

Attachment 2 – Confidential Information – Made Public on April 2, 2012

**Results of Collective Bargaining Negotiations with CUPE Local 79 –
Summary of the Memoranda of Settlement for the Full-Time and Part-
Time Unit B, Part A**

Date:	April 2, 2012
To:	City Council
From:	City Manager Executive Director, Human Resources

SUMMARY OF THE FINAL OFFERS:

The City’s bargaining team was successful in negotiating memoranda of settlement on the following key matters within the Full-Time Unit and Part-Time Unit B:

1. Wage Settlement and Term Length

- The settlement provides for wage increases in the 2nd, 3th and 4th year of a new 4 year (January 1, 2012 to December 31, 2015) collective agreements:
 - January 1, 2012 0.0%
 - January 1, 2013 0.5% Base Increase
 - January 1, 2014 1.75% Base Increase
 - January 1, 2015 2.25% Base Increase

In addition, there is a one-time non-base non-pensionable lump sum payment in 2013 of 1.5% (an average payment amount of \$998 for full-time employees and \$783 for the part-time employees).

2. Active Benefit Plan (Full-Time Unit Article 12 and Part-Time Unit B Article 34)

- Changes to the benefit provisions of the Benefits Plans (as applicable) are as follows:

Active Employee Benefits Plan Provision Changes

Benefit Type	Old Provision	New/Changes to Provision
Drugs	No Dispensing Fee Cap	Dispensing Fee Cap of \$9.00 (Full-Time Unit/Part-Time Unit B)
Paramedical Coverage	No Requirement for a medical certificate to allow for services of massage therapist	Requirement for a medical certificate to allow for services of massage therapist (Full-Time Unit/Part-Time Unit B)

Physiotherapy	Unlimited coverage	\$2,000.00 maximum per year, effective January 1, 2013. Employees on LTD effective date of ratification, will continue to have unlimited coverage, as long as they continue to receive LTD benefits. (Full-Time Unit only)
Vision Care	\$475 every 2 years	\$450 every 24 months (Full-Time Unit/Part-Time Unit B)
Orthopaedic Devices	One device every year	One device every 2 years for persons over 18 years of age (for persons 18 and under, the entitlement remains one device per person per benefit year) and payment will be limited to the cost of the modification on the device. (Full-Time Unit only)
Dental	Current Ontario Dental Association (ODA) Fee Guide	One year lag on Ontario Dental Association (ODA) Fee Guide (Full-Time Unit/Part-Time Unit B)

3. Post Retirement Liability Cost Savings (Full-Time Unit Article 13)

- Achieved liability savings in the Pre-65 Benefits Plan as a result of applying the same changes to the active plan into the Pre-65 Benefits Plan.

4. EMS Dispatchers: Shift Schedules (Full-Time Unit and Part-Time Unit B)

- City negotiated the ability to change the dispatcher shift schedule with 30 days notice.

5. Long Term Care Homes & Services: Hours of Work (Full-Time Unit)

- City successfully negotiated a reduction in hours of work from 40 hours per week to 37.5 hours a week.
- This results in the elimination of costly administrative non-care shift overlap without affecting patient care.
- This change will be effective as of date of ratification for newly hired employees.
- This change will be effective as of January 1, 2014, for existing employees and will be phased in (15 minute increments) over 2 years.
- Existing impacted employees will receive a one-time lump sum payment on January 30, 2014 as follows: Registered Nurse - \$500, Registered Practical Nurse, \$300, Practical Care Aide, \$250.

6. Shift Schedule (Part-Time Unit B Article 27)

- City successfully negotiated the ability to change shift schedule without the Union's agreement
- Shift schedules have been removed from the collective agreement and operational requirements and seniority shall be taken into consideration when establishing new, revised or changed shift schedule(s)
- The City has repeatedly attempted, unsuccessfully, to negotiate this resolution in the previous rounds of collective bargaining, including 2005 and 2009.

7. Employment Security (Article 21: Letters of Intent)

- Deleted Letter of Intent (2005) providing protection to All permanent full-time employees regarding contracting out.
- Deleted Letter of Intent – Contracting Out (2000) and amended the employment security protection provisions raising the threshold from 10 years of seniority or more to 15 years of seniority or more.
- The change above from 0 years to 15 years seniority - provides that, as at December 31, 2011, approximately 53% of permanent full-time employees continue to receive employment security (vs. 100%) regarding contracting out.
- This amendment reduces the number of full-time employees being provided with employment security protection from 11,000 permanent employees to 5370 permanent employees.
- The City unsuccessfully attempted to negotiate this type of change in 2002.

8. Employment Security and Redeployment (Full-Time Unit Article 21)

- Negotiated a new redeployment process streamlining processes.
- Improvements to the redeployment process are projected to reduce the time to place an employee in a new position by up to 50% from an average of 144 days (old language) to place an employee to an estimated 60 days (revised/new language).

9. Layoff and Recall (Full-Time Unit Article 35)

- Improved layoff and recall process streamlining processes.
- Wage protection has been reduced from 35 months to 24 months (31% reduction) and from 60 months for employees who are within 5 years of retirement to 36 months (40% reduction) for those employees who are within 3 years of retirement.

10. Absenteeism Management/Sick Plans (Full-Time Unit Article 14/Part-Time Unit B Article 44)

- The parties have agreed to amend the sick pay language to include occurrence provisions such that employees will not be paid for the first day of illness on their 4th and subsequent occurrences in a calendar year.

- However, any employee who is hospitalized as an inpatient will be paid from the first day of absence and this would not be counted as an occurrence.

