



**FOR INFORMATION**

**PUBLIC**

**OPEN SESSION**

**TO:** Business Board

**SPONSOR:** Kelly Hannah-Moffat, Vice-President, People Strategy, Equity & Culture  
**CONTACT INFO:** 416-978-4865; [vp.psec@utoronto.ca](mailto:vp.psec@utoronto.ca)

**PRESENTER:** Kelly Hannah-Moffat, Vice-President, People Strategy, Equity & Culture  
**CONTACT INFO:** 416-978-4865; [vp.psec@utoronto.ca](mailto:vp.psec@utoronto.ca)

**DATE:** April 18, 2024 for April 25, 2024

**AGENDA ITEM:** 9 (d)

**ITEM IDENTIFICATION:**

January 1, 2024 – December 31, 2026 Collective Agreement between the University of Toronto and CUPE Local 3261 – 89 Chestnut.

**JURISDICTIONAL INFORMATION:**

In accordance with Section 5.10(c) of the Business Board Terms of Reference, approval of changes to the Collective Agreement within existing policies and salary determination procedures are delegated to the President and are provided for information.

**GOVERNANCE PATH:**

1. Business Board [For Information] (April 25, 2024)

**PREVIOUS ACTION TAKEN:**

N/A

**HIGHLIGHTS:**

The University of Toronto and CUPE Local 3261 – 89 Chestnut, which represents approximately 90 full-time, part-time, and casual employees working at the Chestnut Residence and Conference Centre, have completed negotiations for a renewal collective agreement for the period January 1, 2024 to December 31, 2026. The Memorandum of Agreement was signed on March 4, 2024 and ratified on March 17, 2024.

This collective agreement is part of a bargaining cycle based on a pattern of Across-the-Board (ATB) wage increases that began with the USW Staff-Appointed agreement reached last September, immediately following UTFA's arbitration award. This ATB pattern now applies to more than 18,000 University employees represented by USW and CUPE in eight different bargaining units.

This agreement occurred within the context of Bill 124 being deemed unconstitutional and subsequently repealed in February 2024. Bill 124 restricted compensation increases to 1% annually during a 3-year moderation period, which coincided with extraordinarily high inflation that averaged well over 3% per year during and after the COVID-19 pandemic. High inflation, combined with restricted compensation under Bill 124, and the exclusion from our collective agreements of any retroactive wage increases (“reopeners”) in the event that Bill 124 was repealed, meant that the University spent significantly less on labour costs relative to inflation for the 6 years that include the Bill 124 moderation period as compared to previous years, since at least 2005. At the same time, we shifted from our historical trend of negotiating ATB wage increases that match or exceed inflation, thereby limiting the impact of pandemic-related inflationary spikes on our labour costs. Our ATB increases are on average approximately 0.65% per year below the CPI over the past 6 years, or approximately 3.8% in total below the CPI for the past 6-year period.

The University resisted significant union pressure to provide retroactive wage increases to cover the 3-year Bill 124 moderation period. The absence of “reopener” provisions in our collective agreements means we have minimal responsibility for the financial damages of the now repealed Bill 124. CUPE and other unions are currently pursuing damages in court from the Ontario government.

We also successfully rejected efforts by all CUPE bargaining units to engage in unified collective bargaining at a single central table and align collective agreement terms and expiration dates to enable unified bargaining and potentially higher risk of labour disruptions in the future.

#### **Key Non-monetary Revisions**

- Clarified that where specific training is required by the Employer it shall be provided and scheduled such that the employee attends during regular working hours with no loss of pay, or where required to attend outside of regular working hours is compensated at the applicable rate
- Updated and aligned the union orientation provisions with CUPE 3261 Full-Time & Part-Time
- Aligned the probationary period language with CUPE 3261 Full-Time & Part-Time
- Added new employee categories of sessional, term, and temporary under this Collective Agreement and aligned with CUPE 3261 Full-Time & Part-Time
- Aligned Bereavement Leave provision with CUPE 3261 Full-Time & Part-Time to make it available for up to five consecutive working days, pro-rated for part-time employees, to make more equitable
- Agreed that if the Employer requires additional work to be performed, it will first offer the work to those full-time employees who are qualified and available to perform the work and who are already scheduled to work less than eight (8) hours per day and/or forty (40) hours per week
- Amended Letter of Intent: Educational Assistance to align with other comparable employee groups

