

# CUPE NEGOTIATIONS WAGE INCREASE MODEL

## Minimum Guaranteed

|        |      | Compounded |
|--------|------|------------|
| Year 1 | 2.0% | 2.00%      |
| Year 2 | 3.0% | 3.06%      |
| Year 3 | 2.0% | 2.10%      |
| Year 4 | 2.0% | 2.14%      |

Actual Wage Increase after compounding: **9.30%**

## Maximum If Inflation Justifies It

|        |      | Compounded |
|--------|------|------------|
| Year 1 | 2.0% | 2.00%      |
| Year 2 | 3.0% | 3.06%      |
| Year 3 | 3.0% | 3.15%      |
| Year 4 | 3.0% | 3.25%      |

Actual Wage Increase after **11.46%**

## WAGE INCREASE REALIZED BY THE EMPLOYEE

### Minimum Guaranteed

|           | \$\$/Hr | Wage Increase / Hr | Annual Amount Added to Full Time Pay Check |
|-----------|---------|--------------------|--|
| Low Wage  | \$20.00 | \$1.86             | \$3,870.64                                 |
| High Wage | \$38.00 | \$3.54             | \$7,354.22                                 |
| Average   | \$28.00 | \$2.61             | \$5,418.90                                 |

### Maximum If Inflation Justifies It

|           | \$\$/Hr | Wage Increase / Hr | Annual Amount Added to Full Time Pay Check |
|-----------|---------|--------------------|--|
| Low Wage  | \$20.00 | \$2.29             | \$4,766.59                                 |
| High Wage | \$38.00 | \$4.35             | \$9,056.52                                 |
| Average   | \$28.00 | \$3.21             | \$6,673.23                                 |

## TOTAL COST OF WAGE INCREASE TO THE PUBLIC INCLUDING BENEFITS

|           | \$\$/Hr | Wage Increase / Hr (Including Benefits) | Annual Amount Added to Full Time Pay Check |
|-----------|---------|---|--|
| Low Wage  | \$20.00 | \$2.46                                  | \$5,109.25                                 |
| High Wage | \$38.00 | \$4.67                                  | \$9,707.57                                 |
| Average   | \$28.00 | \$3.44                                  | \$7,152.94                                 |

|           | \$\$/Hr | Wage Increase / Hr (Including Benefits) | Annual Amount Added to Full Time Pay Check |
|-----------|---------|---|--|
| Low Wage  | \$20.00 | \$3.02                                  | \$6,291.90                                 |
| High Wage | \$38.00 | \$5.75                                  | \$11,954.61                                |
| Average   | \$28.00 | \$4.23                                  | \$8,808.66                                 |

Difference between CUPE Demand and Town's offer in cash over the contract (the 1% Difference) is about **\$86,097** , Every Year Going Forward, (give or take depending on how part time vs full time works out)

Total Cost of the Overall requested wage increase (Every Year Going forward): **\$371,953 to \$458,050**

## Some Important Perspective To Consider:

- ✓ \$75,000 represents about a 1% Tax Increase.
- ✓ The cost of the increases are paid by the public every year going forward, not just the one time.
- ✓ Every four years more increases are negotiated and the next contract is due to be negotiated in two years.
- ✓ The average increase over the last three collective agreements since 2010 has been about a 7.5% wage increase.
- ✓ It's difficult to get an exact average as it depends on how full time and part time play out. The Town believes the average is closer to \$29.00 / hr, however we used a conservative compromise of \$28.00 / hr for the modeling.
- ✓ These costs do not include overtime hours and rates.

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