11. Mileage Reimbursement (Full-Time Unit Clause 18.03 and Part-Time Unit B Clause 31.01)

- Kilometre reimbursement maintained at \$0.52 for the first 5000 kilometres and reduced to \$0.46 thereafter in accordance with the Canada Revenue Agency guidelines and City Council motion 2010/EL22.1.

12. Vacation Scheduling (Clause 10.08)

- Negotiated a change in the scheduling date from November 1 to October 1 by which employees must schedule the remainder of their vacation or request approval to postpone vacation time to the following calendar year.
- This change will provide Divisions with a greater ability to effectively manage the vacation schedules, to ensure its employees receive their vacation entitlements in the calendar year and reduce the need for carry over and/or vacation payouts at the end of the year.
- The City has attempted, unsuccessfully, to negotiate a similar resolution in previous rounds of collective bargaining, including 2005 and 2009.

13. Lieu Time Payouts (Full-Time Unit Clause 7.01(c) and Part-Time Unit B Clause 9.03(b)(ii))

- Negotiated a change to limit the employees' ability to request a payout of their accumulated lieu time from anytime during the year, to a maximum of four (4) times per year (March, June, September and December).
- This will provide for administrative efficiencies for the Pension, Payroll & Employee Benefits Services.

14. Union Leaves (Full-Time Unit Article 21 and Part-Time Unit B Article 17)

- Negotiated changes which reduce the number of City paid union leaves for four (4) full-time Union Representatives and three (3) part-time Union Representatives – this reduction is the equivalent of 5.2 full-time positions. These leaves will now be funded by the union.

Conclusion

The negotiations between the City of Toronto and CUPE Local 79 have been a challenging and difficult process. On March 24th, the City provided the Union with Final Offers for their four collective agreements, in light of the clear breakdown of the bargaining process. The Union proposed conducting ratification votes of the City's four Final Offers, without a recommendation

by the Union Executive/Bargaining Team, and the City agreed. The membership of the Full-Time Unit and the Part-Time Unit B ratified the Memoranda of Settlement, including the City's Final Offers, on March 28th in separate votes by each unit.

The tentative agreements for the Full-Time Unit and Part-Time Unit B have achieved significant improvements in management rights, resulting in modernizing the collective agreements and allowing the City to deliver its services effectively and efficiently to the residents, taxpayers and businesses of Toronto while still being fair to its employees.

The City was able to achieve its goal of negotiating collective agreements within the financial mandate provided by the City's Employee & Labour Relations Committee. The City was successful in either eliminating or amending many of the restrictive provisions of the existing collective agreements, introducing cost containment provisions into the benefits plan and implementing provisions within the sick pay and illness plans aimed at improving attendance.

The cumulative effect of the changes that the City negotiated in collective bargaining will result in productivity efficiencies/savings for the City of approximately \$49.2 million.

Further disclosure of the costs and savings contained in the Full-Time Unit and Part-Time Unit B collective agreements cannot be made at this time until the ratification and approval of the remaining two collective agreements that are currently being negotiated, or referred to binding arbitration, at the City of Toronto.

**Summary Key Highlights: Canadian Union of Public Employees (CUPE), Local 79
Full-Time Unit and Part-Time Unit B**

Term: January 1, 2012 to December 31, 2015
Wages: 0% (2012), 0.5% base (2013), 1.75% base (2014), 2.25% base (2015)
Wage: Lump Sum (one-time): 1.5% (2013) non-pensionable, pro-rated based on regular hours worked in previous year
Benefits: <ul style="list-style-type: none"> • \$9 Drug Dispensing Fee Cap (new) • Physicians' Medical Certificate now required for Massage Therapist (none was required) • Orthopaedic Device every two years for those eligible over 18 yrs old (was one every year) and only pay for modification to the shoes (Full-Time Unit only) • Physiotherapy - \$2,000 limit per year, effective January 1, 2013 (Full-Time Unit only) • Dental Fee Guide - One Year Lag (was current ODA) • Vision - \$450 every 24 months
Retiree Benefits: Same changes as outlined in the active plans will flow through to the Pre-65 Plan for future retirees
EMS Dispatchers: City negotiated the ability to change the Dispatcher shift schedule with 30 days notice
Hours of Work: Shift Schedules – Union agreement no longer required to change shift schedules, (previously required union agreement to change shift schedules)
LTCHS – Hours of Work: negotiated a reduction in hours of work from 40 hours per week to 37.5 hours a week. Eliminated the shift overlap phased in over two year period commencing January 1, 2014
Employment Security for Contracting Out: 15 years of seniority or more for permanent employees (was previously protection for all permanent employees)
Redeployment: up to 50% more efficient with the improved process
Union Leaves: reduced number of City paid full-time and part-time union leaves
Layoff and Recall (Full-Time Unit only): streamlined bumping process, reduction in wage protection to 24 months (was 35 months) and reduction in wage protection for employees who retire to 36 months (was 60 months)
Absenteeism: Included occurrence provisions such that employees are not paid for their first day of illness on the 4 th and subsequent occurrences in a calendar year
Mileage Reimbursement Claim: now CRA compliant re: 5,000 kms step down for reimbursement rate
Lieu Time Payout: 4 times a year (was when employee requested it)
Vacation Scheduling (Full-Time Unit only): Year's end vacation scheduling for employee to notify Division Head now October 1 (was November 1)

**The purpose of this document is to provide a brief highlight of the settlement and is not intended to be all inclusive or to provide all the specific details. Such specific information is contained within the Memoranda of Settlement documents.*