

Attachment 2 – Confidential Information

Results of Collective Bargaining Negotiations with TCEU Local 416 – CUPE – Summary of the Memorandum of Settlement, Part A

Date:	February 25, 2016
To:	City Council
From:	City Manager Director, Employee & Labour Relations

The City's bargaining team was successful in negotiating agreements on the following key matters:

1. Wage Settlement and Term Length

- The settlement provides for a new 4 year (January 1, 2016 to December 31, 2019) collective agreement with wage increases as follows:
 - January 1, 2016 0.75% Base Increase
 - July 1, 2016 0.50% Base Increase

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 - July 1, 2018 0.50% Base Increase

 - January 1, 2019 0.75% Base Increase
 - July 1, 2019 0.50% Base Increase

- In addition, there is a one-time, non-base non-pensionable lump sum payment in 2019 of 0.25% (an average payment amount of approximately \$165).

- Total: 5.00% base pay negotiated
0.25% lump sum (not to base) in Year 4 only

2. Sick Pay Plan (Article 14A)

- The settlement provides for the introduction of occurrence language (already part of the Local 79 collective agreement). This means that on the 4th and subsequent new absence in the same calendar year, the employee is paid from the second (2nd) day of the absence. If the employee is hospitalized as an in-patient the absence shall not count as an occurrence.

3. Illness or Injury Plan (Article 14B)

- Introduced occurrence language; 4th and subsequent occurrence of absence paid from second day of absence as noted above
- As of January 1, 2017 the Illness or Injury Plan will provide compensation for an absent employee for 20 days at 100% of salary and for 110 days at 75% of salary. If not used, the employee can carryover a one-time capped credit of up to 15 of the 20 days compensated at 100% of salary from one year to the next. These carryover days can then only be converted, by the employee, to top up the compensation he or she receives during an absence in the subsequent year when he or she would otherwise be compensated at 75% of salary after 20 days. One unused IIP day is the equivalent of 2 top up credits, for this purpose, and can only be used in the carryover year

4. Active Benefit Plan (Article 16)

- Changes to the benefit provisions of the Benefits Plan are as follows:

Active Employee Benefits Plan Provision Changes

Benefit Type	Old Provision	New/Changes to Provision
Drugs	No requirement for mandatory generic drugs	Mandatory generic drugs Non-generic drugs will be covered upon the insurer's approval of an application completed by the employee's physician confirming that the generic drug is not medically effective, or not medically tolerated
Orthotic Devices	One device per person per benefit year (for persons 18 and under, the entitlement shall not be limited to one pair of orthotic devices per benefit year)	One device per person every two benefit years (for persons 18 and under, the entitlement shall not be limited to one pair of orthotic devices every two benefit years)
Long-Term Disability (LTD)	Benefit of 75% of basic salary	Benefit of 70% of basic salary for claims approved after ratification date

5. Union Leaves (Article 3)

- Reduce City paid Union Negotiating Committee from 16 to 10
- Reduce City paid Union Leaves from 8.5 to 6.5; Leaves for Outside Division Chair and Chief of Stewards will be at no cost to the City
- Full-Time Office (President, VP and Treasurer) no longer accrue sick leave while on full-time union leave; Second Vice-President added at no cost to the City

6. Layoff and Recall (Article 28)

- Deleted Articles 28 (Redeployment) and 29 (Layoff and Recall) and negotiated one new streamlined process Article 28 (Layoff and Recall) which combines the vacancy and bumping and layoff/recall processes and allows for increased mobility and administrative efficiencies by:
 - increasing placement of employees in vacant positions by looking at more classifications prior to layoff
 - utilizing vacancies in order to minimize the number of employees impacted by multiple bumping;
 - limiting permanent employees' ability to bump into a temporary assignment;
 - providing displaced permanent employees who are not placed in vacant positions with the option to participate in Work Selection which increases the probability of filling temporary jobs through the Work Selection process and provides permanent employees impacted by layoff with more options; permanent employees who elect to participate in Work Selection will not be wage protected; and
 - providing employees with union representation throughout the process in order to assist employees in making more informed choices;
- Improvements to the process are projected to reduce the time it presently takes to place a displaced permanent employee in a new position;
- Amended Letter of Agreement – Temporary Work Opportunities/Assignment:
 - Amend language to afford permanent employees who are laid off the option to participate in Work Selection and be governed by this Letter of Agreement;
 - Increased accountability of temporary employees to notify the City of their availability for recall, failing which they will not be recalled

7. Employment Security (Article 29)

- Eliminated open-ended obligation to provide job security protection from the Letter of Agreement "Contracting Out"
- Created new Article 29 (Employment Security) as follows:
 - No permanent employee with fifteen (15) years of seniority as at December 31, 2019, shall lose his employment as a result of contracting out or privatization. Employees affected as a result of contracting out shall have access to the provisions of Article 28
- These changes eliminate 15 year job security provision for all new employees hired on or after January 1, 2016; and eliminate 15 year job security provision for existing employees who will not have 15 years of seniority as at December 31, 2019.

