Council Direction:

N/A

Information:

The Hamilton Professional Fire Fighters Association (HPFFA), Local 288 represents approximately 560 full-time employees in the ranks of District Chief, Captain, Fire Fighter, Training Officer, etc. The expired collective agreement was for the period January 1st, 2003 – December 31st, 2005.

On March 26, 2008, the City of Hamilton and the HPFFA, Local 288 presented its submissions for the renewal agreement before the Interest Arbitration Board. The Interest Arbitration Board was comprised of Mr. Kevin Burkett (Chair), Mr. Bruce Light (Employer Nominee) and Mr. Jeffrey Sack (Union Nominee). This Interest Arbitration Board was appointed to adjudicate the issues in dispute between the two parties with respect to the negotiation of the renewal collective agreement that expired on December 31st, 2005.
The items in dispute were as follows: salaries, statutory holidays, work schedules, injured workers, retirees, maternity/parental leave, psychological services, chiropractic/massage, hearing, vision, orthodontic, bereavement, differentials, and the term of the collective agreement.

In light of the economic climate in which the negotiations and subsequent interest arbitration took place, the interest arbitration board decided to issue an interim award for the calendar periods 2006, 2007, 2008 and 2009 and have reserved jurisdiction for a final award for the calendar periods 2010 and 2011.

For the period calendar 2006, 2007, 2008 and 2009, the award issued is as follows:

1. Wage Increases:

   Given the lengthy period taken to resolve the outstanding collective bargaining process and subsequent interest arbitration award, the City implemented a 2% interim wage adjustment in 2006 as well as in 2007.

   The Board issued a wage adjustment of 3.3% for 2006. The City had, as a good faith gesture pending the outcome of the award, applied an interim adjustment in 2006 of a 2% increase. Similarly, the Board awarded 3.1% total increase for 2007 by awarding increases of 1.6% effective January 1st, 2007 and 1.5% effective July 1st, 2007. The City had also applied an interim increase of 2% in 2007, pending the outcome of the award. As well, the Board issued a 3.07% effective January 1st, 2008. In addition to the interim wage adjustments made to the salary schedule in 2006, 2007 and 2008, the Board awarded a 3% adjustment in 2009.

<table>
<thead>
<tr>
<th>Year</th>
<th>Board Award</th>
<th>Interim Increase</th>
<th>% Amount Outstanding</th>
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</thead>
<tbody>
<tr>
<td>2006</td>
<td>3.3%</td>
<td>2%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2007</td>
<td>3.1% (1.5 + 1.6)</td>
<td>2%</td>
<td>1.1%</td>
</tr>
<tr>
<td>2008</td>
<td>3.07%</td>
<td>0%</td>
<td>3.07%</td>
</tr>
<tr>
<td>2009</td>
<td>3.0%</td>
<td>0%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

   As well, the Board provided language that, in the event a Hamilton First Class Police Constable exceeds the rate in 2009, that the first class fire fighter rate shall also be increased to maintain parity and the corresponding adjustment be made to all such classifications for 2009.

2. Recognition Pay:

   The following was awarded for recognition pay:

   Effective April 1st, 2006 3% after 8 years of service 4% after 17 years of service 5% after 23 years of service

   Effective April 1st, 2007 3% after 8 years of service 6% after 17 years of service 9% after 23 years of service
3. **Hours of Employment – 24 hour shift schedule:**

The Association proposed a 24 hour shift schedule for Fire Suppression, specifically quoting the model the City of Kingston agreed to as a trial in 2004. The City was opposed to a new 24 hour shift on a trial basis raising a number of concerns including the impact on health and safety, legal risks, training, overtime and sick time and the personal impact of extended work. The City also argued that there would be a significant amount of work that would need to be done by a Committee in order to prepare for a 24-hour shift trial period.

In its Award, the Board ruled that the working out of the details of a 24-hour shift schedule on a trial basis is to be remitted to a joint committee, with two representatives from each side. The Board further issued that the Committee is to meet within 60 days for the purpose of considering the scheduling, coverage and other implications of a 24-hour shift schedule within the Fire Suppression Division. In this matter, the Board remains seized. Finally, the City shall compensate the Union members at straight time for the Committee meetings.

4. **Hours of Work – Mechanical Compressed Work Week:**

The Association proposed a compressed work week schedule consisting of 10-hour shifts for the Mechanical Division. The City was unable to agree to this proposal as it did not meet the operational needs of the Hamilton Emergency Services (HES) and as per the collective agreement, the Chief is solely responsible for scheduling and needs to ensure the schedules meet the operational needs of the service. Specifically, the City argued that the proposed schedule did not provide for an adequate staff complement in order to ensure that the operation would continue to run smoothly and meet the needs of HES when staff was away due to unscheduled sick time or on approved holidays.

