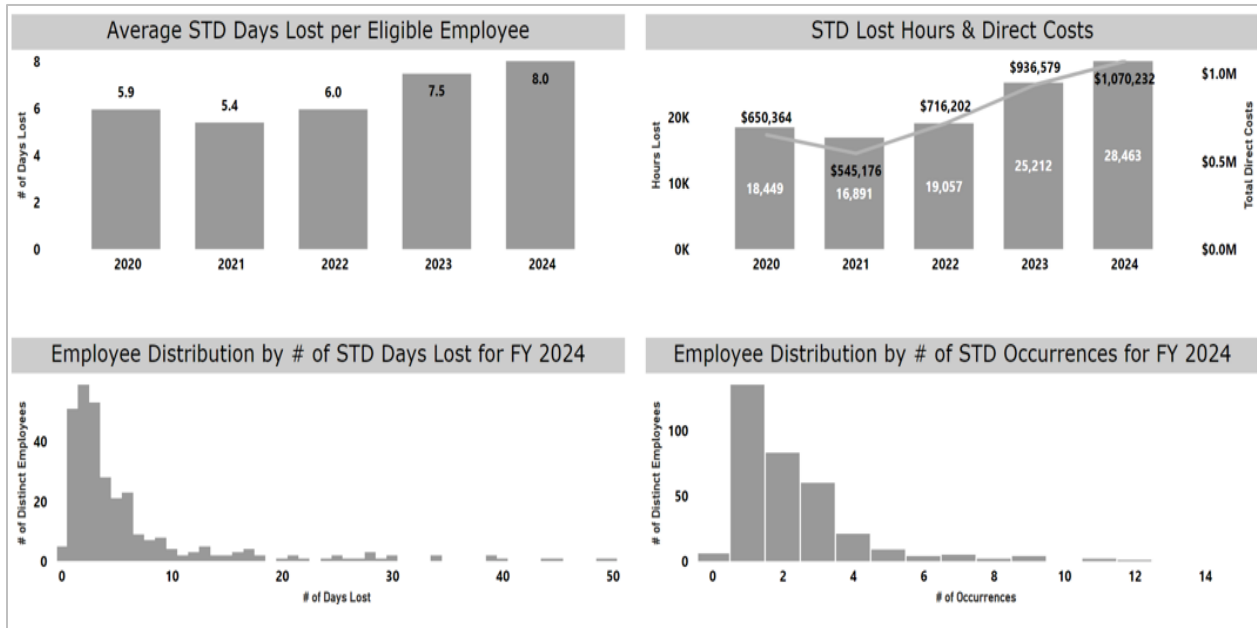
Graph 1 – City Housing STD Absence Data



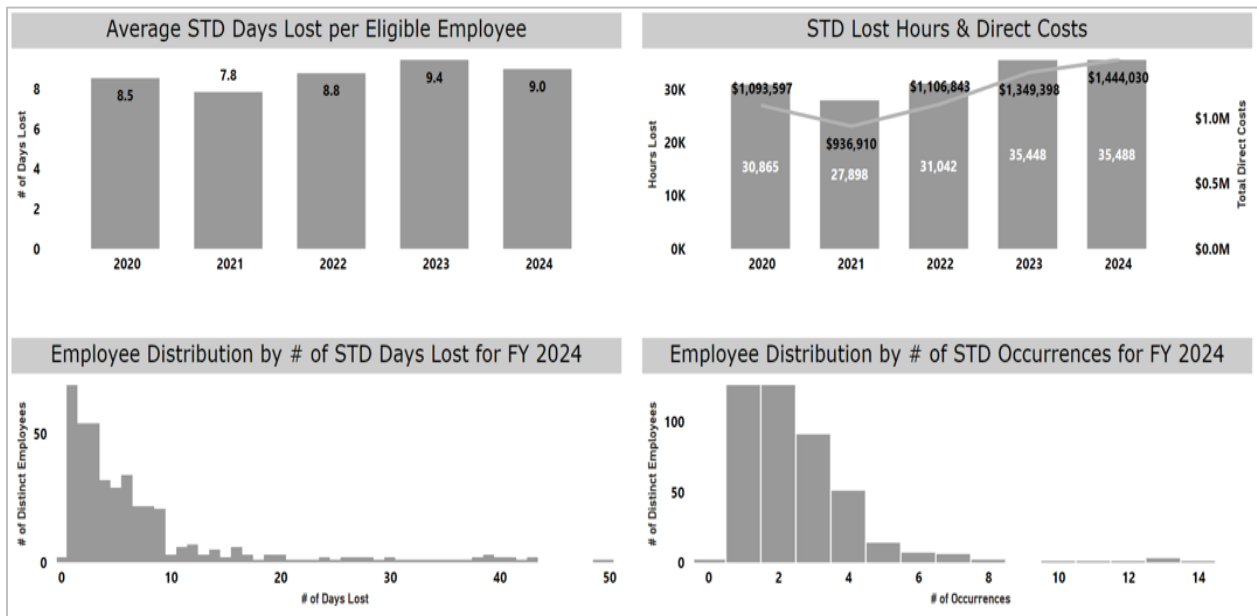
Graph 2 – City Manager’s Office STD Absence Data



Graph 3 – Corporate Services STD Absence Data



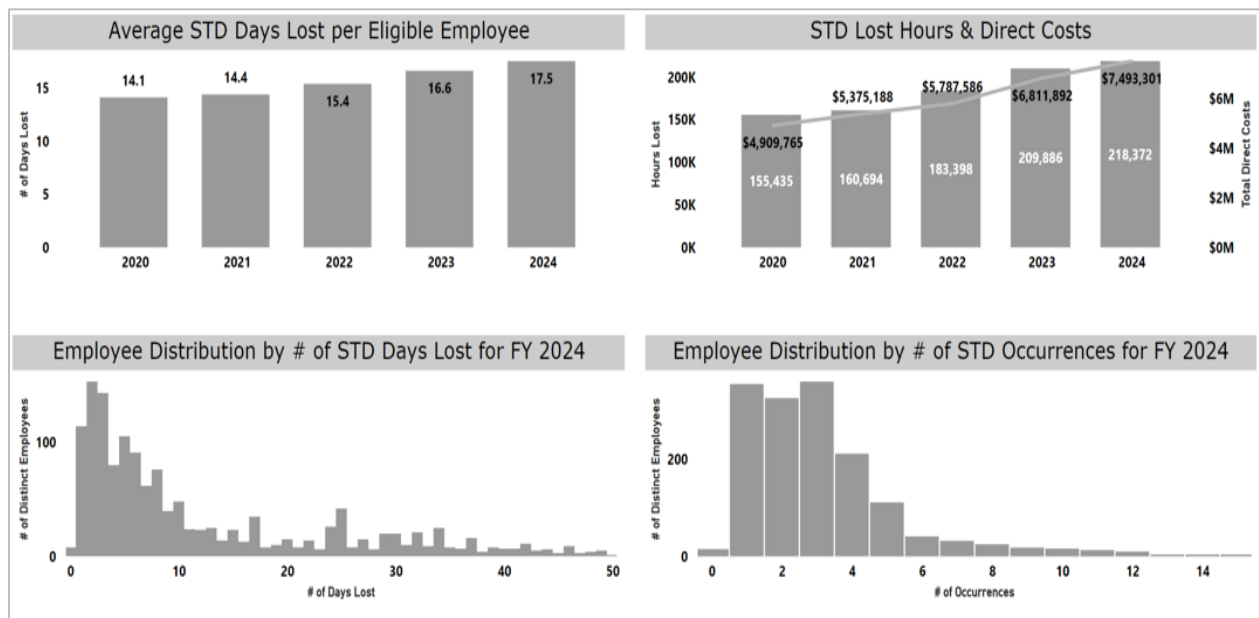
Graph 4 – Planning and Economic Development STD Absence Data



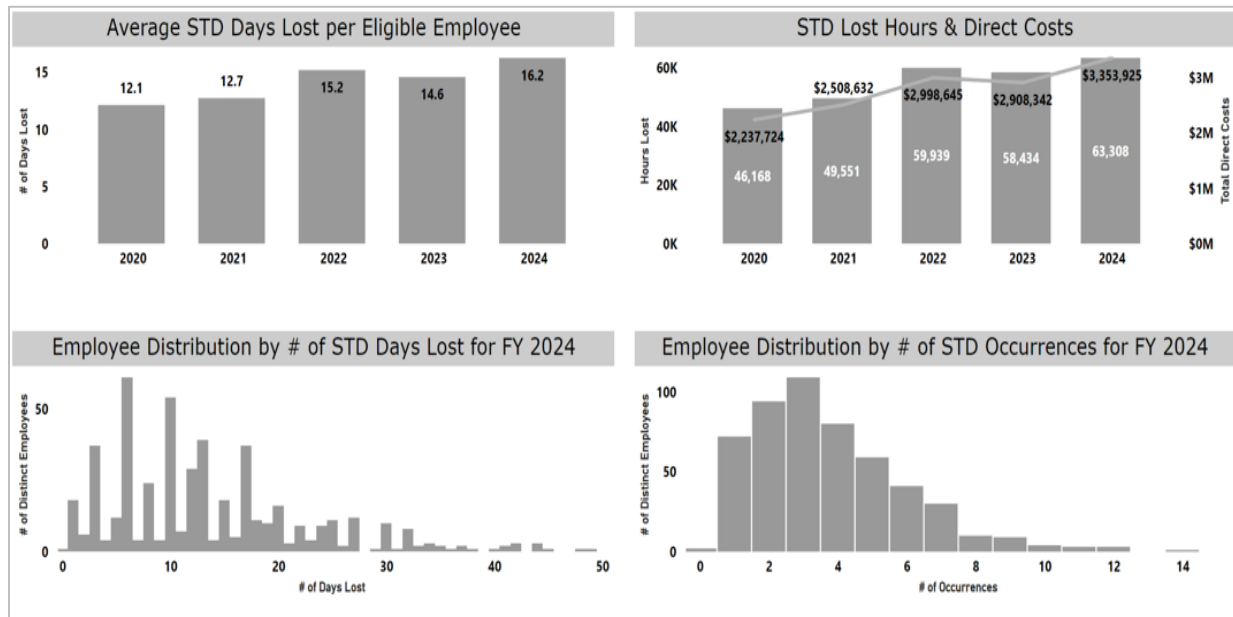
Graph 5 – Public Works STD Absence Data



Graph 6 – Healthy and Safe Communities STD Absence Data

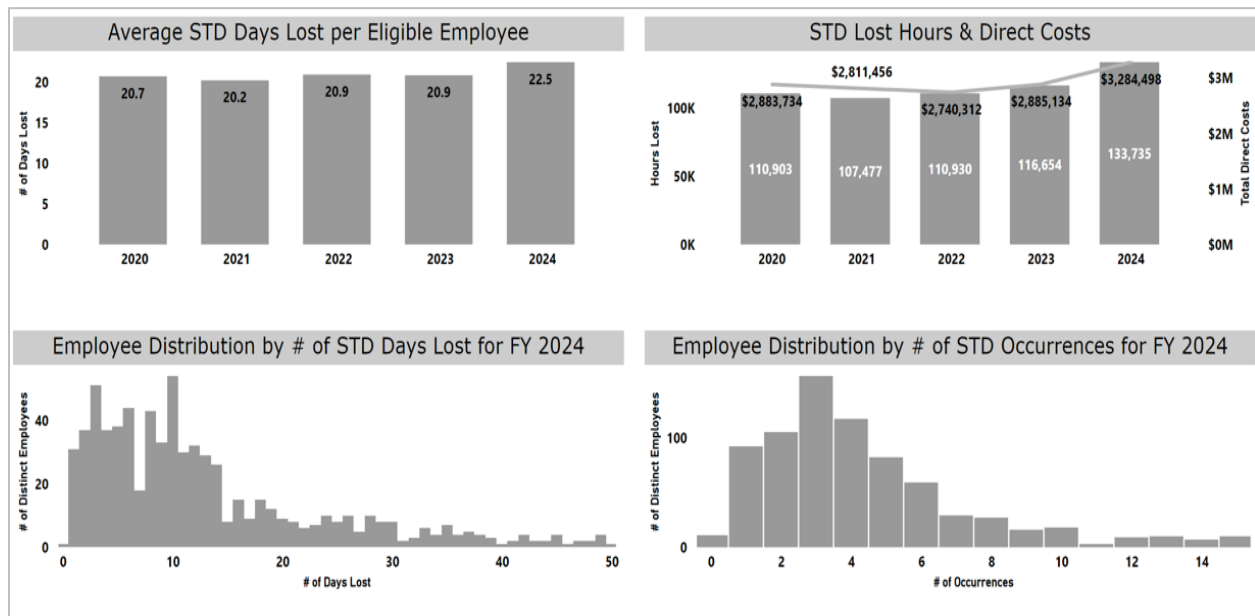


Graph 8 – Hamilton Fire STD Absence Data

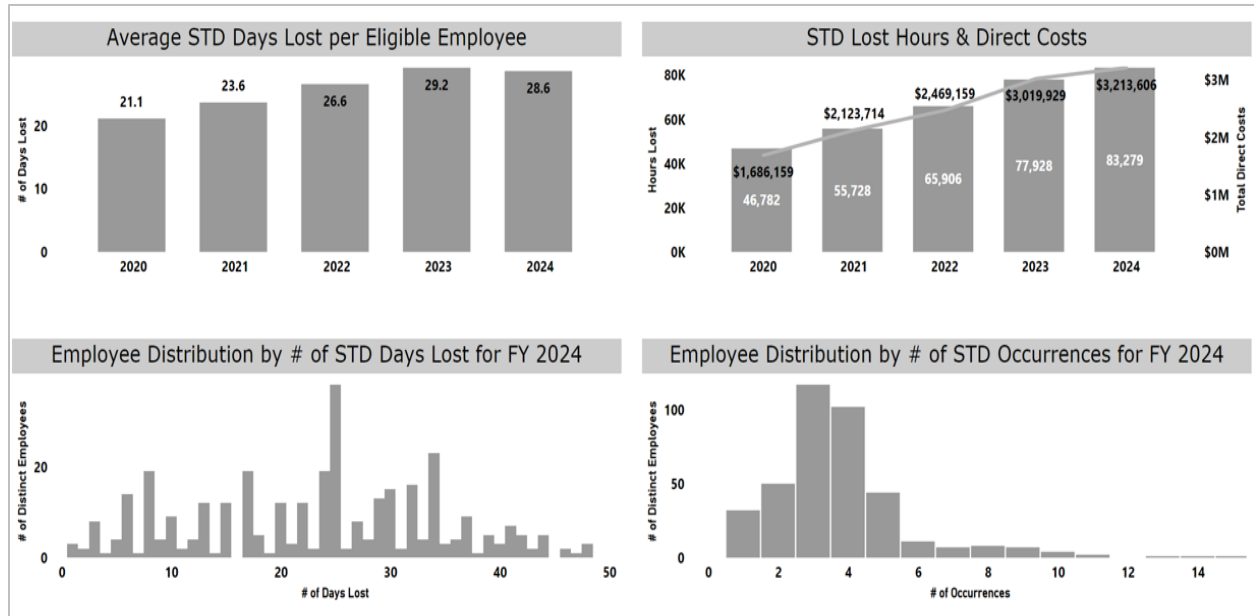


Short-Term Disability Absence Data - Top 5 City Divisions
(Note – Top 5 is based on total number of lost days per division)

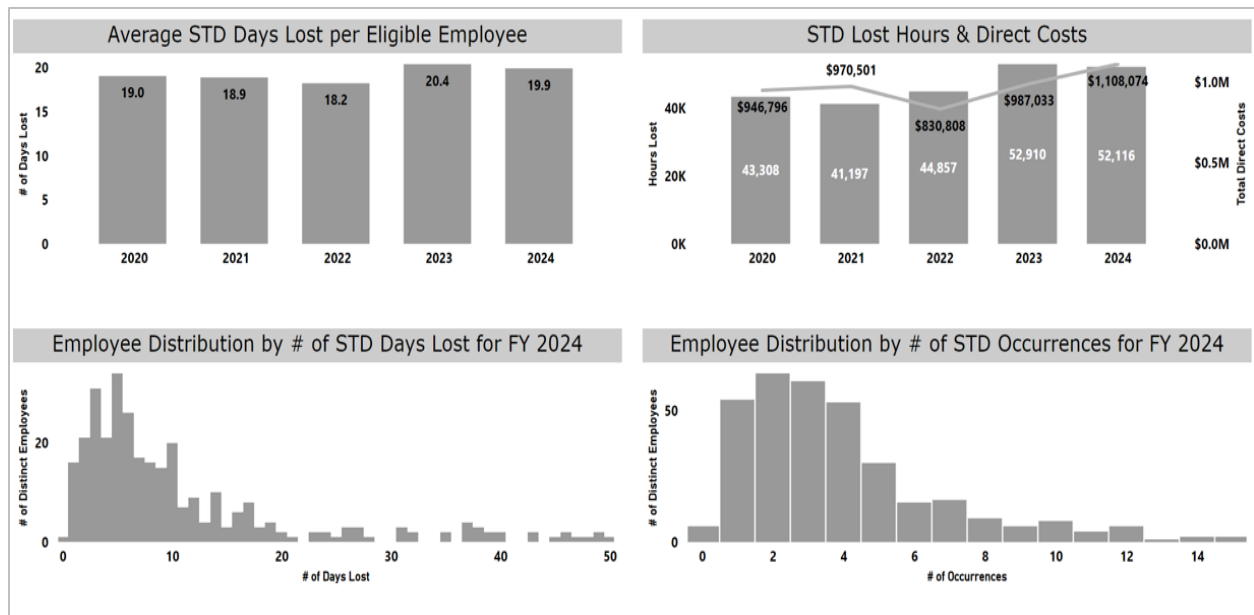
Graph 9 – Transit STD Absence Data



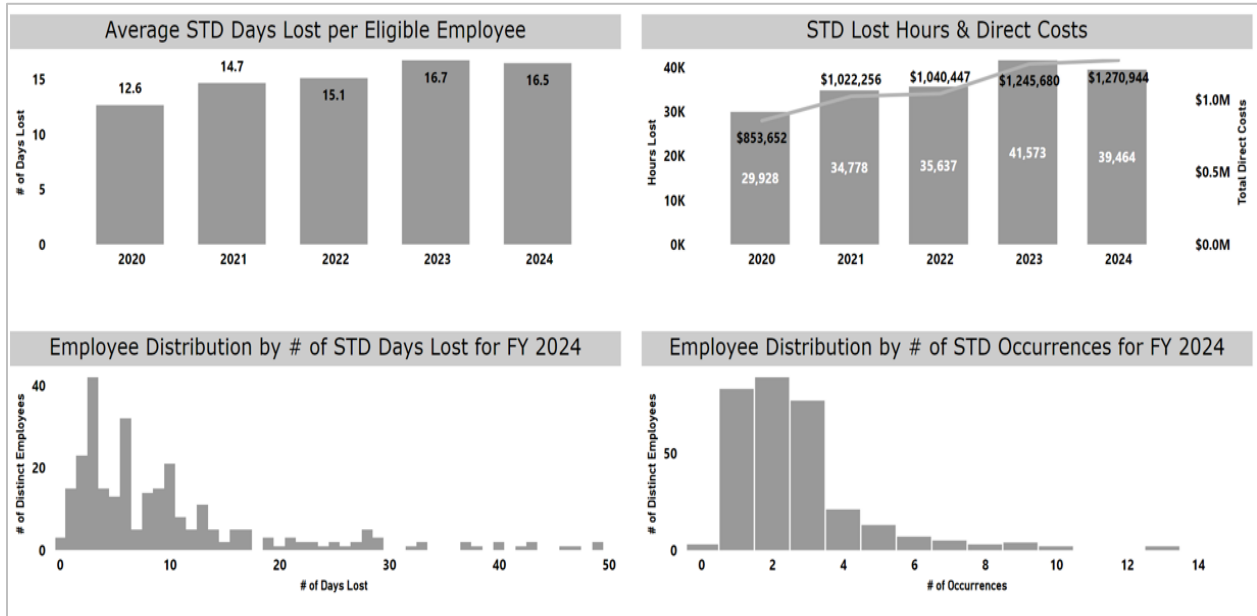
Graph 10 – Hamilton Paramedic Services Division STD Absence Data



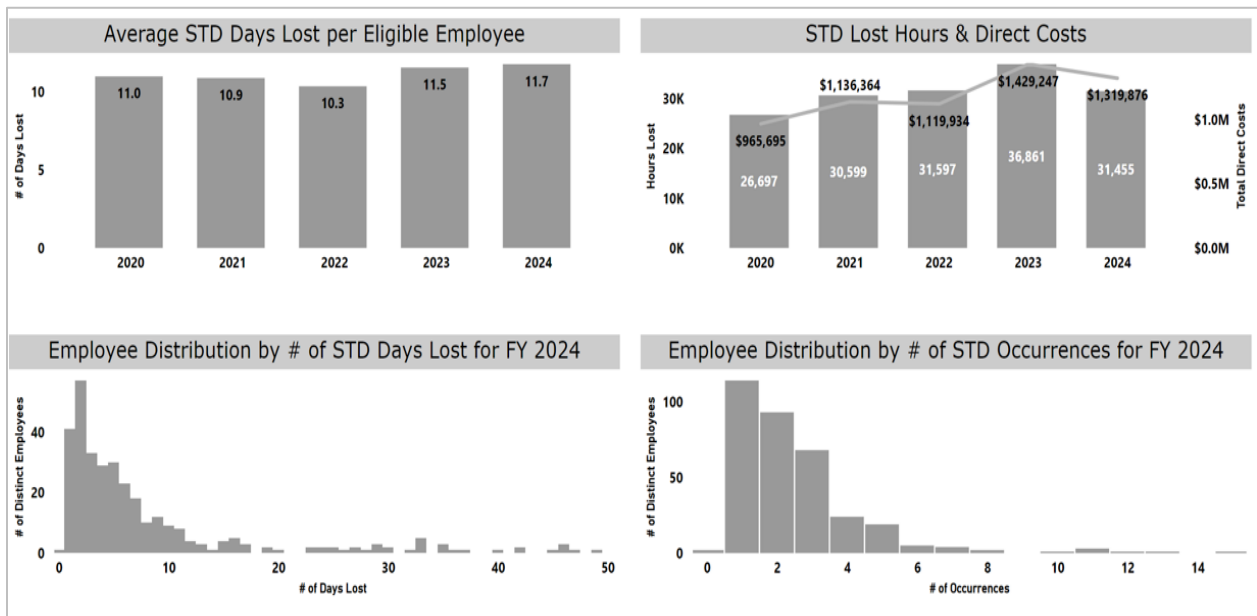
Graph 11 – Lodges Division STD Absence Data



Graph 12 – Transportation Division STD Absence Data



Graph 13 - Medical Officers of Health Division STD Absence Data





City of Hamilton Report for Information

To: Chair and Members
Audit, Finance and Administration Committee

Date: April 10, 2025

Report No: FCS25016

Subject/Title: Development Charges Indexing (FCS25016)

Ward(s) Affected: (City Wide)

Recommendations

1. That Report FCS25016 respecting Development Charges Indexing **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to inform the Chair and Members of the Audit, Finance, and Administration Committee of the increase in development charge (DC) rates, effective June 1, 2025, due to annual indexing.
- This increase is a result of the annual indexing prescribed under City DC By-laws 24-072 and 11-174 (Consolidated), which indicate that DC rates shall be adjusted annually by the percentage change from the previous year as recorded in the Statistics Canada's Building Construction Price Index.

Financial Considerations

Development Charge (DC) indexing is essential for ensuring that DC collections remain aligned with rising construction costs. This alignment is important for maintaining adequate funding for growth-related infrastructure projects. By regularly adjusting DC rates to reflect inflationary trends in construction, municipalities can secure the necessary financial resources to support expanding infrastructure needs, mitigate funding shortfalls, and sustain long-term urban development.

Background

The City of Hamilton has two DC By-Laws: By-law 24-072 (as amended) respecting the collection of DCs for growth-related City services and By-law 11-174 (as amended) respecting the collection of DCs to contribute to Metrolinx (GO Transit) growth capital. In accordance with the City's DC By-laws 24-072 (as amended) and 11-174 (as amended), DC rates are indexed annually by the percentage change during the preceding year, as recorded in Statistics Canada's Building Construction Price Index (Table 18-10-0289-02, non-residential buildings, Toronto) as prescribed by the Province's *Development Charges Act, 1997, S.O. 1997, c. 27* ("DC Act"). This adjustment is required to align DC revenues with construction costs and helps ensure the sustainability of the DC reserves to fund the City's growth-related capital requirements.

Analysis

Development Charges Annual Indexing – Percentage

The percentage change in Statistics Canada's Building Construction Price Index for 2024 was 4.2%. The effective date for applying this indexing rate is June 1, 2025, for City Development Charges (DCs) and July 6, 2025, for GO Transit DCs. This represents one of the lowest increases in recent years, compared to the peak rate of 16.22% in 2022. The 2024 indexing rate reflects a return to more typical levels, aligning with historical trends in construction cost adjustments.

Development Charges Annual Indexing – Amounts

Indexing applies to both City and GO Transit DCs in accordance with DC By-Laws 24-072 (as amended) and 11-174 (as amended). The effective date of the indexing is June 1, 2025, for City DCs and July 6, 2025, for GO Transit DCs.

Note that each individual service category is indexed which may result in the overall increase being slightly more / less than applying the 4.2% index rate to the overall total. Tables 1 to 4 show the impact on the overall City DC after each individual service category has been indexed.

Table 1 illustrates the Residential City DC rates for developments in combined sewer system areas and Table 2 illustrates the Residential City DC rates for developments in separated sewer system areas.

Development Charges Indexing (FCS25016) (City Wide)

Table 1**Residential City DC Rates for Combined Sewer System**

Residential DCs (\$ per unit unless otherwise stated)	City DCs Current (2024-2025\$)	City DCs Indexed (2025-2026\$)	Increase Due to Indexing
Single/Semi	82,800	86,278	3,478
Townhouse/Other Multiple	61,799	64,394	2,595
Apartment (2+ bedrooms)	50,762	52,891	2,129
Apartment (1 bedroom)	31,452	32,776	1,324
Residential Facility (\$ per bed)	25,779	26,862	1,083

Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

Table 2**Residential City DC Rates for Separated Sewer System**

Residential DCs (\$ per unit unless otherwise stated)	City DCs Current (2024-2025\$)	City DCs Indexed (2025-2026\$)	Increase Due to Indexing
Single/Semi	94,539	98,511	3,972
Townhouse/Other Multiple	70,562	73,526	2,964
Apartment (2+ bedrooms)	57,959	60,391	2,432
Apartment (1 bedroom)	35,911	37,422	1,511
Residential Facility (\$ per bed)	29,434	30,670	1,236

Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

Table 3 illustrates the Non-Residential City DC rates for developments in combined sewer system areas.

Table 3
Non-Residential City DC Rates for Combined Sewer System

Non-Residential DCs (\$ per sq. ft.)	City DCs Current (2024-2025\$)	City DCs Indexed (2025-2026\$)	Increase Due to Indexing
Non-Industrial	36.78	38.33	1.55
Industrial - Manufacturing	23.20	24.15	0.95
Industrial - Other ^[1]	23.20	26.06	2.86
New Non-Industrial ^[2] (i.e., Commercial, Institutional)			
1 st 5,000 sq. ft.	18.44	19.20	0.76
2 nd 5,000 sq. ft.	27.60	28.77	1.17
10,000+ sq. ft.	36.78	38.33	1.55

^[1] For the rate period June 1, 2025, to May 31, 2026, industrial developments (excluding manufacturing) receive a 32% rate reduction, down from 37% in the previous period. This decrease in the rate reduction contributes to the year-over-year increase in the development charge rate. Meanwhile, manufacturing developments continue to receive a 37% reduction.

^[2] New non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) receive reduced stepped rates as illustrated above.

Table 4 illustrates the Non-Residential City DC rates for developments in separated sewer system areas.

Table 4
Non-Residential City DC Rates for Separated Sewer System

Non-Residential DCs (\$ per sq. ft.)	City DCs Current (2024-2025\$)	City DCs Indexed (2025-2026\$)	Increase Due to Indexing
Non-Industrial	43.26	45.09	1.83
Industrial	27.28	28.41	1.13
Industrial - Other ^[1]	27.28	30.65	3.37
New Non-Industrial ^[2] (i.e., Commercial, Institutional)			
1 st 5,000 sq. ft.	21.68	22.58	0.90
2 nd 5,000 sq. ft.	32.47	33.84	1.37
10,000+ sq. ft.	43.26	45.09	1.83

^[1] For the rate period June 1, 2025, to May 31, 2026, industrial developments (excluding manufacturing) receive a 32% rate reduction, down from 37% in the previous period. This decrease in the rate reduction contributes to the year-over-year increase in the development charge rate. Meanwhile, manufacturing developments continue to receive a 37% reduction.

^[2] New non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) receive reduced stepped rates as illustrated above.

Table 5 illustrates the index impact on Metrolinx (GO Transit) DC Rates. Metrolinx (GO Transit) DCs are only collected from residential developments.

Table 5
Metrolinx (GO Transit) DC Rates

Residential DCs (\$ per unit unless otherwise stated)	GO DCs Current (2024-2025\$)	GO DCs Indexed (2025-2026\$)	Increase Due to Indexing
Single/Semi	386	402	16
Townhouse/Other Multiple	277	289	12
Apartment (2+ bedrooms)	239	249	10
Apartment (1 bedroom)	160	167	7
Residential Facility (\$ per bed)	126	131	5

Appendix “A” to Report FCS25016 is the City’s DC Pamphlet which will be published on the City’s website and made available to the public. Different DCs index at different times: City DCs on June 1, 2025, GO Transit DCs on July 6, 2025, and Education DCs on July 1, 2025. The Pamphlet provides a summary schedule of the current rates and provisions contained within the DC By-laws. Special area charges are also outlined, where applicable.

Notice of DC indexing will be provided to the Development Industry Liaison Group (DILG) and publicized through the City’s website and social media channels.

Transition Policy

DCs are payable at building permit issuance with some exceptions.

Effective January 1, 2020, the Province implemented exceptions that are detailed in Report FCS21025, presented at the March 25, 2021, meeting of the Audit, Finance and Administration Committee. The rate payable is legislated through the *DC Act* and is either the rate in effect on the date of building permit issuance or the rate that was in effect at site plan or site-specific zoning by-law amendment application date plus interest to the building permit issuance date.

For developments already in progress and nearing permit issuance, and where a site plan or site-specific zoning amendment application is not applicable, a transition policy was included as part of DC By-law 24-072 (as amended). The transition policy allows for the DC rates, in effect on the date of building permit application, to be paid if **all** the following criteria are met:

- The permit application must be a complete application as per requirements outlined by the Building Services Division;
- The permit must be issued within six months of the effective date of the first rate increase following application; and,
- The permit must not be revoked after the date of a rate increase.

Alternatives

Not applicable.

Relationship to Council Strategic Priorities

This report on the DC indexing rate and rates for the upcoming period aligns with City Council Priority 3: Responsiveness & Transparency. Specifically, it supports 3.1 (customer service and proactive communication) and 3.3 (building a high-performance public service). Informing the development community in advance of rate changes ensures they can make informed decisions.

Previous Reports Submitted

Not Applicable

Consultation

Watson & Associates Economists Ltd.

Communications & Strategic Initiatives, City of Hamilton

Appendices and Schedules Attached

Appendix "A" to Report FCS25016: DC Pamphlet 01-Jun-2025 to 31-May-2026

Prepared by: Alex Di Domenico, Senior Financial Analyst
Corporate Services, Financial Planning, Administration and Policy

Submitted and recommended by: Kirk Weaver, Acting Director
Corporate Services, Financial Planning, Administration, and Policy



CITY OF HAMILTON
Development Charges (DC) Information – Pamphlet
Summary of By-laws 24-072 (as amended) and 11-174 (as amended)

**Rates Effective
June 1, 2025 – May 31, 2026**

Please ensure the effective date of this pamphlet corresponds with your needs.

The information contained within is intended only as a guide. Interested parties should review the approved DC By-laws and DC Act.

Purpose of DCs:

The purpose of DCs is to recover the growth-related costs associated with the capital infrastructure needed to service new development and redevelopment within the municipality.

By-Laws for the City of Hamilton:

By-law No. 24-072 (as amended) – City DCs

By-law No. 11-174 (as amended) – GO Transit DCs

City DC rates shall be indexed on June 1 (GO Transit DCs, July 6) each year by the percentage change recorded in the average annual Non-Residential Construction Price Index for Toronto produced by Statistics Canada. Table: 18-10-0289-02 (formerly 18-10-0276-02). Education DCs, controlled and set by the respective education boards, are indexed on July 1 each year as well.

Payment of DCs:

DCs are payable at the time of building permit issuance and are collected by the City of Hamilton Building Department. Pursuant to legislative changes which came into effect as of January 1, 2020, DCs for the following types of developments are eligible to be paid in instalments:

- Rental Housing (6 annual instalments commencing at occupancy)
- Institutional (6 annual instalments commencing at occupancy). This category includes long-term care homes; retirement homes; universities and colleges; memorial homes, clubhouses, or athletic grounds of the Royal Canadian Legion; and hospices.

The City also offers deferrals for developments in the ERASE Redevelopment Grant Program (ERG), non-residential and apartment developments, subject to availability. Please connect with staff for further details (contact information below).

DC Rate Lock-In:

As per Section 26.2 of the DC Act, the DC rate charged to a development will be based on the application date of a Site Plan Application or a Site-specific Zoning Amendment, if such application is applicable, and only where such application is applied for on or after January 1, 2020 and the related building permit is issued within two years/18 months of the approval of the related application. Interest charges will apply. Please connect with staff for further details.

Demolition Credits:

A credit is allowed for demolitions for a period of 5 years from the date of issuance of the demolition permit. The dollar value of the credit is based on the rate in effect at the time of redevelopment and on the exemption status of the demolished/redeveloped building at the time of redevelopment (i.e., no credit if the demolished building is exempt under the current By-Law). Note that the credit for both residential and non-residential demolitions expire 5 years from the date of demolition permit issuance for both HWDSB (Public) and HWCDSB (Catholic) Education DCs.

Transition Policy:

Normally, the DC rate payable is the rate in effect on the day that the building permit is issued. However, where the DC Rate lock-in per Section 26.2 of the DC Act does not apply, the City's policy is that the DC rate payable is the rate in effect on the date that a complete building permit application is received and accepted by the City's Chief Building Officer, provided that the building permit is issued within 6 months of the first rate increase following application. If the building permit is revoked on or after the date of the rate increase, the rates in effect on the date of permit issuance will be payable. Please note: This is not applicable to Education DCs or in cases where the DC Rate Lock-in is applicable.

Credits and Exemptions:

Refer to attached pages for rate highlights as well as exemption and credit policies.

Treasurer's Statement:

The City Treasurer prepares an annual statement regarding the use of DC funds and sets out the balance in each of the DC reserves.

Copies of By-laws and Treasurer's Statement:

Copies of the DC By-laws as well as the Treasurer's statement are available from the Clerk's office on the 1st Floor of City Hall, 71 Main St. W., Hamilton, Ontario L8P 5Y4 and on the City's [website](#).

For further information regarding DCs, contact:

Finance at DCRequest@hamilton.ca (ext. 4400) or Building at 905-546-2720

Please check with City Staff at ParklandRequest@hamilton.ca regarding Parkland Dedication fees and CBCRequest@hamilton.ca regarding Community Benefits Charges which may apply and are separate and distinct from Municipal DCs.

DC Policies approved by City of Hamilton Council do not impact Education DCs which are controlled and set by the HWCDSB and HWDSB.

