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## **2005 BUDGET BRIEFING NOTE: Conversion of Temporary Labour Relations Positions to Permanent Status**

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### **Issue/Background:**

To stabilize the Employee & Labour Relations Team in order to achieve stability, build positive labour relations and continue to reduce the liability costs related to employee grievances for the City, additional resources are required. This has been achieved in prior years through the creation of five temporary Labour Relations Consultants on a permanent basis (\$386,318.19). In order to maintain the momentum of clearing backlogs of grievances and resolution before arbitration and to improve the labour relations environment, it is crucial that the number of staff in the Labour Relations area of Human Resources is not reduced. Further, commitment has been made with Management and the Unions to continue with the current grievance/arbitration rate throughout this round of collective bargaining, which is utilizing a significant number of operations, human resources and labour relations staff. To retain the positions on a temporary basis only will continue to result in high employee turnover as employees leave for permanent employment.

### **Key Points:**

If these resources are not retained:

- current workplans and strategies to improve the labour relations environment and reduce liability costs will not be achieved
- grievance resolution rate will be reduced significantly and current momentum will be thwarted

Confirming these positions as permanent and retaining the qualified staff currently providing these essential labour relations services will continue to reduce the current grievance backlog resulting in cost savings related to the use of external arbitrators and legal counsel. Labour Relations staff will continue to engage in joint problem solving and mentoring/training operations managers/supervisors thereby reducing the labour relations liability costs to the City.

Questions:

### **What is the budget impact related to this status conversion?**

None. Full funding for the five positions has been included in the operating budget since 2002.

### **What is the current grievance resolution rate?**

Given the reduction in the backlog of grievances since January 2002 from approximately 3,400 to 1,800, and the current workload of new grievances, the resolution rate is approximately 100 grievances resolved per month.

**What is the current backlog of grievances in the City?**

As at the end of the 3<sup>rd</sup> Quarter (31 Oct 04) the number of active grievances at Step 3 and Arbitration was 1,849. The City will report its 4<sup>th</sup> Quarter results (as at 31 Dec 04) early in 2005. It is anticipated that there will continue to be a significant reduction in the backlog.

**What is the trend of improvement related to the reduction in arbitrations since these positions have been improved?**

One of the strategies to improve the labour relations environment included the engagement of operations and human resources staff in the grievance/problem resolving process. This has proved to be a successful partnership. Not only has the backlog of grievances declined, but the parties are actively learning to engage in joint problem solving with the expert advice of the labour relations staff. This promotes and sustains a culture of joint problem solving at the earliest possible stage. Parties are beginning to look for possible solutions to problems rather than take a position and let a third party make the City's decisions. The end result is an improved relationship between union and management, problem resolution at a significantly reduced cost, sustained skills in problem-solving and most importantly improved employee morale and productivity.

The number of matters proceeding to arbitration is significantly reduced. The number of cases being resolved at the arbitration stage has reduced from 5-8 cases per week to 3 –5 cases per month (with many of these cases being continuations of old cases).

**Circulated to:**  
**Members of Council**  
**Joan Anderton, Commissioner, Corporate Services**

**Date:** December 17, 2004