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## City of Winnipeg should study benefits of in-house waste collection

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**T**his fall Winnipeg City Council will determine the future of waste and recycling collection in our city. Current contracts with Emterra Environmental and Progressive Waste Services will expire in 2017. At least eight private companies have expressed interest in putting forward a proposal, and it will be up to council to select from the various applicants. While garbage is generally not a “sexy” topic, there are many reasons why the public should be paying attention.

Winnipeg has been struck by years of garbage woes. Emterra Environmental in particular has been the focus of many complaints when it comes to quality, from toppled trash bins to missed pickup. But problems go deeper than poor service. According to a 2015 CTV Winnipeg report, the City was investigating Emterra’s safety practices. Between 2012 and the time of the report, the company had 118 claims with the Workers Compensation Board. In the report Emterra defended its record, saying it qualifies for the lowest WCB premiums.

With 118 claims in less than 3 years, it’s not clear how Emterra keeps its WCB premiums so low. Further, because its business model includes the use of private contractors who do their own hiring, would workers who are injured while on the private contractors’ payroll show up on WCB records as Emterra employees?

Emterra does not have a good record with Manitoba’s Workplace Safety and Health

Branch. According to the Branch’s website, nine stop work orders were issued between April 22, 2015 and June 15, 2016. Conventions range from lack of personal protective equipment, a serious incident involving an equipment inspection and safe work procedures.

CTV claimed that every day Emterra hires between two and twenty ‘swampers’ - people who work collecting garbage. They are hired through a company that specialized in day labourers – EZ Workforce. The practice of using day labour is a prime example of precarious work: temporary to an extreme, back-breaking and poorly-paid with no benefits.

These sorts of labour practices often arise when private contractors compete to be the lowest-cost provider. When workers are hired at minimum wage, one day at a time, and are pushed to work as fast as possible, we shouldn’t be surprised when workers are injured, garbage ends up on the street, that bins are broken or that houses get missed. Winnipeg can do better.

As Councilors think about how to improve service and ensure workers are treated properly, they should be considering the evidence showing that contracting out of government services does not always result in saving money. To meet an acceptable standard of due diligence, the City should do its own costing to see if it could do garbage collection for a competitive cost.

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ERROL BLACK CHAIR  
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IN LABOUR ISSUES

**“The City of Ottawa, similar in size to Winnipeg, provides an interesting case study of how successful insourcing can be.”**

When earlier this year the City of Winnipeg put out a call for interested parties, The Request for Proposals itself states that:

“[ . . . ] the City will have no obligation to award a Contract where: (c) the prices are materially in excess of the City’s cost to perform the Work, or a significant portion thereof, with its own forces.”

The only way Councilors will truly know if cost savings and quality improvements are achievable by operating the service in-house is if the City does its own costing. This has not been done, despite the growing nation-wide trend in the re-municipalization of city services.

A new Columbia Institute report “Back in House” cites lower costs and improved quality of service as the main reasons for ‘insourcing’ work that has been previously outsourced to the private sector. This insourcing trend is seen in both the UK and US, and the Columbia report details 15 Canadian examples of partial or full insourcing decisions for services ranging from waste water treatment, snow removal and road and sidewalk repair. Cities like Port Moody BC, Conception Bay South Newfoundland, St. John NB and Sherbrook QC have all recently insourced all or part of their solid waste collection. In each case costs have come down and where service was a problem, its quality improved.

The City of Ottawa, similar in size to Winnipeg, provides an interesting case study of how successful insourcing can be.

In 2011, Ottawa brought garbage collection back in-house after finding that municipal workers could do the job better

and more economically. As a result of insourcing this service, the city has saved over \$677,000 over the term of the municipal contracts.

The City of Toronto recently grappled with whether or not to contract out areas of the city that still operated with public garbage collection services. Toronto’s waste service is currently fifty percent contracted out.

The Toronto experience found that contracting out garbage collection does not necessarily mean reduced costs, resulting in Council’s decision to maintain the service areas operated by public workers.

Winnipeg City Councilors reviewing the upcoming proposals need to take a step back and consider the best way to provide solid waste pick up services to Winnipeggers. There is a good chance that Councilors will find, as so many other municipalities have, that City ownership and responsibility over garbage collection is the best way to ensure quality services and cost savings to the taxpayer.

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