SERVICE COMPONENT BREAKDOWN EFFECTIVE June 1, 2025 – May 31, 2026

Service	RESIDENTIAL (\$)					NON-RESIDENTIAL (\$) (note a)	
	Single-Detached Dwelling & Semi-Detached Dwelling (per dwelling unit)	Townhouses & Other Multiple Unit Dwellings (per dwelling unit)	Apartments & Stacked Townhouses & Mobile Homes 2-Bedrooms+ (per dwelling unit)	Apartments & Stacked Townhouses & Mobile Homes Bachelor & 1-Bedrooms+ (per dwelling unit)	Residential Facility Dwelling & Lodging House & Garden Suite (per bedroom)	(per sq. ft. of Gross Floor Area)	(per sq. m.)
Municipal Wide "Soft" Services:							
Parks and Recreation	12,480	9,315	7,651	4,741	3,886	1.07	11.52
Library Services	2,325	1,735	1,425	884	724	0.20	2.15
Long Term Care	261	194	160	99	81	0.04	0.43
Public Health	47	35	29	18	15	0.01	0.11
Provincial Offences Act	58	44	36	23	18	0.03	0.32
Total Municipal Wide "Soft" Services	15,171	11,323	9,301	5,765	4,724	1.35	14.53
Municipal Wide "Hard" Services:							
Services Related to a Highway	20,419	15,240	12,519	7,756	6,357	15.02	161.67
Services Related to a Highway - Studies	99	74	60	38	30	0.06	0.65
Public Works	1,506	1,123	922	572	469	0.91	9.80
Police Services	1,148	858	703	437	357	0.69	7.43
Fire Protection Services	1,298	969	796	493	404	0.78	8.40
Ambulance Services	367	274	224	139	114	0.06	0.65
Transit Services	1,806	1,348	1,108	686	562	1.08	11.63
Waste Diversion	391	291	239	148	122	0.03	0.32
Growth Studies	502	374	307	191	156	0.30	3.23
Total Municipal Wide "Hard" Services	27,536	20,551	16,878	10,460	8,571	18.93	203.78
Total Municipal Wide - "Soft" and "Hard" Services	42,707	31,874	26,179	16,225	13,295	20.28	218.31
Wastewater and Water Services (note b)							
Wastewater Facilities	8,036	5,998	4,927	3,052	2,502	5.11	55.00
Wastewater Linear Services	11,989	8,949	7,350	4,555	3,733	7.62	82.02
Water Services	7,733	5,772	4,741	2,937	2,408	4.92	52.96
Water and Wastewater Studies	613	456	375	232	191	0.40	4.31
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services (note c)	10,775	8,042	6,606	4,093	3,354	-	-
Stormwater Studies	4,425	3,303	2,713	1,682	1,379	-	-
Stormwater Services - Separated Sewer System							
Stormwater Drainage and Control Services (note c)	25,650	19,146	15,726	9,743	7,986	5.36	57.69
Stormwater Studies	1,783	1,331	1,093	678	555	1.40	15.07
Total Urban Services - Combined Sewer System							
Urban Area A (note f)	43,571	32,520	26,712	16,551	13,567	18.05	194.29
Total Urban Services - Separated Sewer System							
Urban Area A	55,804	41,652	34,212	21,197	17,375	24.81	267.05
Urban Area B (note f)	35,469	26,475	21,746	13,473	11,043	11.87	127.76
CITY DC TOTAL - COMBINED SEWER SYSTEM							
Urban Area A	86,278	64,394	52,891	32,776	26,862	38.33	412.60
CITY DC TOTAL - SEPARATED SEWER SYSTEM							
Urban Area A	98,511	73,526	60,391	37,422	30,670	45.09	485.36
Urban Area B	78,176	58,349	47,925	29,698	24,338	32.15	346.07
Other Development Charges							
GO Transit (City-Wide): June 1 - July 5, 2025	386	277	239	160	126	-	-
GO Transit (City-Wide): July 6, 2025 - May 31, 2026	402	289	249	167	131	-	-
Education - HWDSB (Public - note d): June 1 - June 30, 2025	1,873	1,873	1,873	1,873	1,873	0.60	6.46
Education - HWDSB (Public - note d): July 1, 2025 - May 31, 2026	2,040	2,040	2,040	2,040	2,040	0.70	7.53
Education - HWCDSB (Catholic - note d): June 1 - June 30, 2025	1,539	1,539	1,539	1,539	1,539	0.65	7.00
Education - HWCDSB (Catholic - note d): July 1, 2025 - May 31, 2026	1,539	1,539	1,539	1,539	1,539	0.75	8.07
TOTAL BEFORE SPECIAL AREA CHARGES							
- COMBINED SEWER SYSTEM							
Urban Area A: June 1 - June 30, 2025	90,076	68,083	56,542	36,348	30,400	39.58	426.06
Urban Area A: July 1 - July 5, 2025	90,243	68,250	56,709	36,515	30,567	39.78	428.20
Urban Area A: July 6, 2025 - May 31, 2026	90,259	68,262	56,719	36,522	30,572	39.78	428.20
TOTAL BEFORE SPECIAL AREA CHARGES							
- SEPARATED SEWER SYSTEM							
Urban Area A: June 1 - June 30, 2025	102,309	77,215	64,042	40,994	34,208	46.34	498.82
Urban Area A: July 1 - July 5, 2025	102,476	77,382	64,209	41,161	34,375	46.54	500.96
Urban Area A: July 6, 2025 - May 31, 2026	102,492	77,394	64,219	41,168	34,380	46.54	500.96
Urban Area B: June 1 - June 30, 2025	81,974	62,038	51,576	33,270	27,876	33.40	359.53
Urban Area B: July 1 - July 5, 2025	82,141	62,205	51,743	33,437	28,043	33.60	361.67
Urban Area B: July 6, 2025 - May 31, 2026	82,157	62,217	51,753	33,444	28,048	33.60	361.67
Special Area Charges							
Dundas/Waterdown (note e)	1,931	1,441	1,884	734	601	1.07	11.52
GRAND TOTAL AFTER SPECIAL AREA CHARGES							
- COMBINED SEWER SYSTEM							
Urban Area A: June 1 - June 30, 2025	92,007	69,524	58,426	37,082	31,001	40.65	437.58
Urban Area A: July 1 - July 5, 2025	92,174	69,691	58,593	37,249	31,168	40.85	439.72
Urban Area A: July 6, 2025 - May 31, 2026	92,190	69,703	58,603	37,256	31,173	40.85	439.72
GRAND TOTAL AFTER SPECIAL AREA CHARGES							
- SEPARATED SEWER SYSTEM							
Urban Area A: June 1 - June 30, 2025	104,240	78,656	65,926	41,728	34,809	47.41	510.34
Urban Area A: July 1 - July 5, 2025	104,407	78,823	66,093	41,895	34,976	47.61	512.48
Urban Area A: July 6, 2025 - May 31, 2026	104,423	78,835	66,103	41,902	34,981	47.61	512.48
Urban Area B: June 1 - June 30, 2025	83,905	63,479	53,460	34,004	28,477	34.47	371.05
Urban Area B: July 1 - July 5, 2025	84,072	63,646	53,627	34,171	28,644	34.67	373.19
Urban Area B: July 6, 2025 - May 31, 2026	84,088	63,658	53,637	34,178	28,649	34.67	373.19

Notes:

<p>a) There are 2 categories of Non-Residential charges – “Industrial” and “Non-Industrial” as defined in the By-laws. See Page 3 for applicable rates.</p> <p>b) Charges applicable to developments outside of the urban area shall be determined with regards to the Urban services required or used.</p> <p>c) Charges related to Stormwater services are differentiated within the geographic location of the development between Combined Sewer System Area and Separated Sewer System Area (identified on Page 6) and shall be determined with regards to the Area-Specific DC calculation for Stormwater services.</p>	<p>d) Education DCs are controlled and set by the respective education boards and collected by the City on their behalf. DC Policies approved by the City of Hamilton do not impact these charges. Full list of exemptions for Education DCs can be found on Page 4.</p> <p>e) Land affected by the Dundas & Waterdown Special Area Charge can be found on Page 9. This charge is not subject to annual indexing.</p> <p>f) New for the 2024 DC By-law: City DCs are differentiated within the geographic location of the development between Urban Area A and Urban Area B (defined in the 2024 DC By-law; Urban Area A identified on Page 10).</p>
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Non-Residential Rates:

Industrial (Excluding Manufacturing)

The City’s per square foot charge for industrial development (excluding manufacturing) has been discounted from the full non-residential rates to reduced industrial rates shown as follows, between June 1, 2025 – May 31, 2026:

(Per Sq. Ft. of GFA)	Reduced Industrial Rate	Full Non-Residential Rate
Combined Sewer System – Urban Area A	\$26.06	\$38.33
Separated Sewer System – Urban Area A	\$30.65	\$45.09
Separated Sewer System – Urban Area B	\$21.85	\$32.15

Manufacturing, Production Studios and Artist Studios

The City’s per square foot charge for development of manufacturing facilities, production studios and artist studios has been discounted from the full non-residential rates to reduced rates shown as follows, between June 1, 2025 – May 31, 2026:

(Per Sq. Ft. of GFA)	Reduced Rate – Manufacturing & Production/Artist Studios	Full Non-Residential Rate
Combined Sewer System – Urban Area A	\$24.15	\$38.33
Separated Sewer System – Urban Area A	\$28.41	\$45.09
Separated Sewer System – Urban Area B	\$20.26	\$32.15

Non-Industrial (Commercial/Institutional)

The rates for new non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) is phased as follows, between June 1, 2025 – May 31, 2026:

(Per Sq. Ft. of GFA)	1st 5,000 Sq. Ft. (50% of charge in effect)	2nd 5,000 Sq. Ft. (75% of charge in effect)	10,000+ Sq. Ft. (100% of charge in effect)
Combined Sewer System – Urban Area A	\$19.20	\$28.77	\$38.33
Separated Sewer System – Urban Area A	\$22.58	\$33.84	\$45.09
Separated Sewer System – Urban Area B	\$16.11	\$24.13	\$32.15

The rates for all other new non-industrial developments can be found in the rates table on Page 2 under Non-Residential.

The above exemptions / deductions DO NOT apply to Education DCs and Special Area Charges.

Exemptions (City of Hamilton DCs):

Residential:

Exemptions as per the DC Act:

- Non-profit housing development – 100%.
- Rental housing: unit with 3+ bedrooms: 25% reduction; unit with 2 bedrooms: 20% reduction; all other: 15% reduction.
- Exemption for residential units in existing residential buildings – The following are 100% exempt from DCs: (1) enlargement of a dwelling unit; (2) an addition of up to 2 secondary dwelling units (SDUs) to detached, semi-detached, and row dwelling units, where one SDU can be detached; and (3) the greater of 1 unit or 1% of existing units to a rental building.
- Exemption for additional residential units in new residential buildings – The following are 100% exempt from DCs: an addition of up to 2 SDUs to detached, semi-detached, and row dwelling units, where one SDU can be detached.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the City DC By-law:

- Downtown Hamilton CIPA exemption for residential development – 35% exemption of DCs otherwise payable for June 1, 2025 to May 31, 2026. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Redevelopment of an existing residential development for the purpose of creating residential facilities within the existing building is exempt from 50% of DCs otherwise payable (credit for 100% of previous residential facility use).
- Farm labour residences – 100%.

Non-Residential:

Exemption as per the DC Act:

- Industrial expansion (attached building) – 100% exemption for up to 50% expansion of existing GFA.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the City DC By-law:

- Downtown Hamilton CIPA exemption for non-residential development (excluding Class A Office Developments), industrial development and the non-residential component of mixed-use development – 40% exemption of DCs otherwise payable. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Downtown Hamilton CIPA exemption for Class A Office Developments (20K+ sq. ft. GFA) – 70% exemption of DCs otherwise payable. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Reduced rate exemption for manufacturing, production studios and artist studios – 37%. See rates above.
- Reduced rate exemption for industrial development (other than manufacturing) – 32% for June 1, 2025 to May 31, 2026. See rates above.
- Industrial expansion (detached building) – 100% exemption for up to 50% expansion of existing GFA be applied only to industrial businesses with primary economic activity identified as manufacturing.
- Agricultural use/bona fide farming use – 100%. Farm Business Registration Number required, see City DC By-law for further details.
- A temporary building or structure – 100%. See City DC By-law for further details.
- Parking structure (excluding commercial parking) – 100%.
- Place of worship – 100%. Excludes revenue-generating space (must be exempt from property taxes).
- Office expansion (attached or detached; medical clinic excluded) – 100% exemption for the initial 5K sq. ft. of GFA.

Both:

Exemption as per the DC Act:

- Public university – 100%.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemption as per the City DC By-law:

- Heritage buildings – 100% exempt for adaptive reuse within the existing building, excluding sections that are not covered by a Heritage designation.

Please note the majority of these exemptions DO NOT apply to Education DCs.

Please go to [Interactive Mapping | Open Hamilton \(arcgis.com\)](#) and select Commercial District & Corridor CIPAs, BIAs and the Downtown UGC to confirm CIPA and BIA boundaries.

Exemptions (GO Transit DCs):

Residential:

Exemptions as per the DC Act:

- Non-profit housing development – 100%.
- Rental housing: unit with 3+ bedrooms: 25% reduction; unit with 2 bedrooms: 20% reduction; all other: 15% reduction.
- Exemption for residential units in existing residential buildings – The following are 100% exempt from DCs: (1) enlargement of a dwelling unit; (2) an addition of up to 2 secondary dwelling units (SDUs) to detached, semi-detached, and row dwelling units, where one SDU can be detached; and (3) the greater of 1 unit or 1% of existing units to a rental building.
- Exemption for additional residential units in new residential buildings – The following are 100% exempt from DCs: an

- addition of up to 2 SDUs to detached, semi-detached, and row dwelling units, where one SDU can be detached.
- Public university – 100%. See City DC By-law for further details.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the GO Transit DC By-law:

- Exemption for residential units in existing residential buildings (in addition to the DC Act) – 100% exemption for 1 unit to any other residential buildings (other than a single detached, semi-detached, and row dwelling units). DCs shall be imposed if the additional unit has a GFA greater than the GFA of the smallest unit in the building.
- Redevelopment of an existing residential development for the purpose of creating residential facilities within the existing building is exempt from 50% of DCs otherwise payable (credit for 100% of previous residential facility use).
- Heritage buildings – 100% exempt for adaptive reuse within the existing building, excluding sections that are not covered by a Heritage designation.

Please note the majority of these exemptions DO NOT apply to Education DCs.

Please go to [Interactive Mapping | Open Hamilton \(arcgis.com\)](#) and select Commercial District & Corridor CIPAs, BIAs and the Downtown UGC to confirm CIPA and BIA boundaries.

Exemptions (Education DCs: Public & Catholic):

Residential:

- Exemption for residential units in existing residential buildings – The following are 100% exempt from DCs: (1) enlargement of an existing dwelling unit; and (2) creation of 1 or 2 units to an existing single detached dwelling, or 1 unit to any other existing residential building (subject to GFA restrictions).
- Long-term care home, as defined in the *Long-Term Care Homes Act, 2007* – 100%.
- Retirement home, as defined in the *Retirement Homes Act, 2010* – 100%.
- Hospice or other facility that provides palliative care services – 100%.

Non-Residential:

- Public Hospital – Exempt from 100% of DCs if receiving aid under *Public Hospitals Act*.
- Place of Worship, churchyard, cemetery, or burial site – 100% exempted (must be exempt from property taxes).
- Non-residential farm buildings – 100% exempted.
- Enlargement of existing industrial buildings – 100% exemption for up to 50% expansion of existing GFA.
- Metrolinx, or a predecessor or successor corporation identified under the Metrolinx Act, 2006, C. 16, excluding retail use development – 100%.
- Private school – 100%.
- Child care centre, as defined in the Child Care and Early Years Act, 2014 – 100%.
- Memorial home, clubhouse or athletic grounds owned by the Royal Canadian Legion – 100%.
- The owner is a college of applied arts and technology established under the Ontario Colleges of Applied Arts and Technology Act, 2002 – 100%.
- The owner is a university that receives regular and ongoing operating funds from the Government of Ontario for the purposes of post-secondary education – 100%.
- The owner is an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institutes Act, 2017. O. Reg. 371/19, s. 1; O. Reg. 263/22, s. 1 – 100%.
- Lands that are owned by and are used for the purpose of a community college – 100%.

Both:

- Localized Education Development Agreements – 100%.

Complaints Procedure:

A person required to pay a DC, or the person's agent, may complain under Section 20 of the DC Act to the Council of the municipality that:

1. the amount of the DC was incorrectly determined;
2. whether a credit is available to be used against the DC, or the amount of the credit or the service with respect to which the credit was given, was incorrectly determined; or,
3. there was an error in the application of the DC By-law(s).

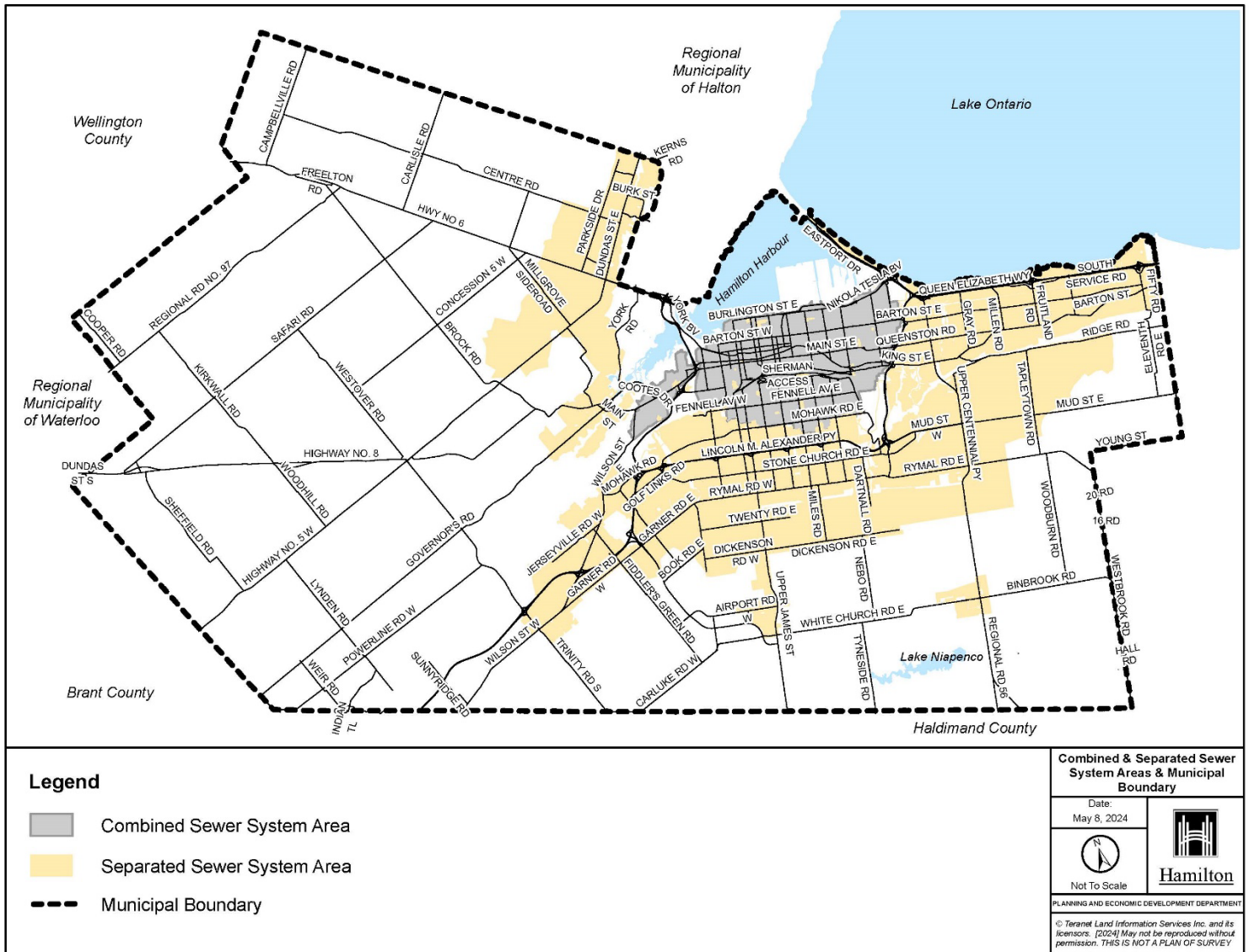
The complaint must be made in writing to the City Clerk with a copy to Corporate Services and must identify that it is a Section 20 complaint and include all information required by the DC Act. The complaint may not be made more than 90 days after the DC, or any part of it, is payable.

Mailing address of the City Clerk's Office to direct a Section 20 complaint to:

City Clerk's Office
1st Floor of City Hall
71 Main Street West
Hamilton, Ontario L8P 5Y4

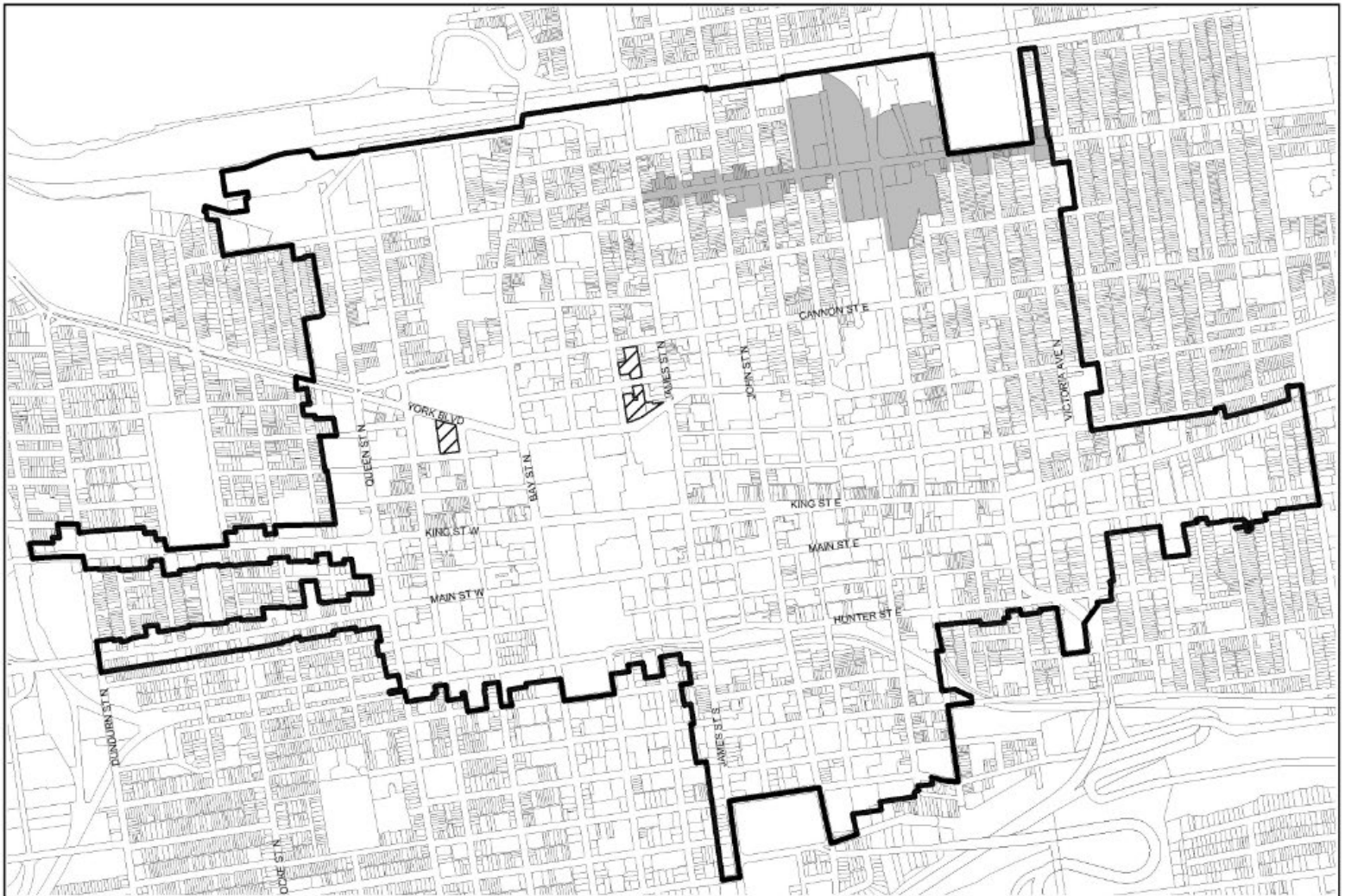
Please note that all documents which form the complaint will become part of the public record.

Combined & Separated Sewer System Areas & Municipal Boundary Map



To request enlarged version of maps, please email DCRequest@hamilton.ca.

Downtown Hamilton CIPA



Schedule "A"
 Map Forming Part of By-Law No. 21- 163

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Date:
 January 2021



NOT TO SCALE

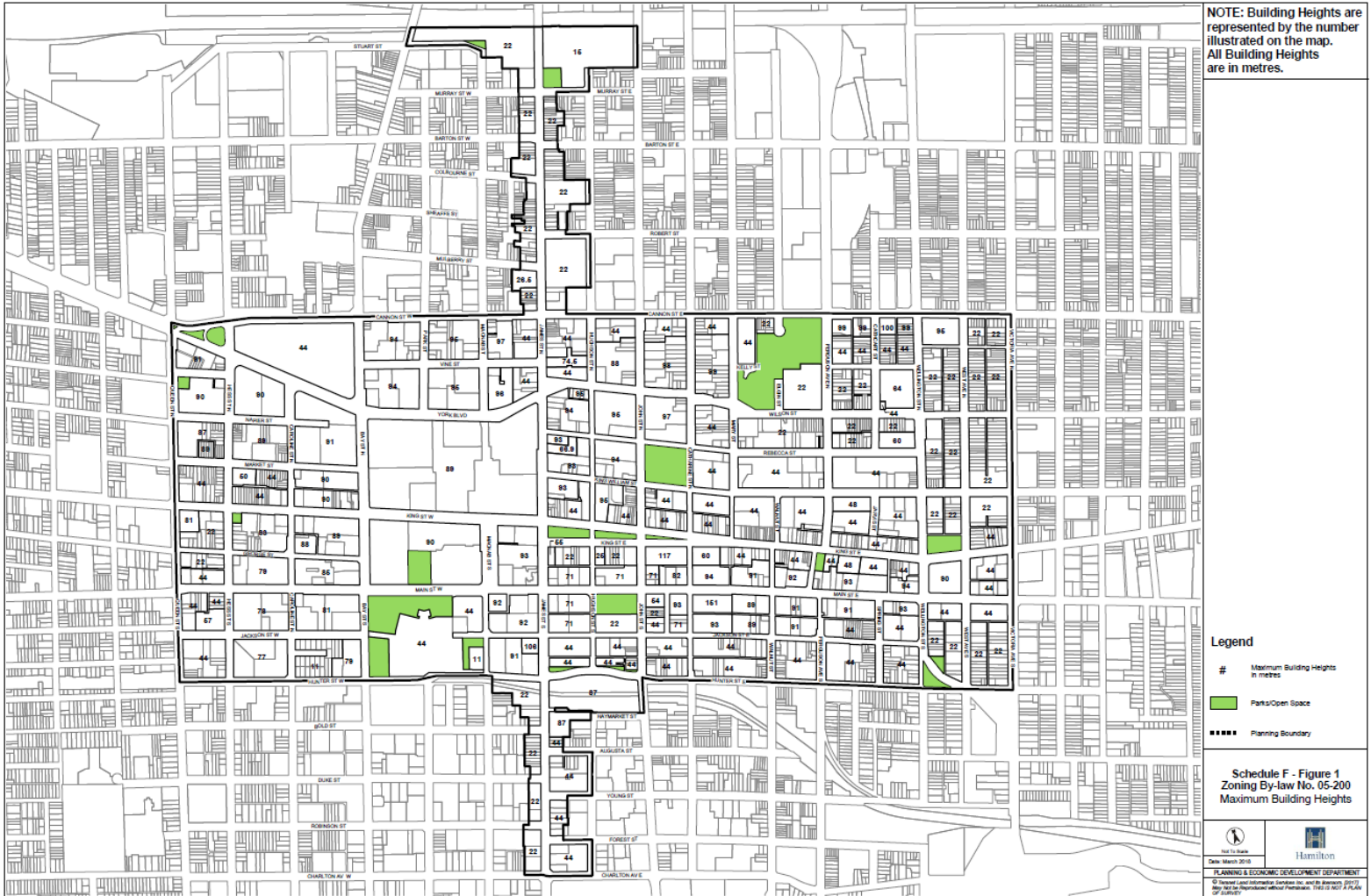
Revitalizing Hamilton's Commercial Districts
 Community Improvement Project Area Map

Legend

-  Downtown Hamilton Commercial District Community Improvement Project Area
-  Area also available for the Downtown Entertainment Precinct Advancement Program
-  Area also available for the Campbell/Cawthra Commercial Corridor Building Improvement Grant Program

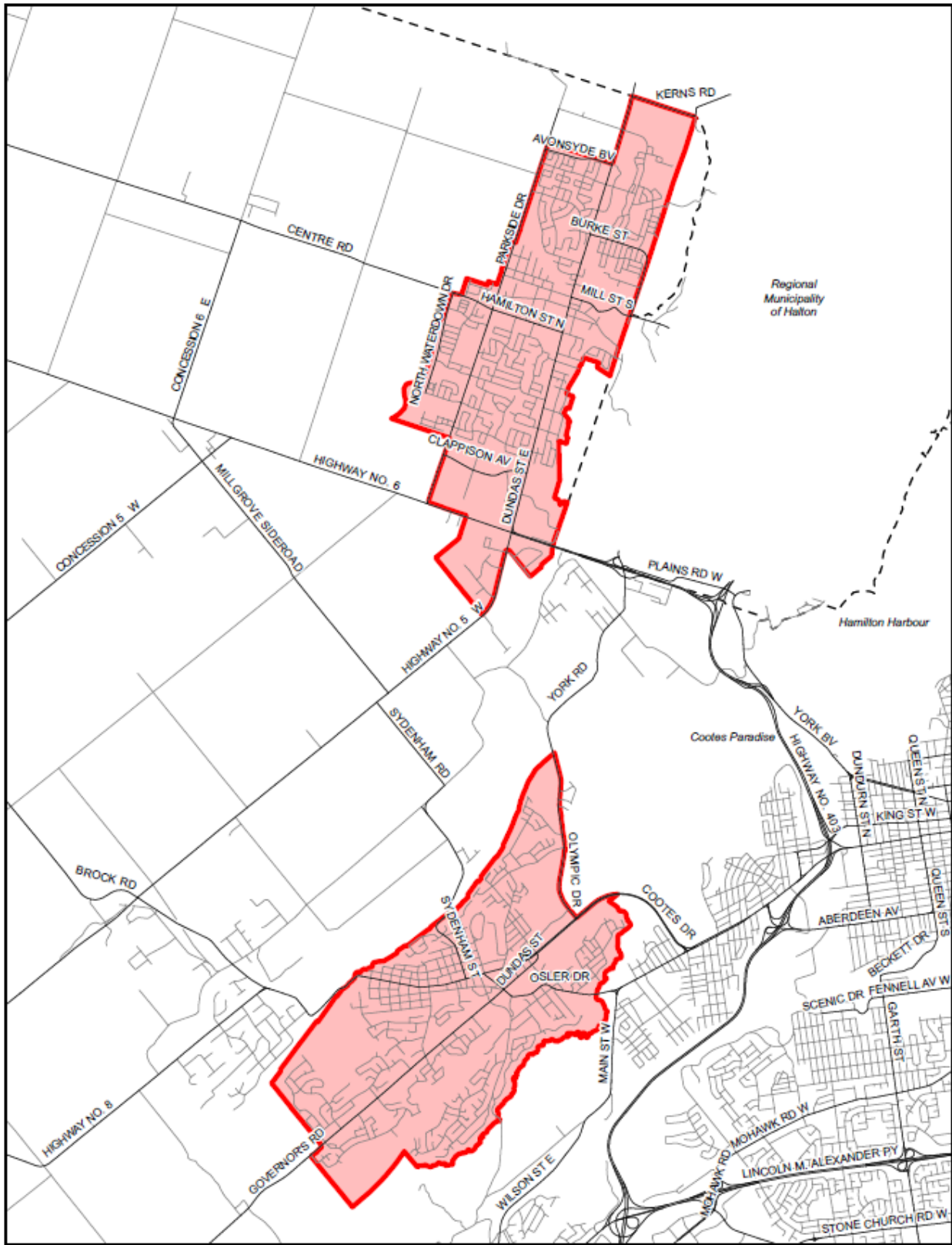


Downtown CIPA Building Height Restrictions



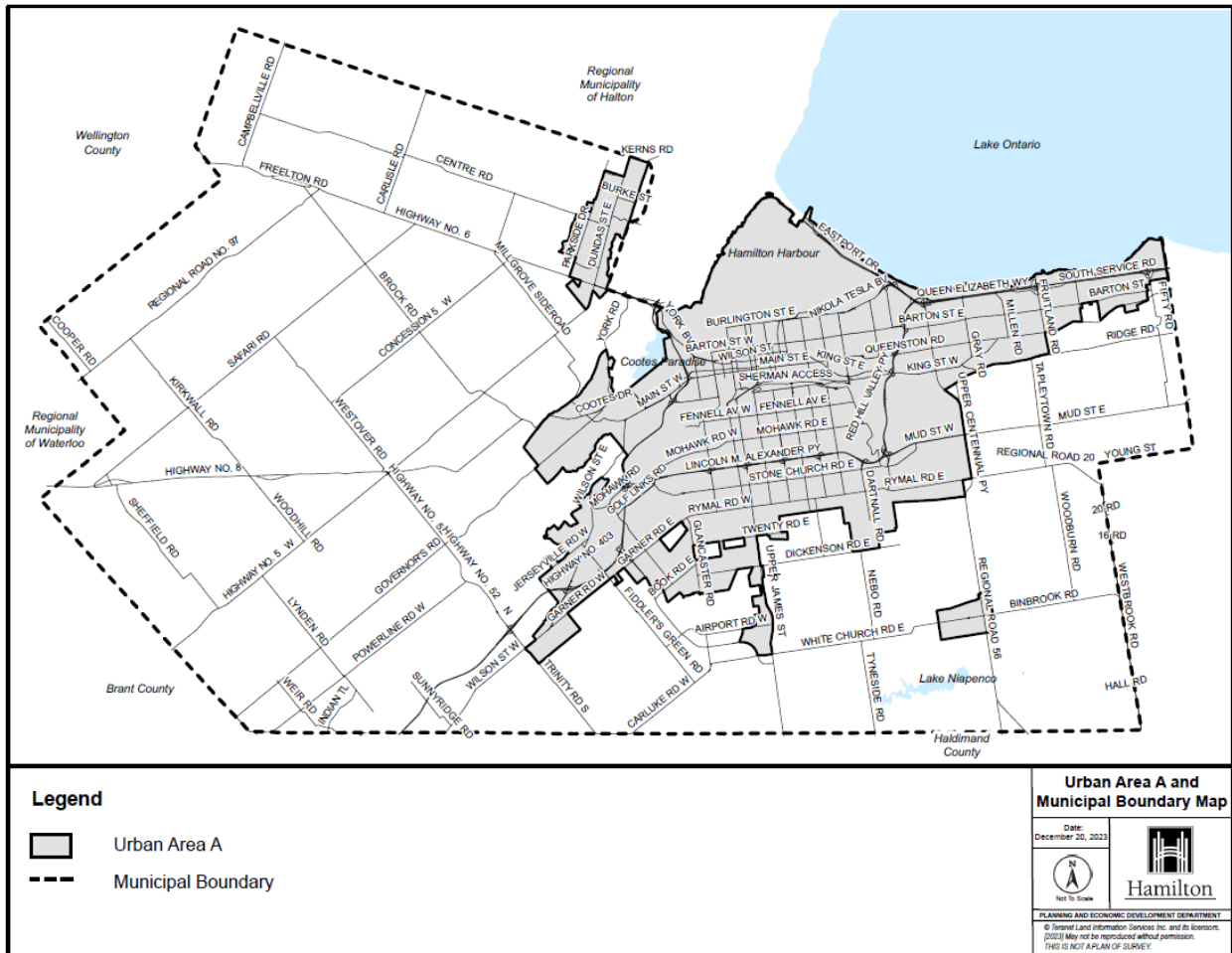
To request enlarged version of maps, please email DCRequest@hamilton.ca.

Waterdown / Dundas Special Area Development Charge Map



To request enlarged version of maps, please email DCRequest@hamilton.ca.

Urban Area A and Municipal Boundary Map



To request enlarged version of maps, please email DCRequest@hamilton.ca.



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance and Administration Committee

Date: April 10, 2025

Report No: AUD21004(b)

Subject/Title: Cyber Security Follow Up Audit – Additional Public Disclosure

Ward(s) Affected: (City Wide)

Recommendations

- 1) That Report AUD21004(b) respecting Cyber Security Follow Up Audit – Additional Public Disclosure **BE RECEIVED** for information.

Key Facts

- The Office of the Auditor General (OAG) is conducting a Cyber Security Follow Up Audit.
- The OAG's Cyber Security Audit was issued in April 2021.
- The OAG will issue the Follow Up Audit results to this Committee when completed
- This report provides a public summary of the Cyber Security Audit Follow Up Audit's planning phase.

Financial Considerations

Not applicable.

Background

At the January 16, 2025 Audit, Finance and Administration meeting (and then ratified at the January 22, 2025, the following direction was received:

“That staff review the content of Confidential Appendix “A” to Report AUD21004(a) and release any information that can be released to the public.” Report AUD21004(a) refers to OAG’s original Cybersecurity Audit Report that was confidential and presented in-camera.

Analysis

The Office of the Auditor General typically completes follow up audits of value for money audits approximately 36 months after the original audit was issued, in order to provide sufficient time for major system and transformational changes to occur.

Report AUD21004 Cyber Security Audit was originally issued in April 2021, and a follow-up was planned for the second half of 2024. The City of Hamilton experienced a major cyber security incident (a ransomware attack) in late February 2024.

In August 2024 as the cyber security incident response moved into the “Recover” phase, the OAG began planning the Cyber Security Follow Up Audit. The OAG has engaged Valencia Risk to provide independent, confidential advice to our Office. Valencia provided confidential, independent advice for the original Cyber Security Audit in 2021.

As of early 2025, the research and planning phase of the follow up audit has been completed and will be moving into the fieldwork phase. The OAG will report the follow up audit findings to the Audit, Finance and Administration Committee when the follow up audit has concluded.

Alternatives

Not applicable.

Relationship to Council Strategic Priorities

Discuss how the recommendation(s) will strategically enforce/improve that priority (why this report is being brought forward).

See [2022-2026 Council Priorities, Outcomes & Measures of Success | City of Hamilton](#) for more information on Council’s Priorities.

3. Responsiveness & Transparency
 - 3.3. Build a high performing public service
 - 3.4. Modernize City systems

Previous Reports Submitted

- Report AUD21004 Cyber Security Audit, April 22, 2021 Audit, Finance and Administration Committee meeting
- Report AUD21004(a) Cyber Security Follow Up Audit – Planning Summary, January 16, 2025 Audit, Finance and Administration Committee meeting

Consultation

The Acting Chief Information Officer, the General Manager of Finance and Corporate Services, Director of Information Technology, Director of Hamilton Water were all informed that the Cyber Security Follow Up Audit was commencing. The City Solicitor was consulted on the appropriate level of disclosure regarding OAG's confidential findings and subsequent follow-up strategy.

Appendices and Schedules Attached

Appendix A: Cyber Security Follow Up Audit - Planning Summary – Public Report.

Prepared by: Brigitte Minard, Deputy Auditor General
Office of the Auditor General

Submitted and recommended by: Charles Brown, Auditor General
Office of the Auditor General



**Office of the
Auditor General**
City of Hamilton

Cyber Security Follow Up Audit - Planning Summary – Public Report



April 10, 2025

**Brigitte Minard, Deputy Auditor General
Charles Brown, Auditor General**

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Executive Summary

- 1 Cyber security refers to the policies, procedures, practices, and technology tools that collectively ensure electronic systems and data are protected from outside intrusion, tampering, theft, disruption, manipulation or loss. Poor cyber security practices or inadequate safeguards can lead to breaches of privacy, disclosures of confidential information, service outages, system shutdowns, operational impairments, loss of citizen confidence and legal liability, not to mention the high costs of recovering systems to normal.
- 2 The OAG conducted a Cyber Security Audit that was issued in April 2021 and made 29 confidential recommendations. The audit results were presented in closed session to Audit, Finance and Administration Committee.
- 3 The original Cyber Security Audit identified many serious issues, including a number of technical vulnerabilities. The OAG team included experts in cybersecurity who recommended a continuous improvement in security controls, a comprehensive plan to address vulnerabilities, and ongoing implementation and monitoring of the recommendations in their technical report.
- 4 The Office of the Auditor General typically completes a follow-up of major audits approximately 36 months after the original audit was issued, in order to provide sufficient time for major system and transformational changes to occur.
- 5 Report AUD21004 Cyber Security Audit was originally issued in April 2021, and a follow up was planned for the second half of 2024. However, the City of Hamilton experienced a major cyber security incident (a ransomware attack) in late February 2024. This presented an unprecedented situation in which a major security incident occurred prior to our second audit to follow-up on actions taken from the first audit. The intensity of efforts devoted to dealing with the incident and its recovery forestalled the OAG's plans to conduct a follow-up. The incident has also prompted OAG to take a more in-depth approach to the follow-up, including a wider scope that examines the causes of the incident, the response of the City, and the adequacy of plans to prevent or minimize the risk further occurrences that would involve such profound effect.
- 6 In August 2024, as the cyber security incident response moved into the "Recover" phase, the OAG began the planning phase of the Cyber Security Follow Up Audit. The OAG engaged Valencia Risk to provide independent, expert, confidential advice to our Office. Valencia provided confidential, independent advice for the original Cyber Security Audit in 2021.
- 7 As of early 2025, the research and planning phase of the follow up audit has been completed and will be moving into the fieldwork phase. The OAG will report to the Audit, Finance and Administration Committee on the status of actions taken in response to the audit, and the Cyber attack, and OAG will independently evaluate the adequacy of its current plans, strategies, and cyber risk exposure with

recommendations for improvement. It is also the intention of OAG to conduct periodic audits of the implementation of the City's response plan to the incident – referred to as a Roadmap, and to evaluate related cost forecasts.

