



Subject: Financial Impact of Wildfire Disaster on Employees

APPROVALS:

Terry Hartley, Director, Human Resources
Elsie Hutton, Executive Director Corporate Services
Marcel Ulliac, Chief Administrative Officer

Administrative Recommendation:

THAT Council accept this report for information.

Summary:

Administration has considered the financial impact of the wildfire disaster on employees who have not been presently recalled to work and have mitigated this impact by implementing a reasonable period of salary continuance. The implications of the wildfire on summer students who had not yet commenced working for the Municipality has also been considered. These students have been encouraged to look for alternative summer employment given that the Municipality is unable to guarantee them work.

Background:

As a result of the wildfire disaster, some employees have been working long hours under difficult and stressful circumstances. Another group of employees has been able to work remotely, however, the majority of employees are not presently working.

Employees who are currently on Payroll have been informed that they will continue to receive regular pay until the mandatory evacuation order is lifted, or June 30, 2016, whichever occurs first. This salary continuance applies to employees who are currently involved in key operations necessary to combat the wildfires or stabilize the communities, those who may be called in to work in the coming days, and those who may not be asked to report for work prior to the evacuation order being lifted.

Once the mandatory evacuation order has been lifted, or the June 30th date has passed, employees who have not yet been asked to return to work, will be given the opportunity to use accumulated leave. This leave may consist of vacation, flex/floater days, unpaid leave or some combination.

Employees currently on Payroll include approximately 20 summer students. An additional 53 summer students were expected to begin working at the Municipality in the coming weeks. The latter group of students have been advised that, given the wildfire disaster, the Municipality is no longer able to guarantee them summer employment. They have been encouraged to seek work elsewhere. This allows students to focus on pursuing alternate employment and ensures that existing employees are given the first opportunity to be redeployed.

Budget/Financial Implications:

The financial implications of continuing to pay employees who are not currently at work could range from \$10M to \$20M depending on the length of time before the evacuation order is lifted. These figures are inclusive of benefit costs and are estimates only.

Rationale for Recommendation:

The approach taken by Administration with respect to employees and summer students who have not yet commenced employment is intended to strike a balance between various interests. It mitigates the financial impact of the wildfire disaster on employees not required to work, does not create an ongoing disincentive for employees who may be recalled to work, and lessens the morale issues that might otherwise be created for those employees currently working long hours under difficult and stressful circumstances.

Strategic Plan Linkages:

Pillar 1 – Building Responsible Government