Exhibition Place

REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Security Group Wages Market Analysis and Implementation Plan

Date: September 3, 2020
To: The Board of Governors of Exhibition Place
From: Don Boyle, Chief Executive Officer
Wards: Ward 10

REASON FOR CONFIDENTIAL INFORMATION

This report contains information about personal matters about identifiable individuals.

SUMMARY

On October 22, 2019, Exhibition Place received an Ontario Labour Relations Board (OLRB) ruling approving the termination of Bargaining Rights with CUPE Local 5116 and Exhibition Place Security Guards. As a result, the employees in this former Bargaining Unit were now required to become non-union Board employees.

At its meeting of February 11, 2020, the Board of Governors authorized the Chief Executive Officer to engage a consultant to conduct a Market Analysis of compensation levels for the employees in the Security Group, and directed the Chief Executive Officer to report back in early 2020 on the design and financial implications of the implementation of the Market Analysis design.

This report outlines the evaluation results from the consultant Korn Ferry (CA) Ltd. ("Korn Ferry") for the Security Group market analysis and the financial implications of the implementation plan, and recommends adoption of the Wage Plan for the Board employees in the Security Group.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board approve the Security Group market analysis wage/job rate recommended in the Korn Ferry report dated September 3, 2020 attached as Confidential Appendix A and outlined in Confidential Attachment 1, for implementation in the Fiscal Year 2020

effective on October 1, 2020 and ending December 31, 2020 (stub year for 3 months), and authorize the Chief Executive Officer to implement the annual transitional plan in Confidential Attachment 1 that advances the active employees in the security group to the new wage structure.

2. The Board direct the Chief Executive Officer, Exhibition Place to provide written notice of the Board's decision, as soon as possible to each of the Exhibition Place employees affected by the Market Analysis study.

3. The Board direct that Confidential Attachment 1 - Appendix A (Korn Ferry report) be released publicly following approval of the Board and provision of notification to the affected employees as set out in Recommendation 2 above.

4. The Board direct that Confidential Attachment 1 remain confidential in its entirety and not be released publicly as it pertains to personal matters about identifiable individuals.

FINANCIAL IMPACT

See the Confidential Attachment 1

DECISION HISTORY

The Exhibition Place 2017 - 2019 Strategic Plan extension to December 2021 has several Strategic Objectives that align with this undertaking: to optimize human capital, and equip, engage, and empower employees, and a strategy to ensure Exhibition Place continues to build a culture of fairness for its employees and continue to provide the highest level of Safety and Security through highly trained Security Guards, utilizing and improving technology and internal systems so that they are able to respond to many different and challenging situations.

In October 2011 members of Exhibition Place Security Services voted (28 of 31) to organize and become part of the provincial CUPE Union Local 5116, and were certified by the Ministry of Labour on November 4, 2011. In early 2012, Exhibition Place staff commenced bargaining with Local 5116 and after a meeting with a Conciliator on November 19, 2012 agreed to a final meeting without a Conciliator on November 27, 2012 where a tentative agreement was reached.

At its meeting of February 15, 2013, the Board approved the first of two Collective Agreements between Security Guards represented by CUPE Local 5116 commencing January 1, 2013 and expiring on December 31, 2015. As this was the first Collective Agreement between the parties, the agreement contained many provisions and language to govern the relationship going forward.
https://www.explace.on.ca/about/board-of-governors/schedule-and-reports/2013-reports/2013-february

At its meeting of April 12, 2013, the Board directed the CEO to set-up a confidential briefing session for members of the Board to receive information on the bargaining process to be undertaken by Exhibition Place with respect to labour negotiations including CUPE Local 5116.
https://www.explace.on.ca/files/file/58caaa47b5c2d/Bargaining-Process-item-13.pdf

At its meeting of September 30, 2016, the Board approved the Korn Ferry/Hay Group report on the Exhibition Place Compensation Plan, which applied to all non-unionized positions / employees (excluding the five executive management positions to replace the 2003 Compensation Plan. As the Security employees were unionized at the time of this review, the adoption of the Exhibition Place Compensation Plan did not apply to these employees.
https://www.explace.on.ca/files/file/58b5f8f17f377/Item-19(b)-EP-Comp-Supp.pdf

At its meeting of May 18, 2017, the Board approved the second, and most recent, Collective Agreement between the two parties commencing January 1, 2016 and expiring on December 31, 2019.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EP3.6

At its meeting of February 11, 2020, the Board was informed that the Security Guards, members of Local 5116 were successful in their application to the Ontario Labour Relations Board to de-certify from the Union.

The Board of Governors authorized the Chief Executive Officer to engage a consultant to conduct a Market Analysis of compensation levels for the employees in the Security Group, and directed the Chief Executive Officer to report back in early 2020 on the design and financial implications of the implementation of the Market Analysis design.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EP9.14

COMMENTS

On October 22, 2019, the Ontario Labour Relations Board declared that CUPE 5116 no longer represented the security employees at Exhibition Place, based on an application for the termination of bargaining rights filed by the members. The Board of Governors authorized the Chief Executive Officer to engage a consultant to conduct a Market Analysis of compensation levels for the Security Group employees, and directed the Chief Executive Officer to report back in early 2020 on the design and financial implications of the Market Analysis implementation.

Exhibition Place contracted Korn Ferry to conduct a job evaluation and market assessment to grade the security job positions. Exhibition Place had previously contracted Korn Ferry/Hay Group in 2016 to conduct a full market analysis, review, and job evaluations for all positions at Exhibition Place. With this background, understanding and knowledge of Exhibition Place business, Korn Ferry was engaged as a logical selection to assess/evaluate the security group positions within the context of the job ratings scorecard it had previously done for the Board.

The scope of work included a market analysis and a review of the existing job description in comparison with essential task/role functions in the industry, and analogous postings within the City, and other related assignments were reviewed in similar public assembly venue. Interviews were conducted by Korn Ferry with both security staff and management to aid in the assessment of key responsibilities and qualifications as part of the analysis. The assessment and evaluation process from Korn Ferry recommended a graded position of Level 4. This wage grade is approximately a 29% per hour increase over the current per hour rate.

In an effort to minimize the financial impact of the new rate increase, a review of security functions was completed, the focus of the review centred on maximizing the use of technology and surveillance (i.e. CCTV improvements and electronic keyless entry).

The functional review resulted in a reduction of overall security hours of approximately 2,728 hours per year (or 1.3 FTEs) or 52.5 hours per week on average. Further, the Security Division has consulted with other internal departments and will transfer non-traditional security functions to these units. An example of non-traditional security activities includes safety audits, which will now be completed by the Joint Health & Safety Committee.

The security group employ staff into full-time, part-time, and casual roles. Full-time staff will receive benefits as part of the compensation attached as Appendix A to this report. This benefits package is consistent with the entitlements of other Exhibition Place employees.

With the financial challenges created by the recent emergence of the COVID-19 pandemic, staff have developed an implementation plan attached in Confidential Attachment 1 that transitions employees to the new rates over six (6) years starting in 2020.

CONTACT

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SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Appendix A - Benefits Offered - Full Time Security Guards

Confidential Attachment 1 - Financial Implications and Implementation of Wage/Job Rate

Confidential Attachment 1 - Appendix A - Korn Ferry Market Analysis and Design Report