2021 Cyber Security Audit - Summary

- 8 In 2021, the Office of Auditor General (OAG) took a holistic approach to evaluating the City's cyber risks by looking at many facets important to IT security. The audit incorporated a comprehensive testing strategy involving two major components – assessment of risk exposures using recognized frameworks (Path to Enterprise Security, CIS Controls, CCCs (Canadian Centre for Cyber Security) Top Ten IT Security Actions and the NIST Framework. We also reviewed the IT security organization and strategic profile and had technical testing performed by outside experts (vulnerability assessments and penetration testing). Technical testing and evaluation conducted by the Office of the Auditor General team was supplemented with specialty technical expertise obtained from an external firm, Valencia Risk (Valencia).
- 9 IT is complex and requires the successful coordination of people, processes, planning, and governance. Our audit report contained findings and recommendations for all four of these areas.
- 10 To provide structure for this audit and to allow an overall assessment of the state of maturity of IT security, OAG used a tool created by the Canadian Centre for Cyber Security, an organization created by the Federal Government to provide a single, unified source of expert cyber security advice and guidance. The tool called "The Path to Enterprise Security" provides a framework for organizations to move their security protocols to appropriate levels of maturity. The maturity framework has five levels, each with their own criteria.

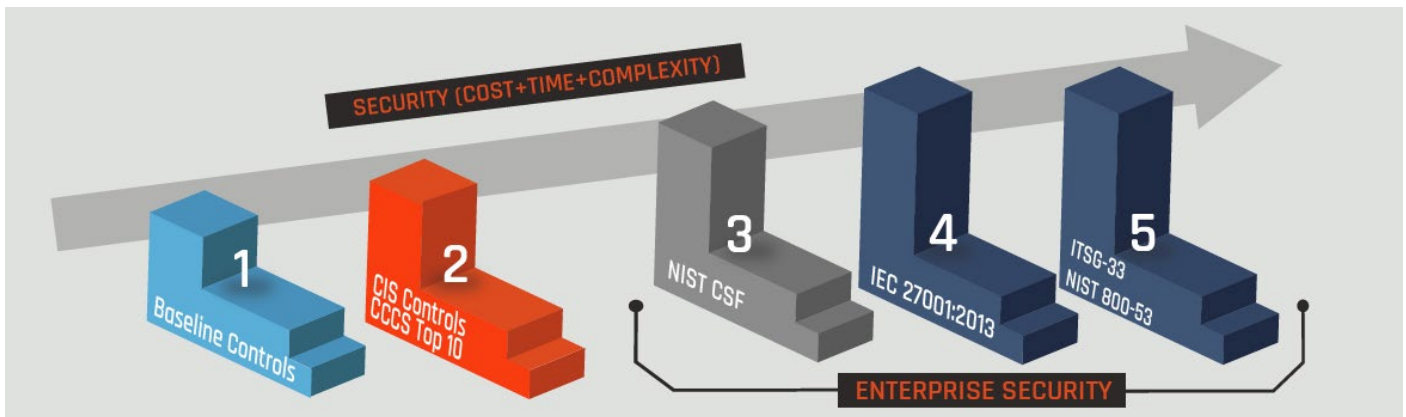


Image "The Path to Enterprise Security" from: <https://www.cyber.gc.ca/en/path-enterprise-security>

Criteria for Each Level

Level 1 - Baseline Controls

- 11 Designed to provide a balance between investment costs and cyber security outcomes.

Level 2 - Additional Controls/Actions

- 12 Looks at the deployment of measures beyond baseline controls:
- a) The Center for Internet Security (CIS) Controls, available at <https://www.cisecurity.org/controls/cis-controls-list/> were a set of 20 best practices recommended by the Centre for Internet Security based on known cyber attacks, since our audit in 2021, this as been renamed to the CIS Critical Security Controls, consisting of 18 critical security controls.
 - b) CCCS Top 10 IT Security Actions, is a list of 10 actions recommended by the Canadian Centre for Cyber Security (CCSC) to build a strong IT infrastructure and protect IT networks.

Level 3 - NIST Cyber Security Framework (CSF)

- 13 Consists of standards, guidelines, and best practices for managing cyber security risks through a cost-effective approach. The CSF is widely adopted in industry, and there are many sources for consulting, training, and implementing this framework. Since our audit in 2021, the NIST 2.0 Framework has been released, adding "governance" as a core framework component.

Level 4 - IEC 27001:2013 (now 27001:2022)

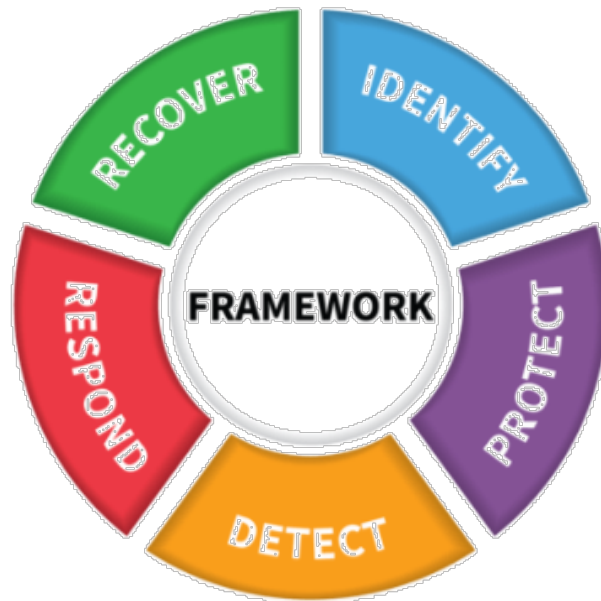
- 14 The international standard for cyber security. There is an industry related to the implementation and certification to this standard. An organization should consult ISO 27001:2013 or 27001:2022 if seeking certifications.

Level 5 - ITSG-33

- 15 National standards for cyber security ITSG-33 is the Government of Canada's baseline advice and guidance for IT security risk management. This is the foundational enterprise security guidance.

- 16 OAG conducted its evaluation mainly at level 3 with some consideration of the degree of achievement of levels 1 and 2 protocols.
- 17 To provide assurance as to the achievement of Level 3, which was the level the OAG focused on primarily, the NIST Cyber Security Framework (CSF) was utilized. The NIST framework was created through collaboration between government and industry and consists of standards, guidelines, and practices to reduce cyber risks to critical infrastructure through a cost-effective approach (when compared to other standards such as ISO and ITSG-33, etc.). The NIST Cyber Security Framework is widely adopted in industry (see Figure 1). Since our Cyber Security Audit was issued, the NIST 2.0 framework has been released, and is being utilized for our Cyber Security Follow Up Audit.

Figure 1: Original NIST Cybersecurity Framework



Identify - Identify what processes and assets need protection.

Protect - What safeguards are available.

Detect - What techniques can identify incidents.

Respond - What techniques can contain impact of incidents.

Recover - What techniques can restore capabilities.

Figure 2: NIST 2.0 Cybersecurity Framework



Govern – The organization’s cybersecurity risk management, strategy, expectations, and policy are established, communicated, and monitored.

Identify – The organization’s current cybersecurity risks are understood.

Protect – Safeguards to manage the organization’s cybersecurity risks are used.

Detect – Possible cybersecurity attacks and compromises are found and analyzed.

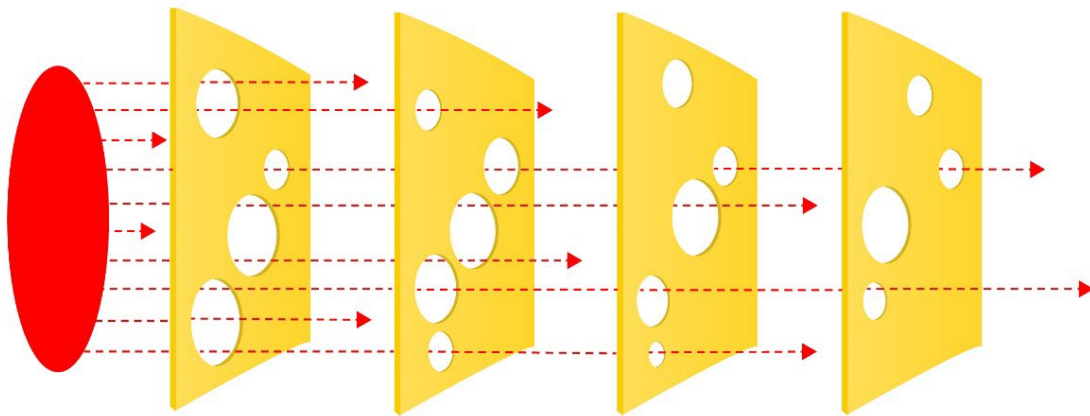
Respond – Actions regarding a detected cybersecurity incident are taken.

Recover – Assets and operations affected by a cybersecurity incident are restored.

Layered Security

- 18 Another important concept that was considered in the evaluation of IT security deployment is best described by the "Swiss Cheese Model" (Figure 3). The idea is that security measures should be built in layers so that a breach of one security protocol stands a good chance of being defeated by a second protocol. A strong program of security will be evidenced by these multiple layers stacked up like swiss cheese, where lapses and weaknesses in one defense do not allow a risk to materialize or "pass through the swiss cheese", and a single point of failure is prevented by other layers.
- 19 What that means is the focus on cyber security efforts should not be limited to hardening the perimeter (the traditional thinking of IT security). It needs to be embedded into all areas of IT, so that that there are multiple layers of defense.

Figure 3 "Swiss Cheese Model"



2021 Cyber Security Audit Results

- 20 Overall, there were significant issues in all areas of the audit, and we grouped them into four main categories including:
- IT Processes and Operations
 - IT Systems Planning and Recovery
 - IT Authority and Governance
 - People Matters

IT Processes and Operations

- 21 The OAG is unable to share technical findings and vulnerabilities related to IT Processes and Operations publicly, to maintain the safety and security of City assets. However, the results with respect to technical risks and vulnerabilities were reported to management and to Council in-camera.

IT Systems Planning and Recovery

- 22 Insofar as planning and recovery is concerned OAG found that the City needed to have a more comprehensive security planning process and a formal Cyber Security Plan. We also addressed the need for a systematic risk assessment process, more comprehensive monitoring, business continuity and recovery processes.

IT Authority and Governance

- 23 At the City of Hamilton, there have been efforts in the past few years to move towards IT centralization, however, there remain many decentralized elements to information technology in the organization, and barriers to integration, and the transition has been slow and difficult.
- 24 The IT Security Section in the IT Division managed cyber security risks that are within their span of control but can only indirectly manage security risks with systems not within their direct control. The Information Technology Division did not have authority for all things IT in the organization. This poses a significant and serious challenge for the management of cyber security risks. Further, as the IT landscape becomes more and more complex, it becomes even more of a challenge to effectively manage these risks.

People Matters

- 25 IT is complex, and the effective management of threats to IT requires the skill, awareness, training, vigilance, and commitment of people, including those who are not technically proficient in technology matters. When simulations are conducted to test employee responses to phishing attempts, the percentage of people that will respond to phishing spoofs by clicking on emails or giving their credentials has room for improvement.
- 26 Continued vigilance and senior leadership involvement in messaging the importance of protecting information and our vulnerability to outside attacks is crucial. Beyond this, we found that there was an opportunity to provide a broader set of training initiatives targeted toward senior leaders in the organization, or to those with key responsibilities for protecting IT assets or information and scaled or tailored to the important roles they play.

Overall Summary

- 27 Report AUD21004 included 29 confidential recommendations to improve cybersecurity at the City of Hamilton.

Cyber Security Follow Up Audit Scope and Objectives

- 28 The overall scope and objectives of this follow up audit are to:
- Review and compare the 2021 Cyber Security Audit findings (including the OAG's NIST Framework assessment) with respect to weaknesses, risks, improvement opportunities and Assessment to those of the City of Hamilton's Cybersecurity Consultants in their reports to management and Council to evaluate if meaningful progress was and is being made and whether certain OAG recommendations need to be reinforced, or new recommendations added.
 - Determine if action and progress on the 2021 Cyber Security Audit recommendations was slow or inadequate, and if so, develop an understanding of the root contributing causes and possible solutions for more effective IT security governance.
 - Analyze the City of Hamilton's Cybersecurity Consultants reporting of the cyber-incident itself – its origins, causes and contributing factors.
 - Assess the City of Hamilton's Cybersecurity Consultant's Proposed Road Map and the City's Action Plan to:

- Identify any gaps or inadequacies in addressing OAG recommendations.
- Evaluate the adequacy and efficacy of the Road Map and City's Action Plan in response to the cyber incident.
- Develop additional recommendations that the OAG believe to be prudent or necessary to augment or strengthen the Road Map, possibly including those beyond just technical controls such as governance, resources, long term strategies, risk management, organizational structure, best practices etc.

Next Steps

- 29 As of December 2024, the research and planning phase of the follow up audit has concluded and moved into the fieldwork phase in early 2025. The OAG will report the follow up audit findings to the Audit, Finance and Administration Committee when the follow up audit has concluded.



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City of Hamilton

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CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Services and Taxation Division

-and-

CITY MANAGER'S OFFICE
Human Resources Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 10, 2025
SUBJECT/REPORT NO:	Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (FCS24008/HUR24002) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tina Iacoe (905) 546-2424 Ext. 2796
SUBMITTED BY:	Shelley Hesmer, Acting Director Financial Services and Taxation & Corporate Controller Corporate Services Department
SIGNATURE:	
SUBMITTED BY:	Lora Fontana Executive Director, Human Resources
SIGNATURE:	

RECOMMENDATION

- (a) That the Fair Wage Policy and Fair Wage Schedule, attached as Appendix "A" and Appendix "C" to Report FCS24008/HUR24002, be approved;
- (b) That staff be directed to automatically update the Fair Wage Schedule every two years, in a manner consistent with Report FCS24008/HUR24002;
- (c) That staff be directed to report back any updates to the Fair Wage Policy every four years to the Audit, Finance and Administration Committee for consideration; and
- (d) That Outstanding Business Item 23-H be considered complete and removed from the Audit, Finance and Administration Committee Outstanding Business List.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: Proposed Amendments to Fair Wage Policy and Fair Wage Schedule
(FCS24008/HUR24002) (City Wide) – Page 2 of 10**

EXECUTIVE SUMMARY

The purpose of this Report is to request Council approval of the updated Fair Wage Policy and Fair Wage Schedule. The review and proposed changes are the result of a coordinated effort with the Ad-Hoc Fair Wage Committee (the “Ad-Hoc Committee”) and includes various revisions throughout the documents to enhance and add clarity to the Policy.

The Total Hourly Compensation Rates listed in Appendix C “Fair Wage Schedule” attached to this Report are based on Wage rates (as defined in the Fair Wage Policy) paid to employees in 2022 as set out in provincially negotiated trade union agreements and provided to the City by the applicable union or association. These Wage rates are then increased by 24 percent (a percentage attributed to Benefits as defined in the Fair Wage Policy) to calculate the Total Hourly Compensation Rate that Contractors are required to pay their Employees at a minimum, for work on a City Construction Contract (as defined in the Fair Wage Policy) over \$500,000 at time of contract award.

Alternatives for Consideration – See Page 9

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The increase in the Total Hourly Compensation Rates set out in the proposed Fair Wage Schedule will have some inflationary impact on tender prices that the City receives on Construction Contracts over \$500,000. The average in Wage rates from the current Fair Wage Schedule (2016 rates) to the proposed Fair Wage Schedule (2022 rates) is on average 19.03% higher.

It remains very difficult for staff to determine the estimated dollar increase attributable to the proposed increased rates set out in Appendix B to this Report since it is unknown what Contractors actually pay their Employees. Some Contractors have obligations under provincially negotiated trade union agreements for various trades which require Contractors to pay their Employees at the rates set out in those agreements. These rates are usually higher than the rates set out in the City’s Fair Wage Schedule and are more current. Other Contractors may not have affiliations with trade associations and therefore would be required to pay their Employees rates in accordance with the Fair Wage Schedule. Since the last Fair Wage Schedule was updated in 2019 (using 2016 rates), the increase from 2016 to 2022 for all the trade classifications is quite considerable:

- *The average hourly Wage set out in the current Fair Wage Schedule is \$28.48. The average hourly Wage set out in the proposed Fair Wage Schedule is \$32.92;

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- Based on the Wages set out in the proposed Fair Wage Schedule, on average Wage rates increase 19.03 percent from 2016 to 2022 per job classification;
- *Maximum dollar increase in Wages from 2016 to 2022 is \$18.67 (Welder Apprentice Term 3);
- *Minimum dollar increase in hourly rate from 2016 to 2022 is approximately \$1.00 (various Apprentice positions);

*this analysis was performed using a direct comparison of job classifications and positions. Any classifications or positions that could not be directly compared were not factored into the analysis.

Using the average percentage increase of 19.03%, staff has estimated that the maximum incremental cost resulting from the increased rates in the proposed Fair Wage Schedule for 2024 may be approximately \$5,173,795. This cost is based on a number of assumptions:

- a) that the total value of Construction Contracts, as defined in the Fair Wage Policy, be consistent with contracts awarded in 2023 at the aggregate amount of \$108,750,286;
- b) that all Contractors and Sub-Contractors pay rates in accordance with the Fair Wage Schedule;
- c) that half the Contractors and Sub-Contractors have obligations under provincially negotiated trade union agreements; and
- d) that labour represents approximately half of the cost of a construction contract.

The \$5,173,795 estimate should be considered as the “worst case scenario”.

Since the onset of COVID-19 pandemic, the labour market for trades has been very competitive and many of the trade associations have negotiated significant cost increases in hourly rates. Therefore, staff do not expect the impact of the proposed Total Hourly Compensation Rates to be as significant as the worst-case scenario since many Contractors and Sub-Contractors who do not have obligations under provincially negotiated trade union agreements may be paying their Employees at or around the 2022 rates in order to retain talent.

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Staffing: There are no staffing implications with this Report.

Legal: There are no legal implications with this Report.

HISTORICAL BACKGROUND

The Fair Wage Policy has deep roots within the City of Hamilton, with the first reference being a Board of Control Report from November 1967 which makes mention of inserting a Fair Wage clause into City contracts to stipulate the wages for bricklayers, masons and foremen. The City's first formal Fair Wage Policy was adopted in September 1993 and since then, has undergone numerous updates and improvements. However, the purpose of the City's Fair Wage Policy has not changed and is essentially based on two principles:

- a) to ensure that Contractors and Sub-Contractors pay their employees reasonable wages and benefits for work performed on City of Hamilton construction contracts; and
- b) to create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.

The current Fair Wage Policy was scheduled to be updated in late 2022 however, due to staffing resource challenges within the Procurement Division, staff was not able to hold consultative meetings with the Ad-Hoc Committee and update the rates effective for 2023.

On March 29, 2023 Council approved the following motion:

- (a) That Human Resources and Finance and Corporate Services staff be directed to engage in a review of the Fair Wage Policy and any related schedules through stakeholder meetings for report back to the Audit, Finance and Administration Committee by the end of Q3 2023 with recommendations on next steps; based on stakeholder feedback;
- (b) That the following stakeholder groups be included in the consultation: Christian Labour Association Canada; Electrical Construction Association Hamilton; Hamilton Brantford Ontario Building & Construction Trades Council; Golden Horseshoe General Contractors Association; Greater Hamilton & Niagara Construction Association; Hamilton Halton Construction Association; Mechanical Contractors Association Hamilton Niagara; Labourers' International Union of North America; and Merit OpenShop Contributors Association of Ontario;
- (c) That there be two stakeholder meetings, inviting all stakeholders to each, at the beginning of Q3 2023; and

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- (d) That members of City Council be permitted to attend the first meeting as guests to hear stakeholder feedback directly, in an observer role only.”

This Report outlines the recommendations stemming from those meetings and the proposed changes to both the Fair Wage Policy and Fair Wage Schedule.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The recommendations within this Report are in accordance with By-Law 20-205, as amended, the City’s Procurement Policy.

RELEVANT CONSULTATION

The Ad-Hoc Fair Wage Committee (the “Ad-Hoc Committee”) met twice in 2023 to discuss the recommended changes to the Fair Wage Policy and Fair Wage Schedule.

On July 31, 2023 the Ad-Hoc Committee met with staff from the Corporate Services Department and Labour Relations Division. Attendees to that meeting were representatives from the Hamilton-Brantford Building Trades Council (HBBT), the Labourer’s International Union of North America Local 837 (LIUNA), the Merit OpenShop Contractors Association of Ontario, the Christian Labour Association of Canada (CLAC), the Electrical Construction Association of Hamilton (ECAH), the Mechanical Contractors Association and the International Brotherhood of Electrical Workers (IBEW) Local 105. In addition to these attendees, five City Council Members also attended as guests to hear stakeholder feedback directly.

The Ad-Hoc Committee reconvened on December 11, 2023 to review the City’s response to the recommendations and the improvements proposed. Attendees to that meeting were representatives from the Hamilton-Brantford Building Trades Council (HBBT), the Labourer’s International Union of North America Local 837 (LIUNA), the Merit OpenShop Contractors Association of Ontario, the Christian Labour Association of Canada (CLAC), the Mechanical Contractors Association and the International Brotherhood of Electrical Workers (IBEW) Local 105.

The Manager of Procurement also consulted with the following municipalities with respect to their current fair wage policy: City of Oshawa, the City of Greater Sudbury, City of Vaughan and the City of Toronto. Significant discussions were held with the City of Toronto’s Manager of the Fair Wage Office to get a full understanding of their operations and the calculations of their applicable total hourly compensation rates.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The Fair Wage Policy is applicable to all Construction Contracts over \$500,000 at time of award and requires Contractors and Sub-Contractors to pay their Employees (whether the vendor utilizes a unionized or a non-unionized work force), at a minimum the Total

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Hourly Compensation Rates as stated in the Fair Wage Schedule and as set out in Appendix C to this Report.

The Total Hourly Compensation Rates are calculated using:

- a) “Wages” which are base hourly rates set out in the respective collective agreement (a collective agreement between a contractor who is in a contractual relationship with a union that is recognized by the Ontario Labour Relations Board as the bargaining agent for the relevant workers); and
- b) “Benefits” which is a 24% increase over the Wage rate. Benefits include any non-statutory payment to an employee or non-statutory premiums or contributions paid to provide benefits to an employee such as a pension plan, Registered Retirement Savings Plan (RRSP), medical plan bonus, retention pay and vacation.

On July 31, 2023, the Ad-Hoc Committee met to discuss their recommended changes to the City’s Fair Wage Policy and Fair Wage Schedule. A number of recommended changes were brought forward by the Committee for the City’s consideration, some of which are being proposed in this Report.

Appendix A to this Report includes the proposed Fair Wage Policy. Appendix B to this Report includes the proposed Fair Wage Policy – With Changes utilizing yellow highlight to identify the changes, additions and deletions to the policy. Appendix C to this Report includes the proposed Fair Wage Schedule that includes the trade classifications and the applicable Total Hourly Compensation Rates.

The following is a summary of the significant changes that are being proposed:

Fair Wage Policy – Overall

The proposed Fair Wage Policy and Fair Wage Schedule amendments include several housekeeping issues throughout the documents which have not been specifically addressed in this Report. These amendments include editing for better clarity and understanding. In addition to this, the formatting of the Fair Wage Policy has been changed using a templated chart form similar to other City policies.

Fair Wage Policy - Section 2. Purpose of the Fair Wage Policy

Section 2 “Purpose of the Fair Wage Policy” is a new section added to the Policy. This section provides the reader with two principles for which the foundation of the Fair Wage Policy is built upon, that being to:

- a) ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and

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- b) create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.

Fair Wage Policy - Section 4. Definitions

Section 4 was amended to include three new definitions (“Apprentice”, “Landscaping Work” and “Substantial Performance”) as well as to revise two current definitions (“Benefits” and “Construction Contract”). These changes were made to provide clarity and additional information to the reader for interpretation of the Fair Wage Policy.

Fair Wage Policy Section 5. Responsibilities

Section 5.4.6 was amended to allow for the City to “set-off” any amounts owing by the Contractor for not providing a statement of compliance in accordance with the Fair Wage Policy. This amendment allows the City the ability to withhold money from either the current Construction Contract or any other contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.

Fair Wage Policy Section 8. Inspections and Audits

Section 8.1 was amended to include additional wording that clearly outlines the time limitations for the City’s ability to inspect and audit the records of the Contractor or Sub-Contractor.

Fair Wage Policy Section 9. Assurance Reports

Section 9.2 was amended to include additional wording that clearly outlines the time requirements to submit assurance reports to the City by a Contractor or Sub-Contractor.

Fair Wage Policy Section 10. Consequences of Non-Compliance

Similar to section 5.4.6, section 10.1.1 (c) was amended to allow the City to “set-off” any amounts owing by the Contractor for the cost of an inspection or audit.

Section 10.1.2 is a new section added to the Fair Wage Policy. The inclusion of this section specifically states and makes it clear to the reader that where a Sub-Contractor has been found to be non-compliant with the Fair Wage Policy or Fair Wage Schedule, the Contractor shall also be deemed to be non-compliant.

Fair Wage Policy Section 11. Complaints

Section 11.3.1 was amended to include additional wording to further clarify that the City will do its best efforts to not disclose the identity of an Initiator of a complaint.

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Fair Wage Policy Section 13. Apprentices

Section 13 is a new section of the Policy regarding Apprentices. It includes the requirement for Apprentices to be properly registered with an approved apprenticeship program in Ontario and sets out the applicable rates to be paid to Apprentices.

Fair Wage Policy Section 14. Fair Wage Schedule and Updates

The current Fair Wage Policy requires:

- a) using a “three-year lag” in the hourly rates used to calculate the Total Hourly Compensation Rates; and
- b) that the Total Hourly Compensation Rates be held for three years following the date of the approval of the Fair Wage Schedule.

Using the current Fair Wage Policy and three-year lag, the Total Hourly Compensation Rates would be calculated using Wages that were applicable in 2021 (three years prior to 2024). The Total Hourly Compensation Rates would then be held and applicable until 2027 (three years after 2024) when the Fair Wage Schedule would be updated again.

Section 14.1 was amended to the following:

- a) utilize a “two-year lag” rather than a three-year lag; and
- b) requires that the Total Hourly Compensation Rates be held for the following two years rather than three years.

With this proposed change, the Total Hourly Compensation Rates would be calculated using Wages that were applicable in 2022 (two years prior to 2024) and the Total Hourly Compensation Rates would then be held and applicable until 2026 (two years after 2024) when the Fair Wage Schedule would be updated again.

This change effectively makes the Fair Wage Schedule and applicable rates to be more current than previously agreed by the Ad-Hoc Committee and approved by Council.

Fair Wage Schedule

The Fair Wage Schedule includes multiple trade classification categories or types of “work” that may be carried out within a Construction Contract. For instance, Road Work, Tunnel Work, Elevator Constructors, Electrical Workers are all trade classifications set out in the Fair Wage Schedule. The proposed Fair Wage Schedule includes three new trade classification categories that were added including Carpenters, Boilermakers and Landscapers. There has also been some changes made to the proposed Fair Wage Schedule, including:

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- a) changes in the sections and description of “work” for trade classifications that were previously associated with the Hamilton and District Heavy Construction Association (HAND). Staff were advised that the HAND recently were accredited with the new Greater Hamilton and Niagara Construction Association’s collective agreement therefore changes were made to reflect that collective agreement;
- b) Apprentice rates have been added in any trade classification where possible; and
- c) the proposed Fair Wage Schedule utilizes trade union or association Wage rates applicable in 2022.

ALTERNATIVES FOR CONSIDERATION

The following options were considered but are not being recommended.

Option A – Eliminate the Fair Wage Policy and Fair Wage Schedule

Council could consider eliminating the Fair Wage Policy and Fair Wage Schedule and allow for a procurement process that relies entirely on competitive wages within the Construction Industry. In this regard, the Ontario Government provides for fair and consistent laws relevant to wages, benefits and other working conditions within various industries, including the construction industry. However, eliminating the City Fair Wage Policy would remove the ability for the City to investigate any complaints and rely on the Ministry of Labour to perform any investigations brought forward. As well, without a Fair Wage Policy, the City could be seen as encouraging Contractors and Sub-Contractors to be extremely competitive with their bid for work, possibly at the expense of paying its Employees below the prevailing norm. For these reasons, this option is not recommended.

Option B– No Change to the Fair Wage Schedule

Council could consider not updating the Fair Wage Schedule and keep the current Total Hourly Compensation Rates set for the next two or three years. By doing so, the Fair Wage Schedule rates would become non-competitive, thereby potentially violating worker rights, as well as applicable labour and wage legislation. Having a fiscally responsible Fair Wage Schedule preserves the City’s objective and the Fair Wage Policy purpose to ensure proper compensation for Employees performing work within the construction industry on behalf of the City of Hamilton. Freezing wage rates beyond the three-year cycle could potentially compromise this objective. As such, this option is not recommended.

Option C– Update the Fair Wage Schedule to Reflect Current Wage Rates

Council could consider updating the Fair Wage Schedule and use the most current respective collective agreements’ hourly wage rates in the calculation of the Total Hourly Compensation Rates. This option is not being recommended at this time for a number of reasons:

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- a) using current respective collective agreements' hourly wage rates could further impact the City's capital budget expenditures for all construction related projects over \$500,000;
- b) using current year rates will be difficult to apply as not all collective agreements applicable to the Fair Wage Policy have been fully ratified and have rates in place for the current year;
- c) the administration of the Fair Wage Policy and the continuous updating of the Fair Wage Schedule will be time consuming for both Procurement and Human Resources staff. Additional staffing resources will be required;
- d) continually updating the Total Hourly Compensation Rates will be difficult for Contractors and Sub-Contractors to keep abreast of. Contractors and Sub-Contractors will be required to verify each time they prepare a bid to determine which Fair Wage Schedule is in effect at the time of bid submission. This may also lead to more instances of non-compliance by both Contractors and Sub-Contractors.

Should Council wish to consider having a Fair Wage Schedule that reflects more current rates, with or without holding those rates applicable for any length of time, Council could direct staff to report back with the feasibility of doing so and the costs associated with this alternative to the Audit, Finance and Administration Committee before the end of 2024.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS24008/HUR24002 - Proposed Fair Wage Policy

Appendix "B" to Report FCS24008/HUR24002 - Proposed Fair Wage Policy – With
Changes

Appendix "C" to Report FCS24008/HUR24002 - Proposed Fair Wage Schedule

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<i>Fair Wage Policy</i>	
1. POLICY STATEMENT <i>(formerly section 1)</i>	1.1. Every Contractor and Sub-Contractor shall compensate their Employees in accordance with the Fair Wage Policy and Fair Wage Schedule on all Construction Contracts with the City. The compensation requirements as set out in the Fair Wage Policy and Fair Wage Schedule are minimum requirements.
2. PURPOSE <i>(new section)</i>	2.1. The purpose of the City's Fair Wage Policy and Fair Wage Schedule is to: <ul style="list-style-type: none"> a) ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and b) to create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.
3. INTREPRETATION <i>(formerly section 2)</i>	3.1. In this Fair Wage Policy and Fair Wage Schedule: <ul style="list-style-type: none"> a) a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa; b) the provisions shall be read with changes of gender or number as the context may require; c) a reference to any Act, by-law, rule, procedure, regulation or to a provision thereof shall be deemed to include a reference to any Act, by-law, rule, procedure, regulation or provision enacted in substitution or amendment thereof; d) any reference to an officer of the City shall be construed to mean the person holding that office, the designate or delegate of that person.
4. DEFINITIONS	4.1. Capitalized words and phrases used in this Fair Wage Policy and Fair Wage Schedule shall have the

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<i>(formerly section 3)</i>	following meanings, unless expressly stated otherwise.
Apprentice	as defined by the Building Opportunities in the Skilled Trades Act, 2021, means an individual who, pursuant to a registered training agreement, is receiving or is to receive training in a trade that is required as part of an apprenticeship program;
Benefits	shall mean any non-statutory payment to an Employee or non-statutory premiums or contributions paid to provide benefits to an Employee and shall include employer contributions to such items as a pension plan, Registered Retirement Savings Plan (RRSP), medical plan bonus, retention pay or the like and vacation. Benefits do not include legislated payroll deductions such as Canada Pension Plan ("CPP"), Employer Health Tax ("EHT"), Workplace Safety and Insurance Board ("WSIB") or Employment Insurance Canada ("EIC");
City Council	shall mean the Council of the City of Hamilton;
City	shall mean the City of Hamilton, its officers, officials, employees and agents;
Construction Contract	shall mean any construction work awarded to a Contractor that is: <ul style="list-style-type: none"> a) an "improvement" to the land as defined in the Construction Act, R.S.O. 1990, c. C.30; b) has a minimum contract value of \$500,000.00 upon award; and includes: <ul style="list-style-type: none"> i) the industrial, commercial and institutional sector; ii) the sewers and watermains sector; iii) the roads sector; iv) the heavy engineering sector, and v) any Landscaping Work, c) but does not include: <ul style="list-style-type: none"> i) the residential sector; ii) snow removal; and

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	<p>iii) maintenance work performed to prevent the normal deterioration of the land, building, structure or works, or to maintain the land, building, structure or works in a normal, functional state.</p> <p>Construction Contracts that exceed the construction contract threshold of \$500,000.00 solely as a result of change orders are not covered by the Fair Wage Policy.</p>
Contractor	shall mean any person having a Construction Contract with the City but does not include any person that only supplies materials for the Construction Contract;
Employee(s)	shall mean those persons employed by the Contractor or Sub-Contractor who perform work identified in the Fair Wage Schedule, for a Construction Contract with the City;
Fair Wage Policy	shall mean the Fair Wage Policy approved by Council;
Fair Wage Schedule	shall mean the Fair Wage Schedule approved by Council, as amended from time to time. The Fair Wage Schedule stipulates the Total Hourly Compensation Rate for Employees;
Hours of Work	shall mean the regular hours of work per day and week and shall include a provision for the payment of overtime beyond such regular hours, as per the Employment Standards Act, 2000, S.O. 2000, c.41, specifically Part VIII Overtime Pay;
Initiator	shall mean any person who submits a complaint to the City alleging non-compliance with the Fair Wage Policy and Fair Wage Schedule by any Contractor or Sub-Contractor performing construction work on a City Construction Contract.
Landscaping Work	<p>shall mean the installation or repair of:</p> <ul style="list-style-type: none"> a) retaining walls; b) sidewalk's concrete and or stone pavers; c) fencing; d) grading; and

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	sod installation and tree planting when that work is required as a component within a larger Construction Contract (not a stand alone sod installation and/or tree planting contract).
Manager of Procurement	shall mean the Manager of Policy and Contracts, Procurement Division, or designate.
Sub-Contractor	shall mean any person performing work on a City Construction Contract for a Contractor, or an agreement with another Sub-Contractor, but does not include any person that only supplies materials for the Construction Contract;
Substantial Performance	as defined in the Construction Act, R.S.O. 1990, c. C.30;
Total Hourly Compensation Rate	shall mean the aggregate amount of Wages and Benefits as stated in the Fair Wage Schedule;
Wages	shall mean the Employees basic hourly rate, which is paid as earned at the time of undertaking the work.
5. RESPONSIBILITIES	
5.1. General	5.1.1. The following persons are responsible for fulfilling the responsibilities detailed in this Policy as follows:
5.2. City Responsibilities <i>(formerly section 4)</i>	<p>5.2.1. The Director of the Procurement Division shall periodically review the Fair Wage Policy and recommend to the appropriate standing committee of Council any required amendments to the Fair Wage Policy.</p> <p>5.2.2. The Director of Employee & Labour Relations will prepare and review the Fair Wage Schedule from time to time and recommend to the appropriate standing committee of Council those amendments to the Fair Wage Schedule.</p> <p>5.2.3. The Manager of Procurement shall reference the Fair Wage Policy and Fair Wage Schedule in all City Construction Contracts. The City's Procurement</p>

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	<p>website will post the Fair Wage Policy and Fair Wage Schedule and Fair Wage Complaint Form.</p> <p>5.2.4. The Manager of Procurement will co-ordinate the preparation of an annual report for the appropriate Standing Committee of Council regarding complaints investigated and resulting audits performed pursuant to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.5. The City shall address a written objection to the administration of the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.6. The City is not in any way liable, obligated or responsible to any Employee, Sub-Contractor, Contractor or any other person for the payment of any monies not paid by a Contractor or Sub-Contractor in accordance with the Fair Wage Policy and Fair Wage Schedule, and the City assumes no responsibility to such Employee, Sub-Contractor, Contractor or any other person for the administration and enforcement of the Fair Wage Policy and Fair Wage Schedule.</p>
<p>5.3. Ad-Hoc Fair Wage Committee <i>(formerly section 5)</i></p>	<p>5.3.1. The City shall participate in an ad hoc Fair Wage committee ("Committee") to discuss issues and provide a forum for consultation regarding issues related to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.3.2. The Committee shall meet on an as required basis.</p> <p>5.3.3. The Committee, as determined by the City, shall be comprised, as a minimum, of the following members:</p> <ul style="list-style-type: none"> a) Director of the Procurement Division or designate, b) Director of the Employee & Labour Relations Division or designate, c) A representative from: <ul style="list-style-type: none"> • Hamilton & District Heavy Construction Association, • Hamilton-Brantford Ontario, Building and Construction Trades Council,

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	<ul style="list-style-type: none"> • Labourers' International Union of North America, • Christian Labour Association of Canada, and • Merit OpenShop Contractors Association of Ontario.
<p>5.4. Contractor and Sub-Contractor Responsibilities <i>(formerly section 6)</i></p>	<p>5.4.1. A Contractor shall ultimately be responsible for any violations or non-compliance of the Contractor and Sub-Contractors on its City Construction Contracts.</p> <p>5.4.2. A Contractor is fully responsible for ensuring that the Contractor and all Sub-Contractors comply with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.3. The Contractor or Sub-Contractor shall not be responsible for any increase to the Fair Wage Schedule which occurs after the closing of the Request for Tenders or Request for Proposals for the City Construction Contract awarded to the Contractor.</p> <p>5.4.4. At the commencement of the work, the Contractor shall post a copy of the Fair Wage Policy and Fair Wage Schedule in a prominent location at the City Construction Contract site to enable Employees of the Contractor and Sub-Contractor to review. Alternate methods may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract.</p> <p>5.4.5. After Substantial Performance of the Construction Contract and prior to release of the holdback, for all Construction Contracts with the City, the Contractor shall provide to the City, in a form acceptable to the City, a statutory declaration confirming that the Contractor and its Sub-Contractors complied with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.6. The City reserves the right to withhold or set-off from the Contractor, a minimum of FIVE THOUSAND DOLLARS (\$5,000.00) from any final payments under the Construction Contract or under any other</p>

