

Date: 2021-02-03

Subject: Non Union Benefit Harmonization

Contact: Sandeep Aujla, HR Director

Report Number: Corporate Support Services-2021-130

Recommendations:

1. That the report from Michael Davidson, Commissioner, Corporate Support Services and Sandeep Aujla, Director, Human Resources, Corporate Support Services, dated January 20, 2021, to the Council Meeting of February 17, 2021, re: Non Union Benefit Harmonization, be received; and
2. In reference to this report, that Council approve the implementation of the benefit coverage harmonization items outlined in the report, effective as of April 1, 2021 and January 1, 2022, per Tables 1 and 2.
3. The benefit amendments be implemented for Members of Council, in accordance with Resolution C420-2002 and retirees.
4. That the Council approve the use of existing Fringe Benefits Budget to cover for the costs associated with benefits harmonization.

Overview:

- The City of Brampton's Benefit Program is founded on the principles of consistency, equity and the ultimate goal of making a meaningful investment in the physical and mental health of City staff.
- Subsequent to each round of collective bargaining, negotiations with the Brampton Professional Fire Fighters Association (BPFPA) Local 1068, IAFF, Canadian Union of Public Employees (CUPE) Local 831 and the Amalgamated Transit Union (ATU) Local 1573, resulted in meaningful enhancements for their respective memberships.
- There are now various 'gaps' in the benefit offerings to the City's non-union (NU) population.

- The City has an established practice whereby the benefits for non-union employees are harmonized so that they are in line with coverage under the bargaining units.
- The annual financial impact is expected to be approximately \$360,000. This cost can be absorbed within the existing fringe benefits budget, as a result of continued mobility restrictions resulting from the State of Emergency declared on January 12, 2021.

Background:

The City's Group Benefit Program represents an important part of Total Compensation for employees and their families. Coverage is intended to meet their health and wellness needs, as they evolve with differing health care needs.

The City's three Unions and association: ATU, CUPE, and BPPFA, respectively, negotiate enhancements as part of Collective Bargaining to change coverage to meet the needs of their members.

Historically, following the completion of each round of collective bargaining, the non-union benefits get harmonized to match the union-negotiated changes.

Any changes made to the non-union Benefits will also be implemented for Elected Officials (Council Resolution C420-2002) and all retirees.

Current Situation:

A change to the current non-union benefits is recommended to match union settlements to provide fair and competitive offering for all employees as part of Total Compensation. Harmonization includes the following changes:

Table 1: 2021 Harmonization Items (proposed effective date April 1, 2021):

Benefit	Current Plan	Proposed NU Coverage	Estimated Annual Cost Impact
Shingles Vaccine	No Coverage	Employees Only, Age 50+	\$15,000
Hearing Test	No Coverage	\$55 / 3 years	\$10,000
Vision	\$450	\$550	\$131,000
Psychologist	\$45 per ½ hour	\$225 / visit \$2,500 Combined Annual Max	\$134,000
Psychotherapist	No Coverage		
Social Worker (MSW)	No Coverage		
Total 2021 Annualized Cost:			\$290,000

Table 2: 2022 Harmonization Items (proposed effective date January 1, 2022):

Benefit	Current Plan	Proposed NU Coverage	Estimated Annual Cost Impact
Paramedical Coverage	\$45 per ½ hour	\$50 per ½ hour visit Excluding Psychologist, Psychotherapist, Social Worker	\$70,000
Total 2022 Annualized Cost:			\$70,000

Corporate Implications:

Financial Implications:

The total annual cost is estimated to be \$290,000 in 2021 and \$70,000 in 2022. The pro-rated 2021 impact is \$220,000.

Term of Council Priorities:

This initiative is in line with our commitment to being a 'Well-Run City'.

Conclusion:

Harmonization between the non-union benefit plan and union negotiated enhancements has been a long-standing practice at the City of Brampton. It ensures non-union benefit offerings do not lag when compared to the union plans.

To address the stress of the current COVID-19 situation there is currently a temporary increase to the coverage for Psychologists and Social Workers from \$45/visit to \$225/visit with a combined annual maximum of \$2,000. This is in place until March 31, 2021. The above recommended Non-Union Harmonization would convert this temporary enhancement to permanent coverage with annual maximum of \$2,500. The temporary coverage was also extended to ATU but will end on March 31, 2021; ATU will have the opportunity to negotiate this during the next round of Collective Bargaining.

Implementing the amendments identified would create parity for non-union employees. This enables the Corporation to be competitive internally and externally to attract and retain top talent. These changes are fully in line with established practice at the City.

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