

Attachment 2 – Fair Wage Policy Sections, Procurement Services, November 10, 2020

Section	Title	Purpose
1	City Responsibilities	<ul style="list-style-type: none"> • Sets up the review of the Policy and Schedules every three years • Staff recommend amendments • Amendments to Policy and Schedules approved by Council • Annual report of Complaints to Council • City will address any complaint received • City not responsible to pay wages for monies not paid
2	Contractor and Sub-contractor Responsibilities	<ul style="list-style-type: none"> • Contractor responsible for its own and Sub-Contractor compliance with Policy • Increases to Schedules after closing of bid or issuance of PO not their responsibility, unless required by law • Post Policy and Schedules at the construction site • Requirement for declaration confirming compliance with Policy and Schedules • City reserves right not to release holdback until declaration received and deemed satisfactory
3	Fair Wage Working Group	<ul style="list-style-type: none"> • Purpose is to consult on administration of the Policy (propose amendments) • Minimum requirement to meet every three years • Members: City staff and representatives from unions/unionized employers/non-union employers • Chaired by the Director of Procurement Services
4	Compliance	<ul style="list-style-type: none"> • Contractor/Sub-Contractor compliant when Worker paid according to the Schedules (at minimum)
5	Records	<ul style="list-style-type: none"> • Contractor/Sub-Contractor to maintain record of wages and non-statutory benefits paid and hours work for seven (7) years • Details what record is to be kept for independent contractors (link to CRA RC4110 “Employee or Self-Employed”) • Records to be made available to the City upon request (five (5) days)
6	Inspection and Audits	<ul style="list-style-type: none"> • Inspect/audit any time during the Construction Contract or up to seven years after contract completion
7	Consequences of Non-Compliance	<ul style="list-style-type: none"> • 10 days to respond to complaint received in writing • Complaint form developed • May withhold payment of holdback • Minimum cost to Contractor \$5,000, but Contractor also responsible for additional costs beyond \$5,000 • First non-compliance finding in a three-year period, Contractor may be required to submit assurance report verifying compliance with Policy and Schedules for the next three awarded contracts • Second or subsequent time within three-year period option to refuse to accept proposals from Contractor or Sub-Contractor or the use of a Sub-Contractor for a

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		<p>two-year period</p> <ul style="list-style-type: none"> • Right to treat first non-compliance as a material breach • Contractor/Sub-Contractor do not keep records, pay to have CPA provide assurance report • Contractor/Sub-Contractor does not comply with Policy, next lowest bidder may be awarded the work
8	Complaints	<ul style="list-style-type: none"> • Any person may submit a complaint (Fair Wage Complaint Form) • Any time during the construction contract, but no later than 21 days after substantial performance • Right of City to investigate at any time, even if no complaint has been received • Cost of investigation: \$5,000, waived for Worker • 30 days from receipt of form to begin investigation • Compliant finding – initiator responsible for all costs associated with investigating the claim, waived for Worker
9	Appeals Process	<ul style="list-style-type: none"> • Contractors, Sub-Contractors and Initiators may dispute outcome of complaint process (5 business days) and request a meeting • No resolution, 3 business days to request meeting with DCM of area and Corporate Services • DCM's will make final decision
10	Fair Wage Schedule	<ul style="list-style-type: none"> • Encourage hiring/training of apprentices • Automatic update every three years • Basis of wages: wages from collective bargaining agreements + maximum of 15% (three-year lag) • Frozen for three-year period • Sets wages for apprentices not covered under a collective agreement