



**For Action
with Confidential Attachment**

Labour Relations and Collective Bargaining Environment and Status

Date: April 13, 2023
To: TTC Board
From: Executive Director – People (Acting)

Reason for Confidential Information

This report is about labour relations or employee negotiations.

This report is about litigation or potential litigation, including matters before administrative tribunals.

Summary

This report provides an update on the recent interest arbitration decision relating to the Canadian Union of Public Employees (CUPE), Local 470 which represents Transit Control Surface Operations Supervisors.

The award includes wage increases of 1.75% effective March 10, 2021 and 2% on each of April 1, 2022 and April 1, 2023 as well as the implementation of Ontario Health Premium reimbursement moving forward, consistent with TTC's other unions. The award also included:

- Elimination of Sunday Premium;
- A sick pay and long term disability benefits program consistent with amounts paid to TTC's other unionized employees;
- Implementation of a dispensing fee cap for post-retirement prescription benefits and;
- Reduction in entitlements for custom orthotics.

The attachment to this report provides a confidential update on labour relations and collective bargaining at the TTC. A review of labour relations history and key bargaining decisions is provided to assist in understanding the current environment and an outlook on collective bargaining, as well as litigation activities.

Recommendations

It is recommended that the TTC Board:

1. Authorize that the information provided in Confidential Attachment 1 remain confidential in its entirety as it contains information about ongoing litigations and labour relations or employee negotiations.

Financial Summary

CUPE 470 Interest Arbitration

The recent interest arbitration award for CUPE Local 470 (Transit Control Surface Operations Supervisors) included wage increases of 1.75% effective March 10, 2021 and 2% on each of April 1, 2022 and April 1, 2023 as well as the implementation of Ontario Health Premium reimbursement. The elimination of the Sunday premium and benefit changes yielded some offsetting savings.

Combined, the cost of this award over the three-year term is approximately \$1.1 million as outlined in the following table, with amounts related to time periods prior to December 31, 2022 accrued as part of 2022 year-end financial results and the 2023 costs funded in the approved 2023 Operating Budget.

Local 470 Total Cost of Contract (March 10, 2021 – March 31, 2024)					
Item (\$ Millions)	Mar-Dec 2021	Jan-Dec 2022	Jan-Dec 2023	Jan- Mar 2024	Total Mar 2021- Mar 2024
Wages	0.3	0.5	0.8	0.2	1.8
Ontario Health Premium	0.1	0.1	0.1	0.0	0.3
Elimination of Sunday Premium	-	-	(0.2)	(0.1)	(0.3)
Short-Term Disability/ Long-Term Disability Benefit Reductions	-	-	(0.2)	(0.1)	(0.3)
Other Benefits	-	-	(0.4)	(0.0)	(0.4)
Total cost	0.4	0.6	0.1	-	1.1

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

Equity/Accessibility Matters

The agreements and associated terms and conditions of employment are applied equitably to all non-union employees and there are no identified impacts on accessibility or equity matters.

The TTC recognizes the importance of being fair, taking action, being responsive and reflecting the communities we serve. To do so, we acknowledge the history of systemic racism and bias and are committed to implementing targeted initiatives to create an organizational culture that is fair, equitable and inclusive, offers respect and dignity for all employees, and is free from all forms of harassment and discrimination through an Equity, Diversity, Inclusion and Accessibility framework.

Decision History

At the February 10, 2022 TTC Board Meeting, the TTC Board adopted staff recommendations with the commitment that staff would report to the TTC Board with the outcome of these negotiations.

[February 10, 2022 - TTC Collective Bargaining and Non-Union Salary Updates](#)

At the April 14, 2021 TTC Board Meeting, the TTC Board adopted staff recommendations with the commitment that staff would report to the TTC Board with the outcome of these negotiations.

