



TOWN OF PLACENTIA PRESS RELEASE

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Update Financial Impact of Union Increases on the Town of Placentia

CUPE's National Representative, Mark Cunningham stated on August 8, 2019 that Placentia can afford to give its unionized workers the cost of living increases they are requesting.

For his information, and that of the unionized workers and residents of Placentia, the Town of Placentia CANNOT afford these wage increases.

For his information, the increases given in the 2015-2017 contract cost the Town an additional \$431,981 in direct union wages for that three year contract.

The Town's union labour wages increased from \$570,980 yearly in 2014 to \$785,400 yearly in 2017. These significant wages continue to cost the residents of Placentia \$214,420 per year. This does not include any payroll benefits. The payroll benefits cost an additional \$106,814. When combined the total cost for union employees was \$892,214 in 2017. Any increases provided in this contract will be over and above this amount.

The Town CANNOT continue to provide such increases. To provide the increases requested by Mr. Cunningham will bring the Union labour and benefit costs to more than \$1,000,000 which is not affordable to the residents of Placentia.

To provide the increases will leave Council with no alternative but to layoff employees, increase taxes or reduce services. It is important to remember that only the Council elected by the good people of Placentia have the authority, and the related financial knowledge to decide what is affordable for the residents to pay its employees.

Contrary to what Mr. Cunningham is reporting, the Town provided the last offer to the Union for their consideration and it is time for the Union to bring reasonable requests to the bargaining table and end the current labour dispute.

For more information contact:

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