



## OTTAWA TAX PAYERS ADVOCACY GROUP

*"The Silent Majority is Silent No More"*

### The Ottawa Taxpayer Advocacy Group Releases Detailed Plan for 2 Year Budget Freeze – No New Money

## Outsourcing (Transit, Housing, Parks & Recreation, Others)

It is fair to say that that Greyhound or Laidlaw is more efficient than OC Transpo, Minto is more efficient than Ottawa Social Housing etc Further evidence of private sector benefits include the Ottawa Airport and the outsourcing of garbage collection. The downside of privatization is that the drive for profits needs to be matched by an equally strong drive for public interest regulation. For example in the UK they privatized the water supply but rate hikes are regulated, they also regulate what % of revenue should be invested back into infrastructure. The potential for outsourcing is limitless as there are even companies that have outsourced their human resource, manufacturing, IT departments etc.

City council in Windsor, Ont., took a step toward outsourcing its \$1.3-million parking enforcement service...14-employee division has been plagued by chronic absenteeism in recent years, despite a salary boost of 27 per cent between 2005 and 2008 and other measures meant to "cultivate a more positive work environment,"

<http://www.cbc.ca/canada/windsor/story/2009/12/01/windsor-parking-outsourcing-091201.html>

Representatives of about a dozen private garbage haulers turned up Saturday to a Q-and-A session with city engineers who explained the process for bidding on collecting Windsor's trash.

<http://www.windsorstar.com/Potential+garbage+collection+outsourcing+bidders+meet+with+city/3006667/story.html>

While outsourcing will provide some immediate efficiency benefits, the City also has a 15% private sector salary gap and a 35.6% gap when pensions are included; this guarantees a quantifiable benefit from outsourcing. Without privatizing the whole department, what opportunities exist for private sector involvement / public private partnership in the following departments? Kindly estimate the savings from outsourcing each of the services below? For example: CFIB 2006 Transit Wage Analysis on pay disparity between city transit staff and the private sector: Ottawa 24%, Toronto 22.7%, Vancouver 17.4%, Montreal 15%, Calgary 5%.

<http://www.cfib.ca/research/reports/rr3077.pdf>

<http://www.taxpayer.com/sites/default/files/BeggarsCheckList.pdf>

Housing (some ideas include a 3P between apartment owner, private sector property manager and the City which will reduce the cost of maintaining units)

Home Ownership Down Payment Assistance Program

Other Housing Programs (Please List Each Program & Cost)

Affordable Housing

Residential & Support Housing

External Structure Repairs

Internal Structure Repairs

Plumbing Repairs

Electrical Repairs

Heating & Cooling System

Cleaning

Waste Management

Flooring

Doors & Windows

Security

Pest Control

Outdoor & Gardening

Legal

Billing

Estimating & Costing

Fleet & Transportation

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Interior Decoration  
IT

Managing Applications

Transit (some ideas include hourly leasing of buses / mini vans for lower ridership routes to owner operator minded drivers)

Labour - Maintenance  
Labour – Bus Operator  
Scheduling  
LRT  
Bus Purchase  
O Train  
Para Transpo  
Security  
Rail Safety & Development  
Service Design  
Fleet  
Other Facilities Maintenance  
Uniforms

Transit Way Maintenance  
Transit Station Maintenance  
Transit Shelter Maintenance  
IT  
Telephone & Radio Equipment  
Gasoline  
Other Parts  
Engine Parts  
Body Parts  
Tires  
Brakes  
Other Lubricants

Parks & Recreation (when their budget was cut in half, how did the NCC utilize outsourcing in the management of parks?)

Parks Recreation Services  
Museums  
Billings Estate National Historic Site  
Cumberland Heritage Village  
Pinhey's Point Historic Site  
Community Museums  
Soccer Fields  
Ball Diamonds  
Arenas

Pools  
Recreation Centres  
Seniors Centres  
Community Buildings  
Arts Facilities  
Lansdowne Park  
Parks  
Pine View Municipal Golf Course

Parks & Sports Buildings & Grounds  
Aquatics - Maintain Indoor And Outdoor Pools  
Aquatics - Swimming Instructional Programs  
Aquatics - Therapeutic And Fitness Programs  
Aquatics - Drowning Prevention And Safety  
Aquatics - Aquatic Leadership Programs  
Aquatics - Introductory/Learn To Aquatic Sports  
Aquatics - Facilitate Pool And/Or Facility Rentals

Community Centres- Instructional Recreation  
Community Centres- Instructional Fitness  
Community Centres- Instructional Arts  
Community Centres- Instructional Special Interest Programs  
Community Centres- Instructional Partnerships With Community Groups  
Community Centres- Facility Bookings  
Community Centres- Indoor Programming  
Community Centres- Meeting Space For Community And Private Groups  
Community Centres- Manage Public Access To Computers

