

## **INFORMATION REPORT**

ТО:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 09, 2018
SUBJECT/REPORT NO:	Fair Wage Policy and Schedule Complaints Annual Report (FCS18036) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Maryanne Morris (905) 546-2424 Ext. 4346
SUBMITTED BY:	Rick Male Director, Financial Services, Taxation and Corporate Controller Corporate Services Department
SIGNATURE:	

#### **Council Direction:**

Section 4.4 of the Fair Wage Policy and Fair Wage Schedule, approved by Council on March 9, 2016, 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:

This report provides an update on the status of active and completed Fair Wage complaint investigations between January 1, 2017 to December 31, 2017.

The complaints referenced in this report were governed under the requirements of the Fair Wage Policy and Schedule approved by Council on March 9, 2016. 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.

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During 2017, the City of Hamilton (City) completed an investigation of a complaint submitted in the previous year and received two new complaints in which investigations have commenced and are currently in progress. The three complaints are as follows:

- FW24-2016 complaint was investigated and the audit found the sub-contractor to be non-compliant with the requirements of the Fair Wage Policy and Schedule. The audit 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. The sub-contractor was required to pay their employees the shortfall amounts. Confirmation was provided to the City confirming that the employee received the shortfall amount owed to them. The contractor was required to pay the audit costs associated with the investigation of the complaint.
- FW25-2017 complaint is still under investigation as of December 31, 2017.
- FW26-2017 complaint is still under investigation as of December 31, 2017.

The three complaints, and associated audit results, have been summarized and provided in Appendix 'A' to Report FCS18036.

### **Appendices and Schedules Attached**

Appendix "A" – Fair Wage Policy and Fair Wage Schedule Complaints - January 1, 2017 – December 31, 2017

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