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	contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.
6. COMPLIANCE <i>(formerly section 7)</i>	<p>6.1. A Contractor or Sub-Contractors shall be in compliance with the Fair Wage Policy and Fair Wage Schedule when the Employee receives a minimum compensation package that includes Wages and Benefits, where the aggregate amount is not less than the Total Hourly Compensation Rate as set out in the Fair Wage Schedule.</p> <p>6.2. Employees shall be paid on a "pay by pay basis" every pay period in accordance with Fair Wage Schedule. Alternate methods of payment may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract. For example any lump sum pay-out made to the Employee to reconcile money owed at the completion of the Construction Contract is not permitted unless approved in writing by the Manager of Procurement prior to implementation.</p> <p>6.3. Any lump sum payment approved by the Manager of Procurement is to be made no later than the date of Substantial Performance of the related Construction Contract.</p>
7. RECORDS <i>(formerly section 8)</i>	<p>7.1. The Contractor and Sub-Contractor shall keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>7.2. Unless otherwise approved by the Manager of Procurement, the Contractor and Sub-Contractor shall make these records available for inspection upon request by the City within ten business days.</p> <p>7.3. In any agreement with a Sub-Contractor, the Contractor shall require the Sub-Contractor to:</p> <ul style="list-style-type: none"> a) provide written acknowledgment prior to the commencement of construction work that the

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	<p>Fair Wage Policy and Fair Wage Schedule applies;</p> <ul style="list-style-type: none"> b) keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule; and c) unless otherwise approved by the Manager of Procurement, make these records available for inspection upon request by the City within ten business days. <p>7.4. If a Contractor or Sub-Contractor enters into a contract for service with a self-employed independent contractor to perform work identified in the Fair Wage Schedule, the Contractor or Sub-Contractor shall keep the following records to demonstrate that the self-employed independent contractor is not an Employee of the Contractor or Sub-Contractor:</p> <ul style="list-style-type: none"> a) duties and responsibilities of both parties; b) self-employed independent contractor invoices; c) self-employed independent contractor HST registration number; d) self-employed independent contractor Workplace Safety and Insurance Board and insurance certificates; and e) self-employed independent contractor trade certificates or licences which relate to the Construction Contract. <p>Should there be concerns regarding the self-employed independent contractor's degree of dependency from the Contractor or Sub-Contractor, further records shall be made available to demonstrate that an employer employee relationship does not exist between the Contractor or Sub-Contractor and a self-employed independent contractor. The guideline issued by Canada Revenue Agency RC4110</p>
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	<p>“Employee or Self-Employed” may be used to assist in making a final determination.</p>
<p>8. INSPECTIONS AND AUDITS <i>(formerly section 9)</i></p>	<p>8.1. The City retains the right to inspect and audit the records of the Contractor or Sub-Contractor (as referred to in Section 7. Records) at any time during the period of the Construction Contract and at any time within five (5) years after the date of Substantial Performance of the Construction Contract, regardless if a complaint has been received or not.</p>
<p>9. ASSURANCE REPORTS <i>(formerly section 10.4 and 10.5)</i></p>	<p>9.1. If the Contractor or Sub-Contractor fails to keep accurate records, the Contractor or Sub-Contractor will pay a licensed Public Accountant to provide an assurance report, acceptable to the City, which clearly demonstrates compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>9.2. Unless otherwise approved by the Manager of Procurement, assurance reports shall be completed and provided to the City within sixty days of City’s notification to the Contractor or Sub-Contractor to provide. Failure to provide the assurance reports within the required timeline shall be deemed to be a material non-compliance with the Fair Wage Policy.</p>
<p>10. CONSEQUENCES OF NON-COMPLIANCE</p> <p>10.1. General <i>(formerly section 10)</i></p>	<p>10.1.1. Upon determining that a Contractor or Sub-Contractor is non-compliant with the Fair Wage Policy or Fair Wage Schedule, the Manager of Procurement:</p> <p style="margin-left: 40px;">a) shall advise the Contractor, in writing, that it has been determined that the Contractor or Sub-Contractor is non-compliant and that the Contractor or Sub-Contractor is required to rectify the non-compliance(s) and provide written proof of the same, in a form satisfactory to the City, within ten (10) business days;</p>

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	<p>and</p> <p>b) may withhold making payment to the Contractor in an amount which is equal to the shortfall in Wages or Benefits, or may take any other remedies that are otherwise available at law or in equity;</p> <p>and</p> <p>c) shall impose upon the Contractor a minimum cost of \$5,000.00 (excluding taxes) for the City inspection, audit or other action as deemed necessary by the City and may deduct or set-off such costs from any payment or payments (as appropriate) under the Construction Contract or under any other contract between the City and the Contractor, or may take any other remedies that are otherwise available at law or in equity. In addition, the Contractor shall be responsible for all the City's costs beyond the minimum cost of \$5,000.00(excluding taxes), which will be payable immediately upon request.</p> <p>10.1.2. Where a Sub-Contractor has been found to be non-compliant, the Contractor shall also be deemed non-compliant and reported to City Council accordingly.</p>
<p>10.2. First Instance of Non-Compliance <i>(formerly section 10.2)</i></p>	<p>10.2.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule for the first time in a five (5) year period, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, which verifies compliance with the Fair Wage Policy and Fair Wage Schedule on the next three (3) City Construction Contracts to which the Contractor is awarded or the Sub-Contractor is carried on a Construction Contract.</p> <p>10.2.2. Such assurance report shall provide sufficient information and detail to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule</p>

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	<p>and shall be submitted after Substantial Performance of the Construction Contract and prior to the release of money owing the Contractor. The City reserves the right to not release part or all of the money owing on a Construction Contract or under any other contract between the City and the Contractor until such assurance report is received and deemed to be satisfactory by the City.</p> <p>10.2.3. The City reserves the right to treat a first non-compliance as a second or subsequent non-compliance.</p>
<p>10.3. Subsequent Instance of Non-Compliance <i>(formerly section 10.3)</i></p>	<p>10.3.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule for a second or subsequent time within a five (5) year period from the date of the first determination of non-compliance by the Manager of Procurement, the City, as approved by City Council, may impose a ban and refuse:</p> <ul style="list-style-type: none"> a) to accept any bid, quotation or proposal from such Contractor or Sub-Contractor, or; b) the use of a Sub-Contractor where the Sub-Contractor was determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule <p>on any City contract for a period of no less than two (2) years from the date of City Council, approval or as otherwise approved by City Council, save and except any Construction Contract the Contractor may currently have with the City.</p> <p>10.3.2. Within five (5) years from the date of the expiration of a ban imposed upon a Contractor or Sub-Contractor for non-compliance with the Fair Wage Policy or Fair Wage Schedule, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, verifying the previously banned Contractor's or</p>

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	<p>Sub-Contractor's compliance with the Fair Wage Policy and Fair Wage Schedule on at least three City Construction Contracts where:</p> <ul style="list-style-type: none"> a) the previously banned Contractor is awarded a Construction Contract or is carried as a Sub-Contractor on a Construction Contract; or b) the previously banned Sub-Contractor is awarded a Construction Contract or is carried as a Sub-contractor on a Construction Contract. <p>10.3.3. Any determination of non-compliance with the Fair Wage Policy or Fair Wage Schedule during the five-year period may result in a further ban imposed upon the Contractor or Sub-Contractor by City Council on any City Construction Contract.</p>
<p>11. COMPLAINTS</p> <p>11.1. Receipt of Complaint <i>(formerly section 11.1 to 11.5)</i></p>	<p>11.1.1. Any person may submit a complaint to the City, alleging non-compliance with the Fair Wage Policy or Fair Wage Schedule, by any Contractor or Sub-Contractor performing construction work on a City Construction Contract. All complaints must be submitted in writing and contain sufficient information in order to investigate the complaint. The Fair Wage Complaint Form may be completed for this purpose</p> <p>11.1.2. The complaint must be forwarded to the City's Manager of Procurement via email (procurement@hamilton.ca), regular mail or in person to the Procurement Division, Corporate Services Department, 28 James Street North, 4th Floor, Hamilton, Ontario, L8R 2K1.</p> <p>11.1.3. The complaint may be initiated at any time during the Construction Contract but shall be received by the City no later than 21 calendar days following Substantial Performance of the related Construction Contract.</p>

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	<p>11.1.4. Upon receipt of a complaint, the Manager of Procurement will conduct an initial review of the complaint submitted and advise the Initiator of the minimum investigation fee and what the likely cost of the investigation will be. The minimum cost of an investigation will be \$5,000.00 (excluding taxes). The City, at its discretion, may waive the cost of an investigation if an Employee is the Initiator of the complaint.</p> <p>11.1.5. The Initiator shall confirm to the City in a timely manner whether or not they would like to proceed with the complaint.</p>
<p>11.2. Investigation of the Complaint <i>(formerly section 11.6 to 11.9)</i></p>	<p>11.2.1. The City shall take such action or investigation as it deems is necessary to determine whether the Contractor or Sub-Contractor involved or named in the complaint is compliant with the Fair Wage Policy or Fair Wage Schedule. Such action or investigation, as deemed necessary by the City, to determine compliance or non-compliance shall <u>begin</u> within 30 calendar days of receipt of a completed Fair Wage Complaint Form submitted to the Manager of Procurement.</p> <p>11.2.2. Once such action or investigation to determine compliance or non-compliance <u>is completed</u> to the City's satisfaction, the Manager of Procurement shall inform the Initiator and any Contractor or Sub-Contractor involved or named in the complaint of the City's determination of the Contractor's or Sub-Contractor's compliance or non-compliance with the Fair Wage Policy or Fair Wage Schedule.</p> <p>11.2.3. Whenever a complaint is initiated by a person other than an individual Employee of the Contractor or Sub-Contractor involved or named in the complaint, and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne solely by</p>

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	<p>the Initiator. Until the Initiator has paid the associated costs to the City, the City will not accept any additional complaints from the Initiator.</p> <p>11.2.4. For the purposes of the City not accepting any additional complaints from the Initiator under the previous section of this Fair Wage Policy, a reference to Initiator shall also include an officer, director, a majority or controlling shareholder, or a member of the Initiator, if a corporation; a partner of the Initiator, if a partnership; any corporation to which the Initiator is an affiliate of or successor to, or an officer, a director or a majority or controlling shareholder of such corporation; and any person with whom the Initiator is not at arm's length within the meaning of the <i>Income Tax Act (Canada)</i>.</p>
<p>11.3. Confidentiality <i>(formerly section 11.10)</i></p>	<p>11.3.1. The City shall make every effort to safeguard the confidentiality of each Initiator's identity and the City will do its best efforts not to disclose this information. However, this information is subject to the provisions of the <i>Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56</i>. For greater certainty and direction regarding how such issues of confidentiality will be handled and may affect an Initiator's rights, the Initiator should reference the City's policies related to Freedom of Information on the City's website under the Office of the City Clerk at hamilton.ca.</p>
<p>12. APPEALS PROCESS <i>(formerly section 12)</i></p>	<p>12.1. Contractors, Sub-Contractors or Initiators may feel aggrieved and may seek to dispute the outcome of a Fair Wage complaint process. If anyone wishes to appeal the outcome of a Fair Wage complaint, they shall write to the Director of Procurement Division within five (5) business days of being notified of the Fair Wage complaint outcome and provide a detailed statement outlining the grounds of the appeal and request a meeting with the Director of Procurement.</p>

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	<p>12.2. If no resolution satisfactory to both parties has been achieved, the Contractor, Sub-Contractor or Initiator will have three (3) business days from the date of the meeting with the Director of Procurement Division to make a formal written request with the Director of Procurement Division to meet with the General Manager of the Client Department issuing the Construction Contract and the General Manager of Finance and Corporate Services regarding their complaint. The General Managers will make the final decision regarding the outcome of the Fair Wage complaint process.</p>
<p>13. APPRENTICES <i>(new section)</i></p>	<p>13.1. The City encourages Contractors and Sub-Contractors to hire and train Apprentices under approved apprenticeship programs in Ontario. Apprentices will be assessed based on the appropriate government agency certification criteria and approved program.</p> <p>13.2. Employees reported as Apprentices not properly registered or are utilized at the jobsite in excess of the ration of journeymen permitted under the approved program, must be paid the applicable Total Hourly Compensation Rate for that work. The Contractor or Sub-Contractor shall be required to provide evidence of the Apprentice’s registration at any time.</p> <p>13.3. The proper Total Hourly Compensation Rates to be paid to Apprentices are:</p> <ul style="list-style-type: none"> a) as set out in the Fair Wage Schedule; or b) where no Apprentice rate or calculation is identified in the Fair Wage Schedule, as specified by a particular industry program in which they are enrolled, expressed as a percentage of the journeyman rate on the wage determination, multiplied by 24%.

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<p>14. FAIR WAGE SCHEDULE AND UPDATES <i>(formerly section 13)</i></p>	<p>14.1. Unless otherwise approved by Council, the Manager of Procurement shall update Total Hourly Compensation Rates set out in the Fair Wage Schedule every two years in accordance with the following:</p> <ul style="list-style-type: none"> a) based upon the collective hourly wage rates set out in the respective collective agreements from the two-year's preceding the date of the last Fair Wage Schedule update. For example, the updated rates in 2024 shall be based upon the 2022 hourly rates (two years preceding 2024) and shall be held until 2026 (two years after 2024); b) calculated by increasing the respective collective agreement's hourly wage rates by no more than 24%; and c) frozen for the two-year term.
<p>RELATED DOCUMENTS</p>	<p>The following related documents are referenced in this Policy:</p> <ul style="list-style-type: none"> 1. <i>Fair Wage Schedule</i>
<p>HISTORY</p>	<p>This policy replaces the former policy named Fair Wage Policy, approved by City Council on June 12, 2019, Report FCS19035/HUR19008</p>

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Fair Wage Policy	(yellow denotes changes/additions)
1. POLICY STATEMENT <i>(formerly section 1)</i>	1.1. Every Contractor and Sub-Contractor shall compensate their Employees in accordance with the Fair Wage Policy and Fair Wage Schedule on all Construction Contracts with the City. The compensation requirements as set out in the Fair Wage Policy and Fair Wage Schedule are minimum requirements.
2. PURPOSE <i>(new section)</i>	2.1. The purpose of the City's Fair Wage Policy and Fair Wage Schedule is to: <ul style="list-style-type: none"> a) ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and b) to create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.
3. INTREPRETATION <i>(formerly section 2)</i>	3.1. In this Fair Wage Policy and Fair Wage Schedule: <ul style="list-style-type: none"> a) a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa; b) the provisions shall be read with changes of gender or number as the context may require; c) a reference to any Act, by-law, rule, procedure, regulation or to a provision thereof shall be deemed to include a reference to any Act, by-law, rule, procedure, regulation or provision enacted in substitution or amendment thereof; d) any reference to an officer of the City shall be construed to mean the person holding that office, the designate or delegate of that person.
4. DEFINITIONS	4.1. Capitalized words and phrases used in this Fair Wage Policy and Fair Wage Schedule shall have the

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<i>(formerly section 3)</i>	following meanings, unless expressly stated otherwise.
Apprentice	as defined by the Building Opportunities in the Skilled Trades Act, 2021, means an individual who, pursuant to a registered training agreement, is receiving or is to receive training in a trade that is required as part of an apprenticeship program;
Benefits	shall mean any non-statutory payment to an Employee or non-statutory premiums or contributions paid to provide benefits to an Employee and shall include employer contributions to such items as a pension plan, Registered Retirement Savings Plan (RRSP), medical plan bonus, retention pay or the like and vacation. Benefits do not include legislated payroll deductions such as Canada Pension Plan ("CPP"), Employer Health Tax ("EHT"), Workplace Safety and Insurance Board ("WSIB") or Employment Insurance Canada ("EIC");
City Council	shall mean the Council of the City of Hamilton;
City	shall mean the City of Hamilton, its officers, officials, employees and agents;
Construction Contract	<p>means any construction work awarded to a Contractor of a minimum of \$500,000.00 excluding residential sectors</p> <p>shall mean any construction work awarded to a Contractor that is:</p> <ul style="list-style-type: none"> a) an "improvement" to the land as defined in the Construction Act, R.S.O. 1990, c. C.30; b) has a minimum contract value of \$500,000.00 upon award; and includes: <ul style="list-style-type: none"> i) the industrial, commercial and institutional sector; ii) the sewers and watermains sector; iii) the roads sector; iv) the heavy engineering sector, and v) any Landscaping Work, c) but does not include:

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	<ul style="list-style-type: none"> i) the residential sector; ii) snow removal; and iii) maintenance work performed to prevent the normal deterioration of the land, building, structure or works, or to maintain the land, building, structure or works in a normal, functional state. <p>Construction Contracts that exceed the construction contract threshold of \$500,000.00 solely as a result of change orders are not covered by the Fair Wage Policy.</p>
Contractor	shall mean any person having a Construction Contract with the City but does not include any person that only supplies materials for the Construction Contract;
Employee(s)	shall mean those persons employed by the Contractor or Sub-Contractor who perform work identified in the Fair Wage Schedule, for a Construction Contract with the City;
Fair Wage Policy	shall mean the Fair Wage Policy approved by Council;
Fair Wage Schedule	shall mean the Fair Wage Schedule approved by Council, as amended from time to time. The Fair Wage Schedule stipulates the Total Hourly Compensation Rate for Employees;
Hours of Work	shall mean the regular hours of work per day and week and shall include a provision for the payment of overtime beyond such regular hours, as per the Employment Standards Act, 2000, S.O. 2000, c.41, specifically Part VIII Overtime Pay;
Initiator	shall mean any person who submits a complaint to the City alleging non-compliance with the Fair Wage Policy and Fair Wage Schedule by any Contractor or Sub-Contractor performing construction work on a City Construction Contract.
Landscaping Work	shall mean the installation or repair of: <ul style="list-style-type: none"> a) retaining walls; b) sidewalk's concrete and or stone pavers; c) fencing;

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	<p>d) grading; and sod installation and tree planting when that work is required as a component within a larger Construction Contract (not a stand alone sod installation and/or tree planting contract).</p>
<p>Manager of Procurement</p>	<p>shall mean the Manager of Policy and Contracts, Procurement Division, or designate.</p>
<p>Sub-Contractor</p>	<p>shall mean any person performing work on a City Construction Contract for a Contractor, or an agreement with another Sub-Contractor, but does not include any person that only supplies materials for the Construction Contract;</p>
<p>Substantial Performance</p>	<p>as defined in the Construction Act, R.S.O. 1990, c. C.30;</p>
<p>Total Hourly Compensation Rate</p>	<p>shall mean the aggregate amount of Wages and Benefits as stated in the Fair Wage Schedule;</p>
<p>Wages</p>	<p>shall mean the Employees basic hourly rate, which is paid as earned at the time of undertaking the work.</p>
<p>5. RESPONSIBILITIES</p>	
<p>5.1. General</p>	<p>5.1.1. The following persons are responsible for fulfilling the responsibilities detailed in this Policy as follows:</p>
<p>5.2. City Responsibilities <i>(formerly section 4)</i></p>	<p>5.2.1. The Director of Financial Services the Procurement Division shall periodically review the Fair Wage Policy and recommend to the appropriate standing committee of Council any required amendments to the Fair Wage Policy.</p> <p>5.2.2. The Director of Employee & Labour Relations will prepare and review the Fair Wage Schedule from time to time and recommend to the appropriate standing committee of Council those amendments to the Fair Wage Schedule.</p> <p>5.2.3. The Manager of Procurement shall reference the Fair Wage Policy and Fair Wage Schedule in all City</p>

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	<p>Construction Contracts. The City's Procurement website will post the Fair Wage Policy and Fair Wage Schedule and Fair Wage Complaint Form.</p> <p>5.2.4. The Manager of Procurement will co-ordinate the preparation of an annual report for the appropriate Standing Committee of Council regarding complaints investigated and resulting audits performed pursuant to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.5. The City shall address a written objection to the administration of the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.6. The City is not in any way liable, obligated or responsible to any Employee, Sub-Contractor, Contractor or any other person for the payment of any monies not paid by a Contractor or Sub-Contractor in accordance with the Fair Wage Policy and Fair Wage Schedule, and the City assumes no responsibility to such Employee, Sub-Contractor, Contractor or any other person for the administration and enforcement of the Fair Wage Policy and Fair Wage Schedule.</p>
<p>5.3. Ad-Hoc Fair Wage Committee <i>(formerly section 5)</i></p>	<p>5.3.1. The City shall participate in an ad hoc Fair Wage committee ("Committee") to discuss issues and provide a forum for consultation regarding issues related to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.3.2. The Committee shall meet on an as required basis.</p> <p>5.3.3. The Committee, as determined by the City, shall be comprised, as a minimum, of the following members:</p> <ul style="list-style-type: none"> a) Director of the Procurement Financial Services Division or designate, b) Director of the Employee & Labour Relations Division or designate, c) A representative from: <ul style="list-style-type: none"> • Hamilton & District Heavy Construction Association,

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	<ul style="list-style-type: none"> Hamilton-Brantford Ontario, Building and Construction Trades Council, Labourers' International Union of North America, Christian Labour Association of Canada, and Merit OpenShop Contractors Association of Ontario.
<p>5.4. Contractor and Sub-Contractor Responsibilities <i>(formerly section 6)</i></p>	<p>5.4.1. A Contractor shall ultimately be responsible for any violations or non-compliance of the Contractor and Sub-Contractors on its City Construction Contracts.</p> <p>5.4.2. A Contractor is fully responsible for ensuring that the Contractor and all Sub-Contractors comply with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.3. The Contractor or Sub-Contractor shall not be responsible for any increase to the Fair Wage Schedule which occurs after the closing of the Request for Tenders or Request for Proposals for the City Construction Contract awarded to the Contractor.</p> <p>5.4.4. At the commencement of the work, the Contractor shall post a copy of the Fair Wage Policy and Fair Wage Schedule in a prominent location at the City Construction Contract site to enable Employees of the Contractor and Sub-Contractor to review. Alternate methods may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract.</p> <p>5.4.5. After Substantial Performance (as defined in the Construction Act, R.S.O. 1990, c. C.30) of the Construction Contract and prior to release of the holdback, for all Construction Contracts with the City, the Contractor shall provide to the City, in a form acceptable to the City, a statutory declaration confirming that the Contractor and its Sub-Contractors complied with the Fair Wage Policy and Fair Wage Schedule.</p>

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	<p>5.4.6. The City reserves the right to withhold or set-off from the Contractor, a minimum of FIVE THOUSAND DOLLARS (\$5,000.00) from any final payments under the Construction Contract or under any other contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.</p>
<p>6. COMPLIANCE <i>(formerly section 7)</i></p>	<p>6.1. A Contractor or Sub-Contractors shall be in compliance with the Fair Wage Policy and Fair Wage Schedule when the Employee receives a minimum compensation package that includes Wages and Benefits, where the which aggregate amount is not less than the Total Hourly Compensation Rate as set out in the Fair Wage Schedule.</p> <p>6.2. Employees shall be paid on a "pay by pay basis" every pay period in accordance with Fair Wage Schedule. Alternate methods of payment may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract. For example any lump sum pay-out made to the Employee to reconcile money owed at the completion of the Construction Contract is not permitted unless approved in writing by the Manager of Procurement prior to implementation.</p> <p>6.3. Any lump sum payment approved by the Manager of Procurement is to be made no later than the date of Substantial Performance of the related Construction Contract.</p>
<p>7. RECORDS <i>(formerly section 8)</i></p>	<p>7.1. The Contractor and Sub-Contractor shall keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>7.2. Unless otherwise approved by the City Manager of Procurement, the Contractor and Sub-Contractor shall make these records available for inspection upon request by the City within ten business days.</p>

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	<p>7.3. In any agreement with a Sub-Contractor, the Contractor shall require the Sub-Contractor to:</p> <ul style="list-style-type: none"> a) provide written acknowledgment prior to the commencement of construction work that the Fair Wage Policy and Fair Wage Schedule applies; b) keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule; and c) unless otherwise approved by the City Manager of Procurement, make these records available for inspection upon request by the City within ten business days. <p>7.4. If a Contractor or Sub-Contractor enters into a contract for service with a self-employed independent contractor to perform work identified in the Fair Wage Schedule, the Contractor or Sub-Contractor shall keep the following records to demonstrate that the self-employed independent contractor is not an Employee of the Contractor or Sub-Contractor:</p> <ul style="list-style-type: none"> a) duties and responsibilities of both parties; b) self-employed independent contractor invoices; c) self-employed independent contractor HST registration number; d) self-employed independent contractor Workplace Safety and Insurance Board and insurance certificates; and e) self-employed independent contractor trade certificates or licences which relate to the Construction Contract. <p>Should there be concerns regarding the self-employed independent contractor's degree of dependency from the Contractor or Sub-Contractor, further records shall be made available to demonstrate that an employer employee relationship does not exist between the</p>
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	<p>Contractor or Sub-Contractor and a self-employed independent contractor. The guideline issued by Canada Revenue Agency RC4110 "Employee or Self-Employed" may be used to assist in making a final determination.</p>
<p>8. INSPECTIONS AND AUDITS <i>(formerly section 9)</i></p>	<p>8.1. The City retains the right to inspect and audit the records of the Contractor or Sub-Contractor (as referred to in Section 7. Records) at any time during the period of the Construction Contract and at any time within five (5) years after the date of Substantial Performance of the Construction Contract, regardless if a complaint has been received or not.</p>
<p>9. ASSURANCE REPORTS <i>(formerly section 10.4 and 10.5)</i></p>	<p>9.1. If the Contractor or Sub-Contractor fails to keep accurate records, the Contractor or Sub-Contractor will pay a licensed Public Accountant to provide an assurance report, acceptable to the City, which clearly demonstrates compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>9.2. Unless otherwise approved by the Manager of Procurement, assurance reports shall be completed and provided to the City within sixty days of City's notification to the Contractor or Sub-Contractor to provide. Failure to provide the assurance reports within the required timeline shall be deemed to be a material non-compliance with the Fair Wage Policy.</p>
<p>10. CONSEQUENCES OF NON-COMPLIANCE</p> <p>10.1. General <i>(formerly section 10)</i></p>	<p>10.1.1. Upon determining that a Contractor or Sub-Contractor is non-compliant with the Fair Wage Policy and/or Fair Wage Schedule, the Manager of Procurement:</p> <p style="margin-left: 40px;">a) shall advise the Contractor, in writing, that it has been determined that the Contractor or Sub-Contractor is non-compliant and that the Contractor or Sub-Contractor is required to rectify the non-compliance(s) and provide</p>

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	<p>written proof of the same, in a form satisfactory to the City, within ten (10) business days;</p> <p>and</p> <p>b) may withhold making payment to the Contractor in an amount which is equal to the shortfall in Wages or Benefits, or may take any other remedies that are otherwise available at law or in equity;</p> <p>and</p> <p>c) shall impose upon the Contractor a minimum cost of \$5,000.00 (excluding taxes) for the City inspection, audit or other action as deemed necessary by the City and may deduct or set-off such costs from any payment or payments (as appropriate) under this the Construction Contract or under any other contract between the City and the Contractor owed by the City to the Contractor, or may take any other remedies that are otherwise available at law or in equity. In addition, the Contractor shall be responsible for all the City's costs beyond the minimum cost of \$5,000.00(excluding taxes), which will be payable immediately upon request.</p> <p>10.1.2. Where a Sub-Contractor has been found to be non-compliant, the Contractor shall also be deemed non-compliant and reported to City Council accordingly.</p>
<p>10.2. First Instance of Non-Compliance <i>(formerly section 10.2)</i></p>	<p>10.2.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule for the first time in a five (5) year period, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, which verifies compliance with the Fair Wage Policy and Fair Wage Schedule on the next three (3) City Construction Contracts to which the Contractor is awarded or the Sub-Contractor is carried on a Construction Contract.</p>

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	<p>10.2.2. Such assurance report shall provide sufficient information and detail to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule and shall be submitted after Substantial Performance (as defined in the Construction Act, R.S.O. 1990, c. C.30) of the Construction Contract and prior to the release of money owing the Contractor. The City reserves the right to not release part or all of the money owing on a Construction Contract or under any other contract between the City and the Contractor until such assurance report is received and deemed to be satisfactory by the City.</p> <p>10.2.3. The City reserves the right to treat a first non-compliance as a second or subsequent non-compliance.</p>
<p>10.3. Subsequent Instance of Non-Compliance <i>(formerly section 10.3)</i></p>	<p>10.3.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule for a second or subsequent time within a five (5) year period from the date of the first determination of non-compliance by the Manager of Procurement, the City, as approved by City Council, may impose a ban and refuse:</p> <ul style="list-style-type: none"> a) to accept any bid, quotation or proposal from such Contractor or Sub-Contractor, or; b) the use of a Sub-Contractor where the Sub-Contractor was determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule <p>on any City contract for a period of no less than two (2) years from the date of City Council, approval or as otherwise approved by City Council, save and except any Construction Contract the Contractor may currently have with the City.</p> <p>10.3.2. Within five (5) years from the date of the expiration of a ban imposed upon a Contractor or Sub-Contractor for non-compliance with the Fair Wage</p>

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	<p>Policy and or Fair Wage Schedule, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, verifying the previously banned Contractor's or Sub-Contractor's compliance with the Fair Wage Policy and Fair Wage Schedule on at least three City Construction Contracts where:</p> <ul style="list-style-type: none"> a) the previously banned Contractor is awarded a Construction Contract or is carried as a Sub-Contractor on a Construction Contract; or b) the previously banned Sub-Contractor is awarded a Construction Contract or is carried as a Sub-contractor on a Construction Contract. <p>10.3.3. Any determination of non-compliance with the Fair Wage Policy or Fair Wage Schedule during the five-year period may result in a further ban imposed upon the Contractor or Sub-Contractor by City Council on any City Construction Contract.</p>
<p>11. COMPLAINTS</p> <p>11.1. Receipt of Complaint <i>(formerly section 11.1 to 11.5)</i></p>	<p>11.1.1. Any person may submit a complaint to the City, alleging non-compliance with the Fair Wage Policy or Fair Wage Schedule, by any Contractor or Sub-Contractor performing construction work on a City Construction Contract. All complaints must be submitted in writing and contain sufficient information in order to investigate the complaint. The Fair Wage Complaint Form may be completed for this purpose</p> <p>11.1.2. The complaint must be forwarded to the City's Manager of Procurement via email (procurement@hamilton.ca), regular mail or in person to the Procurement Division, Corporate Services Department, 28 James Street North, 4th Floor, Hamilton, Ontario, L8R 2K1.</p>

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	<p>11.1.3. The complaint may be initiated at any time during the Construction Contract but shall be received by the City no later than 21 calendar days following Substantial Performance of the related Construction Contract.</p> <p>11.1.4. Upon receipt of a complaint, the Manager of Procurement will conduct an initial review of the complaint submitted and advise the Initiator of the minimum investigation fee and what the likely cost of the investigation will be. The minimum cost of an investigation will be \$5,000.00 (excluding taxes). The City, at its discretion, may waive the cost of an investigation if an Employee is the Initiator of the complaint.</p> <p>11.1.5. The Initiator shall confirm to the City in a timely manner whether or not they would like to proceed with the complaint.</p>
<p>11.2. Investigation of the Complaint <i>(formerly section 11.6 to 11.9)</i></p>	<p>11.2.1. The City shall take such action or investigation as it deems is necessary to determine whether the Contractor or Sub-Contractor involved or named in the complaint is compliant with the Fair Wage Policy and or Fair Wage Schedule. Such action or investigation, as deemed necessary by the City, to determine compliance or non-compliance shall <u>begin</u> within 30 calendar days of receipt of a completed Fair Wage Complaint Form submitted to the Manager of Procurement.</p> <p>11.2.2. Once such action or investigation to determine compliance or non-compliance <u>is completed</u> to the City's satisfaction, the Manager of Procurement shall inform the Initiator and any Contractor or Sub-Contractor involved or named in the complaint of the City's determination of the Contractor's or Sub-Contractor's compliance or non-compliance with the Fair Wage Policy and or Fair Wage Schedule.</p> <p>11.2.3. Whenever a complaint is initiated by a person other than an individual Employee of the Contractor or Sub-Contractor involved or named in the complaint,</p>

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	<p>and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy and or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne solely by the Initiator. Until the Initiator has paid the associated costs to the City, the City will not accept any additional complaints from the Initiator.</p> <p>11.2.4. For the purposes of the City not accepting any additional complaints from the Initiator under section 11.8 the previous section of this Fair Wage Policy, a reference to Initiator shall also include an officer, director, a majority or controlling shareholder, or a member of the Initiator, if a corporation; a partner of the Initiator, if a partnership; any corporation to which the Initiator is an affiliate of or successor to, or an officer, a director or a majority or controlling shareholder of such corporation; and any person with whom the Initiator is not at arm's length within the meaning of the <i>Income Tax Act (Canada)</i>.</p>
<p>11.3. Confidentiality (formerly section 11.10)</p>	<p>11.3.1. The City shall make every effort to safeguard the confidentiality of each Initiator's identity and the City will do its best efforts not to disclose this information. However, this information is subject to the provisions of the <i>Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56</i>. For greater certainty and direction regarding how such issues of confidentiality will be handled and may affect an Initiator's rights, the Initiator should reference the City's policies related to Freedom of Information on the City's website under the Office of the City Clerk at hamilton.ca.</p>
<p>12. APPEALS PROCESS (formerly section 12)</p>	<p>12.1. Contractors, Sub-Contractors or Initiators may feel aggrieved and may seek to dispute the outcome of a Fair Wage complaint process. If anyone wishes to appeal the outcome of a Fair Wage complaint, they shall write to the Manager Director of Procurement Division within five (5) business days of being</p>

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	<p>notified of the Fair Wage complaint outcome and provide a detailed statement outlining the grounds of the appeal and request a meeting with the Manager Director of Procurement.</p> <p>12.2. If no resolution satisfactory to both parties has been achieved, the Contractor, Sub-Contractor or Initiator will have three (3) business days from the date of the meeting with the Manager Director of Procurement Division to make a formal written request with the Manager Director of Procurement Division to meet with the General Manager of the Client Department issuing the Construction Contract and the General Manager of Finance and Corporate Services regarding their complaint. The General Managers will make the final decision regarding the outcome of the Fair Wage complaint process.</p>
<p>13. APPRENTICES <i>(new section)</i></p>	<p>13.1. The City encourages Contractors and Sub-Contractors to hire and train Apprentices under approved apprenticeship programs in Ontario. Apprentices will be assessed based on the appropriate government agency certification criteria and approved program.</p> <p>13.2. Employees reported as Apprentices not properly registered or are utilized at the jobsite in excess of the ration of journeymen permitted under the approved program, must be paid the applicable Total Hourly Compensation Rate for that work. The Contractor or Sub-Contractor shall be required to provide evidence of the Apprentice's registration at any time.</p> <p>13.3. The proper Total Hourly Compensation Rates to be paid to Apprentices are:</p> <ul style="list-style-type: none"> a) as set out in the Fair Wage Schedule; or b) where no Apprentice rate or calculation is identified in the Fair Wage Schedule, as specified by a particular industry program in which they are enrolled, expressed as a

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	percentage of the journeyman rate on the wage determination, multiplied by 24%.
14. FAIR WAGE SCHEDULE AND UPDATES <i>(formerly section 13)</i>	<p>The Fair Wage Schedule shall be automatically updated every three years.</p> <p>14.1. Unless otherwise approved by Council, the Manager of Procurement shall update Total Hourly Compensation Rates set out in the Fair Wage Schedule shall be every two years in accordance with the following:</p> <ul style="list-style-type: none"> a) based upon the collective hourly wage rates set out in the respective collective agreements from the two-year's preceding the date of the last Fair Wage Schedule update. For example, the updated rates in 2024 shall be based upon the 2022 hourly rates (two years preceding 2024) and shall be held until 2026 (two years after 2024); b) calculated by increasing the respective collective agreement's hourly wage rates by no more than 24%; and c) frozen for the two-year term.
RELATED DOCUMENTS	<p>The following related documents are referenced in this Policy:</p> <ol style="list-style-type: none"> 1. <i>Fair Wage Schedule</i>
HISTORY	<p>This policy replaces the former policy named Fair Wage Policy, approved by City Council on June 12, 2019, Report FCS19035/HUR19008</p>

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Fair Wage Schedule

Road Work

Work Performed	Total Hourly Compensation Rate
Excavators, draglines, gradalls, clams (on site), Grader "A", fine grade bulldozer, Pitman type cranes, self-erecting tower cranes, Hydra-lift truck mounted hydraulic cranes, boomtruck.	\$56.42
Clams (yard operation), mechanics, welders.	\$55.43
Curb Machine, self-propelled power drills, hydraulic, etc., bulldozer operators, all front-end loader operators, scrapers (self-propelled), dozer 815 type, off highway vehicles and concrete paver, pulverizer, asphalt grinder and asphalt planer, Mixer man on asphalt plant.	\$55.01
Engineers on boilers (with papers), asphalt spreader (self-propelled), asphalt roller, Shuttlebuggy.	\$54.86
Farm and industrial type tractor operators with excavating attachments, rubber-tire backhoes, grader operator 'B', snippers, hydro axe and tree farmer, feller buncher, hydro shear, trenching machines, caisson boring machines under 25 H.P., lubrication unit operator, skid steer loaders, Kubota skid steer loaders, Kubota bobcat type excavators and those less than 65 H.P. and similar types, skidder type equipment with hydraulic and cable attachments.	\$54.68
Boiler fireman (without papers), burnerman on asphalt plant.	\$54.19
Roller Operator (asphalt) 'B', mobile sweeper.	\$53.80
Farm and industrial type tractor, (towed and self-propelled compaction units), grade rollerman, including self-propelled rubber-tired grade rollers.	\$53.49
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

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"Open-Cut" Work for Sewer and Watermain Construction

Work Performed	Total Hourly Compensation Rate
Engineers operating cranes, clams, excavators, derricks, pile-drivers, gradalls, mobile cranes, self-erecting tower cranes, caisson boring machines 25 H.P. and over, side-booms and similar equipment, Pitman type cranes. Grader Operator "A" and fine grade bulldozer operator, Hydra- Lift truck mounted hydraulic cranes, boom truck drivers.	\$57.20
Heavy Duty Field mechanics and equipment repair welders.	\$55.90
Operators of bulldozers, tractors, scrapers, emcos, grader "B", all frontend loaders or similar equipment, farm and industrial tractors with excavating attachments, rubber-tire backhoes, trenching machines, caisson boring machines under 25 H.P., snippers, hydro axe and tree farmer, feller buncher, hydro shear, lubrication unit operator, skid steer loaders, Kubota skid steer loaders, Kubota Bobcat type excavators and those less than 65 H.P. and similar types, skidder type equipment with hydraulic and cable attachments, curb machines and self-propelled power drills, hydraulic, etc., off highway vehicles.	\$55.78
Servicemen on excavators, compressors, pumps, self-propelled rollers, operators of 5 or more heaters.	\$54.40
Oilers, greasers, mechanics helpers - Third Year	\$53.90
Oilers, greasers, mechanics helpers - Second Year	\$52.66
Oilers, greasers, mechanics helpers - First Year	\$51.42
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

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Tunnel Work

Work Performed	Total Hourly Compensation Rate
Engineers operating all hoists hoisting materials out of shafts, tuggers, and derricks with lifting capacity over 2,000 pounds, self-erecting tower cranes, compressor house set-up man, selfpropelled power drills, hydraulic, etc.	\$57.16
Heavy Duty Field Mechanics.	\$56.17
Engineers operating shaft hoist, tuggers, and derricks, 2,000 pounds or less, compressor operators 500 CFM or over.	\$56.05
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

Flushing, CCTV Inspection, Hydro Excavation and Air Excavation

Work Performed	Total Hourly Compensation Rate
Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$44.86
Helper: Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$38.89
CCTV, Combo Flushing, Pipe Cleaning	\$42.43
Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$41.30
Helper: Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$35.70
CCTV, Combo Flushing, Pipe Cleaning	\$41.30
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	

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Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.

Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.
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Crane and Equipment Rental

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$61.58
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$60.77
Engineers operating: all convention and hydraulic type cranes, save and except those set out in Article 1.1 above, crawler cranes, clams, shovels, gradalls, backhoes, draglines, dredges - suction and dipper, mobile truck cranes including Galleon and Austin-Western type, and all rough terrain type hydraulic cranes, 15 ton capacity and over boom truck, gantry cranes, creter cranes, side booms, power hoist, mine hoist, chimney hoist, overhead cranes, tower type man and material hoists, piledrivers, caisson boring machines and drill rigs. Heavy duty mechanics, qualified maintenance welders, and 2nd Class Stationary Engineers. Mobile concrete pump 42 metre boom and over. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over, telescopic belt conveyors.	\$59.71
Boom trucks of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$59.11
Operators of: bullmoose, Boom trucks of less than 10 ton capacity, air compressor feeding low pressure into air locks, bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front end loaders, industrial tractors with attachments, trenching machines, mucking machines, mobile concrete pumps save and except those set out in Article 1.2 (a) above, side loaders, end booms, mobile pressure grease units, elevators, and Dinky locomotive type engines. 3rd Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	\$57.35

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Operators of: batching and crushing plants, 6" discharge pumps and over, air tuggers, wellpoint systems and all other types of dewatering systems, concrete mixers of one cubic yard and over, fork lifts, portable air compressors over 150 C.F.M., boom trucks, "A" Frames, post hole augers, and off-highway aggregate haulers; gas, diesel or steam driven generators over 50 H.P. (portable). Servicemen and 4th Class Stationary Engineers. Rock trucks, telehandlers, hydrovac.	\$55.27
Operators of: Rollers on grade work, driver mounted compaction units, concrete conveyors, and concrete pumps. Firemen and attendants for forced air, gas or oil burning temporary heating units of 500,000 BTU or over per hour; or five (5) or more heating units on the same job site; 2nd year mechanic's helper and signalman.	\$52.92
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, and driver mounted power sweeper. 1st year mechanic's helper, truck crane oiler drivers, and oilers.	\$52.07
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating 52 metre boom and over - rate per hour above the applicable rate:	\$2.48
Engineers operating high pressure stationary concrete pumps and placing booms including pumps working underground - rate per hour above the applicable rate:	\$2.48

Steel Erection or Mechanical Installations

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$61.45
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$60.65

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Engineers operating: all conventional & hydraulic type cranes, save and except those set out in Article 1.1 above, crawler cranes, clams, shovels, gradalls, backhoes, draglines, dredges - suction and dipper, mobile truck cranes including Galleon and Austin-Western type, and all rough terrain type hydraulic cranes, 15 ton capacity and over boom truck, gantry cranes, creter cranes, side booms, power hoist, mine hoist, chimney hoist, overhead cranes, tower type man and material hoists, piledrivers, caisson boring machines and drill rigs. Heavy duty mechanics, qualified maintenance welders, and 2nd Class Stationary Engineers. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over.	\$59.58
Boom trucks of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$59.01
Operators of: bullmoose, Boom trucks of less than 10 ton capacity, air compressor feeding low pressure into air locks, bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front-end loaders, industrial tractors with attachments, trenching machines, mucking machines, mobile concrete pumps, side loaders, end booms, mobile pressure grease units, elevators, and Dinky locomotive type engines. 3rd Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	\$58.22
Operators of: batching and crushing plants, 6" discharge pumps and over, air tuggers, wellpoint systems and all other types of dewatering systems, concrete mixers of one cubic yard and over, fork lifts, portable air compressors over 150 C.F.M., boom trucks "A" Frames, post hole augers, and off-highway aggregate haulers; gas, diesel or steam driven generators over 50 H.P. (portable). Servicemen and 4th Class Stationary Engineers. Rock trucks, telehandlers, hydrovacs.	\$56.57
Operators of: Rollers on grade work, driver mounted compaction units, concrete conveyors, and concrete pumps. Firemen and attendants for forced air, gas or oil burning temporary heating units of 500,000 BTU or over per hour; or five (5) or more heating units on the same job site; 2nd year mechanic's helper and signalman.	\$53.07
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, and driver mounted power sweeper. 1st year mechanic's helper, truck crane oiler drivers, and oilers.	\$52.04
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96

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Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86
Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48

Foundation, Piling and Caisson Boaring

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with drill attachments, cranes with piling lead attachments, cranes with vibratory hammers, rotary drill rigs with a manufacturer's rated torque of greater than 270 kNm.	\$60.10
Engineers operating: service cranes, including but not limited to, carry deck cranes, self-erecting cranes and spider-type cranes, rotary drill rigs with a manufacturer's rated torque from 190 kNm to 270 kNm, mechanics, churn drills, power mounted drills.	\$58.60
Engineers operating: excavator mounted vibratory hammers, tie back machines, rotary drill rigs with a manufacturer's rated torque of less than 190 kNm, welders, winches of all descriptions	\$57.66
Front-end loaders, bulldozers (including 815 type) and similar equipment, boom trucks, Kubota type backhoe, skid steer loader, rock trucks, hydrovacs, *Excavator, Tractor Loader Backhoe.	\$57.08
Tuggers, forklifts, telehandlers.	\$54.35
Drillers, drillers helpers	\$52.87
Mechanics helpers	\$51.82
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20

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Excavating

Work Performed	Total Hourly Compensation Rate
Engineers operating: draglines, cranes including but not limited to Self-erecting Cranes and Carry Deck Cranes. Heavy Duty Mechanics. Spider-type Cranes.	\$57.04
Engineers operating: shovels, backhoes, hoptoes, gradalls and similar equipment, whip hammer, power mounted drills, *fine grade bulldozers.	\$56.44
Welders.	\$56.63
Operators of tractors, scrapers, emcos, graders, overhead loaders, front-end loaders, industrial tractors with excavating attachments, compressor operators. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovacs.	\$55.61
Mechanic's helpers and servicemen	\$53.15
Oiler-Grademen and Oiler-Drivers.	\$52.58
Compactors.	\$52.69
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20

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Hamilton Building and Construction Work

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$60.12
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$59.56
Engineers operating: all conventional and hydraulic type cranes, save and except those set out in Article 1.1 above, 15 ton capacity and over boom truck, clams, shovels, gradalls, backhoes, draglines, piledrivers, all power derricks, gantry cranes, caisson boring machines (over 25 HP), and similar drill rigs, mine hoists, and all similar equipment working on land or water, overhead cranes, chimney hoists, multiple drum hoists, single drum hoists (over 12 stories), single drum hoists of manual friction and brake type, and all similar equipment, dredges - suction and dipper, hydraulic jacking equipment on vertical slip forms, hydraulic jacking poles, creter cranes, and hydraulic skoopers. heavy duty mechanics, qualified welders and 2nd Class Stationary Engineers and self-propelled hydraulic drills. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over.	\$58.63
Pitman type cranes of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$58.03
Operators of: air tuggers used for installation of vessels, tanks, machinery, and for steel erection; side booms on land or water; man and material hoist and single drum hoists 12 stories and under not of a manual friction and brake type; elevators, monorails, bullmoose type equipment of 5 ton capacity or over, air compressor feeding low pressure into air locks, tunnel mole. 3rd Class Stationary Engineer. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	\$57.45
Operators of: bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front-end loaders, side loaders, industrial tractors with excavating attachments, trenching machines, and all similar equipment, mobile concrete pumps, Pitman type cranes under 10 ton capacity, mobile pressure grease units, mucking machines, hydraulically operated utility pole hole digger, and Dinky locomotive type engines. 4th Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovac.	\$57.24

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Operators of: batching and crushing plants, 6" discharge pumps and over, wellpoint systems and all similar systems, concrete mixers of 1 cubic yard and over, gas, diesel, or steam driven generators over 50 HP (portable), fork lifts over 8' lifting height, air tuggers except those in Group 1.3, caisson boring machines (25 HP and under), drill rigs, post hole diggers, portable air compressors 150 CFM and over, and concrete pumps. Signalman, telehandlers.	\$54.34
Operators of: boom trucks, "A"Frames, driver mounted compaction units, bullmoose type equipment under 5 ton capacity, fork lifts 8' and under in lifting height and conveyors. Firemen. Permanent automatically controlled elevators on Commercial and Institutional buildings.	\$53.11
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, hydraulic jacking equipment for underground operations, portable air compressors under 150 CFM where attendant is required, and driver mounted power sweepers. Attendants for forced air, gas, or oil burning temporary heating units of 500,000 BTU's or over per hour, or, five (5) or more on the same job site, oilers, oiler-drivers, and mechanics helpers.	\$51.62
2nd Year:	\$49.44
1st Year:	\$46.80
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86
Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48

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Excavation and Site Preparation

Work Performed	Total Hourly Compensation Rate
Engineers operating: draglines, cranes including but not limited to Self-erecting Cranes and Carry Deck Cranes. Heavy Duty Mechanics. Spider-type Cranes.	\$57.03
Engineers operating: shovels, backhoes, hoptoes, gradalls and similar equipment, whip hammer, power mounted drill.	\$56.22
Welders.	\$56.63
Operators of: bulldozers (including 815 type), tractors, scrapers, emcos, graders, overhead loaders, front-end loaders, industrial tractors with excavating attachments, compressor operators. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovacs.	\$55.39
Mechanic's helpers and Servicemen.	\$53.15
Oiler-Grademen and Oiler-Drivers.	\$52.58
Compactors.	\$52.69
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86
Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48

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Apprentices

Work Performed
Indentured Apprentices (except Tower Crane Apprentices) 0 to 2,000 hours worked: 50% of Licensed Journeyman Base Rate
Indentured Apprentices (except Tower Crane Apprentices) 2,001 to 4,000 hours worked: 65% of Licensed Journeyman Base Rate
Indentured Apprentices (except Tower Crane Apprentices) 4,001 to 6,000 hours worked: 80% of Licensed Journeyman Base Rate
Indentured Tower Crane Apprentices 0 to 2,000 hours worked: 50% of Licensed Journeyman Base Rate
Indentured Tower Crane Apprentices 2,001 to 3,000 hours worked: 75% of Licensed Journeyman Base Rate
Heavy Equipment Operator Apprentices 0 to 1,000 Hours: 50% of the current base rate for the machine which they are operating.
Heavy Equipment Operator Apprentices 1,001 - 2,000 Hours: 60% of the current base rate for their classification.
Heavy Equipment Operator Apprentices 2,001 - 2,500 Hours: 75% of the current base rate for their classification.
Heavy Equipment Operator Apprentices 2,500 Hours and all related training: 100% at the rate of pay in the Collective Agreement.
Concrete Pump Operator Apprentices 0 to 1,200 hours worked: 50% of the hourly wage rate as set out in Article 1.3 and Schedule "A".
Concrete Pump Operator Apprentices 1,201 to 2,000 hours worked: 75% of the hourly wage rate as set out in Article 1.3 and Schedule "A".

Labourers - Sewer Watermain, Roads Building Paving, Parking Lots, Bridge Rehab

Work Performed	Total Hourly Compensation Rate
Labourer	\$46.18
Skilled Labourer	\$46.70
Crawler Type Drillman, Powderman	\$49.43
Catch Basin Constructors	\$47.44

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Asphalt Raker, Pipelayers, Trenchless Tech. Carpenters, Cement Finishers	\$48.10
Man Hole Valve Chamber Constructors	\$47.89
Rodman Reinforcing Installers, Curb-setters, Bricksetters, Stonepaving	\$47.14
Working Foreperson	\$49.62
Watchman Six Shifts Per Week, (10) hours per shift (Weekly)	\$29.87
Traffic Control Person	\$43.23

Labourers - Bridge Building, Underpasses, Overpasses, Pedestrian retaining walls connected with dams etc.

Work Performed	Total Hourly Compensation Rate
Labourer	\$46.97
Skilled Labourer	\$47.52
Powderman, Crawler Type Driller	\$51.04
Carpenters	\$48.91
Rodman	\$48.26
Concrete Finisher	\$48.66
Piling Driving (All types Operation)	\$47.64
Working Foreperson	\$50.42
Watchman Six Shifts Per Week, (10) hours per shift (Weekly)	\$29.87
Traffic Control Person	\$42.61

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Labourers - Mining and Tunneling Operation

Work Performed	Total Hourly Compensation Rate
Labourer	\$47.69
Underground Labourer, Pipelayer, Reinforced Concrete Worker, Skilled	\$48.42
Concrete Leader	\$48.72
Pumpman (3" Disc. and Under), Deck Man, Pit Bottom Man, Signal Man	\$48.05
Pile Driving all types and all Operations related thereto	\$48.84
Mucker and Miner Helper, Grout Machine Man, Diamond Drill, Welder	\$49.04
Shield Driver and Mole Driver, Lead Miner	\$49.34
Powderman	\$49.41
Fence Erector	\$49.29
Working Foreperson	\$49.71
Watchman and Dryman	\$47.06

Labourers - Hamilton ICI

Work Performed	Total Hourly Compensation Rate
General Labourer, Form Worker, Concrete Worker, Jackhammer Operator, Vibrator Operator, Forklift Operator, Pump Operator, Compressor Operator, Truck Driver, Barman, Mixerman, Pumpman, Precast Erector, Equipment Operator and Plasterers Tender.	\$41.55
Forklift Operator/Swamper	\$43.41
Foreperson	\$45.71
Apprentice: 70% of applicable rate for the first 800 hours	\$29.09

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Apprentice: 80% of applicable rate for the next 800 hours	\$33.24
Apprentice: 90% of applicable rate for the next 800 hours	\$37.40

Mason Tenders

Work Performed	Total Hourly Compensation Rate
Mason Tender 1 (Labourer performing Mason Tender Duties)	\$43.39
Mason Tender 2 (Mason Tender working as a forklift operator, mixer, brick expiditer and lead scaffold erector)	\$44.31
Red Brick Mason Tender	\$42.73
Refractory Worker	\$42.05
Apprentice: 70% of applicable rate for the first 800 hours	\$30.37
Apprentice: 80% of applicable rate for the next 800 hours	\$34.71
Apprentice: 90% of applicable rate for the next 800 hours	\$39.05

Waterproofing

Work Performed	Total Hourly Compensation Rate
Waterproofer	\$41.55
Foreperson	\$45.71
Lead Hand	\$43.64
Apprentice: 70% of applicable rate for the first 800 hours	\$29.09
Apprentice: 80% of applicable rate for the next 800 hours	\$33.24
Apprentice: 90% of applicable rate for the next 800 hours	\$37.40

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Cement Finishers

Work Performed	Total Hourly Compensation Rate
Cement Finisher	\$45.02
Cement Finisher - 1st Year Apprentice (65%) 1000 hours	\$29.26
Cement Finisher - 2nd Year Apprentice (75%) 1500 hours	\$33.77
Cement Finisher - 3rd Year Apprentice (85%) 1500 hours	\$38.25

Plasterers

Work Performed	Total Hourly Compensation Rate
Plasterer	\$44.03
Foreperson	\$45.89
Apprentice: 50% of applicable rate for 1st year	\$22.02
Apprentice: 60% of applicable rate for 2nd year	\$26.42
Apprentice: 70% of applicable rate for 3rd year	\$30.83
Apprentice: 85% of applicable rate for 4th year	\$37.42

Precast Erectors

Work Performed	Total Hourly Compensation Rate
General Precast Labourer	\$41.85
Precast Labourer and Finisher	\$43.88
Welder	\$44.00
Working Foreperson	\$47.89

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Apprentice: 65% of applicable rate for the first 800 hours
Apprentice: 70% of applicable rate for 800-1600 hours
Apprentice: 75% of applicable rate for 1600-2400 hours
Apprentice: 80% of applicable rate for 2400-3200 hours
Apprentice: 100% of applicable rate after 3500 hours

**Marble, Tile, Terrazzo, Cement Masons, Resilient Floor Layers
and Their Helpers**

Work Performed	Total Hourly Compensation Rate
Marble Mason	\$53.27
Terrazzo Tile Mechanic	\$53.05
Base Machine Operator	\$51.60
Terrazzo Helper	\$51.26
Marble Tile Helper	\$51.26
NEW Helper	\$40.61
Apprentice: 50% of journeyman rate for the first term (1800 hours)	
Apprentice: 65% of journeyman rate for the second term (1800 hours)	
Apprentice: 80% of journeyman rate for the third term (1800 hours)	
Apprentice: 90% of journeyman rate for the fourth term (1800 hours)	

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Bricklayers, Masons, and Plasterers

Work Performed	Total Hourly Compensation Rate
Bricklayers, Masons, and Plasterers	\$56.52
Restoration Masonry	\$49.86
Apprentice 1st Period - 50% of a Journeyperson's rate	
Apprentice 2nd Period - 65% of a Journeyperson's rate	
Apprentice 3rd Period - 80% of a Journeyperson's rate	
Apprentice 4th Period - 90% of a Journeyperson's rate	

Glaziers and Metal Technicians

Work Performed	Total Hourly Compensation Rate
Journeyman Architectural Glass and Metal Technician with Certificate of Qualification	\$48.42
Apprentice 1 (0-2000 hrs) - 55%	\$26.64
Apprentice 2 (2001-3000 hrs) - 60%	\$29.05
Apprentice 3 (3001-4000 hrs) - 65%	\$31.47
Apprentice 4 (4001-5000 hrs) - 70%	\$33.90
Apprentice 5 (5001-6000 hrs) - 75%	\$36.32
Apprentice 6 (6001-7000 hrs) - 80%	\$38.74
Apprentice 7 (7001-8000 hrs) - 85%	\$41.16

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Elevator Constructors

Work Performed	Total Hourly Compensation Rate
Elevator Mechanic	\$74.59
Probationary Helper I	\$37.29
Probationary Helper II	\$41.02
Helper I	\$52.20
Helper II	\$55.94
Improver Helper	\$59.67
Adjuster	\$83.91
Mechanic-in-Charge (4-9)	\$83.91
Mechanic-in-Charge (10-19)	\$85.77
Mechanic-in-Charge (20 or more)	\$87.27

Heat and Frost Insulators (Asbestos)

Work Performed	Total Hourly Compensation Rate
Journeyman Insulator	\$58.35
4th Year Apprentice	\$47.83
3rd Year Apprentice	\$40.82
2nd Year Apprentice	\$33.80
1st Year Apprentice	\$26.80
Probationary Insulator	\$32.23

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Provisional Insulator	\$37.93
Probationary Asbestos Remover	\$29.90
Asbestos Remover Level 1	\$29.90
Asbestos Remover Level 2	\$33.44
Asbestos Remover Level 3	\$32.41

Millwrights

Work Performed	Total Hourly Compensation Rate
Journeyman	\$57.25
Foreperson	\$67.17
Sub-foreperson	\$62.21
Apprentice 0-1999hrs (60%)	\$34.35
Apprentice 2000-3999hrs (70%)	\$40.08
Apprentice 4000-5999hrs (80%)	\$45.81
Apprentice 6000-8000hrs (90%)	\$51.52

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Plumbers, Steamfitters and Pipefitters

Work Performed	Total Hourly Compensation Rate
Journeyman	\$58.23
Foreperson	\$65.22
Apprentice 1st Term (40%)	\$23.29
Apprentice 2nd Term (50%)	\$29.12
Apprentice 3rd Term (60%)	\$34.94
Apprentice 4th Term (70%)	\$40.76
Apprentice 5th Term (80%)	\$46.58

Welders

Work Performed	Total Hourly Compensation Rate
Journeyman and Welder	\$69.38
Refrigeration Apprentice Term 1	\$27.01
Refrigeration Apprentice Term 2	\$34.24
Refrigeration Apprentice Term 3	\$42.22
Refrigeration Apprentice Term 4	\$50.33
Refrigeration Apprentice Term 5	\$58.32
Welder Apprentice Term 1	\$27.01
Welder Apprentice Term 2	\$42.22
Welder Apprentice Term 3	\$58.32

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Junior Maintenance Mechanic	\$26.95
Maintenance Mechanic	\$34.24

Electrical Workers

Work Performed	Total Hourly Compensation Rate
Journeyman Electrician	\$59.37
Foreperson	\$68.27
Apprentice 1st Period (40%)	\$23.75
Apprentice 2nd Period (50%)	\$29.69
Apprentice 3rd Period (60%)	\$35.63
Apprentice 4th Period (70%)	\$41.56
Apprentice 5th Period (80%)	\$47.49

Painters – Commercial

Work Performed	Total Hourly Compensation Rate
Foremen	\$43.31
Sub-Foremen, Spraymen, and Sandblasters	\$42.07
Swing Stage Men, Paperhangers, Fabric Hangers, and Signwriters	\$41.45
Journeyman Painter	\$40.83
Apprentice 1 - 1000 hours (The higher of \$18.00 or 50% of journeyman wages)	\$22.32
Apprentice 1001 - 2000 hours (The higher of \$18.00 or 50% of journeyman wages)	\$22.32

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Apprentice 2001 - 4000 hours (55% of journeyperson wages + \$4.15 per hour)	\$27.60
Apprentice 4001 - 6000 hours (65% of journeyperson wages + \$4.15 per hour)	\$31.68
6001+ Registered Journeyperson (75% of journeyperson wages + \$4.15 per hour)	\$35.77
6001+ Unregistered Journeyperson (75% of journeyperson wages)	\$30.63
Apprentice Helper (\$11.00 or minimum wage; whichever is greater)	\$18.60

Painters – Industrial

Work Performed	Total Hourly Compensation Rate
Foremen	\$50.13
Sub-Foremen, Spraymen, and Sandblasters	\$48.89
Swing Stage Men, Paperhangers, Fabric Hangers, and Signwriters	\$48.27
Journeyperson Painter	\$47.65
Apprentice 1 - 1000 hours (The higher of \$18.00 or 50% of journeyperson wages)	\$23.83
Apprentice 1001 - 2000 hours (The higher of \$18.00 or 50% of journeyperson wages)	\$23.83
Apprentice 2001 - 4000 hours (55% of journeyperson wages + \$4.15 per hour)	\$31.36
Apprentice 4001 - 6000 hours (65% of journeyperson wages + \$4.15 per hour)	\$36.12
6001+ Registered Journeyperson (75% of journeyperson wages + \$4.15 per hour)	\$40.88
6001+ Unregistered Journeyperson (75% of journeyperson wages)	\$35.74
Apprentice Helper (\$11.00 or minimum wage; whichever is greater)	\$18.60

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Allied Trades

Work Performed	Total Hourly Compensation Rate
Journeyman: Drywall Finishers (Tapers), Plasterers, Fireproofing Insulators, Acoustic Sprayers, Hazardous Material Workers, Exterior Insulated Finishing Systems Applicators, Exterior Stucco Applicators, Sprayed Polyurethane Applicators, Air/Vapour Barrier Workers, and all other workers performing any work described in Article 3 of Appendix "B" herein the Province of Ontario.	\$51.73
Working Foreperson	\$59.50
Apprentice Drywall Finishers (Tapers) and Plasterers: 1 - 2400 hours worked - 55% of Journeyman Rate	\$28.46
Apprentice Drywall Finishers (Tapers) and Plasterers: 2401 - 3600 hours worked - 65% of Journeyman Rate	\$33.63
Apprentice Drywall Finishers (Tapers) and Plasterers: 3601 - 5400 hours worked - 75% of Journeyman Rate	\$38.80
Non-Certified Journeyman Drywall Finishers (Tapers) and Plasterers - 90% of Journeyman Rate	\$46.56
Trainee Hazardous Material Worker: 1 - 900 hours worked	\$23.56
Trainee Hazardous Material Worker: 901 - 3600 hours worked	\$32.00
Trainee Hazardous Material Worker: After 3600 hours worked (Non-Certified Journeyman)	\$40.61
Apprentice Hazardous Material Worker: 1 - 900 hours worked	\$27.90
Apprentice Hazardous Material Worker: 901 - 2400 hours worked	\$34.35
Apprentice Hazardous Material Worker: 2401 - 3000 hours worked	\$37.20
Apprentice Hazardous Material Worker Certified: After 3000 hours worked (Certified Journeyman)	\$44.97
Fire Stopping: 1 - 1500 hours worked	\$22.94
Fire Stopping: 1501 - 2400 hours worked	\$25.63
Fire Stopping: 2401 - 3600 hours worked	\$28.76
Fire Stopping: 3601 - 5400 hours worked	\$35.53

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Fire Stopping: After 5400 hours worked (Journeyman)	\$36.36
Residential Fire Stopping: 1 - 1500 hours worked	\$22.32
Residential Fire Stopping: 1501 - 3600 hours worked	\$24.18
Residential Fire Stopping: 3601 - 5400 hours worked	\$27.28
Residential Fire Stopping: After 5400 hours worked (Journeyman)	\$31.00
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 1 - 1000 hours worked	\$21.08
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 1001 - 2000 hours worked	\$23.01
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 2001 - 3000 hours worked	\$26.03
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 3001 - 3600 hours worked	\$29.77
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 3601 - 4000 hours worked	\$30.09
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: After 4000 hours worked (Journeyman)	\$37.70
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 1 - 1200 hours worked	\$21.69
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 1201 - 2400 hours worked	\$28.92
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 2401 - 3600 hours worked	\$34.39
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 3601 - 5400 hours worked	\$40.13
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: After 5400 hours worked (Journeyman)	\$42.46
Trainee Spray Fireproofing: 1 - 2000 hours worked	\$23.56
Trainee Spray Fireproofing: 2001 - 4000 hours worked	\$26.04

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Trainee Spray Fireproofers: 4001 - 5400 hours worked	\$28.52
Trainee Spray Fireproofers: After 5400 hours worked	\$31.00
Apprentice Spray Fireproofers: 1 - 900 hours worked	\$24.80
Apprentice Spray Fireproofers: 901 - 2000 hours worked	\$26.42
Apprentice Spray Fireproofers: 2001 - 4000 hours worked	\$33.01
Apprentice Spray Fireproofers: 4001 - 5400 hours worked	\$39.61
Apprentice Spray Fireproofers: After 5400 hours worked (Journeyman)	\$44.01

Roofers

Work Performed	Total Hourly Compensation Rate
Foreperson	\$53.13
Journeyman	\$52.96
Roofing Assistant	\$44.27
3rd Year Apprentice	\$41.70
2nd Year Apprentice	\$36.82
1st Year Apprentice	\$30.76
Pre-Apprentice	\$24.85
Rofer Material Handler	\$50.72

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Sheet Metal

Work Performed	Total Hourly Compensation Rate
Journeyman	\$56.35
Foreperson A: 3 - 10 workers	\$62.36
Foreperson B: 11 - 20 workers	\$63.85
Foreperson C: over 20 workers	\$65.34
1st Year Apprentice	\$26.68
2nd Year Apprentice	\$28.81
3rd Year Apprentice	\$34.51
4th Year Apprentice	\$40.93
5th Year Apprentice	\$47.73
Sheeter / Decker	\$56.11
Sheeter / Decker Foreperson A: 3 - 10 workers	\$62.12
Sheeter / Decker Foreperson B: 11 - 20 workers	\$63.61
Sheeter / Decker Foreperson C: over 20 workers	\$65.10
Sheeter / Decker Assistant	\$51.88
Material Handler #2	\$37.55
Material Handler #1	\$26.36
Probationary Employee	\$23.05

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Ironworkers: Bridge, Structural, Ornamental and Reinforcing Iron Workers

Work Performed	Total Hourly Compensation Rate
GF Foreperson	\$69.42
Foreperson	\$64.79
Base Wage (Journeyman)	\$57.85
Apprentice 0 - 1000 hrs	\$34.71
Apprentice 1000 - 2000 hrs	\$40.50
Apprentice 2000 - 3000 hrs	\$43.39
Apprentice 3000 - 4000 hrs	\$46.28
Apprentice 4000 - 5000 hrs	\$49.17
Apprentice 5000 - 6000 hrs	\$52.07

Rodmen: Bridge, Structural, Ornamental and Reinforcing Iron Workers

Work Performed	Total Hourly Compensation Rate
Foreperson	\$65.41
Sub-Foreperson	\$61.69
Base Wage (Journeyman)	\$55.49
Apprentice 0 - 500 hrs	\$33.29
Apprentice 500 - 1000 hrs	\$38.85
Apprentice 1001 - 2000 hrs	\$44.39

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Apprentice 2001 - 3000 hrs	\$49.93
Apprentice 3001 - 4000 hrs	\$52.71

Carpenters

Work Performed	Total Hourly Compensation Rate
Acoustic / Drywall	\$53.21
Pre-Apprentice - 55% of journeyperson rate	\$29.26
Apprentice 1st Term - 55% of journeyperson rate (0-1800 hrs)	\$29.26
Apprentice 2nd Term - 60% of journeyperson rate (1801-2700 hrs)	\$31.93
Apprentice 3rd Term - 70% of journeyperson rate (2701-3600 hrs)	\$37.25
Apprentice 4th Term - 80% of journeyperson rate (3601-4500 hrs)	\$42.57
Apprentice 5th Term - 85% of journeyperson rate (4501-5400 hrs)	\$45.22

Carpenters

Work Performed	Total Hourly Compensation Rate
Hardwood Floor Layer	\$53.21
Apprentice 1st Term - 55% of journeyperson rate	\$29.26
Apprentice 2nd Term - 60% of journeyperson rate	\$31.93
Apprentice 3rd Term - 70% of journeyperson rate	\$37.25
Apprentice 4th Term - 80% of journeyperson rate	\$42.57
Apprentice 5th Term - 85% of journeyperson rate	\$45.22

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Carpenters

Work Performed	Total Hourly Compensation Rate
Resilient Floor and Carpet Layer	\$50.77
Apprentice 1st Term - 50% of journeyperson rate (0-2000 hrs)	\$27.92
Apprentice 2nd Term - 60% of journeyperson rate (2001-3000 hrs)	\$30.45
Apprentice 3rd Term - 70% of journeyperson rate (3001-4000 hrs)	\$35.54
Apprentice 4th Term - 80% of journeyperson rate (4001-5000 hrs)	\$40.61
Apprentice 5th Term - 85% of journeyperson rate (5001-6000 hrs)	\$43.15

Carpenters

Work Performed	Total Hourly Compensation Rate
Caulker	\$39.80
Trainee 1st Term (0-1800 hrs)	\$22.22
Trainee 2nd Term (1801-3600 hrs)	\$29.77
Trainee 3rd Term (3601-5400 hrs)	\$33.79
Trainee 4th Term (5401-7200 hrs) Fire Stop Trainee	\$36.68

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Boilermakers

Work Performed	Total Hourly Compensation Rate
General Foreperson	\$72.53
Foreperson	\$68.81
Assistant Foreperson	\$63.85
Journeyman	\$61.37
4th Year Apprentice (1) (90%)	\$55.23
3rd Year Apprentice (1) (80%)	\$49.09
2nd Year Apprentice (1) (70%)	\$42.95
1st Year Apprentice (1) (60%)	\$36.82
Pre-Apprentice (60%)	\$36.82

Landscapers

Work Performed	Total Hourly Compensation Rate
Labourer	\$25.67
Working Foreperson	\$31.69
Skilled Labourer	\$28.64
Entry Level / Student	\$20.29
Working Foreperson - SOD Installation	\$29.88
Skilled Labourer - SOD Installation	\$26.85
Sod Installer - SOD Installation	\$22.32



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance and Administration Committee

Date: April 10, 2025

Report No: **FCS24008(a)**

Subject/Title: Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (**Outstanding Business List Item**)

Ward(s) Affected: City Wide

Recommendations

1. That the Fair Wage Policy and Fair Wage Schedule, attached as Appendix “A” and Appendix “B” to Report FCS24008(a) **BE APPROVED**; and
2. That Outstanding Business Item 23-H **BE CONSIDERED COMPLETE** and removed from the Audit, Finance and Administration Committee Outstanding Business List.

Key Facts

- On May 2, 2024, Report FCS24008/HUR24002 Proposed Amendments to Fair Wage Policy and Fair Wage Schedule was presented to the Audit, Finance and Administration Committee. This Report was deferred to allow stakeholders the opportunity to review the proposed amendments and provide comment.
- The Fair Wage Ad Hoc Committee (the “Ad Hoc Committee”) met to further discuss the proposed amendments on November 4 and December 9, 2024.
- The proposed amendments to the Fair Wage Policy and Fair Wage Schedule are attached in Appendices “A” and “B”. These proposed amendments are the result of a co-ordinated effort with the Ad Hoc Committee and includes revisions requested by the Ad Hoc Committee as well as housekeeping revisions to enhance and add clarity to the Policy.

Financial Considerations

The increase in the Total Hourly Compensation Rates set out in the proposed Fair Wage Schedule will have some financial impact on tender prices that the City receives on Construction Contracts over \$500,000. However, the effect of the proposed increased rates set out in Appendix “B” to this Report and the magnitude of the financial impact is difficult to assess for several reasons, including:

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- The current Fair Wage Schedule is dated and not representative of current provincially negotiated trade union agreements hourly rates;
- The labour market for trades is very competitive, with many of the trade associations having negotiated significant increases in hourly rates over the past few years. Therefore, recent Contractor bid prices would reflect labour costs reflecting hourly rates far greater than the Fair Wage Policy rates, and future Contractor bid prices would not increase by the same percentage change in the Fair Wage Policy rates;
- It is unknown to the City what hourly rate Contractors are compensating their Employees in comparison to the recommended Total Hourly Compensation Rates set out in Appendix “B”. While some Contractors are signatory to provincially negotiated trade union agreements whereby, they are obligated to pay their Employees at those negotiated trade union agreements rates, other Contractors are not and are under no obligation to pay set rates other than what is stipulated in the current Fair Wage Schedule for applicable City contracts.

With the onset of COVID-19 pandemic, the labour market for trades has been very competitive and many of the trade associations have negotiated significant cost increases in hourly rates. Since 2016, some trade associations within Ontario may have negotiated their collective agreements 3 times, with the most significant increase in rates coming into effect in 2022, 2023 and 2024. However, while labour rates have increased, the applicable Total Hourly Compensation Rates set out in the current Fair Wage Schedule have remained static, creating a 10-year gap in rates.

The average in wage rates from the current Fair Wage Schedule (2016 rates) to the proposed Fair Wage Schedule (2023 rates) is on average 24.59% higher, reflecting both the length of time since the last amendment and the competitiveness of the trades labour market. Although this percentage increase is high, staff do not expect the impact of the proposed Total Hourly Compensation Rates to be as significant as a 24.59% increase since many Contractors and Sub-Contractors may be paying their Employees at or around the 2023 rates in order to retain talent. Additionally, staff expect that any increase in labour rates to Employees would already be reflected in any bid submission the City would have received from a Contractor for construction work, thereby decreasing the impact of any cost increase expected.

Staff completed a sensitivity analysis with respect to the range in costs expected as a result of proposed Total Hourly Compensation Rates set out in Appendix B. Using contract award data from 2023, staff expect that the potential increase in costs could be between \$1.35 million and \$4 million, representing a five percent and a fifteen percent increase respectively.¹ However, as previously stated, due to the difficulty in substantiating labour rates paid to Employees, this sensitivity information is speculative.

¹ Calculations based on 2023 data of construction contracts having an award amount over \$500,000, assumptions that half the Contractors and Sub-Contractors have obligations under provincially negotiated trade union agreements and that labour represents approximately half of the cost of a construction contract.

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Background

The Fair Wage Policy has deep roots within the City of Hamilton, with the first reference being a Board of Control Report from November 1967 which makes mention of inserting a Fair Wage clause into City contracts to stipulate the wages for bricklayers, masons, and foremen. The City's first formal Fair Wage Policy was adopted in September 1993 and since then, has undergone numerous updates and improvements. However, the purpose of the City's Fair Wage Policy has not changed and is essentially based on two principles:

- To ensure that Contractors and Sub-Contractors pay their employees reasonable wages and benefits for work performed on City of Hamilton construction contracts; and
- To create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.

This Report outlines the recommendations stemming from those meetings and the proposed changes to both the Fair Wage Policy and Fair Wage Schedule.

Analysis

The recommendations within this Report are in accordance with By-Law 20-205, as amended, the City's Procurement Policy.

On May 2, 2024, Report FCS24008/HUR24002 was presented to the Audit, Finance and Administration Committee and was deferred to allow stakeholders the opportunity to review the proposed amendments to Fair Wage Policy and Fair Wage Schedule and provide comment.

The proposed amendments to the Fair Wage Policy and Fair Wage Schedule as attached in Appendices "A", "B" and "C" are the result of a co-ordinated effort with the Ad Hoc Committee (including revisions requested by the Ad Hoc Committee from meetings held prior to May 2, 2024, and November 4 and December 9, 2024) as well as housekeeping revisions to enhance and add clarity to the Policy.

The Fair Wage Policy is applicable to all Construction Contracts over \$500,000 at time of award and requires Contractors and Sub-Contractors to pay their Employees (whether the vendor utilizes a unionized or a non-unionized work force), at a minimum the Total Hourly Compensation Rates as stated in the Fair Wage Schedule and as set out in Appendix "B" to this Report.

The Total Hourly Compensation Rates are calculated using:

- "Wages" which are base hourly rates set out in the respective collective agreement (a collective agreement between a contractor who is in a contractual relationship with a union that is recognized by the Ontario Labour Relations Board as the bargaining agent for the relevant workers); and
- "Benefits" which is a 24% increase over the Wage rate. Benefits include any non-statutory payment to an employee or non-statutory premiums or contributions paid to provide benefits to an employee such as a pension plan, Registered

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Retirement Savings Plan (RRSP), medical plan bonus, retention pay and vacation.

Appendix “A” to this Report includes the proposed Fair Wage Policy. Appendix “B” to this Report includes the proposed Fair Wage Schedule that includes the trade classifications and the applicable Total Hourly Compensation Rates. Appendix “C” to this Report includes the proposed Fair Wage Policy – With Changes utilizing bold and italics to identify the changes, additions, and deletions to the policy.

The following is a summary of the significant changes that are being proposed:

Fair Wage Policy – Overall

The proposed Fair Wage Policy and Fair Wage Schedule amendments include several housekeeping issues throughout the documents which have not been specifically addressed in this Report. These amendments include editing for better clarity and understanding. In addition to this, the formatting of the Fair Wage Policy has been changed using a templated chart form similar to other City policies.

Fair Wage Policy - Section 2. Purpose of the Fair Wage Policy

Section 2 “Purpose of the Fair Wage Policy” is a new section added to the Policy. This section provides the reader with two principles for which the foundation of the Fair Wage Policy is built upon, that being to:

- Ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and
- Create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.

Fair Wage Policy - Section 4. Definitions

Section 4 was amended to include three new definitions (“Apprentice”, “Landscaping Work” and “Substantial Performance”) as well as to revise two current definitions (“Benefits” and “Construction Contract”). These changes were made to provide clarity and additional information to the reader for interpretation of the Fair Wage Policy.