8. Paramedics: Interest Arbitration and Part-time Paramedics (Schedule P)

- The City and Local 416 have agreed that, within thirty (30) days of the date of the Memorandum of Settlement, or by such later date as they may agree, outstanding issues related to Schedule P which contain the terms and conditions of employment specific to paramedics shall be referred to Interest Arbitration
- It is agreed that matters addressed in the settlement achieved between the City and Local 416 generally will not be referred to Interest Arbitration, with the exception of paramedic wages, psychologist benefit and naturopath benefit

9. Job Postings (Article 19)

- Amendments to the Letter of Agreement – Interim Alternate Processes for Article 19 mean that internal permanent applicants will only be considered for temporary opportunities/assignments that are posted and known to be more than 25 weeks in duration. Currently employees are permitted to apply when the vacancy is expected to be 20 or more weeks in duration. This change will improve stability of the City's workforce as there will be less movement of active permanent employees into temporary positions while balancing the interest of employees to avail themselves of such opportunities;
- Through the creation of a new Letter of Agreement – Eligibility List the City has established a process to reduce the number of job call postings required by creating eligibility lists for high turnover senior qualified positions

10. No Discrimination or Harassment (Article 6)

- Updated to reflect current Human Rights terminology in regards to prohibited grounds and gender neutral language

11. Job Evaluation Maintenance Program (JEMP)

- The City and Local 416 have agreed that, within seven (7) days of the date of the Memorandum of Settlement, they will sign the Gender Neutral Comparison System document, previously negotiated and related to the Job Evaluation Maintenance Program

12. Overpayments (Article 7 and 30)

- The City and Local 416 amended the relevant clauses of the collective agreement in order to provide for a defined process to assist the parties in dealing with overpayments in a more expeditious manner
- The parties introduced a new Letter of Agreement - Interim Alternate Processes for Clause 7.07 for overpayments in excess of \$500 that expedites recovery of overpayments via a codified process and an expedited "mini" arbitration if necessary

13. Overtime – Sanitation/Collections (Article 8)

- The collective agreement is amended to increase operational efficiency by amending clause 8.01(f) to allow City to schedule overtime on a second consecutive day provided there is a legitimate and bona fide operational need; prior to this amendment, employees had an option of not working overtime on a second consecutive day
- Provides for greater flexibility and ease of scheduling overtime

14. Grievance Procedure (Article 21)

- The parties agreed to language that will facilitate the resolution of workplace issues by providing a clear framework to work within, including the provision of more detailed particulars and tightening of timelines in the process

Conclusion

The negotiations between the City and TCEU, Local 416 - CUPE have been a challenging and difficult process for both parties.

Nevertheless, the tentative agreement achieved by them creates significant improvements in management rights, resulting in the modernizing of the collective agreement and allowing the City to deliver its services effectively and efficiently to the residents, taxpayers and businesses of Toronto while being fair to its employees.

The City was able to achieve its goal of negotiating terms and conditions for a new Collective Agreement in a manner that respected the financial mandate provided by the City's Employee & Labour Relations Committee. The City was also successful in partnering with the Union on a number of efficiency initiatives which will assist the parties to better deal with matters of mutual interest including dispute settlement, job postings, work selection, overpayments, the assignment of overtime in Solid Waste Management and layoff/redeployment. This Collective Agreement will also introduce cost containment provisions into the sick and benefits plans helping make our plans more sustainable. Changes were also negotiated to provide for more flexibility for the City to consider a range of service delivery options that best meets the needs of the City.

Further disclosure of the costs and savings contained in the TCEU, Local 416 - CUPE cannot be made at this time until the ratification and approval the CUPE Local 79 collective agreements that are currently being negotiated at the City of Toronto.

Summary Key Highlights: Toronto Civic Employees' Union, Local 416

Term: January 1, 2016 to December 31, 2019
Wages: 0.75% base (Jan. 1, 2016), 0.50% base (Jul. 1, 2016), 0.75% base (Jan. 1, 2017), 0.50% base (Jul. 1, 2017), 0.75% base (Jan. 1, 2018), 0.50% base (Jul. 1, 2018), 0.75% base (Jan. 1, 2019) and 0.50% base (Jul. 1, 2019)
Wage: <ul style="list-style-type: none">• Lump Sum (one-time): 0.25% (Jan. 1, 2019); non-pensionable, pro-rated based on regular hours worked in 2018
SPP: <ul style="list-style-type: none">• Occurrence language effective date of ratification; 4th and subsequent occurrence of absence paid from second day of absence
IIP: <ul style="list-style-type: none">• Occurrence language effective date of ratification; 4th and subsequent occurrence of absence paid from second day of absence• As of January 1, 2017 – 20 days at 100% and 110 days at 75%; up to 15 days of the unused 100% days from previous year can be converted into top up credits in the following year – 1 unused IIP day is the equivalent of 2 top up credits and can only be used in carryover year
Benefits: <ul style="list-style-type: none">• Mandatory generic drugs• Orthotic Device every two years (was one every year)• LTD benefit at 70% of basic salary (was 75%)
Union Leaves: <ul style="list-style-type: none">• Reduce City paid Union Negotiating Committee from 16 to 10• Reduce City paid Union Leaves from 8.5 to 6.5• Full-Time Office (President, VP and Treasurer) no longer accrues sick leave while on full-time union leave
Employment Security <ul style="list-style-type: none">• Limited to employees who have reached 15 years as at December 31, 2019
Paramedics: <ul style="list-style-type: none">• Outstanding Paramedic issues to go to interest arbitration
Job Postings <ul style="list-style-type: none">• Temporary jobs to be posted internally only if 25 weeks or more (was 20 weeks)• New LOA to allow for Eligibility Lists for high turnover senior qualified classifications

Layoff and Recall:

- Two processes streamlined to include vacancies and bumping; minimizes chain bumping; limit permanent employees bumping of temporary employees, review of more classifications prior to layoff; permanent employees on layoff to have access to Work Selection

Work Selection

- Temps more accountable to City with regards to recall availability

Overpayments:

- Provide for a defined process to assist the parties in dealing with overpayments in a more expeditious manner
- New process for overpayment in excess of \$500

Grievance Procedure:

- Language that will facilitate the resolution of workplace issues quicker and more efficiently

**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 Memorandum of Settlement document.*