



**Canadian Union of
Public Employees**

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- Service Units

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- Full-Time
- Long-Term Care Homes
& Services Part-Time
- Recreation Workers
Part-Time
- Unit B Part-Time

*Toronto Community
Housing Corporation*

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8.3.1

May 19, 2015

Councillor Gary Crawford, Chair, and
Members of the Budget Committee
10th floor, West Tower
City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Dear Councillor Crawford and Members of the Budget Committee:

**RE: BU8.3 Operating Variance Report for the Year Ended December 31,
2014**

On behalf of our members working for the City of Toronto's many Divisions, I would like to comment on the final Operating Variance Report for 2014.

Although City Management has repeatedly told Council and its Committees that Divisions are making concerted efforts to aggressively 'staff up', gapping levels and the number of vacancies in some Divisions remain a cause for concern. Overall, BU 8.3 shows that the 2014 Operating Budget relied on hiring delays and "under-spending in salaries and benefits" to meet unrealistically tight budget targets.

Across Divisions, the Council-approved full complement of staff was seldom achieved. The Summary of Approved Complement (Includes Capital and Operating Positions) from the Report (*Table 6, page 16*) shows 2,442.8 vacant positions at the end of last year. This is, quite frankly, only a marginal improvement over the 2,500 vacant positions the City had at the end of June, 2013.

Some Divisions, such as Parks, Forestry and Recreation report that there are shortages of skilled workers. In the case of PF&R, the Division could not attract qualified arborists to fill positions. As a result, the Division under-spent on salaries and benefits, but these savings were off-set by over-expenditures in contracted services. We have heard of this problem in several Divisions and encourage the City to ask itself why it has difficulty attracting and retaining employees with particular skill sets.

Some Divisions report intentionally allowing positions to remain vacant in order to meet gapping targets. Facilities Management and Real Estate had a budgeted gapping target of 3.4%. It held 27.5 equivalent positions vacant to achieve that target and yet also had an after-gapping vacancy rate of 5.4%. The result was

predictable. As the staff report notes: "The impact of vacancies was mitigated by having some of the critical work performed by existing staff members working extra hours to cover 24/7 operations and reliance on external contractors to support operations" (page 36).

Fleet Services had a vacancy rate of 5.7% *after gapping* and yet that Division also held positions vacant to achieve a target they appear to have actually exceeded. Again, the staff report shows the result of this practice: "The impact of vacancies resulted in overtime and external service contracts as short term measures" (page 36).

Information and Technology held positions vacant to achieve its gapping rate and other Divisions may have done the same without reporting that those positions were intentionally held vacant.

The gapping rate is a calculation of the anticipated savings that are likely to be achieved through the normal course of staff turnover. It is an estimate, not a target.

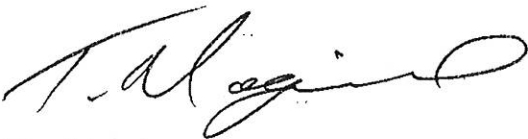
Further, the City of Toronto ought to be a model employer. Over-burdening staff by intentionally refusing to fill positions does not provide a good model. Promoting precarious employment through the use of contracted services does not provide a good model.

Although there can be challenges every year, for all Divisions, the fact remains that after cuts and flat-lined budgets City services are under siege by the twin forces of budget cuts and the increased need and demand for public services in our ever-growing city.

Service levels cannot be maintained with so many vacancies, gapped positions, overtime, workload increases, and the additional expenses that inevitably follow when services are contracted out.

Although the report talks about gapping, overtime and workload, the real story is the negative impact on services caused by these trends. If Divisions are forced to implement a further 2% cut, as projected, Toronto's communities will bear the brunt of that cut through reductions in the services they rely on and value.

Yours truly,



Tim Maguire
President