

Section 2 of Confidential Attachment 1 – made public on June 8, 2010

Results of Negotiations with CUPE Locals 2998 and 2998-12

Date:	June 2, 2010
To:	City Council
From:	City Manager

CONFIDENTIAL INFORMATION

2. Summary of the Memorandum of Settlement

MANDATE

The mandate in the negotiations with the Canadian Union of Public Employees (CUPE) Locals 2998 and 2998-12 in respect of employees working in the Centres that are members of the Association of Community Centres (AOCCs) included the following:

- Improve Business Operations and Administrative Flexibility:
 - Improve the AOCC's ability to readily adapt to changing demands and priorities in the effective delivery of their services;
- Benefits & Cost Containment:
 - 0% (Net) Increase in Benefits/Extended Health Care/Dental Plan costs; cost neutral trades allowed [The introduction of a Short-Term Disability (STD) Plan was not addressed in the mandate, or in negotiations, given that, as noted below, the employees in CUPE Local 2998 employed in the AOCCs do not have a retirement gratuity];
- Fair Wage Increase:
 - Wage increases consistent with the Collective Agreements reached in July, 2009 with Local 79 and Local 416 [average of 2% per year for 2009 through 2011 inclusive].

SUMMARY OF THE MEMORANDUM OF SETTLEMENT

The City's bargaining team was successful in negotiating agreements which included the following matters:

Confidential attachment on Results of Negotiations with CUPE Locals 2998/2998-12

1. Wage Settlement

- The settlement provides for wage increases in the 3 years of:
 - January 1, 2009 1.75%
 - January 1, 2010 2.00%
 - January 1, 2011 2.25%

- The 2007 and 2008 wage rates for those part-time employees in CUPE Local 2998-12 (who work less than 18 hours per week) still employed at the time of ratification who did not already receive an across-the-board salary increase in 2007 and/or 2008 [unlike all other City employees] are increased retroactively by the same increase given all other AOCC employees [3.25% effective January 1, 2007 and 3.25% effective April 1, 2008]. The total cost for these adjustments for all affected employees for both years combined is \$10,707.

- Those employees in Local 2998-12 not paid on the salary grid are placed on the grid effective at the start of the Agreement.

2. Designated Holiday - Family Day

- The parties agreed to include Family Day, as a designated holiday for employees in Local 2998, recognized in the Collective Agreement commencing in 2011 in exchange for the Union agreeing, as noted below, to a 9-month Dental Recall to offset any additional costs of the new holiday with minimal impact on employees. There will be very limited added costs due to this addition of Family Day given the AOCC's operating schedules. On the other hand, there will be a savings due to this increase in the Dental Recall time period.
- Only statutory holidays continue to be provided for employees in Local 2998-12 and no additional days were added [since these employees only have the minimum number of holidays provided under the legislation, these employees automatically received Family Day when it was added in the legislation].

3. Illness or Injury Plan (Short-Term Disability Plan)

- The parties did not negotiate a short-term disability plan. The current sick leave plan for eligible employees in Local 2998 is capped at 180 days and there is no financial liability as there is no payout of any part of the balance of the sick leave at the time the employee leaves the employ of the City. There continues to be no sick leave for employees in Local 2998-12, however the parties will meet to consider the development of such a plan [and in the event such a plan cannot be agreed upon then this matter will have to be left until the next round of bargaining].

4. Dental Benefits

- No net increase in benefits/Extended Health Care/Dental Plan costs
- The parties negotiated an increase in the time between Dental Recalls from every six (6) months to every nine (9) months for employees and dependants age eighteen (18) years or older. This cost containment was agreed to by the Union in exchange for the City granting Family Day.

5. Post-65 Benefits for Active Employees

- The parties negotiated language to address benefits for employees who regularly work 40 hours per week and who are working past sixty-five (65) years of age (previous mandatory retirement age) in a manner similar to the provisions that were negotiated previously with CUPE Local 79. All such active employees will continue to receive Extended Health and Dental coverage. Accidental Death and Dismemberment Insurance and Group Life Insurance coverage will continue until the age of seventy (70) at which time the coverage is reduced to \$20,000. Long-Term Disability coverage will be provided for up to 18 months (plus a 6 month waiting period) if an employee becomes continuously ill/disabled after age 63.

6. Two Bargaining Units Combined Under One Collective Agreement

- The two bargaining units (full-time and part-time) will be combined and under one Collective Agreement. The terms and conditions of employment for employees in Local 2998-12 (part-time) were integrated into what previously was a Local 2998 (full-time) Collective Agreement without expanding those terms except as noted in this summary and the Memorandum of Settlement and without diminishing the AOCC's ability to readily adapt to changing demands and priorities in the effective delivery of their services to the public.

7. Rest Breaks

- Rest breaks equivalent to 15 minutes (one every 4 hours) are now included in the Collective Agreement but occur only where operational requirements (including staffing levels) allow, as determined by the Executive Director of each Centre.

8. Bereavement Leave

- Bereavement leave is added for employees in Local 2998-12.

9. Recall Periods

- Recall periods are extended from 6 to 18 months for laid off employees in Local 2998 and added (12 months) for employees in Local 2998-12.

10. Term of the Agreement

- The parties have negotiated a 3 year term for the Collective Agreement (January 1, 2009 – December 31, 2011) to provide for stability, service improvement, and continuous problem resolution.

OPERATING BUDGET AND FINANCIAL IMPACT SUMMARY

The total cost of the retroactive wage rate increase of 1.75% in 2009 for the Non-Program and Program employees is up to \$82,030. These retroactive payments will be paid for out of funds accrued for 2009 retroactive salary adjustments (\$33,500) with the balance (up to \$48,530) funded from the 2010 Non-Program Expenditure Budget.

The cost of the 2010 wage rate increase of 2.0% for the Non-Program and Program employees will be paid out of the monies budgeted in the respective Non-Program and Program budgets for 2010. Staff will make any necessary adjustments to the 2010 Non-Program Expenditure Budgets and the Program Operating Budgets of the members of the Association of Community Centres (AOCCs) to reflect the provisions of the Memorandum of Settlement. The cost of the 2011 wage rate increase of 2.25% will be included in the respective budgets for 2011.

The cost of the 2007 and 2008 wage rate increases for those part-time employees in CUPE Local 2998-12 (who work less than 18 hours per week) still employed at the time of ratification who did not already receive an across-the-board salary increase in 2007 and/or 2008 [unlike all other City employees] is up to \$10,707 [total cost for these adjustments for all affected employees for both years combined]. These retroactive payments will be paid for out of funds from the 2010 Non-Program Expenditure Budgets.

Given the provisions of the governance model and the Relationship Framework with the AOCCs approved by City Council in 2007, the use of the Non-program Expenditure Budget to cover the retroactive wage increase for the AOCC's Program employees, as noted above, will be undertaken on a one-time basis. Discussions will occur with the AOCCs prior to next round of collective bargaining to ensure that wage increases for Program employees provided for in all years of a Collective Agreement that is under negotiation in the future will be funded through the AOCC Program Operating Budgets. Strategies will be developed and implemented that provide for the AOCCs to budget for the wage increases for Program employees throughout the first year of such Collective Agreements, as is consistent with the Relationship Agreement approved by City Council.