Fair Wage Policy Section 5. Responsibilities

Section 5.4.6 was amended to allow for the City to “set-off” any amounts owing by the Contractor for not providing a statement of compliance in accordance with the Fair Wage Policy. This amendment allows the City the ability to withhold money from either the current Construction Contract or any other contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.

Fair Wage Policy Section 8. Inspections and Audits

Section 8.1 was amended to include additional wording that clearly outlines the time limitations for the City’s ability to inspect and audit the records of the Contractor or Sub-Contractor.

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Fair Wage Policy Section 9. Assurance Reports

Section 9.2 was amended to include additional wording that clearly outlines the time requirements to submit assurance reports to the City by a Contractor or Sub-Contractor.

Fair Wage Policy Section 10. Consequences of Non-Compliance

Similar to section 5.4.6, section 10.1.1 (c) was amended to allow the City to “set-off” any amounts owing by the Contractor for the cost of an inspection or audit.

Section 10.1.2 is a new section added to the Fair Wage Policy. The inclusion of this section specifically states and makes it clear to the reader that where a Sub-Contractor has been found to be non-compliant with the Fair Wage Policy or Fair Wage Schedule, the Contractor shall also be deemed to be non-compliant.

Fair Wage Policy Section 11. Complaints

Section 11.3.1 was amended to include additional wording to further clarify that the City will do its best efforts to not disclose the identity of an Initiator of a complaint.

Section 11.4 is a new section added to the Fair Wage Policy. The inclusion of this section set out details regarding complaints initiated by an Employee of the Contractor or Sub-Contractor and sets out a stepped approach to the costs associated with the inspection or audit.

Fair Wage Policy Section 13. Apprentices

Section 13 is a new section of the Policy regarding Apprentices. It includes the requirement for Apprentices to be properly registered with an approved apprenticeship program in Ontario and sets out the applicable rates to be paid to Apprentices.

Fair Wage Policy Section 14. Fair Wage Schedule and Updates

Section 14.1 was amended to utilize a “two-year lag” rather than a three-year lag in hourly rates and requires that the Total Hourly Compensation Rates be held for the following two years rather than three years.

With this proposed change, the Total Hourly Compensation Rates would be calculated using Wages that were applicable in 2023 (two years prior to 2025). Committee and Council are advised that the Ad Hoc Committee has requested additional consideration of transition to a one-year lag in Wages in 2026, which is recommended and if approved, would represent 2026 Total Hourly Compensation Rates using Wages that were applicable in 2025. The Ad Hoc Committee will reconvene in Qtr 3 of 2025 to advance those discussions and report back with a recommendation or update.

Fair Wage Schedule

The Fair Wage Schedule includes multiple trade classification categories or types of “work” that may be carried out within a Construction Contract. For instance, Road Work, Tunnel Work, Elevator Constructors, Electrical Workers are all trade classifications set out in the Fair Wage Schedule. The proposed Fair Wage Schedule includes new trade classification categories that were added, including Carpenters, Boilermakers and Landscapers. There have also been some changes made to the proposed Fair Wage Schedule, including:

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- Changes in the sections and description of “work” for trade classifications that were previously associated with the Hamilton and District Heavy Construction Association (HAND). Staff were advised that the HAND recently were accredited with the new Greater Hamilton and Niagara Construction Association’s collective agreement therefore changes were made to reflect that collective agreement;
- Apprentice rates have been added in any trade classification where possible; and
- The proposed Fair Wage Schedule utilizes trade union or association Wage rates applicable in 2023.

Alternatives

Option A – Eliminate the Fair Wage Policy and Fair Wage Schedule

Council could consider eliminating the Fair Wage Policy and Fair Wage Schedule and allow for a procurement process that relies entirely on competitive wages within the Construction Industry. In this regard, the Ontario Government provides for fair and consistent laws relevant to wages, benefits, and other working conditions within various industries, including the construction industry. However, eliminating the City Fair Wage Policy would remove the ability for the City to investigate any complaints and rely on the Ministry of Labour to perform any investigations brought forward. As well, without a Fair Wage Policy, the City could be seen as encouraging Contractors and Sub-Contractors to be extremely competitive with their bid for work, possibly at the expense of paying its Employees below the prevailing norm. For these reasons, this option is not recommended.

Option B– No Change to the Fair Wage Schedule

Council could consider not updating the Fair Wage Schedule and keep the current Total Hourly Compensation Rates set for the next two or three years. By doing so, the Fair Wage Schedule rates would become non-competitive, thereby potentially violating worker rights, as well as applicable labour and wage legislation. Having a fiscally responsible Fair Wage Schedule preserves the City’s objective and the Fair Wage Policy purpose to ensure proper compensation for Employees performing work within the construction industry on behalf of the City of Hamilton. Freezing wage rates beyond the two-year cycle could potentially compromise this objective. As such, this option is not recommended.

Relationship to Council Strategic Priorities

The recommendations with Report FCS24008(a) will support Council Priority 3. *Responsiveness & Transparency* and more specifically 3.2 “*Get more people involved in decision making and problem solving*”.

Many of the proposed amendments in this Report are the direct result of consultations and collaboration with the Ad Hoc Fair Wage Committee.

Previous Reports Submitted

FCS19035 HUR19008 [2019 Proposed Fair Wage Policy and Schedule](#) - June 6, 2019

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Consultation

The Ad Hoc Committee met twice to discuss the proposed amendments prior to May 2, 2024, and then again on November 4 and December 9, 2024. Attendees to those meetings were representatives from the Hamilton-Brantford Building Trades Council (HBBT), the Labourer's International Union of North America Local 837 (LIUNA), the Merit OpenShop Contractors Association of Ontario, the Christian Labour Association of Canada (CLAC), the Electrical Construction Association of Hamilton, the Mechanical Contractors Association, the International Brotherhood of Electrical Workers (IBEW) Local 105, Millwrights Local 1916 and the Hamilton Halton Construction Association.

Further to the discussions with the Ad Hoc Committee, attached as Appendix "D" to this Report is Collective Bargaining and Prevailing Wages in the Industrial, Commercial and Institutional Sector of the Construction Industry, a letter sent to Mike Zegarac, General Manager, Corporate Services from the Hamilton-Brantford Building and Construction Trades Council, dated December 5, 2024.

Appendices and Schedules Attached

Appendix "A" to Report FCS24008(a) - Proposed Fair Wage Policy

Appendix "B" to Report FCS24008(a) - Proposed Fair Wage Schedule

Appendix "C" to Report FCS24008(a) - Proposed Fair Wage Policy – With Changes

Appendix "D" to Report FCS24008(a) - Letter received from the Hamilton-Brantford Building and Construction Trades Council, dated December 5, 2024

Prepared by: Maryanne Morris, Manager of Procurement
Corporate Services, Procurement Division, Policy and Contracts
Section

Submitted and recommended by: Tina Iacoe, Director of Procurement
Corporate Services, Procurement Division

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<i>Fair Wage Policy</i>	
1. POLICY STATEMENT <i>(formerly section 1)</i>	1.1. Every Contractor and Sub-Contractor shall compensate their Employees in accordance with the Fair Wage Policy and Fair Wage Schedule on all Construction Contracts with the City. The compensation requirements as set out in the Fair Wage Policy and Fair Wage Schedule are minimum requirements.
2. PURPOSE <i>(new section)</i>	2.1. The purpose of the City's Fair Wage policy is to: <ul style="list-style-type: none"> a) ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and b) to create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.
3. INTREPRETATION <i>(formerly section 2)</i>	3.1. In this Fair Wage Policy and Fair Wage Schedule: <ul style="list-style-type: none"> a) a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa; b) the provisions shall be read with changes of gender or number as the context may require; c) a reference to any Act, by-law, rule, procedure, regulation or to a provision thereof shall be deemed to include a reference to any Act, by-law, rule, procedure, regulation or provision enacted in substitution or amendment thereof; d) any reference to an officer of the City shall be construed to mean the person holding that office, the designate or delegate of that person.
4. DEFINITIONS <i>(formerly section 3)</i>	4.1. Capitalized words and phrases used in this Fair Wage Policy and Fair Wage Schedule shall have the following meanings, unless expressly stated otherwise.

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Apprentice	as defined by the Building Opportunities in the Skilled Trades Act, 2021, means an individual who, pursuant to a registered training agreement, is receiving or is to receive training in a trade that is required as part of an apprenticeship program;
Benefits	shall mean any non-statutory payment to an employee or non-statutory premiums or contributions paid to provide benefits to an employee and shall include employer contributions to such items as a pension plan, Registered Retirement Savings Plan (RRSP), medical plan bonus, retention pay or the like and vacation. Benefits do not include legislated payroll deductions such as Canada Pension Plan ("CPP"), Employer Health Tax ("EHT"), Workplace Safety and Insurance Board ("WSIB") or Employment Insurance Canada ("EIC");
City Council	shall mean the Council of the City of Hamilton;
City	shall mean the City of Hamilton, its officers, officials, employees and agents;
Construction Contract	<p>shall mean any construction work awarded to a Contractor that is:</p> <ul style="list-style-type: none"> a) an "improvement" to the land as defined in the Construction Act, R.S.O. 1990, c. C.30; b) has a minimum contract value of \$500,000.00 upon award; and includes: <ul style="list-style-type: none"> i) the industrial, commercial and institutional sector; ii) the sewers and watermains sector; iii) the roads sector; iv) the heavy engineering sector, and v) Landscaping Work, c) but does not include: <ul style="list-style-type: none"> i) the residential sector; ii) snow removal; and iii) maintenance work performed to prevent the normal deterioration of the land, building, structure or works or to maintain the land, building, structure or works in a normal, functional state.

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	Construction Contracts that exceed the construction contract threshold of \$500,000 solely as a result of change orders are not covered by the Fair Wage Policy.
Contractor	shall mean any person having a Construction Contract with the City but does not include any person that only supplies materials for the Construction Contract;
Employee(s)	shall mean those persons employed by the Contractor or Sub-Contractor who perform work identified in the Fair Wage Schedule, for a Construction Contract with the City;
Fair Wage Policy	shall mean the Fair Wage Policy approved by Council;
Hours of Work	shall mean the regular hours of work per day and week and shall include a provision for the payment of overtime beyond such regular hours, as per the <i>Employment Standards Act, 2000, S.O. 2000, c.41</i> , specifically Part VIII Overtime Pay;
Initiator	shall mean any person who submits a complaint to the City alleging non-compliance with the Fair Wage Policy and Fair Wage Schedule by any Contractor or Sub-Contractor performing construction work on a City Construction Contract.
Landscaping Work	shall mean hardscaping, installation and repair of retaining walls, sidewalk's concrete and or stone pavers, fencing installation, grading and sod installation, and tree planting.
Manager of Procurement	shall mean the Manager of Policy and Contracts, Procurement Division, or designate.
Sub-Contractor	shall mean any person performing work on a City Construction Contract for a Contractor, or an agreement with another Sub-Contractor, but does not include any person that only supplies materials for the Construction Contract;
Substantial Performance	as defined in the <i>Construction Act, R.S.O. 1990, c. C.30</i> ;
Total Hourly Compensation Rate	shall mean the aggregate amount of Wages and Benefits as stated in the Fair Wage Schedule;

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Wages	shall mean the Employees basic hourly rate, which is paid as earned at the time of undertaking the work.
5. RESPONSIBILITIES	
5.1. General	5.1.1. The following persons are responsible for fulfilling the responsibilities detailed in this Policy as follows:
5.2. City Responsibilities (formerly section 4)	<p>5.2.1. The Director of the Procurement Financial Division shall periodically review the Fair Wage Policy and recommend to the appropriate standing committee of Council any required amendments to the Fair Wage Policy.</p> <p>5.2.2. The Director of Employee & Labour Relations will prepare and review the Fair Wage Schedule from time to time and recommend to the appropriate Standing Committee of Council those amendments to the Fair Wage Schedule.</p> <p>5.2.3. The Manager of Procurement Division shall reference the Fair Wage Policy and Fair Wage Schedule in all City Construction Contracts. The City's Procurement website will post the Fair Wage Policy and Fair Wage Schedule and Fair Wage Complaint Form at hamilton.ca/procurement.</p> <p>5.2.4. The Manager of Procurement will co-ordinate the preparation of an annual report for the appropriate Standing Committee of Council regarding complaints investigated and resulting audits performed pursuant to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.5. The City shall address a written objection to the administration of the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.6. The City is not in any way liable, obligated or responsible to any Employee, Sub-Contractor, Contractor or any other person for the payment of any monies not paid by a Contractor or Sub-Contractor in accordance with the Fair Wage Policy and Fair Wage Schedule, and the City assumes no responsibility to such Employee, Sub-Contractor, Contractor or any other person for the</p>

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	administration and enforcement of the Fair Wage Policy and Fair Wage Schedule.
<p>5.3. Ad-Hoc Fair Wage Committee <i>(formerly section 5)</i></p>	<p>5.3.1. The City shall participate in an ad hoc Fair Wage committee ("Committee") to discuss issues and provide a forum for consultation regarding issues related to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.3.2. The Committee shall meet on an as required basis.</p> <p>5.3.3. The Committee, as determined by the City, shall be comprised, as a minimum, of the following members:</p> <ol style="list-style-type: none"> a) Director of the City Procurement Division or designate, b) Director of the Employee & Labour Relations Division or designate, c) A representative from: <ul style="list-style-type: none"> • Hamilton & District Heavy Construction Association, • Hamilton-Brantford Ontario, Building and Construction Trades Council, • Labourers' International Union of North America, • Christian Labour Association of Canada, and • Merit OpenShop Contractors Association of Ontario.
<p>5.4. Contractor and Sub-Contractor Responsibilities <i>(formerly section 6)</i></p>	<p>5.4.1. A Contractor shall ultimately be responsible for any violations or non-compliance of the Contractor and Sub-Contractors on its City Construction Contracts.</p> <p>5.4.2. A Contractor is fully responsible for ensuring that the Contractor and all Sub-Contractors comply with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.3. The Contractor or Sub-Contractor shall not be responsible for any increase to the Fair Wage Schedule which occurs after the closing of the Request for Tenders or Request for Proposals for the City Construction Contract awarded to the Contractor.</p>

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	<p>5.4.4. At the commencement of the work, the Contractor shall post a copy of the Fair Wage Policy and Fair Wage Schedule in a prominent location at the City Construction Contract site to enable Employees of the Contractor and Sub-Contractor to review. Alternate methods may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract.</p> <p>5.4.5. After Substantial Performance of the Construction Contract, for all Construction Contracts with the City, the Contractor shall provide to the City, in a form acceptable to the City, a statutory declaration confirming that the Contractor and its Sub-Contractors complied with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.6. The City reserves the right to withhold or set-off from the Contractor, a minimum of FIVE THOUSAND DOLLARS (\$5,000.00) from any final payments under the Construction Contract or under any other contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.</p>
<p>6. COMPLIANCE <i>(formerly section 7)</i></p>	<p>6.1. A Contractor or Sub-Contractors shall be in compliance with the Fair Wage Policy and Fair Wage Schedule when the Employee receives a minimum compensation package that includes Wages and Benefits, which aggregate amount is not less than the Total Hourly Compensation Rate as set out in the Fair Wage Schedule.</p> <p>6.2. Employees shall be paid on a "pay by pay basis" every pay period in accordance with Fair Wage Schedule. Alternate methods of payment may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract. For example, any lump sum pay-out made to the Employee to reconcile money owed at the completion of the Construction Contract is not permitted unless approved in writing by the Manager of Procurement prior to implementation.</p>

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	<p>6.3. Any lump sum payment approved by the Manager of Procurement is to be made no later than the date of Substantial Performance of the related Construction Contract.</p>
<p>7. RECORDS <i>(formerly section 8)</i></p>	<p>7.1. The Contractor and Sub-Contractor shall keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>7.2. Unless otherwise approved by the Manager of Procurement, the Contractor and Sub-Contractor shall make these records available for inspection upon request by the City within ten business days.</p> <p>7.3. In any agreement with a Sub-Contractor, the Contractor shall require the Sub-Contractor to:</p> <ul style="list-style-type: none"> a) provide written acknowledgment prior to the commencement of construction work that the Fair Wage Policy and Fair Wage Schedule applies; b) keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule; and c) unless otherwise approved by the Manager of Procurement, make these records available for inspection upon request by the City within ten business days. <p>7.4. If a Contractor or Sub-Contractor enters into a contract for service with a self-employed independent contractor to perform work identified in the Fair Wage Schedule, the Contractor or Sub-Contractor shall keep the following records to demonstrate that the self-employed independent contractor is not an Employee of the Contractor or Sub-Contractor:</p> <ul style="list-style-type: none"> a) duties and responsibilities of both parties; b) self-employed independent contractor invoices;

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	<ul style="list-style-type: none"> c) self-employed independent contractor HST registration number; d) self-employed independent contractor Workplace Safety and Insurance Board and insurance certificates; and e) self-employed independent contractor trade certificates or licences which relate to the Construction Contract. <p>Should there be concerns regarding the self-employed independent contractor's degree of dependency from the Contractor or Sub-Contractor, further records shall be made available to demonstrate that an employer employee relationship does not exist between the Contractor or Sub-Contractor and a self-employed independent contractor. The guideline issued by Canada Revenue Agency RC4110 "Employee or Self-Employed" may be used to assist in making a final determination.</p>
8. INSPECTIONS AND AUDITS <i>(formerly section 9)</i>	<p>8.1. The City retains the right to inspect and audit the records of the Contractor or Sub-Contractor (as referred to in Section 9. Records) at any time during the period of the Construction Contract and at any time within five (5) years after the date of Substantial Performance of the Construction Contract, regardless if a complaint has been received or not.</p>
9. ASSURANCE REPORTS <i>(formerly section 10.4 and 10.5)</i>	<p>9.1. If the Contractor or Sub-Contractor fails to keep accurate records, the Contractor or Sub-Contractor will pay a licensed Public Accountant to provide an assurance report, acceptable to the City, which clearly demonstrates compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>9.2. Unless otherwise approved by the Manager of Procurement, assurance reports shall be completed and provided to the City within sixty days of City's notification to the Contractor to provide. Failure to provide the assurance reports within the required timeline shall be deemed to be a material non-compliance with the Fair Wage Policy.</p>

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<p>10. CONSEQUENCES OF NON-COMPLIANCE</p> <p>10.1. General <i>(formerly section 10)</i></p>	<p>10.1.1. Upon determining that a Contractor or Sub-Contractor is non-compliant with the Fair Wage Policy or Fair Wage Schedule, the Manager of Procurement:</p> <p>a) shall advise the Contractor, in writing, that it has been determined that the Contractor or Sub-Contractor is non-compliant and that the Contractor or Sub-Contractor is required to rectify the non-compliance(s) and provide written proof of the same, in a form satisfactory to the City, within ten business days;</p> <p>and</p> <p>b) may withhold making payment to the Contractor in an amount which is equal to the shortfall in Wages or Benefits, or may take any other remedies that are otherwise available at law or in equity;</p> <p>and</p> <p>c) shall impose upon the Contractor a minimum cost of \$5,000.00 (excluding taxes) for the City inspection, audit or other action as deemed necessary by the City and may deduct or set-off such costs from any payment or payments (as appropriate) under the Construction Contract or under any other contract between the City and the Contractor, or may take any other remedies that are otherwise available at law or in equity. In addition, the Contractor shall be responsible for all the City's costs beyond the minimum cost of \$5,000.00(excluding taxes), which will be payable immediately upon request.</p> <p>10.1.2. Where a Sub-Contractor has been found to be non-compliant, the Contractor shall also be deemed non-compliant and reported to City Council accordingly.</p>
<p>10.2. First Instance of Non-Compliance <i>(formerly section 10.2)</i></p>	<p>10.2.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule for the first time in a five year period, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, which verifies compliance with the Fair Wage</p>

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	<p>Policy and Fair Wage Schedule on the next three (3) City Construction Contracts to which the Contractor is awarded or the Sub-Contractor is carried on a Construction Contract.</p> <p>10.2.2. Such assurance report shall provide sufficient information and detail to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule and shall be submitted after Substantial Performance (as defined in the Construction Act, R.S.O. 1990, c. C.30) of the Construction Contract and prior to the release of money owing the Contractor. The City reserves the right to not release part or all of the money owing on a Construction Contract or under any other contract between the City and the Contractor until such assurance report is received and deemed to be satisfactory by the City.</p> <p>10.2.3. The City reserves the right to treat a first non-compliance as a second or subsequent non-compliance.</p>
<p>10.3. Subsequent Instance of Non-Compliance <i>(formerly section 10.3)</i></p>	<p>10.3.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule for a second or subsequent time within a five (5) year period from the date of the first determination of non-compliance by the Manager of Procurement, the City, as approved by City Council, may impose a ban and refuse:</p> <ul style="list-style-type: none"> a) to accept any bid, quotation or proposal from such Contractor or Sub-Contractor, or; b) the use of a Sub-Contractor where the Sub-Contractor was determined to be non-compliant with the Fair Wage Policy or Fair Wage Schedule <p>on any City contract for a period of no less than two (2) years from the date of City Council approval or as otherwise approved by City Council, save and except any Construction Contract the Contractor may currently have with the City.</p> <p>10.3.2. Within five (5) years from the date of the expiration of a ban imposed upon a Contractor or Sub-Contractor for non-compliance with the Fair Wage Policy or Fair Wage</p>

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	<p>Schedule, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, verifying the previously banned Contractor's or Sub-Contractor's compliance with the Fair Wage Policy and Fair Wage Schedule on at least three City Construction Contracts where:</p> <ul style="list-style-type: none"> a) the previously banned Contractor is awarded a Construction Contract or is carried as a Sub-Contractor on a Construction Contract; or b) the previously banned Sub-Contractor is awarded a Construction Contract or is carried as a Sub-contractor on a Construction Contract. <p>10.3.3. Any determination of non-compliance with the Fair Wage Policy or Fair Wage Schedule during the five-year period may result in a further ban imposed upon the Contractor or Sub-Contractor by City Council on any City Construction Contract.</p>
<p>11.COMPLAINTS</p> <p>11.1. Receipt of Complaint (formerly section 11.1 to 11.5)</p>	<p>11.1.1. Any person may submit a complaint to the City, alleging non-compliance with the Fair Wage Policy or Fair Wage Schedule, by any Contractor or Sub-Contractor performing construction work on a City Construction Contract. All complaints must be submitted in writing and contain sufficient information in order to investigate the complaint. The Fair Wage Complaint Form may be completed for this purpose</p> <p>11.1.2. The complaint must be forwarded to the City's Manager of Procurement via email (procurement@hamilton.ca), regular mail or in person to the Procurement Division, Corporate Services Department, 28 James Street North, Suite 400, Hamilton, Ontario L8R 2K1.</p> <p>11.1.3. The complaint may be initiated at any time during the Construction Contract but shall be received by the City no later than 21 calendar days following Substantial Performance of the related Construction Contract.</p> <p>11.1.4. Upon receipt of a complaint, the Manager of Procurement will conduct an initial review of the</p>

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	<p>complaint submitted and advise the Initiator of the minimum investigation fee is and what the likely cost of the investigation will be. The minimum cost of an investigation will be \$5,000.00 (excluding taxes). The City, at its discretion, may waive the cost of an investigation if an Employee is the Initiator of the complaint.</p> <p>11.1.5. The Initiator shall confirm to the City in a timely manner whether or not they would like to proceed with the complaint.</p>
<p>11.2. Investigation of the Complaint</p> <p><i>(formerly section 11.6 and 11.7)</i></p>	<p>11.2.1. The City shall take such action or investigation as it deems is necessary to determine whether the Contractor or Sub-Contractor involved or named in the complaint is compliant with the Fair Wage Policy or Fair Wage Schedule. Such action or investigation, as deemed necessary by the City, to determine compliance or non-compliance shall <u>begin</u> within 30 calendar days of receipt of a completed Fair Wage Complaint Form submitted to the Manager of Procurement.</p> <p>11.2.2. Once such action or investigation to determine compliance or non-compliance <u>is completed</u> to the City's satisfaction, the Manager of Procurement shall inform the Initiator and any Contractor or Sub-Contractor involved or named in the complaint of the City's determination of the Contractor's or Sub-Contractor's compliance or non-compliance with the Fair Wage Policy or Fair Wage Schedule.</p>
<p>11.3. Initiator is not an Employee of the Contractor or Sub-Contractor</p> <p><i>(formerly section 11.8 and 11.9)</i></p>	<p>11.3.1. Whenever a complaint is initiated by a person other than an individual Employee of the Contractor or Sub-Contractor involved or named in the complaint, and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne solely by the Initiator. Until the Initiator has paid the associated costs to the City, the City will not accept any additional complaints from the Initiator.</p>

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	<p>11.3.2. For the purposes of the City not accepting any additional complaints from the Initiator under previous section of this Fair Wage Policy, a reference to Initiator shall also include an officer, director, a majority or controlling shareholder, or a member of the Initiator, if a corporation; a partner of the Initiator, if a partnership; any corporation to which the Initiator is an affiliate of or successor to, or an officer, a director or a majority or controlling shareholder of such corporation; and any person with whom the Initiator is not at arm's length within the meaning of the Income Tax Act (Canada).</p>
<p>11.4. Initiator is an Employee of the Contractor or Sub-Contractor <i>(New Section)</i></p>	<p>11.4.1. Whenever a complaint is initiated by an Employee of the Contractor or Sub-Contractor involved or named in the complaint and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne by the City.</p> <p>11.4.2. For any second or consecutive Fair Wage complaint lodged by an Employee where the Contractor or Sub-Contractor has been found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint may be paid by the Employee.</p> <p>11.4.3. The Director of Procurement shall have discretion to waive the investigation fee or any costs associated with the complaint.</p>
<p>11.5. Confidentiality <i>(formerly section 11.10)</i></p>	<p>11.5.1. The City shall make every effort to safeguard the confidentiality of each Initiator's identity and the City will do its best efforts not to disclose this information. However, this information is subject to the provisions of the <i>Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56</i>. For greater certainty and direction regarding how such issues of confidentiality will be handled and may affect an Initiator's rights, the</p>

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	Initiator should reference the City's policies related to Freedom of Information.
12. APPEALS PROCESS <i>(formerly section 12)</i>	<p>12.1. Contractors, Sub-Contractors or Initiators may feel aggrieved and may seek to dispute the outcome of a Fair Wage complaint process. If anyone wishes to appeal the outcome of a Fair Wage complaint, they shall write to the Director of Procurement Division within five business days of being notified of the Fair Wage complaint outcome and provide a detailed statement outlining the grounds of the appeal and request a meeting with the Director of Procurement.</p> <p>12.2. If no resolution satisfactory to both parties has been achieved, the Contractor, Sub-Contractor or Initiator will have three business days from the date of the meeting with the Director of Procurement Division to make a formal written request with the Director of Procurement Division to meet with the General Manager of the Client Department issuing the Construction Contract and the General Manager of Finance and Corporate Services regarding their complaint. The General Managers will make the final decision regarding the outcome of the Fair Wage complaint process.</p>
13. APPRENTICES <i>(new section)</i>	<p>13.1. The City encourages Contractors and Sub-Contractors to hire and train Apprentices under approved apprenticeship programs in Ontario. Apprentices will be assessed based on the appropriate government agency certification criteria and approved program.</p> <p>13.2. Employees reported as Apprentices not properly registered or are utilized at the jobsite in excess of the ration of journeyperson permitted under the approved program, must be paid the applicable Total Hourly Rate for that work. The Contractor or Sub-Contractor shall be required to provide evidence of the Apprentice's registration at any time.</p> <p>13.3. The proper Total Hourly Compensation Rates to be paid to Apprentices are:</p> <p>a) as set out in the Fair Wage Schedule; or</p>

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	<p>b) where no Apprentice rate or calculation is identified in the Fair Wage Schedule, as specified by a particular industry program in which they are enrolled, expressed as a percentage of the journeyperson rate on the wage determination, multiplied by 24%.</p>
<p>14. FAIR WAGE SCHEDULE AND UPDATES (formerly section 13)</p>	<p>14.1. Unless otherwise approved by Council, the Manager of Procurement shall update Total Hourly Compensation Rates each year to reflect a "two-year lag" rather than a three-year lag in accordance with the following:</p> <ul style="list-style-type: none"> a) based upon the wages set out in the respective collective agreements two years prior to the current year. For example, the updated rates in 2025 shall be based upon the 2023 hourly rates (two years preceding 2025); b) calculated by increasing the respective collective agreement's hourly wage rates by no more than 24%; and c) frozen for the two-year term, pending a review by the Ad Hoc Committee of transitioning to a one-year lag effective 2026, unless otherwise approved by Council.
<p>RELATED DOCUMENTS</p>	<p>The following related documents are referenced in this Policy:</p> <ul style="list-style-type: none"> 1. <i>Fair Wage Schedule</i>
<p>HISTORY</p>	<p>This policy replaces the former policy named Fair Wage Policy, approved by City Council on June 12, 2019, Report FCS19035/HUR19008</p>

Fair Wage Schedule

Road Work

Work Performed	Total Hourly Compensation Rate
Excavators, draglines, gradalls, clams (on site), Grader "A", fine grade bulldozer, Pitman type cranes, self-erecting tower cranes, Hydra-lift truck mounted hydraulic cranes, boom truck.	\$59.56
Clams (yard operation), mechanics, welders.	\$58.56
Curb Machine, self-propelled power drills, hydraulic, etc., bulldozer operators, all front-end loader operators, scrapers (self-propelled), dozer 815 type, off highway vehicles and concrete paver, pulverizer, asphalt grinder and asphalt planer, Mixer man on asphalt plant.	\$58.14
Engineers on boilers (with papers), asphalt spreader (self-propelled), asphalt roller, Shuttlebuggy.	\$57.99
Farm and industrial type tractor operators with excavating attachments, rubber-tire backhoes, grader operator 'B', snippers, hydro axe and tree farmer, feller buncher, hydro shear, trenching machines, caisson boring machines under 25 H.P., lubrication unit operator, skid steer loaders, Kubota skid steer loaders, Kubota bobcat type excavators and those less than 65 H.P. and similar types, skidder type equipment with hydraulic and cable attachments.	\$57.81
Boiler fireman (without papers), burnerman on asphalt plant.	\$57.31
Roller Operator (asphalt) 'B', mobile sweeper.	\$56.93
Farm and industrial type tractor, (towed and self-propelled compaction units), grade rollerman, including self-propelled rubber-tired grade rollers.	\$56.61
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

"Open-Cut" Work for Sewer and Watermain Construction

Work Performed	Total Hourly Compensation Rate

Engineers operating cranes, clams, excavators, derricks, pile-drivers, gradalls, mobile cranes, self-erecting tower cranes, caisson boring machines 25 H.P. and over, side-booms and similar equipment, Pitman type cranes. Grader Operator "A" and fine grade bulldozer operator, Hydra- Lift truck mounted hydraulic cranes, boom truck drivers.	\$59.87
Heavy Duty Field mechanics and equipment repair welders.	\$58.57
Operators of bulldozers, tractors, scrapers, emcos, grader "B", all frontend loaders or similar equipment, farm and industrial tractors with excavating attachments, rubber-tire backhoes, trenching machines, caisson boring machines under 25 H.P., snippers, hydro axe and tree farmer, feller buncher, hydro shear, lubrication unit operator, skid steer loaders, Kubota skid steer loaders, Kubota Bobcat type excavators and those less than 65 H.P. and similar types, skidder type equipment with hydraulic and cable attachments, curb machines and self-propelled power drills, hydraulic, etc., off highway vehicles.	\$58.44
Servicemen on excavators, compressors, pumps, self-propelled rollers, operators of 5 or more heaters.	\$57.06
Oilers, greasers, mechanics helpers - Third Year	\$56.57
Oilers, greasers, mechanics helpers - Second Year	\$55.33
Oilers, greasers, mechanics helpers - First Year	\$54.09
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

Tunnel Work

Work Performed	Total Hourly Compensation Rate
Engineers operating all hoists hoisting materials out of shafts, tuggers, and derricks with lifting capacity over 2,000 pounds, self-erecting tower cranes, compressor house set-up man, self-propelled power drills, hydraulic, etc.	\$59.83
Heavy Duty Field Mechanics.	\$58.84
Engineers operating shaft hoist, tuggers, and derricks, 2,000 pounds or less, compressor operators 500 CFM or over.	\$58.71

Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.

Flushing, CCTV Inspection, Hydro Excavation and Air Excavation

Work Performed	Total Hourly Compensation Rate
Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$44.86
Helper: Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$38.89
CCTV, Combo Flushing, Pipe Cleaning	\$42.43
Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$41.30
Helper: Hydro/Air Excavation Tradesperson, Straight Vac Tradesperson	\$35.70
CCTV, Combo Flushing, Pipe Cleaning	\$41.30
Heavy Equipment Operator Apprentice/Trainee 0 - 1,000 Hours: 65% of the current base rate for the machine which they are operating.	
Heavy Equipment Operator Apprentice/Trainee 1,001 - 2,000 Hours: 75% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,001 - 2,500 Hours: 85% of the current base rate for their classification.	
Heavy Equipment Operator Apprentice/Trainee 2,500 Hours and all related training: 100% at the rate of pay in the appropriate schedule.	

Crane and Equipment Rental

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$64.62
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$63.81
Engineers operating: all convention and hydraulic type cranes, save and except those set out in Article 1.1 above, crawler cranes, clams, shovels, gradalls, backhoes, draglines, dredges - suction and	\$62.74

dipper, mobile truck cranes including Galleon and Austin-Western type, and all rough terrain type hydraulic cranes, 15 ton capacity and over boom truck, gantry cranes, creter cranes, side booms, power hoist, mine hoist, chimney hoist, overhead cranes, tower type man and material hoists, piledrivers, caisson boring machines and drill rigs. Heavy duty mechanics, qualified maintenance welders, and 2nd Class Stationary Engineers. Mobile concrete pump 42 metre boom and over. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over, telescopic belt conveyors.	
Boom trucks of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$62.15
Operators of: bullmoose, Boom trucks of less than 10 ton capacity, air compressor feeding low pressure into air locks, bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front end loaders, industrial tractors with attachments, trenching machines, mucking machines, mobile concrete pumps save and except those set out in Article 1.2 (a) above, side loaders, end booms, mobile pressure grease units, elevators, and Dinky locomotive type engines. 3rd Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	\$60.39
Operators of: batching and crushing plants, 6" discharge pumps and over, air tuggers, wellpoint systems and all other types of dewatering systems, concrete mixers of one cubic yard and over, fork lifts, portable air compressors over 150 C.F.M., boom trucks, "A" Frames, post hole augers, and off-highway aggregate haulers; gas, diesel or steam driven generators over 50 H.P. (portable). Servicemen and 4th Class Stationary Engineers. Rock trucks, telehandlers, hydrovac.	\$58.30
Operators of: Rollers on grade work, driver mounted compaction units, concrete conveyors, and concrete pumps. Firemen and attendants for forced air, gas or oil burning temporary heating units of 500,000 BTU or over per hour; or five (5) or more heating units on the same job site; 2nd year mechanic's helper and signalman.	\$55.96
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, and driver mounted power sweeper. 1st year mechanic's helper, truck crane oiler drivers, and oilers.	\$55.11
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate	\$4.96

Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating 52 metre boom and over - rate per hour above the applicable rate:	\$2.48
Engineers operating high pressure stationary concrete pumps and placing booms including pumps working underground - rate per hour above the applicable rate:	\$2.48

Steel Erection or Mechanical Installations

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$64.49
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$63.69
Engineers operating: all conventional & hydraulic type cranes, save and except those set out in Article 1.1 above, crawler cranes, clams, shovels, gradalls, backhoes, draglines, dredges - suction and dipper, mobile truck cranes including Galleon and Austin-Western type, and all rough terrain type hydraulic cranes, 15 ton capacity and over boom truck, gantry cranes, creter cranes, side booms, power hoist, mine hoist, chimney hoist, overhead cranes, tower type man and material hoists, piledrivers, caisson boring machines and drill rigs. Heavy duty mechanics, qualified maintenance welders, and 2nd Class Stationary Engineers. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over.	\$62.62
Boom trucks of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$62.05
Operators of: bullmoose, Boom trucks of less than 10 ton capacity, air compressor feeding low pressure into air locks, bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front-end loaders, industrial tractors with attachments, trenching machines, mucking machines, mobile concrete pumps, side loaders, end booms, mobile pressure grease units, elevators, and Dinky locomotive type engines. 3rd Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	\$61.26
Operators of: batching and crushing plants, 6" discharge pumps and over, air tuggers, wellpoint systems and all other types of dewatering systems, concrete mixers of one cubic yard and over, fork lifts, portable air compressors over 150 C.F.M., boom trucks "A"	\$59.61

Frames, post hole augers, and off-highway aggregate haulers; gas, diesel or steam driven generators over 50 H.P. (portable). Servicemen and 4th Class Stationary Engineers. Rock trucks, telehandlers, hydrovacs.	
Operators of: Rollers on grade work, driver mounted compaction units, concrete conveyors, and concrete pumps. Firemen and attendants for forced air, gas or oil burning temporary heating units of 500,000 BTU or over per hour; or five (5) or more heating units on the same job site; 2nd year mechanic's helper and signalman.	\$56.11
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, and driver mounted power sweeper. 1st year mechanic's helper, truck crane oiler drivers, and oilers.	\$55.08
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86
Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48

Foundation, Piling and Caisson Boaring

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with drill attachments, cranes with piling lead attachments, cranes with vibratory hammers, rotary drill rigs with a manufacturer's rated torque of greater than 270 kNm.	\$63.14
Engineers operating: service cranes, including but not limited to, carry deck cranes, self-erecting cranes and spider-type cranes, rotary drill rigs with a manufacturer's rated torque from 190 kNm to 270 kNm, mechanics, churn drills, power mounted drills.	\$61.64
Engineers operating: excavator mounted vibratory hammers, tie back machines, rotary drill rigs with a manufacturer's rated torque of less than 190 kNm, welders, winches of all descriptions	\$60.70
Front-end loaders, bulldozers (including 815 type) and similar equipment, boom trucks, Kubota type backhoe, skid steer loader, rock trucks, hydrovacs, *Excavator, Tractor Loader Backhoe.	\$60.12
Tuggers, forklifts, telehandlers.	\$57.39
Drillers, drillers helpers	\$55.91

Mechanics helpers	\$54.86
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20

Excavating

Work Performed	Total Hourly Compensation Rate
Engineers operating: draglines, cranes including but not limited to Self-erecting Cranes and Carry Deck Cranes. Heavy Duty Mechanics. Spider-type Cranes.	\$60.08
Engineers operating: shovels, backhoes, hoptoes, gradalls and similar equipment, whip hammer, power mounted drills, *fine grade bulldozers.	\$59.48
Welders.	\$59.67
Operators of tractors, scrapers, emcos, graders, overhead loaders, front-end loaders, industrial tractors with excavating attachments, compressor operators. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovacs.	\$58.65
Mechanic's helpers and servicemen	\$56.18
Oiler-Grademen and Oiler-Drivers.	\$55.61
Compactors.	\$55.73
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20

