EL6.2.1

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City of Toronto
Employee and Labour Relations Committee

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EL6.2 Non-union Employee Compensation

History:

Over the years, non-unionized employees have made significant concessions to the City of Toronto, and as a result, have consistently seen their compensation decrease compared to union employees.

In the past, non-unionized employees have made tremendous contributions to protect the City's infrastructure and to keep it running during a 39 day civic labour strike. Non-unionized employees kept the City clean, safe, and working efficiently during this challenging time.

Recently, the non-unionized employees were prepared to serve the City once again had there been a disruption. They would have, as in the past, kept the City clean, safe and functioning.

In September 2008, the City of Toronto adopted a Toronto Public Service People Plan with new strategic goals and objectives.

The City needs to ensure that it has "the right people in the right place at the right time" to build a strong, prosperous, and liveable City.

A competitive compensation plan and structure directly contributes to the City's attainment of the People Plan's goals and objectives.

They are:

- We will become a learning organization;
- We will have safe and healthy workplaces;
- We will attract and retain a skilled, high performing and diverse workforce;
- We will have strong and effective leaders; and
- We will build a positive workplace culture.

Compensation:

The City's Compensation Plan was originally designed to create a high-performing organization.

That goal has been reinforced by Council over the years.

The City is experiencing difficulty in attracting individuals into City positions from the outside marketplace due to its current compensation.

The current compensation on non-union staff is having a long-term effect upon the City of Toronto and the Toronto Public Service.

That effect is:

- Ability to attract and retain talent;
- Perception of inequitable treatment within the non-union employee group;
- Salary compression between unionized and non-union positions; and
- Morale of the non-union employee group.

COTAPSA's Observations:

- Many City positions remain unfilled;
- Available labour market continues to shrink;
- Significant competition for highly skilled professional employees;
- City's compensation is no longer competitive;
- There is salary compression between non-union and union employees; and
- The City is having competitive problems in hiring staff because compensation is at the 50th percentile instead of Council's approved direction of the 75th percentile.

Performance Review Levels:

- Fair approach, but needs to be monitored;
- Reinforces a high performance – oriented culture;
- More competitive with the marketplace.

Annual Salary Range Increases:

- Remedies deficiencies/deficit;
- Makes the City more competitive;
- Increases in line with other municipalities;

- Slows the "brain drain";
- Reduces the gap in compensation between the City of Toronto and other municipalities;
- Minimizes any further gaps going forward, but does not address the impact of the differential over the previous five (5) year period.

Conclusions:

COTAPSA is generally supportive of the City Manager's Non-union Employee Compensation Report dated May 29, 2012 to the Employee and Labour Relations Committee.

We support the importance of looking long term – further than just 2012. Approving increases for four (4) years until the end of 2015 fixes some of the inequitities, brings certainty and stability to the non-union management group, and brings that group in line with unions.

Recommendation:

"That the Report by the City Manager regarding Non-union Employee Compensation dated May 29, 2012 to the Employee and Labour Relations Committee be adopted in its entirety."

Richard D. Majkot

Richard Majkot,
Executive Director of COTAPSA