#### **Monetary Revisions**

- Across-the-Board (ATB) increases of 5.7% in year 1 (January 1, 2024), 2.0% in year 2 (January 1, 2025), and 1.8% in year 3 (January 1, 2026)
- Increased the Minimum Wage Rate to \$18.00 per hour in year 1 (January 1, 2024), \$19.00 per hour in year 2 (January 1, 2025), and \$20.00 per hour in year 3 (January 1, 2026) after the annual ATB wage increases are applied
- Deleted the New Hire rates for all classifications

- Increased the rates of pay for the Food Service Worker, Cashier/Hostess, Room & Public Service Attendant, and Make Ready Team classifications to \$25.00 per hour, the rate of pay for the Cook classification to \$25.50 per hour, and the rate of pay for the Lead Hand Food Service Worker to \$26.29 per hour
- Combined the lower level Cashier/Hostess classification into the higher level Food Service Worker classification to improve operational efficiency and effectiveness
- Increased the shift premium to \$1.00 per hour for all employees
- Added the Cook classification to those employees eligible to receive the Red Seal Premium of \$1.00 per hour with Red Seal certification
- Renewed the Early Retirement Bridge Benefit outside the Pension Plan for retirements on or after March 31, 2024 up to and including November 30, 2026
- One additional paid Personal Leave day, for a total of five paid Personal Leave days
- Agreed that eligible employees in the bargaining unit may participate in the same Child Care Benefit Plan and in the same pool in accordance with the same provisions as CUPE 3261 Full-Time & Part-Time
- Effective July 1, 2025, align the Vacation provisions and entitlements of the CUPE 3261-89 Chestnut Collective Agreement to match the Vacation provisions and entitlements of the CUPE 3261 Full-Time & Part-Time Collective Agreement in all material respects
- Aligned the Bereavement provisions with CUPE 3261 Full-Time & Part-Time
- Amended Letter of Intent: Educational Assistance to align with CUPE 3261 Full-Time & Part-Time
- Increased the safety shoe allowance from up to \$175 to up to \$200 annually
- Opened up the provision of meals to all bargaining unit employees
- Deleted existing Short Term Disability benefit and replaced with all of the same sick leave, attendance and absenteeism provisions as CUPE 3261 Full-Time & Part-Time
- Aligned the benefit coverage and cost sharing for benefit plans with CUPE 3261 Full-Time & Part-Time
- Increased the Employer's contribution towards the cost of premiums for the University of Toronto Extended Health Care Plan from 75% to 85%, and for the Dental Care Plan from 80% to 90%

**FINANCIAL IMPLICATIONS:**

**Estimated Costing – CUPE 3261 – 89 Chestnut Collective Agreement  
January 1, 2024 to December 31, 2026**

	Year 1	Year 2	Year 3	Total Over 3 Years	Total Over 3 Years
<b>Bargaining Unit Base Payroll = \$3.46M</b>				<b>(Salary Base Increase)</b>	<b>(Benefits)</b>
<b>Total Comp. = \$3.94M</b>					
<b>Wage increases</b>	\$197K 5.0%	\$77K 1.69%	\$69K 1.52%	\$343K 8.21%	
<b>Increases to specific classifications</b>	\$62K 1.56%			\$62K 1.56%	
<b>Food Service Shift Premiums</b>	\$87K 2.21%			\$87K 2.21%	
<b>General Shift premium increases</b>	\$5K 0.12%			\$5K 0.12%	
<b>Safety Shoe reimbursement</b>	\$2K 0.05%				\$2K 0.05%
<b>Greenshield Benefits Cost Sharing changes</b>		\$20K 0.45%			\$20K 0.45%
<b>Total</b>	<b>\$353K 8.94%</b>	<b>\$97K 2.14%</b>	<b>\$69K 1.52%</b>	<b>\$497K 12.17%</b>	<b>\$22K 0.50%</b>