Hamilton Building and Construction Work

Work Performed	Total Hourly Compensation Rate
Engineers operating: cranes with a manufacturer's rating of over 164 to 219 tons capacity.	\$63.15
Engineers operating: cranes with a manufacturer's rating of 100 to 164 tons capacity, 1st Class Stationary Engineers, and skyway, climbing, hammerhead and kangaroo and GCI type cranes.	\$62.60
Engineers operating: all conventional and hydraulic type cranes, save and except those set out in Article 1.1 above, 15 ton capacity and over boom truck, clams, shovels, gradalls, backhoes, draglines, piledrivers, all power derricks, gantry cranes, caisson boring machines (over 25 HP), and similar drill rigs, mine hoists, and all similar equipment working on land or water, overhead cranes, chimney hoists, multiple drum hoists, single drum hoists (over 12 stories), single drum hoists of manual friction and brake type, and all similar equipment, dredges - suction and dipper, hydraulic jacking equipment on vertical slip forms, hydraulic jacking poles, creter cranes, and hydraulic skoopers. heavy duty mechanics, qualified welders and 2nd Class Stationary Engineers and self-propelled hydraulic drills. Self-erecting cranes 15 ton capacity and over. Carry Deck cranes 15 ton capacity and over.	\$61.67
Pitman type cranes of 10 ton to less than 15 ton capacity. Self-erecting cranes 10 ton to less than 15 ton capacity. Carry Deck cranes 10 ton to less than 15 ton capacity.	\$61.07
Operators of: air tuggers used for installation of vessels, tanks, machinery, and for steel erection; side booms on land or water; man and material hoist and single drum hoists 12 stories and under not of a manual friction and brake type; elevators, monorails, bullmoose type equipment of 5 ton capacity or over, air compressor feeding low pressure into air locks, tunnel mole. 3rd Class Stationary	\$60.49

Engineer. Self-erecting cranes less than 10 ton capacity. Carry Deck cranes less than 10 ton capacity. Spider-type cranes.	
Operators of: bulldozers (including 815 type), tractors, scrapers, graders, emcos, overhead and front-end loaders, side loaders, industrial tractors with excavating attachments, trenching machines, and all similar equipment, mobile concrete pumps, Pitman type cranes under 10 ton capacity, mobile pressure grease units, mucking machines, hydraulically operated utility pole hole digger, and Dinky locomotive type engines. 4th Class Stationary Engineers. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovacs.	\$60.28
Operators of: batching and crushing plants, 6" discharge pumps and over, wellpoint systems and all similar systems, concrete mixers of 1 cubic yard and over, gas, diesel, or steam driven generators over 50 HP (portable), fork lifts over 8' lifting height, air tuggers except those in Group 1.3, caisson boring machines (25 HP and under), drill rigs, post hole diggers, portable air compressors 150 CFM and over, and concrete pumps. Signalman, telehandlers.	\$57.39
Operators of: boom trucks, "A"Frames, driver mounted compaction units, bullmoose type equipment under 5 ton capacity, fork lifts 8' and under in lifting height and conveyors. Firemen. Permanent automatically controlled elevators on Commercial and Institutional buildings.	\$56.15
Operators of: Pumps under 6" discharge where three (3) or more pumps are employed on the same job site, hydraulic jacking equipment for underground operations, portable air compressors under 150 CFM where attendant is required, and driver mounted power sweepers. Attendants for forced air, gas, or oil burning temporary heating units of 500,000 BTU's or over per hour, or, five (5) or more on the same job site, oilers, oiler-drivers, and mechanics helpers.	\$54.66
2nd Year:	\$52.48
1st Year:	\$49.84
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20
Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86

Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48
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Excavation and Site Preparation

Work Performed	Total Hourly Compensation Rate
Engineers operating: draglines, cranes including but not limited to Self-erecting Cranes and Carry Deck Cranes. Heavy Duty Mechanics. Spider-type Cranes.	\$60.07
Engineers operating: shovels, backhoes, hoptoes, gradalls and similar equipment, whip hammer, power mounted drill.	\$59.26
Welders.	\$59.67
Operators of: bulldozers (including 815 type), tractors, scrapers, emcos, graders, overhead loaders, front-end loaders, industrial tractors with excavating attachments, compressor operators. Kubota Type Backhoe and Skid Steer Loader. Rock trucks, Hydrovacs.	\$58.43
Mechanic's helpers and Servicemen.	\$56.18
Oiler-Grademen and Oiler-Drivers.	\$55.61
Compactors.	\$55.73
Engineers operating large cranes 220 to 299 tons capacity - rate per hour above the applicable rate:	\$1.55
Engineers operating large cranes 300 to 499 tons capacity - rate per hour above the applicable rate:	\$3.10
Engineers operating large cranes over 499 tons capacity - rate per hour above the applicable rate:	\$4.96
Engineers operating large cranes 750 tons capacity and over - rate per hour above the applicable rate:	\$6.20

Engineers operating highrise placing booms and pumps working underground - rate per hour above the applicable rate:	\$1.86
Engineers operating mobile concrete pumps 52 metre boom and over - rate per hour above the applicable rate:	\$2.48

Apprentices

Work Performed
Indentured Apprentices (except Tower Crane Apprentices) 0 to 2,000 hours worked: 50% of Licensed Journeyman Base Rate
Indentured Apprentices (except Tower Crane Apprentices) 2,001 to 4,000 hours worked: 65% of Licensed Journeyman Base Rate
Indentured Apprentices (except Tower Crane Apprentices) 4,001 to 6,000 hours worked: 80% of Licensed Journeyman Base Rate
Indentured Tower Crane Apprentices 0 to 2,000 hours worked: 50% of Licensed Journeyman Base Rate
Indentured Tower Crane Apprentices 2,001 to 3,000 hours worked: 75% of Licensed Journeyman Base Rate
Heavy Equipment Operator Apprentices 0 to 1,000 Hours: 50% of the current base rate for the machine which they are operating.
Heavy Equipment Operator Apprentices 1,001 - 2,000 Hours: 60% of the current base rate for their classification.
Heavy Equipment Operator Apprentices 2,001 - 2,500 Hours: 75% of the current base rate for their classification.
Heavy Equipment Operator Apprentices 2,500 Hours and all related training: 100% at the rate of pay in the Collective Agreement.
Concrete Pump Operator Apprentices 0 to 1,200 hours worked: 50% of the hourly wage rate as set out in Article 1.3 and Schedule "A".
Concrete Pump Operator Apprentices 1,201 to 2,000 hours worked: 75% of the hourly wage rate as set out in Article 1.3 and Schedule "A".

Labourers – Sewer Watermain, Roads Building Paving, Parking Lots, Bridge Rehab

Work Performed	Total Hourly Compensation Rate
Labourer, including Wire Mesh and Pump Man (3" disc. and under), Hydro Vac	\$48.82
Skilled Labourer including but limited to Concrete Screedman, Puddler, Floatman, Bob-Cat/Skid Steer Loader, Driver etc., Concrete Mixer (under 1 cubic yard), Dinky Motor Man, Scrootcrete Driver, Rammax, Trumper O.P. (remote controlled or otherwise)	\$49.35
Crawler Type Drillman, Powderman	\$52.08
Asphalt Raker, Trenchless Technologist, Carpenters, Cement Finisher, Catch Basin Constructors, Man Hole Valve Chamber Constructors, Top Person (sewer and watermain)	\$50.75
Pipelayers (all types & materials), Grademan	\$51.37
Rodman Reinforcing installers, Curb Setter, Gutter, Brick Setter, Interlock and Stone Paving	\$49.79
Working Foreperson	\$56.33
Watchman	\$32.53
Traffic Control Person	\$45.88

Labourers - Bridge Building, Underpasses, Overpasses, Pedestrian retaining walls connected with dams etc.

Work Performed	Total Hourly Compensation Rate
Labourer, including Carpenter Helpers, From Stripper (all types) including the complete stripping of material to be reused (wood or otherwise), Scaffold Erector all types (including false work systems), Dismantler, Fence Erector (chain link, guard rail etc), Pumpman (3" disc. and under), Brokk system and glycol temporary heating system	\$49.62
Skilled Labourers including but not limited to Concrete Smoother, Patcher, Puddle, Floatman, Bob-Cat/Skid Steer Loader, Driver etc., Operator of all machine driven tools by gas, electricity and air in open cut work, Crane Signalman, Sheeting & Shoring and Timberman, Rammax, Trumper O.P. (remote controlled or otherwise)	\$50.16
Powderman, Crawler Type Driller	\$52.45
Carpenters	\$51.55
Rodman	\$50.90
Concrete Finisher	\$51.30

Pile Driving (all types and all operation related thereto), including Welder	\$50.28
Working Foreperson	\$57.13
Watchman	\$32.53
Traffic Control Person	\$45.26

Labourers - Mining and Tunneling Operation

Work Performed	Total Hourly Compensation Rate
Labourer	\$50.34
Underground Labourer, Reinforced Concrete Worker, Smoother, Puddler, Screedmen, Floatman, Carpenter, Pipelayer (all types & material), Concrete Mixer Man (1 cubic yard), Scootcrete, Farmtractor and Locomotive Driver, Scooptran Driver, Cage Tender, Trackman, Pressweld and Concrete Pumpman	\$51.06
Concrete Leader	\$51.37
Pumpman (3" disc. and under), Pit Bottom Man, Deck Man, Signal Man	\$50.69
Pile Driving all types and all operations related thereto	\$51.50
Mucker and Miner Helper, Conveyor Attendants, Grout Machine Man, Welder, Diamond Drill, Drill Docker and Steel Sharpener	\$51.68
Shield Driver, Mole Driver (TBM Operator), Lead Miner	\$51.99
Powderman	\$52.06
Fence Erector	\$51.93
Working Foreperson	\$56.66
Watchman and Dryman	\$49.70

Labourers, Mason Tenders, and Cement Finishers - Hamilton ICI

Work Performed	Total Hourly Compensation Rate
General Labourer, Form Worker, Concrete Worker, Jackhammer Operator, Vibrator Operator, Forklift Operator, Pump Operator, Compressor Operator, Truck Driver, Barman, Mixerman, Pumpman, Precast Erector, Equipment Operator and Plasterers Tender.	\$42.45
Foreperson Rate: Premium of extra hourly wages equal to at least, 10% of the base rate.	\$46.69
Swamper/Forklift Operator Rate: premium per hour	\$44.31
Refractory Worker Rate: premium per hour	\$42.94
Mason Tender 1 (Labourer performing Mason Tender Duties)	\$44.37
Mason Tender 2 (Mason Tender working as a forklift operator, mixer, brick expiditer and lead scaffold erector)	\$45.28

Red Brick Mason Tender: premium over the base hourly rate.	\$45.55
Apprentice: 70% of applicable rate for the first 800 hours	\$31.06
Apprentice: 80% of applicable rate for the next 800 hours	\$35.49
Apprentice: 90% of applicable rate for the next 800 hours	\$39.93
Cement Finisher	\$45.92
Cement Finisher - 1st Year Apprentice (65%) 1000 hours	\$29.85
Cement Finisher - 2nd Year Apprentice (75%) 1500 hours	\$34.43
Cement Finisher - 3rd Year Apprentice (85%) 1500 hours	\$39.04

Waterproofing

Work Performed	Total Hourly Compensation Rate
Waterproofer	\$42.45
Waterproofing Foreperson: 10% above the current journeyperson's rate	\$46.69
Lead Hand: 5% above the current journeyperson's rate	\$44.57
Apprentice: 70% of applicable rate for the first 800 hours	\$29.71
Apprentice: 80% of applicable rate for the next 800 hours	\$33.96
Apprentice: 90% of applicable rate for the next 800 hours	\$38.20

Plasterers

Work Performed	Total Hourly Compensation Rate
Plasterer	\$44.93
Foreperson	\$46.79
Apprentice: 50% of applicable rate for 1st year	\$22.46
Apprentice: 60% of applicable rate for 2nd year	\$26.96
Apprentice: 70% of applicable rate for 3rd year	\$31.45
Apprentice: 85% of applicable rate for 4th year	\$38.19

Precast Erectors

Work Performed	Total Hourly Compensation Rate
General Precast Labourers	\$44.16
Precast Erectors and Finishers	\$46.19
Welder Certified	\$46.30
Working Foreperson	\$50.20
Apprentice: 65% of applicable rate for the first 800 hours	
Apprentice: 70% of applicable rate for 800-1600 hours	

Apprentice: 75% of applicable rate for 1600-2400 hours
Apprentice: 80% of applicable rate for 2400-3200 hours
Apprentice: 100% of applicable rate after 3500 hours

Marble, Tile, Terrazzo, Cement Masons, Resilient Floor Layers and Their Helpers

Work Performed	Total Hourly Compensation Rate
Marble Mason	\$54.70
Terrazzo Tile Mechanic	\$54.46
Base Machine Operator	\$52.96
Terrazzo Helper	\$52.61
Marble Tile Helper	\$52.61
NEW Helper	\$41.65
Apprentice: 50% of journeyman rate for the first term (1800 hours)	
Apprentice: 65% of journeyman rate for the second term (1800 hours)	
Apprentice: 80% of journeyman rate for the third term (1800 hours)	
Apprentice: 90% of journeyman rate for the fourth term (1800 hours)	

Bricklayers, Masons, and Plasterers

Work Performed	Total Hourly Compensation Rate
Bricklayers, Masons, and Plasterers	\$58.32
Restoration Masonry	\$52.68
Apprentice 1st Period - 50% of a Journeyman's rate	
Apprentice 2nd Period - 65% of a Journeyman's rate	
Apprentice 3rd Period - 80% of a Journeyman's rate	
Apprentice 4th Period - 90% of a Journeyman's rate	

Glaziers and Metal Technicians

Work Performed	Total Hourly Compensation Rate
Journeyman Architectural Glass and Metal Technician with Certificate of Qualification	\$50.51
Apprentice 1 (0-2000 hrs) - 55%	\$27.78
Apprentice 2 (2001-3000 hrs) - 60%	\$30.31

Apprentice 3 (3001-4000 hrs) - 65%	\$32.82
Apprentice 4 (4001-5000 hrs) - 70%	\$35.35
Apprentice 5 (5001-6000 hrs) - 75%	\$37.88
Apprentice 6 (6001-7000 hrs) - 80%	\$40.40
Apprentice 7 (7001-8000 hrs) - 85%	\$42.93

Elevator Constructors

Work Performed	Total Hourly Compensation Rate
Elevator Mechanic	\$77.76
Probationary Helper I	\$38.89
Probationary Helper II	\$42.77
Helper I	\$54.44
Helper II	\$58.32
Improver Helper	\$62.21
Adjuster	\$87.48
Mechanic-in-Charge (4-9)	\$87.48
Mechanic-in-Charge (10-19)	\$89.43
Mechanic-in-Charge (20 or more)	\$90.98

Heat and Front Insulators (Asbestos)

Work Performed	Total Hourly Compensation Rate
Journeyman Insulator	\$60.61
4th Year Apprentice	\$49.64
3rd Year Apprentice	\$42.40
2nd Year Apprentice	\$35.15
1st Year Apprentice	\$27.92
Probationary Insulator	\$33.26
Provisional Insulator	\$39.39
Probationary Asbestos Remover	\$31.04
Asbestos Remover Level 1	\$31.04
Asbestos Remover Level 2	\$34.72
Asbestos Remover Level 3	\$34.60

Millwrights

Work Performed	Total Hourly Compensation Rate
Journey person	\$59.11
Foreperson	\$69.03
Sub-foreperson	\$64.07
Apprentice 0-1999hrs (60%)	\$35.46
Apprentice 2000-3999hrs (70%)	\$41.38
Apprentice 4000-5999hrs (80%)	\$47.29
Apprentice 6000-8000hrs (90%)	\$53.20

Plumbers, Steamfitters and Pipefitters

Work Performed	Total Hourly Compensation Rate
Journey person	\$61.29
Foreperson	\$68.65
Apprentice 1st Term (40%)	\$24.52
Apprentice 2nd Term (50%)	\$30.65
Apprentice 3rd Term (60%)	\$36.78
Apprentice 4th Term (70%)	\$42.91
Apprentice 5th Term (80%)	\$49.03

Welders

Work Performed	Total Hourly Compensation Rate
Journey person and Welder	\$72.99
Refrigeration Apprentice Term 1	\$28.71
Refrigeration Apprentice Term 2	\$36.34
Refrigeration Apprentice Term 3	\$44.74
Refrigeration Apprentice Term 4	\$53.27
Refrigeration Apprentice Term 5	\$61.68
Welder Apprentice Term 1	\$28.71
Welder Apprentice Term 2	\$44.74
Welder Apprentice Term 3	\$61.68
Junior Maintenance Mechanic	\$28.71
Maintenance Mechanic	\$36.34

Electrical Workers

Work Performed	Total Hourly Compensation Rate
Journeyman Electrician	\$61.40
Foreperson	\$70.62
Apprentice 1st Period (40%)	\$24.56
Apprentice 2nd Period (50%)	\$30.70
Apprentice 3rd Period (60%)	\$36.84
Apprentice 4th Period (70%)	\$42.98
Apprentice 5th Period (80%)	\$49.13

Painters – Commercial

Work Performed	Total Hourly Compensation Rate
Journeyman Painter - Commercial	\$42.54
Foremen	\$45.02
Sub-Foremen, Spraymen, and Sandblasters	\$43.78
Swing Stage Men, Paperhangers, Fabric Hangers, and Signwriters	\$43.16
Apprentice 1 - 1000 hours (The higher of \$18.00 or 50% of journeyman wages)	\$22.32
Apprentice 1001 - 2000 hours (The higher of \$18.00 or 50% of journeyman wages)	\$22.32
Apprentice 2001 - 4000 hours (55% of journeyman wages + \$4.15 per hour)	\$28.54
Apprentice 4001 - 6000 hours (65% of journeyman wages + \$4.15 per hour)	\$32.80
6001+ Registered Journeyman (75% of journeyman wages + \$4.15 per hour)	\$37.05
6001+ Unregistered Journeyman (75% of journeyman wages)	\$31.91
Apprentice Helper (\$11.00 or minimum wage; whichever is greater)	\$21.33

Painters – Industrial

Work Performed	Total Hourly Compensation Rate
Journeyman Painter - Industrial	\$49.36
Foremen	\$51.84
Sub-Foremen, Spraymen, and Sandblasters	\$50.60
Swing Stage Men, Paperhangers, Fabric Hangers, and Signwriters	\$49.98
Apprentice 1 - 1000 hours (The higher of \$18.00 or 50% of journeyman wages)	\$24.69

Apprentice 1001 - 2000 hours (The higher of \$18.00 or 50% of journeyperson wages)	\$24.69
Apprentice 2001 - 4000 hours (55% of journeyperson wages + \$4.15 per hour)	\$32.30
Apprentice 4001 - 6000 hours (65% of journeyperson wages + \$4.15 per hour)	\$37.24
6001+ Registered Journeyperson (75% of journeyperson wages + \$4.15 per hour)	\$42.17
6001+ Unregistered Journeyperson (75% of journeyperson wages)	\$37.03
Apprentice Helper (\$11.00 or minimum wage; whichever is greater)	\$21.33

Allied Trades

Work Performed	Total Hourly Compensation Rate
Journeyperson: Drywall Finishers (Tapers), Plasterers, Fireproofing Insulators, Acoustic Sprayers, Hazardous Material Workers, Exterior Insulated Finishing Systems Applicators, Exterior Stucco Applicators, Sprayed Polyurethane Applicators, Air/Vapour Barrier Workers, and all other workers performing any work described in Article 3 of Appendix "B" herein the Province of Ontario.	\$53.37
Working Foreperson	\$61.38
Apprentice Drywall Finishers (Tapers) and Plasterers: 1 - 2400 hours worked - 55% of Journeyperson Rate	\$29.35
Apprentice Drywall Finishers (Tapers) and Plasterers: 2401 - 3600 hours worked - 65% of Journeyperson Rate	\$34.70
Apprentice Drywall Finishers (Tapers) and Plasterers: 3601 - 5400 hours worked - 75% of Journeyperson Rate	\$40.03
Non-Certified Journeyperson Drywall Finishers (Tapers) and Plasterers - 90% of Journeyperson Rate	\$48.04
Trainee Hazardous Material Worker: 1 - 900 hours worked	\$24.71
Trainee Hazardous Material Worker: 901 - 3600 hours worked	\$33.57
Trainee Hazardous Material Worker: After 3600 hours worked (Non-Certified Journeyperson)	\$42.59
Apprentice Hazardous Material Worker: 1 - 900 hours worked	\$29.26
Apprentice Hazardous Material Worker: 901 - 2400 hours worked	\$36.03
Apprentice Hazardous Material Worker: 2401 - 3000 hours worked	\$39.02
Apprentice Hazardous Material Worker Certified: After 3000 hours worked (Certified Journeyperson)	\$47.17
Fire Stopping: 1 - 1500 hours worked	\$23.86
Fire Stopping: 1501 - 2400 hours worked	\$26.66
Fire Stopping: 2401 - 3600 hours worked	\$29.91
Fire Stopping: 3601 - 5400 hours worked	\$36.95
Fire Stopping: After 5400 hours worked (Journeyperson)	\$37.58

Residential Fire Stopping: 1 - 1500 hours worked	\$22.95
Residential Fire Stopping: 1501 - 3600 hours worked	\$24.86
Residential Fire Stopping: 3601 - 5400 hours worked	\$28.06
Residential Fire Stopping: After 5400 hours worked (Journey person)	\$32.07
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 1 - 1000 hours worked	\$21.66
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 1001 - 2000 hours worked	\$23.66
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 2001 - 3000 hours worked	\$26.76
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 3001 - 3600 hours worked	\$30.62
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: 3601 - 4000 hours worked	\$30.93
Apprentice Sprayed Polyurethane Applicators, Polypropylene Plastic Sheet Membrane Applicators, and Air/Vapour Barriers: After 4000 hours worked (Journey person)	\$38.75
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 1 - 1200 hours worked	\$21.69
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 1201 - 2400 hours worked	\$28.92
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 2401 - 3600 hours worked	\$34.39
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: 3601 - 5400 hours worked	\$40.13
Apprentice Exterior Insulated Finishing System, Exterior Stucco, and Air/Vapour Barriers: After 5400 hours worked (Journey person)	\$42.46
Trainee Spray Fireproofers: 1 - 2000 hours worked	\$23.94
Trainee Spray Fireproofers: 2001 - 4000 hours worked	\$26.47
Trainee Spray Fireproofers: 4001 - 5400 hours worked	\$29.02
Trainee Spray Fireproofers: After 5400 hours worked	\$31.62
Apprentice Spray Fireproofers: 1 - 900 hours worked	\$25.79
Apprentice Spray Fireproofers: 901 - 2000 hours worked	\$27.45
Apprentice Spray Fireproofers: 2001 - 4000 hours worked	\$34.31
Apprentice Spray Fireproofers: 4001 - 5400 hours worked	\$41.16
Apprentice Spray Fireproofers: After 5400 hours worked (Journey person)	\$45.74

Roofers

Work Performed	Total Hourly Compensation Rate
Foreperson	\$54.42
Journeyman	\$54.27
Roofing Assistant	\$45.21
3rd Year Apprentice	\$42.51
2nd Year Apprentice	\$37.37
1st Year Apprentice	\$35.44
Pre-Apprentice	\$28.68
Roofer Material Handler	\$52.03

Sheet Metal

Work Performed	Total Hourly Compensation Rate
Journeyman	\$57.33
Foreperson A (3 - 10 workers) premium rate	\$6.01
Foreperson B (11 - 20 workers) premium rate	\$7.50
Foreperson C (over 20 workers) premium rate	\$8.99
1st Year Apprentice	\$27.04
2nd Year Apprentice	\$30.79
3rd Year Apprentice	\$34.73
4th Year Apprentice	\$41.35
5th Year Apprentice	\$48.34

Sheeter/Decker

Work Performed	Total Hourly Compensation Rate
Sheeter / Decker	\$57.10
Sheeter / Decker Foreperson A (3 - 10 workers) premium rate	\$6.01
Sheeter / Decker Foreperson B (11 - 20 workers) premium rate	\$7.50
Sheeter / Decker Foreperson C (over 20 workers) premium rate	\$8.99
Sheeter / Decker Assistant	\$52.75
Material Handler #2	\$37.86
Material Handler #1	\$30.63
Probationary Employee	\$23.27

Ironworkers: Bridge, Structural, Ornamental and Reinforcing Iron Workers

Work Performed	Total Hourly Compensation Rate
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Base Wage (Journeyperson)	\$59.66
GF Foreperson	\$71.59
Foreperson	\$66.82
Apprentice 0 - 1000 hrs	\$35.80
Apprentice 1000 - 2000 hrs	\$41.76
Apprentice 2000 - 3000 hrs	\$44.74
Apprentice 3000 - 4000 hrs	\$47.73
Apprentice 4000 - 5000 hrs	\$50.70
Apprentice 5000 - 6000 hrs	\$53.69

Rodmen: Bridge, Structural, Ornamental and Reinforcing Iron Workers

Work Performed	Total Hourly Compensation Rate
Base Wage (Journeyperson)	\$57.24
Foreperson	\$67.16
Sub-Foreperson	\$63.44
Apprentice 0 - 500 hrs	\$34.35
Apprentice 500 - 1000 hrs	\$40.06
Apprentice 1001 - 2000 hrs	\$45.79
Apprentice 2001 - 3000 hrs	\$51.51
Apprentice 3001 - 4000 hrs	\$54.37

Carpenters

Work Performed	Total Hourly Compensation Rate
Acoustic / Drywall	\$55.24
Pre-Apprentice - 55% of journeyperson rate	\$30.38
Apprentice 1st Term - 55% of journeyperson rate (0-1800 hrs)	\$30.38
Apprentice 2nd Term - 60% of journeyperson rate (1801-2700 hrs)	\$33.15
Apprentice 3rd Term - 70% of journeyperson rate (2701-3600 hrs)	\$38.68
Apprentice 4th Term - 80% of journeyperson rate (3601-4500 hrs)	\$44.19
Apprentice 5th Term - 85% of journeyperson rate (4501-5400 hrs)	\$45.22

Carpenters

Work Performed	Total Hourly Compensation Rate
Hardwood Floor Layer	\$55.24
Apprentice 1st Term - 55% of journeyperson rate	\$30.38
Apprentice 2nd Term - 60% of journeyperson rate	\$33.15
Apprentice 3rd Term - 70% of journeyperson rate	\$38.68
Apprentice 4th Term - 80% of journeyperson rate	\$44.19
Apprentice 5th Term - 85% of journeyperson rate	\$46.96

Carpenters

Work Performed	Total Hourly Compensation Rate
Resilient Floor and Carpet Layer	\$52.79
Apprentice 1st Term - 50% of journeyperson rate (0-2000 hrs)	\$29.03
Apprentice 2nd Term - 60% of journeyperson rate (2001-3000 hrs)	\$31.67
Apprentice 3rd Term - 70% of journeyperson rate (3001-4000 hrs)	\$36.95
Apprentice 4th Term - 80% of journeyperson rate (4001-5000 hrs)	\$42.23
Apprentice 5th Term - 85% of journeyperson rate (5001-6000 hrs)	\$44.86

Carpenters

Work Performed	Total Hourly Compensation Rate
Caulker	\$41.73
Trainee 1st Term (0-1800 hrs)	\$23.29
Trainee 2nd Term (1801-3600 hrs)	\$31.10
Trainee 3rd Term (3601-5400 hrs)	\$35.28
Trainee 4th Term (5401-7200 hrs) Fire Stop Trainee	\$38.48

Boilermakers

Work Performed	Total Hourly Compensation Rate
General Foreperson	\$75.71
Foreperson	\$71.99
Assistant Foreperson	\$67.03
Journeyperson	\$64.57
4th Year Apprentice (1) (90%)	\$58.08

3rd Year Apprentice (1) (80%)	\$51.63
2nd Year Apprentice (1) (70%)	\$45.17
1st Year Apprentice (1) (60%)	\$38.70
Pre-Apprentice (60%)	\$38.70

Landscaping

Work Performed	Total Hourly Compensation Rate
Labourer	\$27.35
Working Foreperson	\$33.38
Skilled Labourer	\$30.33
Entry Level / Student	\$21.99
Working Foreperson - SOD Installation	\$29.88
Skilled Labourer - SOD Installation	\$26.85
Sod Installer - SOD Installation	\$22.32

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<i>Fair Wage Policy</i>	(changes/additions noted in <i>bold and italics</i>)
1. POLICY STATEMENT <i>(formerly section 1)</i>	1.1. Every Contractor and Sub-Contractor shall compensate their Employees in accordance with the Fair Wage Policy and Fair Wage Schedule on all Construction Contracts with the City. The compensation requirements as set out in the Fair Wage Policy and Fair Wage Schedule are minimum requirements.
2. PURPOSE <i>(new section)</i>	2.1. <i>The purpose of the City's Fair Wage policy is to:</i> <i>a) ensure that Contractors and Sub-Contractors pay their Employees reasonable Wages and Benefits for work performed on City of Hamilton Construction Contracts; and</i> <i>b) to create a level playing field in procurement competitions so that no Contractor or Sub-Contractor secures an unfair competitive advantage over other construction employers by paying wages that are below prevailing norms.</i>
3. INTREPRETATION <i>(formerly section 2)</i>	3.1. In this Fair Wage Policy and Fair Wage Schedule: a) a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa; b) the provisions shall be read with changes of gender or number as the context may require; c) a reference to any Act, by-law, rule, procedure, regulation <i>or to a provision thereof</i> shall be deemed to include a reference to any <i>Act, by-law, rule, procedure, regulation or provision enacted in</i> substitution or amendment thereof; d) any reference to an officer of the City shall be construed to mean the person holding that office, the designate or delegate of that person.

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4. DEFINITIONS <i>(formerly section 3)</i>	4.1. Capitalized words and phrases used in this Fair Wage Policy and Fair Wage Schedule shall have the following meanings, unless expressly stated otherwise.
Apprentice	<i>as defined by the Building Opportunities in the Skilled Trades Act, 2021, means an individual who, pursuant to a registered training agreement, is receiving or is to receive training in a trade that is required as part of an apprenticeship program;</i>
Benefits	<i>shall mean any non-statutory payment to an employee or non-statutory premiums or contributions paid to provide benefits to an employee and shall include employer contributions to such items as a pension plan, Registered Retirement Savings Plan (RRSP), medical plan bonus, retention pay or the like and vacation. Benefits do not include legislated payroll deductions such as Canada Pension Plan ("CPP"), Employer Health Tax ("EHT"), Workplace Safety and Insurance Board ("WSIB") or Employment Insurance Canada ("EIC");</i>
City Council	shall mean the Council of the City of Hamilton;
City	shall mean the City of Hamilton, its officers, officials, employees and agents;
Construction Contract	<p><i>shall mean any construction work awarded to a Contractor that is:</i></p> <p><i>a) an "improvement" to the land as defined in the Construction Act, R.S.O. 1990, c. C.30;</i></p> <p><i>b) has a minimum contract value of \$500,000.00 upon award; and includes:</i></p> <p><i>i) the industrial, commercial and institutional sector;</i></p> <p><i>ii) the sewers and watermains sector;</i></p> <p><i>iii) the roads sector;</i></p> <p><i>iv) the heavy engineering sector, and</i></p> <p><i>v) Landscaping Work,</i></p> <p><i>c) but does not include:</i></p> <p><i>i) the residential sector;</i></p>

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	<p>ii) snow removal; and</p> <p>iii) maintenance work performed to prevent the normal deterioration of the land, building, structure or works or to maintain the land, building, structure or works in a normal, functional state.</p> <p>Construction Contracts that exceed the construction contract threshold of \$500,000 solely as a result of change orders are not covered by the Fair Wage Policy.</p>
Contractor	shall mean any person having a Construction Contract with the City but does not include any person that only supplies materials for the Construction Contract;
Employee(s)	shall mean those persons employed by the Contractor or Sub-Contractor who perform work identified in the Fair Wage Schedule, for a Construction Contract with the City;
Fair Wage Policy	shall mean the Fair Wage Policy approved by Council;
Hours of Work	shall mean the regular hours of work per day and week and shall include a provision for the payment of overtime beyond such regular hours, as per the <i>Employment Standards Act, 2000, S.O. 2000, c.41</i> , specifically Part VIII Overtime Pay;
Initiator	shall mean any person who submits a complaint to the City alleging non-compliance with the Fair Wage Policy and Fair Wage Schedule by any Contractor or Sub-Contractor performing construction work on a City Construction Contract.
Landscaping Work	shall mean hardscaping, installation, and repair of retaining walls, sidewalk's concrete and or stone pavers, fencing installation, grading and sod installation, and tree planting.
Manager of Procurement	shall mean the Manager of Policy and Contracts, Procurement Division , or designate.
Sub-Contractor	shall mean any person performing work on a City Construction Contract for a Contractor, or an agreement with

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	another Sub-Contractor, but does not include any person that only supplies materials for the Construction Contract;
Substantial Performance	<i>as defined in the Construction Act, R.S.O. 1990, c. C.30;</i>
Total Hourly Compensation Rate	shall mean the aggregate amount of Wages and Benefits as stated in the Fair Wage Schedule;
Wages	shall mean the Employees basic hourly rate, which is paid as earned at the time of undertaking the work.
5. RESPONSIBILITIES	
5.1. General	5.1.1. The following persons are responsible for fulfilling the responsibilities detailed in this Policy as follows:
5.2. City Responsibilities (formerly section 4)	<p>5.2.1. The Director of the Procurement Financial Division shall periodically review the Fair Wage Policy and recommend to the appropriate standing committee of Council any required amendments to the Fair Wage Policy.</p> <p>5.2.2. The Director of Employee & Labour Relations will prepare and review the Fair Wage Schedule from time to time and recommend to the appropriate Standing Committee of Council those amendments to the Fair Wage Schedule.</p> <p>5.2.3. The Manager of Procurement Division shall reference the Fair Wage Policy and Fair Wage Schedule in all City Construction Contracts. The City's Procurement website will post the Fair Wage Policy and Fair Wage Schedule and Fair Wage Complaint Form at hamilton.ca/procurement.</p> <p>5.2.4. The Manager of Procurement will co-ordinate the preparation of an annual report for the appropriate Standing Committee of Council regarding complaints investigated and resulting audits performed pursuant to the Fair Wage Policy and Fair Wage Schedule.</p>

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	<p>5.2.5. The City shall address a written objection to the administration of the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.2.6. The City is not in any way liable, obligated or responsible to any Employee, Sub-Contractor, Contractor or any other person for the payment of any monies not paid by a Contractor or Sub-Contractor in accordance with the Fair Wage Policy and Fair Wage Schedule, and the City assumes no responsibility to such Employee, Sub-Contractor, Contractor or any other person for the administration and enforcement of the Fair Wage Policy and Fair Wage Schedule.</p>
<p>5.3. Ad-Hoc Fair Wage Committee (formerly section 5)</p>	<p>5.3.1. The City shall participate in an ad hoc Fair Wage committee ("Committee") to discuss issues and provide a forum for consultation regarding issues related to the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.3.2. The Committee shall meet on an as required basis.</p> <p>5.3.3. The Committee, as determined by the City, shall be comprised, as a minimum, of the following members:</p> <ol style="list-style-type: none"> a) Director of the City Procurement Financial Division or designate, b) Director of the Employee & Labour Relations Division or designate, c) A representative from: <ul style="list-style-type: none"> • Hamilton & District Heavy Construction Association, • Hamilton-Brantford Ontario, Building and Construction Trades Council, • Labourers' International Union of North America, • Christian Labour Association of Canada, and • Merit OpenShop Contractors Association of Ontario.

