

Type of Decision									
Meeting Date	Friday, December 7, 2012				Report Date	Tuesday, November 27, 2012			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	x	Information Only			Type of Meeting	X	Open		Closed

REPORT TITLE
Request for COLA Report 07/12/12/1102

RECOMMENDATION: That COLA of 1.2% for staff salary and Council honorarium be allocated effective January 1, 2013 as per past practise.

BE IT RESOLVED THAT the salary grid, Council honorarium and applicable contracts be adjusted by a 1.2% increase to reflect the cost of living over the past year based on Stats Can's CPI for the year October 2011 to October 2012.

BACKGROUND/EXECUTIVE SUMMARY: Pretty self-explanatory. Past Council requested that no automatic policy be created but instead that an annual resolution be presented to Council for approval. The annual COLA helps to prevent current salaries from further erosion in comparison to other similar workplaces.

Data based on CPI located at <http://www.statcan.gc.ca/daily-quotidien/121123/t121123a001-eng.htm>.

Information from Statistics Canada for the same time frame has been used in previous years. The CPI increase has been worked into multi-year contracts for various services such as grounds keeping, winter maintenance and recycling.

FINANCIAL CONSIDERATIONS/BUDGET IMPACT:

	Total Salary Increase	Total Honorarium Increase
@1.2 %	\$2,258.48	\$240.00

Policy Impact: None, as per past practise and/or according to policy.

Approved and Recommended by the Clerk	
Melinda Reith, Municipal Clerk	<i>Melinda Reith</i>

Consumer Price Index and major components, Canada – Not seasonally adjusted

	Relative importance ¹	October 2011	September 2012	October 2012	September to October 2012	October 2011 to October 2012
	%	(2002=100)			% change	
All-items Consumer Price Index (CPI)	100.00²	120.8	122.0	122.2	0.2	1.2
Food	15.99	128.0	130.3	130.5	0.2	2.0
Shelter	27.49	126.5	127.2	127.6	0.3	0.9
Household operations, furnishings and equipment	11.55	111.9	113.2	113.5	0.3	1.4
Clothing and footwear	5.31	96.1	93.3	94.7	1.5	-1.5
Transportation	20.60	126.5	128.3	128.6	0.2	1.7
Health and personal care	4.95	117.4	118.5	118.5	0.0	0.9
Recreation, education and reading	11.20	106.0	107.7	106.6	-1.0	0.6
Alcoholic beverages and tobacco products	2.91	135.8	137.7	137.8	0.1	1.5
Special aggregates						
Core CPI ³	82.15	118.7	119.9	120.2	0.3	1.3
All-items CPI excluding energy	89.92	117.9	118.9	119.2	0.3	1.1
Energy ⁴	10.08	156.9	160.6	159.5	-0.7	1.7
Gasoline	5.80	179.4	188.8	186.6	-1.2	4.0
All-items CPI excluding food and energy	73.93	115.6	116.4	116.7	0.3	1.0
Goods	47.80	113.9	114.2	114.5	0.3	0.5
Services	52.20	127.7	129.8	129.8	0.0	1.6

1. 2009 CPI basket weights at April 2011 prices, Canada, effective May 2011. Detailed weights are available under the Documentation section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).

2. Figures may not add to 100% as a result of rounding.

3. The Bank of Canada's core index excludes eight of the Consumer Price Index's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core CPI, please consult the Bank of Canada website (www.bankofcanada.ca/rates/indicators/key-variables/inflation-control-target/).

4. The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

Date Modified: 2012-11-23