

Results of Interest Arbitration between the City of Toronto and TCEU Local 416 - Paramedics

Date: June 24, 2025

To: City Council

From: City Manager and the Chief People Officer

Wards: All

SUMMARY

The purpose of this report is to provide City Council with the results of the interest arbitration award issued on June 23, 2025 by Arbitrator Nyman settling the terms and conditions in the collective agreement for the Toronto Civic Employees Union Paramedics unit ("award") and to request Council to authorize its implementation. As this matter was the subject of interest arbitration, the new collective agreement language arising from the award is not subject to ratification by either party. The award is attached as Attachment 1.

RECOMMENDATIONS

The City Manager and the Chief People Officer recommend that:

1. City Council authorize the Chief Financial Officer and Treasurer to make the necessary adjustments to the 2025 Non-Program Expenditure Budget and Operating Budgets for Toronto Paramedic Service to reflect the provisions of the interest arbitration award.
2. City Council authorize the Director of Pension, Payroll and Employee Benefits to make the necessary amendments to rates of pay, benefits and other issues identified in interest arbitration award.

FINANCIAL IMPACT

The financial impacts of the Interest Arbitration Award for L416 Paramedics.

Incremental Increase in Cost of Wages for L416 Paramedics:

Paramedic 1 and Paramedic 2 (Primary Care Paramedics)

Year	Effective Date	Wage Increase	Gross Cost
2025	01-Jan	3.95% Base Pay + 3% lump-sum for "Paramedic 2" classification	\$7.85M
2025	09-Jul	\$1.05 added to base for missed meal break	
2026	01-Jan	3.90% Base Pay	\$4.97M
2027	01-Jan	3.80% Base Pay	\$5.04M
2028	01-Jan	3.00% Base Pay	\$4.13M
Paramedic 1 Wage Adjustment			\$11.11M
Total			\$33.09M

Paramedic 3 (Advanced Care Paramedics) and Critical Care Paramedic

Year	Effective Date	Wage Increase	Gross Cost
2025	01-Jan	5.50% Base Pay	\$4.13M
2025	09-Jul	\$1.05 added to base for missed meal break	
2026	01-Jan	3.95% Base Pay	\$2.30M
2027	01-Jan	3.95% Base Pay	\$2.39M
2028	01-Jan	3.00% Base Pay	\$1.89M
Total			\$10.72M

Incremental Increase for additional Items applicable to Paramedics only:

Item	Explanation	Cost/Savings
Psychologist Services	Coverage increases to \$4000 per person per benefit year.	\$.045M
Meal Break Premium	Meal breaks now added to base wage effective July 9, 2025	-\$5.426M
Specialty Teams	Employees who are members of a specialty team receive an annual premium in addition to their regular salary. Premium increased by 50%.	\$.030M
Total		-\$5.35

Incremental Four (4) Year Summary:

Wage Increase	\$43.81M
Additional Items	-\$5.35
Total	\$38.46

NOTE: These figures do not account for savings associated with improved efficiency regarding the management of missed meal breaks, changes to hospital off-load procedures, changes to procedures for booking off ill, or “hour-for-hour” deduction of sick time. For reporting consistency, the costs in this report reflect the financial impacts of the increases awarded during interest arbitration, and not the actual impact to the City’s budget. Salary and benefit costs for Paramedics are funded through a cost-sharing agreement with the province (50% for Paramedic Level 1/2/3 and 100% for Critical Care Paramedic).

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of October 21, 2024 the Labour Relations Subcommittee of the Executive Committee approved a mandate for collective bargaining.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.LR1.1>

On December 19, 2024, the City Manager and the Chief People Officer reported to Council on the results of collective bargaining negotiations between the City and the Toronto Civic Employees Union Local 416, including the Memorandum of Settlement reached with the main unit of Local 416 at the main table and the separate Memorandum of Settlement reached with the Paramedics unit.

<https://www.toronto.ca/legdocs/mmis/2024/cc/bgrd/backgroundfile-251791.pdf>

A further Report was provided on December 20, 2024 from the Chief People Officer, notifying Council that the Paramedics unit of TCEU Local 416 had failed to ratify their unit's Memorandum of Settlement.

<https://www.toronto.ca/legdocs/mmis/2024/cc/bgrd/backgroundfile-251816.pdf>

COMMENTS

TCEU Local 416 represents City of Toronto employees working in the "outside" bargaining unit, including workers in Parks and Recreation; Environment, Climate and Forestry; Toronto Water; Transportation Services; Solid Waste Management Services; and other divisions. TCEU Local 416 also represents Paramedics, whose specific terms

and conditions (Article 45 - Ambulance Appendix) are negotiated separately from the rest of the main 416 unit. Paramedics are an essential service and therefore subject to interest arbitration in the event an agreement is not reached by the parties.

The parties engaged in collective bargaining commencing on October 22, 2024, for a renewal collective agreement. After numerous days of bargaining, on December 16, 2024, the parties reached a Memorandum of Settlement for each of the main 416 unit and for the Paramedics.

While the main 416 unit ratified their Memorandum of Settlement on December 18, 2024, the Paramedics unit did not ratify their Memorandum of Settlement. Council ratified the main 416 unit Memorandum of Settlement on December 20, 2024.

In an effort to obtain a freely negotiated agreement for Paramedics, the parties agreed to reconvene bargaining and met on May 26, 30 and 31, 2025. The parties were not able to reach an agreement and therefore the outstanding items were referred to interest arbitration before Arbitrator Jesse Nyman. The arbitration decision was received by the parties on June 23, 2025.

Wages and working conditions were the focus of the interest arbitration. In his decision, Arbitrator Nyman emphasized that the previously agreed to Memorandum of Settlement reached in December 2024 should form the basis for the next collective agreement but acknowledged changed circumstances affecting the collective bargaining environment that justified amendments, specifically to meal breaks, wages, and hours of work.

The arbitrator imposed the agreed to Memorandum of Settlement but awarded higher general wage increases, as well as amending the compensation formula for the missed meal break special adjustment:

Job	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028
Paramedic 1	3.95%	3.9%	3.8%	3%
Paramedic 2	3.95% + 3% Lump Sum	3.9%	3.8%	3%
Paramedic 3/ACP	5.5%	3.95%	3.95%	3%
Critical Care Paramedic	5.5%	3.95%	3.95%	3%

Special Adjustment:

In recognition of the elimination of the premiums for missed meal breaks, \$1.05/hour was added to the base rate of all classifications, effective July 9, 2025.

In support of the Employer's position, the Arbitrator also recognized the City's desire for Paramedic Services to improve operational efficiency, and imposed a commitment that would require the parties to meet to explore the feasibility of implementing a base 42-hour work week.

Most importantly for the City, this award preserves the operational improvements as outlined in the original Memorandum of Settlement (e.g. eliminating individual missed meal break payments, amending the hospital off-load time formula, new book-off procedures, changes to the sick leave deduction formula, and resolution to an outstanding job evaluation dispute).

Overall, the results of the award are not unexpected and are generally consistent with the current trends in collective bargaining. With these wage increases, in 2025 and 2026, Toronto's Paramedics will be the second highest-paid in the province. It is anticipated that these changes will support to the day-to-day operations of Toronto Paramedic Services, as well as address recognition/retention issues.

CONTACT

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SIGNATURE

Mary Madigan-Lee
Chief People Officer

Paul Johnson
City Manager

ATTACHMENTS

Attachment 1: Interest Arbitration Award - June 23, 2025