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<p>5.4. Contractor and Sub-Contractor Responsibilities (formerly section 6)</p>	<p>5.4.1. A Contractor shall ultimately be responsible for any violations or non-compliance of the Contractor and Sub-Contractors on its City Construction Contracts.</p> <p>5.4.2. A Contractor is fully responsible for ensuring that the Contractor and all Sub-Contractors comply with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.3. The Contractor or Sub-Contractor shall not be responsible for any increase to the Fair Wage Schedule which occurs after the closing of the Request for Tenders or Request for Proposals for the City Construction Contract awarded to the Contractor.</p> <p>5.4.4. At the commencement of the work, the Contractor shall post a copy of the Fair Wage Policy and Fair Wage Schedule in a prominent location at the City Construction Contract site to enable Employees of the Contractor and Sub-Contractor to review. Alternate methods may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract.</p> <p>5.4.5. After Substantial Performance (as defined in the Construction Act, R.S.O. 1990, c. C.30) of the Construction Contract, for all Construction Contracts with the City, the Contractor shall provide to the City, in a form acceptable to the City, a statutory declaration confirming that the Contractor and its Sub-Contractors complied with the Fair Wage Policy and Fair Wage Schedule.</p> <p>5.4.6. The City reserves the right to withhold or set-off from the Contractor, a minimum of FIVE THOUSAND DOLLARS (\$5,000.00) from any final payments under the Construction Contract or under any other contract between the City and the Contractor, until the Contractor's sworn statement of compliance is received and deemed to be satisfactory by the City.</p>
<p>6. COMPLIANCE (formerly section 7)</p>	<p>6.1. A Contractor or Sub-Contractors shall be in compliance with the Fair Wage Policy and Fair Wage Schedule when the Employee receives a minimum compensation package</p>

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	<p>that includes Wages and Benefits, which aggregate amount is not less than the Total Hourly Compensation Rate as set out in the Fair Wage Schedule.</p> <p>6.2. Employees shall be paid on a "pay by pay basis" every pay period in accordance with Fair Wage Schedule. Alternate methods of payment may be considered, and if approved by the Manager of Procurement, shall be in writing prior to the commencement of the Construction Contract. For example, any lump sum pay-out made to the Employee to reconcile money owed at the completion of the Construction Contract is not permitted <i>unless approved in writing by the Manager of Procurement prior to implementation.</i></p> <p>6.3. Any lump sum payment approved <i>by the Manager of Procurement</i> is to be made no later than the date of Substantial Performance of the related Construction Contract.</p>
<p>7. RECORDS <i>(formerly section 8)</i></p>	<p>7.1. The Contractor and Sub-Contractor shall keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>7.2. Unless otherwise approved by the <i>City Manager of Procurement</i>, the Contractor and Sub-Contractor shall make these records available for inspection upon request by the City within ten business days.</p> <p>7.3. In any agreement with a Sub-Contractor, the Contractor shall require the Sub-Contractor to:</p> <ul style="list-style-type: none"> a) provide written acknowledgment prior to the commencement of construction work that the Fair Wage Policy and Fair Wage Schedule applies; b) keep records of the names, addresses, Wages, Benefits, vacation paid or provided, and hours worked for all of its Employees to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule; and c) unless otherwise approved by the <i>City Manager of Procurement</i>, make these records available for

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	<p>inspection upon request by the City within ten business days.</p> <p>7.4. If a Contractor or Sub-Contractor enters into a contract for service with a self-employed independent contractor to perform work identified in the Fair Wage Schedule, the Contractor or Sub-Contractor shall keep the following records to demonstrate that the self-employed independent contractor is not an Employee of the Contractor or Sub-Contractor:</p> <ul style="list-style-type: none"> a) duties and responsibilities of both parties; b) self-employed independent contractor invoices; c) self-employed independent contractor HST registration number; d) self-employed independent contractor Workplace Safety and Insurance Board and insurance certificates; and e) self-employed independent contractor trade certificates or licences which relate to the Construction Contract. <p>Should there be concerns regarding the self-employed independent contractor's degree of dependency from the Contractor or Sub-Contractor, further records shall be made available to demonstrate that an employer employee relationship does not exist between the Contractor or Sub-Contractor and a self-employed independent contractor. The guideline issued by Canada Revenue Agency RC4110 "Employee or Self-Employed" may be used to assist in making a final determination.</p>
<p>8. INSPECTIONS AND AUDITS (formerly section 9)</p>	<p>8.1. The City retains the right to inspect and audit the records of the Contractor or Sub-Contractor (as referred to in Section 9. Records) at any time during the period of the Construction Contract and at any time <i>within five (5) years after the date of Substantial Performance of the Construction Contract, regardless if a complaint has been received or not.</i></p>

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<p>9. ASSURANCE REPORTS <i>(formerly section 10.4 and 10.5)</i></p>	<p>9.1. If the Contractor or Sub-Contractor fails to keep accurate records, the Contractor or Sub-Contractor will pay a licensed Public Accountant to provide an assurance report, acceptable to the City, which clearly demonstrates compliance with the Fair Wage Policy and Fair Wage Schedule.</p> <p>9.2. <i>Unless otherwise approved by the Manager of Procurement, assurance reports shall be completed and provided to the City within sixty days of City's notification to the Contractor to provide.</i> Failure to provide the assurance reports within the required timeline shall be deemed to be a material non-compliance with the Fair Wage Policy.</p>
<p>10. CONSEQUENCES OF NON-COMPLIANCE</p> <p>10.1. General <i>(formerly section 10)</i></p>	<p>10.1.1. Upon determining that a Contractor or Sub-Contractor is non-compliant with the Fair Wage Policy <i>and or</i> Fair Wage Schedule, the Manager of Procurement:</p> <p>a) shall advise the Contractor, in writing, that it has been determined that the Contractor or Sub-Contractor is non-compliant and that the Contractor or Sub-Contractor is required to rectify the non-compliance(s) and provide written proof of the same, in a form satisfactory to the City, within ten business days;</p> <p>and</p> <p>b) may withhold making payment to the Contractor in an amount which is equal to the shortfall in Wages or Benefits, or may take any other remedies that are otherwise available at law or in equity;</p> <p>and</p> <p>c) shall impose upon the Contractor a minimum cost of \$5,000.00 (excluding taxes) for the City inspection, audit or other action as deemed necessary by the City and may deduct <i>or set-off</i> such costs from any payment or payments (as appropriate) <i>under this the Construction Contract or under any other contract between the City and the Contractor owed by the City to the Contractor,</i> or may take any other remedies that are otherwise available at</p>

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	<p>law or in equity. In addition, the Contractor shall be responsible for all the City's costs beyond the minimum cost of \$5,000.00(excluding taxes), which will be payable immediately upon request.</p> <p>10.1.2. Where a Sub-Contractor has been found to be non-compliant, the Contractor shall also be deemed non-compliant and reported to City Council accordingly.</p>
<p>10.2. First Instance of Non-Compliance (formerly section 10.2)</p>	<p>10.2.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule for the first time in a five year period, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, which verifies compliance with the Fair Wage Policy and Fair Wage Schedule on the next three (3) City Construction Contracts to which the Contractor is awarded or the Sub-Contractor is carried on a Construction Contract.</p> <p>10.2.2. Such assurance report shall provide sufficient information and detail to demonstrate compliance with the Fair Wage Policy and Fair Wage Schedule and shall be submitted after Substantial Performance (as defined in the Construction Act, R.S.O. 1990, c. C.30) of the Construction Contract and prior to the release of money owing the Contractor. The City reserves the right to not release part or all of the money owing on a Construction Contract or under any other contract between the City and the Contractor until such assurance report is received and deemed to be satisfactory by the City.</p> <p>10.2.3. The City reserves the right to treat a first non-compliance as a second or subsequent non-compliance.</p>

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<p>10.3. Subsequent Instance of Non-Compliance (formerly section 10.3)</p>	<p>10.3.1. Where a Contractor or Sub-Contractor has been determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule for a second or subsequent time within a five (5) year period from the date of the first determination of non-compliance by the Manager of Procurement, the City, as approved by City Council, may impose a ban and refuse:</p> <ul style="list-style-type: none"> a) to accept any bid, quotation or proposal from such Contractor or Sub-Contractor, or; b) the use of a Sub-Contractor where the Sub-Contractor was determined to be non-compliant with the Fair Wage Policy and or Fair Wage Schedule <p>on any City contract for a period of no less than two (2) years from the date of City Council approval or as otherwise approved by City Council, save and except any Construction Contract the Contractor may currently have with the City.</p> <p>10.3.2. Within five (5) years from the date of the expiration of a ban imposed upon a Contractor or Sub-Contractor for non-compliance with the Fair Wage Policy and or Fair Wage Schedule, the Manager of Procurement may require the Contractor or Sub-Contractor to pay for and submit a licensed Public Accountant assurance report, acceptable to the City, verifying the previously banned Contractor's or Sub-Contractor's compliance with the Fair Wage Policy and Fair Wage Schedule on at least three City Construction Contracts where:</p> <ul style="list-style-type: none"> a) the previously banned Contractor is awarded a Construction Contract or is carried as a Sub-Contractor on a Construction Contract; or b) the previously banned Sub-Contractor is awarded a Construction Contract or is carried as a Sub-contractor on a Construction Contract. <p>10.3.3. Any determination of non-compliance with the Fair Wage Policy or Fair Wage Schedule during the five-year period may result in a further ban imposed upon the Contractor</p>
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	or Sub-Contractor by City Council on any City Construction Contract.
11. COMPLAINTS 11.1. Receipt of Complaint <i>(formerly section 11.1 to 11.5)</i>	11.1.1. Any person may submit a complaint to the City, alleging non-compliance with the Fair Wage Policy or Fair Wage Schedule, by any Contractor or Sub-Contractor performing construction work on a City Construction Contract. All complaints must be submitted in writing and contain sufficient information in order to investigate the complaint. The Fair Wage Complaint Form may be completed for this purpose 11.1.2. The complaint must be forwarded to the City's Manager of Procurement via email (procurement@hamilton.ca), regular mail or in person to the Procurement Division, Corporate Services Department, 28 James Street North, Suite 400, Hamilton, Ontario L8R 2K1. 11.1.3. The complaint may be initiated at any time during the Construction Contract but shall be received by the City no later than 21 calendar days following Substantial Performance of the related Construction Contract. 11.1.4. Upon receipt of a complaint, the Manager of Procurement will conduct an initial review of the complaint submitted and advise the Initiator of the minimum investigation fee is and what the likely cost of the investigation will be. The minimum cost of an investigation will be \$5,000.00 (excluding taxes). The City, at its discretion, may waive the cost of an investigation if an Employee is the Initiator of the complaint. 11.1.5. The Initiator shall confirm to the City in a timely manner whether or not they would like to proceed with the complaint.
11.2. Investigation of the Complaint <i>(formerly section 11.6 and 11.7)</i>	11.2.1. The City shall take such action or investigation as it deems is necessary to determine whether the Contractor or Sub-Contractor involved or named in the complaint is compliant with the Fair Wage Policy and or Fair Wage Schedule. Such action or investigation , as deemed necessary by the City, to determine compliance or non-

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	<p>compliance shall <u>begin</u> within 30 calendar days of receipt of a completed Fair Wage Complaint Form submitted to the Manager of Procurement.</p> <p>11.2.2. Once such action or investigation to determine compliance or non-compliance <u>is completed</u> to the City's satisfaction, the Manager of Procurement shall inform the Initiator and any Contractor or Sub-Contractor involved or named in the complaint of the City's determination of the Contractor's or Sub-Contractor's compliance or non-compliance with the Fair Wage Policy and or Fair Wage Schedule.</p>
<p>11.3. Initiator is not an Employee of the Contractor or Sub-Contractor <i>(formerly section 11.8 and 11.9)</i></p>	<p>11.3.1. Whenever a complaint is initiated by a person other than an individual Employee of the Contractor or Sub-Contractor involved or named in the complaint, and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy and or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne solely by the Initiator. Until the Initiator has paid the associated costs to the City, the City will not accept any additional complaints from the Initiator.</p> <p>11.3.2. For the purposes of the City not accepting any additional complaints from the Initiator under previous section of this Fair Wage Policy, a reference to Initiator shall also include an officer, director, a majority or controlling shareholder, or a member of the Initiator, if a corporation; a partner of the Initiator, if a partnership; any corporation to which the Initiator is an affiliate of or successor to, or an officer, a director or a majority or controlling shareholder of such corporation; and any person with whom the Initiator is not at arm's length within the meaning of the Income Tax Act (Canada).</p>

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<p>11.4. Initiator is an Employee of the Contractor or Sub-Contractor <i>(New Section)</i></p>	<p>11.4.1. Whenever a complaint is initiated by an Employee of the Contractor or Sub-Contractor involved or named in the complaint and said Contractor or Sub-Contractor is found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint will be borne by the City.</p> <p>11.4.2. For any second or consecutive Fair Wage complaint lodged by an Employee where the Contractor or Sub-Contractor has been found to be compliant with the Fair Wage Policy or Fair Wage Schedule with respect to the complaint, the costs associated with the inspections, audits or other action deemed necessary regarding the investigation of the complaint may be paid by the Employee.</p> <p>11.4.3. The Director of Procurement shall have discretion to waive the investigation fee or any costs associated with the complaint.</p>
<p>11.5. Confidentiality <i>(formerly section 11.10)</i></p>	<p>11.5.1. The City shall make every effort to safeguard the confidentiality of each Initiator's identity <i>and the City will do its best efforts not to disclose this information.</i> However, this information is subject to the provisions of the <i>Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56</i>. For greater certainty and direction regarding how such issues of confidentiality will be handled and may affect an Initiator's rights, the Initiator should reference the City's policies related to Freedom of Information.</p>
<p>12. APPEALS PROCESS <i>(formerly section 12)</i></p>	<p>12.1. Contractors, Sub-Contractors or Initiators may feel aggrieved and may seek to dispute the outcome of a Fair Wage complaint process. If anyone wishes to appeal the outcome of a Fair Wage complaint, they shall write to the Director of Procurement Division within five business days of being notified of the Fair Wage complaint outcome and provide a detailed statement outlining the</p>

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	<p>grounds of the appeal and request a meeting with the Director of Procurement.</p> <p>12.2. If no resolution satisfactory to both parties has been achieved, the Contractor, Sub-Contractor or Initiator will have three business days from the date of the meeting with the Director of Procurement Division to make a formal written request with the Director of Procurement Division to meet with the General Manager of the Client Department issuing the Construction Contract and the General Manager of Finance and Corporate Services regarding their complaint. The General Managers will make the final decision regarding the outcome of the Fair Wage complaint process.</p>
<p>13. APPRENTICES (new section)</p>	<p>13.1. <i>The City encourages Contractors and Sub-Contractors to hire and train Apprentices under approved apprenticeship programs in Ontario. Apprentices will be assessed based on the appropriate government agency certification criteria and approved program.</i></p> <p>13.2. <i>Employees reported as Apprentices not properly registered or are utilized at the jobsite in excess of the ration of journeyperson permitted under the approved program, must be paid the applicable Total Hourly Rate for that work. The Contractor or Sub-Contractor shall be required to provide evidence of the Apprentice's registration at any time.</i></p> <p>13.3. <i>The proper Total Hourly Compensation Rates to be paid to Apprentices are:</i></p> <p style="margin-left: 40px;"><i>a) as set out in the Fair Wage Schedule; or</i></p> <p style="margin-left: 40px;"><i>b) where no Apprentice rate or calculation is identified in the Fair Wage Schedule, as specified by a particular industry program in which they are enrolled, expressed as a percentage of the journeyperson rate on the wage determination, multiplied by 24%.</i></p>

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<p>14. FAIR WAGE SCHEDULE AND UPDATES (formerly section 13)</p>	<p>The Fair Wage Schedule shall be automatically updated every three years.</p> <p>14.1. Unless otherwise approved by Council, the Manager of Procurement shall update Total Hourly Compensation Rates each year to reflect a “two-year lag” rather than a three-year lag in accordance with the following:</p> <ul style="list-style-type: none"> a) based upon the wages set out in the respective collective agreements two years prior to the current year. For example, the updated rates in 2025 shall be based upon the 2023 hourly rates (two years preceding 2025); b) calculated by increasing the respective collective agreement’s hourly wage rates by no more than 24%; and c) frozen for the two-year term, pending a review by the Ad Hoc Committee of transitioning to a one-year lag effective 2026, unless otherwise approved by Council.
<p>RELATED DOCUMENTS</p>	<p>The following related documents are referenced in this Policy:</p> <ul style="list-style-type: none"> 1. <i>Fair Wage Schedule</i>
<p>HISTORY</p>	<p>This policy replaces the former policy named Fair Wage Policy, approved by City Council on June 12, 2019, Report FCS19035/HUR19008</p>

Hamilton-Brantford Building & Construction Trades Council

Chartered By The Building and Construction Trades Department AFL - CIO - CLC
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December 5, 2024

Mike Zegarac
GM, Finance & Corporate Services
City of Hamilton
Hamilton City Hall
71 Main Street West
Hamilton, ON L8P 4Y5

Dear Mr. Zegarac:

Re: Collective Bargaining and Prevailing Wages in the Industrial, Commercial and Institutional Sector of the Construction Industry

I am writing on behalf of the Hamilton - Brantford Building & Construction Trades Council (HBBT) to provide you and your colleagues with information concerning provincial collective bargaining in the industrial, commercial and institutional sector (ICI) of Ontario's construction industry. The HBBT hopes that this letter will assist the City in the ongoing fair wage policy review and particularly, in ensuring that the amended fair wage policy accurately reflects prevailing wages in the construction industry and provides protection for all stakeholders in municipal construction.

Background

At the last meeting of the Fair Wage Committee, you requested information regarding the provincial ICI collective bargaining regime. This is a complex subject matter. To make this letter of greatest assistance, I have broken it into 3 parts:

1. The History and Key Practicalities of Provincial ICI Collective Bargaining
2. Why the provincial ICI wage rates are the prevailing wage

3. Why an accurate fair wage policy is important for construction stakeholders

1. The History and Key Practicalities of Provincial ICI Collective Bargaining

History

From the outside, the provincial ICI collective bargaining system looks like a complex labyrinth of industry relationships and legal rules that easily escapes practical understanding. To fully understand this system, it is key to understand its history, and the problems it was designed to solve.

Several expert inquiries have recognized four unique business characteristics in the construction industry which influence its labour relations, these are:^{1;2}

- **Mobility** – Construction employees do not work at fixed locations (such as factories).
- **Specialization** – Construction industry workforces are organized by craft (i.e. electricians only perform the electrical portion of a project).
- **Instability of Employment** – Construction employees are laid off at the end of each project and will normally work for several different employers during their careers.
- **Bid Competition and Sub-Contracting** – Construction work is awarded through competitive bidding processes which favour the lowest bidder.

These unique features make traditional collective bargaining, which is designed for employees who obtain workplace seniority with a single, fixed, long-term employer ill-suited to the construction industry.

From the side of the unions, these unique characteristics made it difficult to meaningfully organize. It is entirely ineffective to organize all of the employees on a single construction project, when that project is likely to end in the near future, and all the employees will be laid off. Moreover, because of the sub-contracting structure of the industry, there may be dozens of different employers involved in a single project. This means that unions would have to expend resources organizing all of them if they were to completely unionize a project – which would then end closely thereafter. This made the traditional single location, single employer, assumptions entirely ineffectual in the construction industry.

¹ *Report of the Industrial Inquiry Commission into Bargaining Patterns in the Construction Industry*, (Toronto: Ontario Ministry of Labour, 1976) (Donald E Franks) [Franks] at 2

² *Royal Commission on Labour-Management Relations in the Construction Industry*, (Toronto: Ontario Government, 1962)

On the employers' side, the strategies unions adopted in attempting to organize the construction industry created a variety of labour relations issues. Chief among them was construction unions commencing a strike against one employer, getting a favourable settlement from them, then striking another contractor, and using the favourable settlement from the first contractor to get an even higher rate with the second (this is known as Leapfrogging).³ Leapfrogging resulted in different contractors being subject to different wage costs simultaneously and a serious fragmentation of labour relations. This gave some contractors unfair competitive bidding advantages over others and undermined the level playing field.

Between 1962 and 1970, the Ontario government introduced several amendments to the *Labour Relations Act* (the "Act") targeted at addressing these issues. The most important of these was introducing a system of accreditation. Accreditation systems replaced fragmented single-employer bargaining with a system of multi-employer bargaining which allowed employers to band together into employer associations to bargain single collective agreements with trade unions, typically covering the work of a single trade in a particular geographic area.

Accreditation allowed multiple employers to negotiate a single-rate covering all applicable work with the union simultaneously – thus ensuring a level playing field. Critical to the function of this system was the prevention of single-employer bargaining. As such, employer's bound to accredited agreements cannot negotiate their own individual agreement with the union. This ensures all employers are subject to the same prevailing wage rates when they bid for work.

Despite the introduction of accreditation, labour relations in the ICI sector remained particularly problematic.⁴ In 1977, the provincial government introduced further amendments to the *Act* to provide a mechanism to address these concerns. This is the system which we now refer to as provincial ICI collective bargaining.

The 1977 amendments consolidated ICI sector collective bargaining on a province-wide basis by trade. The new scheme required employers and trade unions to seek ministerial designation for provincial collective bargaining agents who had exclusive bargaining rights for the particular trade they represent. For example, the Plumbers Union is represented at provincial bargaining by the Ontario Pipe Trades Council and the employers bound to the Plumbers Union are represented by the Plumber/Piperfitter Employer Bargaining Agency. Under this system, there can only be one employer and employee bargaining agent for each trade.

The new system prohibited individual employer bargaining and the creation of more than one collective agreement in the ICI sector for each trade. Making it generally impossible for unions or

³ *Accreditation in the Construction Industry: Five Approaches to Countervailing Employer Power*, (Montreal: Relations industrielles / Industrial Relations, 28(3), 565–582, 1973) (Joseph B. Rose) at 566

⁴ Franks at 28-33.

employers to fragment collective bargaining in the ICI sector because only a single, province-wide, collective agreement is permitted.

The outcome of the accreditation and provincial ICI bargaining mechanism has been the establishment of a system of “pattern bargaining” in the construction industry. This system helps ensure that all unionized contractors are subject to the same prevailing cost of labour within the sector they are working in. Crucially, the system also provides employers with a three-year level playing field with respect to the cost of labour when bidding work. This provides for significant labour relations stability by preventing Leapfrogging and allows unionized employers to know that they will not be undercut by their peers who can achieve better deals with the same union.

Unfortunately, there are problematic exceptions to the provincial ICI collective bargaining system. Certain employee organizations are not designated employee bargaining agents. As a result, these organizations are still permitted to bargain on a single employer basis in the ICI sector, can have multiple collective agreements pertaining to work in the ICI sector and can represent multi-trade, “all employee” bargaining units the sector. The Ontario Labour Relations Board has recognized that the existence of these employee organizations creates a significant risk for the re-emergence of Leapfrogging in the ICI sector and undermining the system of pattern bargaining protected by the *Act*.⁵ This directly undermines the capability of parties to the provincial ICI collective agreement to establish and enforce a prevailing wage rate, and thereby a level playing field with stable labour relations, in the ICI sector.

Key Practicalities

Although each provincial ICI collective agreement is unique, there are some common features. Two key ones are:

- Individual appendices which deal with the terms and conditions of employment for individuals performing certain types of work within a trade. For example, the Carpenters provincial ICI collective agreement contains individual appendices for general carpentry, drywall installation, caulking and flooring. These appendices establish prevailing wage rates for common types of work in reflection of the unique nature of each subsector.
- Specific wage and employment terms for specific geographic areas represented by local unions.

During collective bargaining, each designated bargaining agent represents a variety of stakeholders:

- Employer bargaining agents must ensure that the agreement they reach is satisfactory to the contractors they represent. In some cases, these contractors are represented at bargaining by

⁵ *International Union of Bricklayers and Allied Craftsmen, Locals 6, 7 and 25 v. Brick and Allied Craft Union of Canada*, 2004 CanLII 23568 (ON LRB) at paras. 224-225

their own industry associations. For example, masonry contractors are represented by the Ontario Masonry Contractors Association during collective bargaining with the Labourers' Union.

- Employee bargaining agents (i.e. unions) have to ensure that the agreement they reach is satisfactory to their members. These members are represented by their local unions, who provide information on the prevailing market circumstances and expectations for their respective geographic jurisdictions as well as ensure their local interests are protected during bargaining.

Labour action and disruptions have decreased significantly since the introduction of the provincial ICI collective bargaining regime. In fact, the strike which occurred during the 2022 round of collective bargaining was the first in 34 years for some trades. This is because the comprehensive bargaining scheme described above provides employee and employer parties with the information they need to make rational decisions regarding their collective bargaining positions, which they can justify to their various stakeholders, who accept them as the basis for prevailing market labour rates and employment conditions. This is the harmony achieved by the provincial ICI collective bargaining regime.

2. Why the Provincial ICI Wage Rates are the prevailing rate

The historical challenges and legal solutions outlined above have produced a system which accurately identifies the prevailing wage rates and enforces a level-playing field. There are several reasons for this:

i. Stakeholder Aggregation

Provincial ICI collective bargaining has eliminated the fractional collective bargaining process. Parties to provincial ICI collective agreements are legislatively required to negotiate a single 3-year agreement, covering all of a particular trades work across the entire province. This allows the parties to assess all of the factors which affect wage rates in the entire province (geographic area, market conditions and industrial circumstances) at once and determine what the appropriate prevailing wage for the next 3 years should be.

Moreover, as the parties to provincial ICI collective agreements have increased in sophistication, the benefits of stakeholder aggregation have grown. As noted above, many provincial ICI collective agreements involve negotiation with industry sub-groups (such as those representing drywall) and local unions who are responsible for specific geographic areas. The specialized geographic and market knowledge brought to the table by these groups contributes to a highly educated bargaining process, which considers variable cost of living, the vigor of the ICI construction market in each area, the anticipated market strength for various sub-sectors and the health of the construction industry as a

whole, at one bargaining table. The product of this is an accurate prevailing wage agreement which accounts for every key variable that contributes to wage costs.

There is no other bargaining system in Ontario's economy which provides for such a comprehensive, industry-wide, negotiating setting. Employee organizations that operate outside of this regime, and therefore bargain in a fractionalized single-employer manner, do not have access to anywhere near the same level of information on market conditions and expectations. Instead, they bargain based on each individual employers' circumstances. Such a system produces a far less accurate prevailing wage because it only focuses on the interests of a single employer. These are the exact issues which drove the introduction of the provincial ICI collective bargaining system in the first place.

ii. Market Share

The second reason why the provincial ICI wage rates reflect the prevailing rate is the market share of the unions involved in the regime. Construction is the only private-sector industry which has not fallen victim to the steady decline in union density in Canada since the 1990s. 29.4% of Ontario's construction employees are unionized. This is more than double the province's overall private sector union density (13%) and even higher than the overall union density in Ontario (26.7%), which includes the highly unionized public sector.⁶ Based on the most recent estimations of the number of people working in Ontario's construction industry, this means that around 170,000 workers are represented by Ontario's construction unions – the overwhelming majority of which are engaged in the provincial ICI collective bargaining regime.⁷

Additionally, a significant portion of construction in Ontario occurs in the ICI sector and the proportion of this share continues to grow. Practically every piece of infrastructure, whether it is a mall, an airport, a hospital or a factory, is within the ICI sector. As a result, the total value of non-residential building permits in Ontario increased in the third quarter of 2023 by 29.5% to reach \$5.8 billion.⁸ Work in ICI construction is particularly concentrated in the Hamilton area, where employment rates are expected to grow by 15% through 2029.⁹

Union density is even more significant when the companies which dominate ICI sector construction are assessed. This is because most medium to large scale ICI construction (and certainly public sector) projects are performed by a small group of highly unionized contractors. This includes firms like Aecon, Bird Construction, EllisDon, PCL, Pomerleau, and Eastern Construction. Although there are non-union general contractors working in the ICI sector, the largest ones in the sector have highly unionized

⁶ Statistics Canada, Union coverage by industry, annual (x 1,000), Table: 14-10-0070-01 (Ottawa: Statistics Canada, 2022)), Statistics calculated based on numbers for 2021

⁷ Statistics Canada, Construction (NAICS 23): Ontario, 2023-2025 (Ottawa: Statistics Canada, 2022)

⁸ *Ibid.*

⁹ Buildforce Canada, Construction & Maintenance Industry Ontario Highlights 2024-2033 (Ottawa: Buildforce Canada, March 2024) (Buildforce Canada) [Ontario Highlights 2024-2033] at 10

workforces. As a result, the percentage of unionized employees working the ICI sector (which represents a significant portion of all construction performed) is likely much higher than 29.4%.

The cumulative effect of this significant market share is that the provincial ICI collective agreements contain a prevailing wage rate which applies to at least one-third (and likely far greater) of the employees working in the ICI sector of the construction industry, which is, itself, the third largest sector of the construction industry, making-up 17% of all construction employment in Ontario in 2023 (for context, residential construction makes-up 51% of employment and the second largest sector, civil engineering, makes up 21%).¹⁰

In addition to these hard measures of the effectiveness of the provincial bargaining system, there are several overlooked costs which are integrated into the prevailing ICI wage rates. These are:

iii. Training

The cost of employee training is included in the wage package of provincial ICI collective agreements. All provincial ICI collective agreements have hourly remittances for training costs which are contributed to jointly managed union-management trust funds. These funds provide training and apprenticeships for members so that they are job ready.

While the factor of shared training costs may not seem relevant to the issue of determining the appropriate prevailing wage, it is important to remember that training costs individual employers' money. In a non-union setting, this comes in the form of costs which suppress employee wages (because employers have less to spend on wages as they spend money on training costs) and the efficiency costs of having under skilled employees on the job. Less skilled employees mean work takes longer, work taking longer costs employers more money – therefore, investing in training plays a central role in regulating overall wage costs.

Ontario's construction unions and their employer partners invested a combined \$471.4 million dollars into training and training facilities in 2019.¹¹ These are investments which each individual employer benefits from by a far greater degree than their own individual contributions, thereby putting more money on the table for employee wages. Therefore, the wage rates in the provincial ICI collective agreements, which internalize and distribute training costs, help provide an accurate reflection of the broader prevailing wage.

¹⁰ Ontario Highlights 2024-2033 at 2

¹¹ *Training Investment in Ontario's Construction Industry* (Etobicoke: Ontario Construction Secretariat, February 2022) (Prism Economics & Analysis) at 10-11

iv. Safety

The second hidden cost contained in the provincial ICI wage rates is the cost of safety. Lost-time injuries in construction are concerningly prevalent. In 2022-2023, nearly one-fifth of the total lost-time payments made by the WSIB were related to construction.¹²

This significant workplace injury cost impacts both union and non-union construction employers because it results in higher insurance premiums and the loss of key skilled workers for extended periods in a tight labour market (in a 2024 survey, union and non-union ICI contractors overwhelmingly ranked the limited availability of skilled labour as their top operational concern).¹³ However, unionized construction workplaces have been found to have a 31% lower incidence of lost-time injury claims in the ICI sector.¹⁴ This significant reduction is partly explained by the high-level of training which unionized construction employees have.¹⁵

Therefore, as with training costs, the financial resources and opportunity cost which non-union contractors face as a result of safety issues is money that could go into employees' pockets. In the unionized environment much of this money is available for contribution to employee wages because it is not being spent on increased insurance premiums or hiring additional labour to make-up for the loss of skilled employees to injury. This is another hidden expense which is reflected in the provincial ICI wage rates.

v. The Underground Economy

A final hidden expense which is included in the provincial ICI wage rates is the cost of the underground economy in Ontario's construction industry. Between 2013-2017, the provincial government lost an estimated \$1.8-\$3.1 billion annually to underground activities in the construction industry.¹⁶ The principal driver of these losses is the improper misclassification of employees as independent contractors.

Employee misclassification makes the cost of labour substantially cheaper for non-compliant employers in the construction industry. It removes the burden of WSIB costs, taxation and legislative wage premiums, resulting in wage rates which do not accurately reflect the true prevailing cost of labour. These activities are particularly prevalent in the residential sector (which employs the bulk of

¹² Workplace Safety Insurance Board, Injury characteristics - Schedule 1 and 2 (Toronto: Government of Ontario)

¹³ 2024 Contractor Survey (Etobicoke: Ontario Construction Secretariat, 2024) [2024 Contractor Survey] at 6

¹⁴ *Updating a study of the union effect on safety in the ICI construction sector* (Toronto: Institute for Work & Health, January 2021) (Lynda Robson, Victoria Landsman, Desiree Latour-Villamil, Hyunmi Lee and Cameron Mustard) at 3

¹⁵ *Ibid.* at 18-19

¹⁶ *The Underground Economy in Ontario's Construction Industry: Estimates of the Revenue Losses to Governments* (Etobicoke: Ontario Construction Secretariat: May 2019) (Prepared by Prism Economics and Analysis) at 4

workers in Ontario's construction industry) and can therefore have the effect of inaccurately skewing the true cost of labour.¹⁷

There is little opportunity for this kind of mischief in the provincial ICI bargaining regime. Wage rates are regulated by collective agreements and strictly enforced by unions. This means that the prevailing rates contained in collective agreements are an accurate reflection of the true cost of doing business for contractors.

vi. The Outcome

Based on all of these factors, the wage rates contained in provincial ICI collective agreements are the most accurate approximation of the true prevailing cost of construction labour in Ontario. These rates are the product of collective bargaining between a significant cross-section of industry stakeholders, who represent a substantial proportion of the employers and employees in the construction industry and consider the variety of hidden employer costs associated with regulated construction operations. There is no other rate which fully reflects these variables in a single place. Therefore, the results of this process, including the hidden costs related to training and safety which are encompassed in the provincial ICI rates, ought to be given overwhelming weight in the determination of a proper prevailing wage.

3. Why an accurate fair wage policy is important for construction stakeholders

There are several reasons why having a fair wage policy which accurately reflects the prevailing wage rate is beneficial for cities, workers, employers and the economy as a whole.

First, is the sheer prevalence of public sector construction projects. The most recent available data shows that, in Ontario, around 30% of spending on new construction is from the public sector.¹⁸ This makes governments the single largest purchaser of construction in Ontario. This fact has a significant impact on the prevailing employment terms and conditions in the construction labour market. When public sector purchasers of construction require high standards of training, health and safety, wage rates and regulatory compliance, it is difficult for employers to maintain a lower standard on private sector jobs. Fair wage policies were first introduced over 100 years ago in explicit recognition of the significant influence public sector employment standards have across the economy.

Second, accurate fair wage policies prevent contractors from engaging in a race to the bottom on employee wages. The prevalence and lucrative nature of public sector construction and the fact that bidding for construction work is based entirely on price means that contractors are extremely incentivized to reduce the cost of labour and thereby the cost of their bid for work. By forcing

¹⁷ *Ibid.* at 17

¹⁸ Statistics Canada, Public and private investment, summary by province and territory (x 1,000,000) (Table 34-10-0042-01)

contractors to pay a standardized wage rate, this practice is eliminated, protecting workers from harmful exploitation.

Encouraging a race to the bottom on wage rates also has compounding negative effects down the subcontracting chain. As general contractors race to the bottom on bids, they are forced to seek better offers from subcontractors to make projects viable. Those subcontractors, in turn, either walk-away or lower their bid. This results in bid shopping, wherein a general contractor seeks lower bids from several subcontractors, who are themselves forced to engage in a further race to the bottom to beat competitor subcontractors. This compounds the harm of ineffective fair wage policies down the subcontracting chain. Unfortunately, this means that the more vulnerable workers further down the subcontracting chain will absorb the worst outcomes of allowing a race to the bottom.

Third, fair wage policies play a key role in protecting the competitiveness of employers and establishing a level playing field. Establishing a prevailing labour cost creates a level playing field in bid competitions for government work. By taking away the race to the bottom as the primary mode of competition, fair wage policies encourage contractors to compete by becoming more innovative and efficient, instead of simply saving money on wages. This results in faster and higher quality construction for taxpayers, without negatively affecting the public purse.

The importance of the level playing field established by fair wage policies is particularly clear with respect to public sector projects. As practically all public sector construction projects are significant undertakings, there is only a small group of contractors able to perform the work. Many of these contractors are already bound to several provincial ICI agreements. If fair wage standards lag behind the wages these industry leading contractors pay, they are priced out of the work from the get-go. Unfortunately, the City of Hamilton Policy is a particularly prevalent example of this issue as it lags behind provincial ICI wage rates by six years. This means that large-scale, effective, contractors currently must offset wage costs from 2018 (which is before the pandemic and the last 3 years of extreme price inflation across the economy) while they are paying 2024 rates when they bid work for the City of Hamilton. This makes obtaining such work practically impossible.

Fourth, is the importance of investment in apprenticeships. Some construction industry employers invest in apprentice programs for employees, while others do not. Without appropriate fair wage policies which reflect the prevailing ICI wage rate, contractors who refuse to make such an investment have a clear unfair advantage over those that do. Some jurisdictions have previously recognized the importance of apprenticeship training and introduced fair wage legislation which requires that workers employed on public construction projects be either certified journeypersons or apprentices in recognition of the fact that apprenticeships play a critical role in the development of employable

trades skills.¹⁹ It is unreasonable for governments to support the expansion of the apprenticeship training system while giving a competitive advantage on public sector work to employers who refuse to invest in such a system. This is another area where the current City of Hamilton Policy leaves gaps that ought to be addressed.

Many of the benefits brought by fair wage policies are challenged by the entirely inaccurate (but nevertheless unfortunately common) misconception that implementing a fair wage policy which accurately reflects prevailing wages makes construction more expensive. When all variables (productivity, safety, training) are taken into account, this is simply not the case. One study concluded, in the absence of other factors, that fair wage policies which provide for parity with union wage rates might increase the cost of new construction by 4.8%.²⁰ However, this number does not take into account the productivity and safety benefits which are gained when skilled labour is employed as a result of fair wage policies.

Construction productivity is a key factor in the overall cost of projects. It is common sense that the longer a project takes and the more deficiencies which must be remediated, the more expensive the project will be. Well trained, skilled trades people are more likely to be employed by employers who pay the appropriate prevailing wage, even if they are not unionized. These trades people are more efficient than the underpaid and undertrained employees of the type of malfeasant contractors inadequate fair wage policies attract. In fact, one study found that non-union crews tend to have a greater proportion of helpers and semi-skilled labourers than union crews because of the training and skill gap which often exists between the two groups.²¹ Therefore, more efficient skilled trades people who tend to be employed by good employers willing to pay them fairly significantly offset the wage premiums required to employ them by finishing projects more quickly and without the need for additional support.

As such, it is clear that claims that double-digit increases in construction costs may result from effective fair wage policies which establish parity with relevant union rates are simply inaccurate.²² Even without taking into account the productivity gains which are achieved with such policies, there is no empirical evidence to support such exaggerated claims of cost increase.²³ In any event, a 2024 survey of both union and non-union ICI-sector contractors found that the cost of labour ranked third behind lack of skilled labour and material costs as a top business concern.²⁴ The cost of labour is not all that goes into

¹⁹ *Impact of Fair Wage Policies on the Construction Industry* (Etobicoke: Ontario Construction Secretariat: June 2006) (John O'Grady, T.E. Armstrong & Richard P. Chaykowski) [O'Grady et al.] at 13-14

²⁰ *Ibid.* at 37

²¹ *Union and Open-Shop Construction: Compensation, Work Practices and Labor Markets.* (1980) Lexington, MA: D.C. Heath (Bourdon, C. and R. Levitt)

²² O'Grady et al. at 48

²³ *Ibid.*

²⁴ 2024 Contractor Survey at 6

operating a construction business and it is therefore not to be viewed as a fatal variable in the implementation of a fair wage policy which holds parity with provincial ICI wage rates.

All of these factors demonstrate that a fair wage policy which maintains parity with the prevailing provincial ICI wage rate benefits all public sector construction stakeholders. A competitive playing field is maintained which encourages cost lowering through innovation and efficient project management instead of wage suppression and which has an insignificant effect on the overall cost of construction projects. It also supports apprenticeship and skills development. These benefits have been felt in Toronto (and other Ontario municipalities) for decades and it is time for Hamilton, which is experiencing a surge in public sector ICI construction, to also benefit.

Conclusion

I hope this letter has provided you with the information you need to understand provincial ICI collective bargaining and its effectiveness in establishing accurate prevailing wages. It is the only system of its kind in Ontario and the collective agreements it produces are the product of a complex conglomeration of interests and a reflection of the true cost of labour in the construction industry. It aligns precisely with the purposes of fair wage policies in creating a level playing field and ensuring employers and employees receive protection they need, and buyers of construction the results they deserve.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: April 10, 2025

MOVED BY COUNCILLOR C. KROETSCH

SECONDED BY COUNCILLOR M. TADESON

Financial Support for Art Gallery of Hamilton Humidifier Replacement (Ward 2)

WHEREAS a humidifier in a large gallery space at the Art Gallery of Hamilton is broken and urgently needs to be replaced as it is necessary for maintaining the required environment for the art in that space;

WHEREAS the City of Hamilton owns 123 King Street West, the home of the Art Gallery of Hamilton, and many of its physical assets;

WHEREAS the costs associated with this emergency need are significant and, as a non-profit arts-based organization, the Art Gallery of Hamilton does not have sufficient funding for emerging costs; and

WHEREAS this replacement has been quoted by HTS London for a total of \$83,364.65.

THEREFORE, BE IT RESOLVED:

- (a) That costs associated with this humidifier replacement to Art Gallery of Hamilton be funded from the Ward 2 Capital Reinvestment Reserve #108052 at an upset limit, including contingency, not to exceed \$84,000; and
- (b) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: April 10, 2025

MOVED BY COUNCILLOR J. BEATTIE.....

SECONDED BY COUNCILLOR.....

A Crosswalk for Heroes (Ward 15)

WHEREAS numerous communities across Hamilton, as well as Ontario and Canada, have adopted Remembrance Crosswalks as a public feature of remembrance;

WHEREAS the Waterdown Legion (Branch 551) is an active partner of the City of Hamilton in hosting a new Remembrance crosswalk, as well as ongoing support of the Waterdown Museum of Hope and annual Remembrance Day activities;

WHEREAS the Flamborough and Waterdown community wish to acknowledge and remember veterans who have served and those men and women who continue to serve Canada;

WHEREAS an outward and visible sign of this desire, to remember the men and women who traded their tomorrows for our today's — making the ultimate sacrifice in defending freedom;

WHEREAS the Ward 15 Community Council has reviewed, costed, and unanimously endorsed this worthwhile initiative.

THEREFORE, BE IT RESOLVED:

- (a) That the Waterdown Legion (Branch 551) receive a grant to place a Veteran's Crosswalk in Waterdown and be funded from the Ward 15 Non-Property Revenue Account #3301609615 at an upset limit, including contingency, not to exceed \$4,000; and
- (b) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions, in a form satisfactory to the City Solicitor.