



Hamilton

INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	March 7, 2016
SUBJECT/REPORT NO:	Fair Wage Policy and Fair Wage Schedule Complaints Annual Report (FCS16018) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Rick Male, Director of Financial Services and Corporate Controller (905) 546-2424 ext. 4157
SUBMITTED BY:	Mike Zegarac General Manager Finance & Corporate Services Department
SIGNATURE:	

Council Direction:

Section 4.4 of the Fair Wage Policy and Fair Wage Schedule, approved by Council on June 12, 2013, requires the Procurement Manager to 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.

Information:

The complaints referenced in this report were governed under the requirements of the Fair Wage Policy and Schedule approved by Council on June 12, 2013. The requirements of the Policy at that time affected construction contracts over \$500,000 and required all contractors and sub-contractors providing construction and construction maintenance work to provide wages and benefits to their employees in accordance with the Policy.

The City received three complaints between May 1, 2015 and December 30, 2015. Of the three complaints received:

- One complaint was investigated and the audit found the contractor and their sub-contractors compliant with the requirements of the Fair Wage Policy and Schedule. The City invoiced the initiator of the complaint the associated audit costs.

- Two complaints were investigated and the audits found the sub-contractors to be non-compliant with the requirements of the Fair Wage Policy and Schedule. The audits determined that the amounts paid to employees (required vacation pay, hourly wage and/or employer paid benefits) did not meet the requirements of the Fair Wage Policy and Schedule. Therefore, the sub-contractors were required to pay their employees the shortfall amounts. The City also performed its due diligence and received confirmation from each employee that the employee received the shortfall amounts owed to them. The contractors were required to pay all audit costs associated with these complaints.

The three complaints, and associated audit results, have been summarized and provided in Appendix 'A' to report FCS16018.