In its Award, the Board referred the issue of the four day work week (10 hours per day) trial to a Committee. The Board remains seized on this matter.

5. **Statutory Holidays:**

The Board amended the collective agreement in order to replace Heritage Day with Family Day. With respect to statutory holidays, the Association submitted 2 proposals: one provided for the ability for employees to schedule their lieu days or be paid out for part or all of them and the ability for employees working a statutory holiday to be paid at the rate of time and one-half. The Board did not award either of these two proposals.

6. **Line of Duty Death:**

The matter of Line of Duty Death (LODD) was brought forward by the Fire Association requesting that the Accidental Death and Dismemberment Policy be amended from 2 times the employee’s annual basic wage rate to 2½ times the employee’s annual basic wage rate. The Association further requested that accidental death be included under LODD and specifically that any death due to occupational illness also be included, provided that it is ruled an accident by the Workplace Safety and Insurance Board (WSIB). The employer proposed no changes to the matter other than qualification that
the benefits would be provided upon completion of a three (3) month waiting period and that such benefits be provided to a maximum age of sixty-five (65).

Having regard for the complexities of this issue, the Board directed the parties to file written submissions within 60 days, with each filing a written reply within a further 15 days. In light of the recent arbitration case requiring that the City pay the grievor’s estate the AD&D benefits, and Council’s decision to pay the claim and not judicially review matter, it is our legal counsel’s opinion that we simply acquiesce to this request. Given the uncertainty of future claims, the financial exposure remains unknown.

As such, the LODD will be amended to include payment for AD&D in cases which the WSIB has ruled the death to be accidental. It does not include amending the benefit to 2½ times the employee’s annual basic wage rate.

7. *The following amendments are to be made to the health and dental related benefits as soon as “reasonably practicable:”*

   a. Maternity/Parental Leave: Provide for 75% maternity leave top-up for 15 weeks as well as 75% parental leave top-up for 15 weeks. Prior to this award, there were no provisions for maternity and/or parental leave top-up.

   b. Psychological Services: Amend from up to $35 (for first visit) and $20 (for subsequent visits) to a maximum of $200 per person per calendar year to $100 per hour/per visit to a maximum of $1,000 per year for each member, spouse and eligible dependent.

   c. Paramedical – Amend to $500 per year. With respect to this benefit, the City and the HPFFA have different interpretations of the Board’s award. The HPFFA view this amendment to include $500 for each paramedical benefit (i.e. each of clinical psychologist, registered masseur, speech pathologist and chiropractor, osteopath, chiropodist, podiatrist), whereas the City views this amendment to include only registered masseur as this is the only submission made by the Association regarding paramedical benefits. In order to resolve this matter, both the City and the HPFFA will be re-submitting their respective proposals and matter for final clarification from the Board.

   d. Vision Care – Amend vision care from a maximum of $250 every 24 consecutive months to a maximum of $360 every 24 consecutive months, including the cost of an eye examination every 24 consecutive months.

   e. Hearing Aids – Amend hearing device coverage from $300 every 36 consecutive months to $300 every 24 consecutive months.

   f. Orthodontic Coverage – Amend orthodontic coverage for eligible dependents (up to 18 years of age) from $2500 lifetime maximum to $3000 lifetime maximum for each member, spouse and eligible dependent, with continuation of the 50/50 co-insurance.
g. Bereavement Leave – Amend bereavement leave coverage for immediate family members (ie. spouse, common-law spouse, same sex partner, parents, children/step children, sister, brother, grandparent and grandchildren) from up to three consecutive calendar days’ leave of absence, without loss of pay, to up to five consecutive calendar days’ leave of absence, without loss of pay.

8. Financial Impacts:

As stated the contract covers a four year period (2006 – 2009 inclusive). During this period, as identified, a number of interim payments were made. The retroactive cost of the arbitrated settlement, net of these interim payments, is estimated to be $13.3 million (includes wage and benefit impacts). This compares to a financial provision of $12.4 million. Therefore, the 2010 HES budget will have a $900,000 unfavourable variance as a result of the settlement. The difference is primarily the result of changes by the arbitrator to the effective date of the recognition pay (increasing the amount of the retroactive payment for recognition pay). On an annual basis the impact of the settlement is about $7.1 million and there are sufficient funds in the 2010 budget to accommodate these on-going costs.

These estimates do not include the potential impact of the unresolved issues of 24 hour shifts, 4 day work week for mechanical or Line of Duty Death benefit. Staff are in the process of developing cost estimate scenarios with respect to these issues and will report back to Council as the information is available.