Arena- Introductory 'Learn To Skate'  
Arenas- Ice Sports Public Skating Instruction  
Arenas- Manage Arena Ice Allocations And Slab Rentals  
Arenas- Operate Indoor Skate Parks During Summer Months

Sportsfields  
Ball Diamonds  
Parks  
Outdoor Rinks  
Wading Pools  
Beaches  
Beach Volleyball Programs And Rentals

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Facilitate Community Access To Schools  
 Programs For Target Populations Including Integration Services  
 Specialized Programs For Persons With Disabilities  
 Promote Women And Sport Programs  
 Deliver Youth Programming & Outreach Including Youth On The Move  
 Student Employment Opportunities  
 Develop New Programs  
 Provide Emergency Shelter And Coordination  
 Promote Community Recreation Development And Volunteer Support

Maintain Community Gardens  
 Operate Park-Ticipate And Manage Allocation Of Special Events Equipment  
 Park Development And Redevelopment;  
 Deliver Recreation Facility Planning And Development  
 Promote Capital Partnership Development And Funding  
 Manage Capital Budget Development And Business Plan Development  
 Initiate Public-Private Partnerships (P3s)  
 Develop And Implementation Of Customer Service

### City Response

This statement that the City did not reduce the workforce at amalgamation has been made numerous times by a number of residents. To address this misconception, staff was directed by Council in 2004 to conduct an annual staffing analysis report which would assist senior management and Council in planning and decision-making by providing information on how human resources were being utilized and by showing human resource historic trends over time.

The following link is provided to the 2009 report which was tabled with the Audit, Budget and Finance Committee on November 17, 2009.

<http://ottawa.ca/calendar/ottawa/citycouncil/abfc/2009/11-17/10 - REVISED ACS2009-COS-HRS-0002 2009 FTE Analysis Report Nov 2 2009 English.htm>

The following table summarizes the changes in the City's FTE position over the 2000 to 2009 time period.

<b>FTE's in 2000</b>	<b>12,786</b>
Amalgamation Savings	(665)
2004 Reorganization	(908)
<b>Increases</b>	
<b><i>Mandated / Legislative Programs</i></b>	
Paramedics	547
Public Health	117
Long Term Care	38
Housing	33
All Other Programs	68
	<b>803</b>
<b><i>Council Approved Program Increases</i></b>	
Transit	1,118
Police	444
Parks & Recreation	160
By-law	117
Real Property / Facilities	109
Fire	67
Library	59

Cultural Services	52
All Other Programs	408
	2,534
<b>FTE's in 2009</b>	<b>14,550</b>

## City Response

The 2001 and 2010 budgets as adopted by Council included compensation of \$688.4 million and \$1.235 billion respectively an increase of 79 per cent.

The main factors contributing to the increase in compensation over this period are as follows:

- staffing increases to programs and services per the above chart in order to maintain Council approved service standards as a result of the population growth in the City;
- economic increases resulting from contract settlements;
- benefit plan increases, primarily for the reinstatement of pension plan contributions in 2003 – 2004; and

increases associated with increments for employees as they progress to the maximum pay of their position based on satisfactory performance and for the costs to harmonize salaries as a result of the amalgamation.

## City Response

Any questions that deal with policy issues will not elicit staff City Response as setting policy is Council's prerogative. (For example: questions that ask staff to prioritize services are policy questions.)

## Follow Up Question Outsourcing (Housing, Parks & Recreation, Others)

See general comments, if we had a more detailed budget we could answer our own questions.

The following quote was taken from an NCC internal document. "The NCC embarked on a major retooling of its operations with the intent of saving 25 percent of its overall budget, while maintaining the existing delivery of projects and services to the public. The strategic action plan included:

- Contracting out of land management (site and facility maintenance) and property management (leasing) functions to the greatest extent possible while retaining control over results and standards;
- Reducing the size of the organization and its administration;
- Preserving the knowledge base of employees and ensuring a smooth transition to private-sector operations by encouraging the creation of "Employee Takeover Corporations";"
- [http://www.canadacapital.gc.ca/data/2/rec\\_docs/9494\\_MandateReview\\_En.pdf](http://www.canadacapital.gc.ca/data/2/rec_docs/9494_MandateReview_En.pdf)

Has the City implemented any of these initiatives for parks & recreation?

There about 25 capital projects in Parks & Recreation, we have asked for the impact of a 10% cut on each budget?

With reference to the operating costs, we listed about 44 services and programs; and asked for the impact of a 5% cut on each service?

We also asked if the City reduced the fleet expense (\$24 million), over time (1.2 million) & new programs budget by 15% or about \$4 million, what is the impact?

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Can the city post the all overtime request justification for each employee in this department on a website? The names should be removed; it is just hard to understand why a non emergency service has so much overtime.

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[www.ottawataxpayer.com](http://www.ottawataxpayer.com)

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