[April 14, 2021 – Ongoing Negotiations Update – ATU Local 113 and CUPE](#)

Issue Background

The TTC has six bargaining units, represented by three unions:

- CUPE, Local 2, with approximately 650 members;
- CUPE, Local 5089, with approximately 175 members;
- CUPE, Local 470, with approximately 130 members;
- IMAW Lodge 235, with approximately 40 members;
- ATU, Local 113 (Customer Service Centre), with approximately 50 members; and
- ATU Local 113, with over 11,000 members.

The following chart provides an overview of each bargaining unit with their respective membership and collective bargaining status, including the term of collective agreement and bargaining activity.

Chart 1 – Overview of TTC Unions and Collective Bargaining Status

Union	Type of Employees	Approximate number of members	Collective bargaining status
Amalgamated Transit Union, Local 113	Transportation, maintenance, clerical and technical employees, which includes, for example, Transit Operators, Station Collectors, Customer Service Agents, skilled trade and other maintenance positions and cleaning staff.	Over 11,000	Most recent round of collective bargaining ended with an interest arbitration award in January 2022, with an expiry date for this collective agreement of March 31, 2024 (three-year term).
Canadian Union of Public Employees, Local 2	Electrical skilled trades	650	This union is currently in collective bargaining with the TTC, with the matter having been referred to interest arbitration (ongoing). Its most recent collective agreement expired in March 2022.
Canadian Union of Public Employees, Local 5089	Special Constables, Fare Inspectors and Security Guards	175	This union is currently in collective bargaining with the TTC, with the matter having been referred to interest arbitration (ongoing). Its most recent collective agreement expired in March 2022.

Union	Type of Employees	Approximate number of members	Collective bargaining status
International Association of Machinists and Aerospace Workers, Lodge 235	Various trades, for example, Machinists and Millwrights.	40	This union is currently in collective bargaining with the TTC, with the matter having been referred to interest arbitration (ongoing). Its most recent collective agreement expired in March 2022.
Amalgamated Transit Union, Local 113 (Customer Service Centre)	Customer service call centre employees	50	Most recent round of collective bargaining ended with an interest arbitration award in March 2022, with an expiry date for this collective agreement of July 31, 2024 (three-year term).
Canadian Union of Public Employees, Local 470	Surface Operations Supervisors	130	Most recent round of collective bargaining ended with an interest arbitration award in January 2023, with an expiry date for this collective agreement of March 31, 2024 (three-year term).

Comments

CUPE, Local 470 Interest Arbitration Award:

On January 10, 2023, Arbitrator Nyman released his interest arbitration award relating to the TTC and CUPE, Local 470 (Transit Control Surface Operations Supervisors). This is the first collective agreement between TTC and CUPE, Local 470 and was implemented through interest arbitration. In December 2021 the tentative collective agreement was rejected by the CUPE 470 membership and the parties subsequently proceeded to interest arbitration.

Arbitrator Nyman's award includes wage increases of 1.75% effective March 10, 2021 and 2% on each of April 1, 2022 and April 1, 2023 as well as the implementation of Ontario Health Premium reimbursement moving forward, consistent with TTC's other unions. The award also included:

- Elimination of Sunday Premium;
 - Previously, employees had been entitled to receive one and a quarter times their regular rate of pay when working on a Sunday.
 - The award eliminates all entitlement to Sunday Premium.
- A sick pay and long term disability benefits program consistent with amounts paid to TTC's other unionized employees;
 - Previously, employees had been entitled to up to 100% of their regular rate of pay for sick pay and 66 2/3% of their regular pay for long-term disability.
 - The award caps sick pay at 75% and long-term disability at 66 2/3% up to a maximum of \$2550 per month.
- Implementation of a dispensing fee cap for post-retirement prescription benefits and;
 - Previously, there had been no dispensing fee cap for post-retirement prescription benefits.
 - The award implemented a dispensing fee cap of \$9.
- Reduction in entitlements for custom orthotics.
 - Previously, employees were entitled to one pair of orthotics every 12 months.
 - The award stipulates that employees are now entitled to one pair of orthotics once every 24 months.

Contact

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Signature

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Attachments

Confidential Attachment 1 – Labour Arbitration Update