



2018 Mid-Year Workforce Increase

Date: July 10, 2018
To: TTC Board
From: Chief Service Officer

Reason for Confidential Information

This report concerns labour relations and employee negotiations.

This report contains advice or communications that are subject to solicitor-client privilege, including communications necessary for that purpose.

Summary

The purpose of this report is to seek Board and City Council approval to increase the 2018 approved number of TTC positions by 184 and Wheel-Trans positions by 25 (please see Appendix 1 for details) in order to increase workforce resiliency, and to:

- a) Address the Amalgamated Transit Union (ATU), Local 113 decision to not renew the excess hours agreement under the Employment Standards Act (ESA) which enables unionized employees to work more than 48 hours weekly;
- b) Respond to workforce impacts associated with the legislated change to provide paid emergency leave;
- c) Address resultant scheduling and service reliability needs; and
- d) Address budgeted Wheel-Trans Operator anticipated requirements as a result of the resumption of the collective agreement modal split obligations and the unanticipated impacts resulting from point (a) on this requirement.

Recommendations

It is recommended that the Board:

1. Increase the TTC's 2018 approved workforce complement of 14,507 positions by 184, resulting in an approved complement of 14,691;
2. Increase the TTC Wheel-Trans 2018 approved workforce complement of 588 by 25 positions, resulting in an approved complement of 613;
3. Forward this report to City Council through the City of Toronto Executive Committee for approval of the amended 2018 workforce complement;
4. Direct that the information contained in the Confidential Attachment not be publicly released as it contains information regarding labour relations or employee negotiations, and advice or communications that are subject to solicitor-client privilege, including communications necessary for that purpose.

Implementation Points

Details of Management Action Plan implementation are set out in the Confidential Attachment.

Financial Summary

TTC Conventional

It is recommended that the approved complement for TTC Conventional Service be increased by 184 positions resulting in a 2018 net operating cost of \$1.5 million that will be accommodated within existing 2018 approved funding. It is expected that the annualized net impact in 2019 will be \$4.5 million requiring additional funding as part of the 2019 budget process.

Of the 184 added positions, 169 are required for TTC Operators for conventional service. Fifty-two of these positions will be primarily assigned to capital subway closure bus shuttles with the remaining 117 assigned to address operating requirements in Bus Transportation, Streetcar Transportation, and Subway Transportation.

The remaining 15 positions are needed to both support the additional operator workforce and to address other impacts of the ESA 48 hour limit. These include: six Carhouse Operators, four Route Supervisors, two Instructors, one Bus Transportation Clerk, one HVAC Mechanic and one Automotive Technician.

The cost and funding sources for the 184 positions is outlined in the following table.

(\$Millions)	2018	2019
Cost of New Workforce (184 Positions)	6.5	18.5
Funding Sources		
Capital Closures	1.8	4.0
Operating Budget Overtime – Anticipated Budget Reduction	2.5	7.0
Paid Emergency Leave – Budget Pressure	0.7	3.0
Subtotal Funding Sources	5.0	14.0
Net Anticipated Cost	1.5	4.5

Capital Closures

The equivalent of 52 operators will be assigned to operate shuttles for subway closures. The cost for this service is included in the TTC's Capital Budget. The impact on the capital budget is expected to be minimal as regular wages and benefits will only be

charged to capital as a direct replacement for work that was previously completed on overtime. The total costs involved for this portion of work are comparable.

Operating Budget Overtime Reduction

As a result of the added positions a \$2.5 million (2018) and a \$7 million (annual) reduction in operating budget overtime expenditures is expected. This will primarily result from reductions in the amount of scheduled overtime in operator crews and reduced dependency on overtime to backfill for absences.

Paid Emergency Leave

Starting on January 1, 2018, Bill 148 (Fair Workplaces Better Jobs Act) amended existing emergency leave provisions to allow the first 2 emergency days taken to be paid. TTC experience to date is that paid emergency leave taken has exceeded budgetary provisions. This has been a key component of the current year over expenditure on Transportation labour expenses and is reflected in the 2019 budget outlook. At the start of the year, additional backfill requirements for paid emergency leave were being supported in part through overtime. With the ESA 48 hour limit additional workforce is required to support the backfill requirement. In terms of a funding requirement, this budget pressure would remain whether TTC had the ability to backfill on overtime or used additional workforce to fulfil this requirement.

Net anticipated cost – TTC Conventional

The 2018 operating budget impact for the TTC Conventional requirement of 184 positions is estimated at \$1.5 million. This \$1.5 million net cost impact will be accommodated within the existing 2018 approved funding through expected under expenditures in other areas.

The 2019 operating budget impacts are based on best estimates currently available and will ultimately depend on the degree of crewing efficiency that can be achieved. Previously for example, scheduled overtime was added to existing crews to maximize the number service hours relative to pay hours. This had the effect of minimizing deadhead or travel time. In addition, ad hoc service requirements for events and closure shuttles were supported through overtime to maximize utilization of spareboard resources.

Efforts to optimize schedules based on the new parameters are ongoing, but based on currently available information the additional workforce is expected to result in a 2019 net cost impact of \$4.5 million. The 2019 operating budget impact will be reviewed and ultimately confirmed through the 2019 budget process.

Wheel-Trans

The TTC must budget 38% of all Wheel-Trans trips to be provided by Wheel-Trans vehicles in accordance with the collective agreement. Wheel-Trans is currently meeting that contractual obligation.

Wheel-Trans requirements include 25 additional positions comprised of 24 Wheel-Trans operators and 1 Wicket Clerk. Cost impacts include the salary and benefit costs of the additional workforce and related incremental vehicle costs, offset by a reduction in contracted services as summarized in the following table.

(\$Millions)	2018	2019
Cost of new workforce (25 positions)	0.7	2.2
Incremental Vehicle Costs (fuel, maintenance)	0.3	0.9
Contracted Services Reduction	(0.5)	(1.5)
Net Anticipated Cost	0.5	1.6

The \$0.5 million net cost impact in 2018 will be accommodated within the 2018 approved Wheel-Trans budget as a result of savings achieved through the new Wheel-Trans service delivery model. Staff will work towards offsetting the 2019 cost of this additional workforce through continued implementation of these efficiencies with the intent to eliminate the 2019 Budget impact.

Chief Financial Officer Review

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

Equity/Accessibility Matters

Implementation of the Management Action Plan will ensure that the TTC maintains service levels in keeping with board approved crowding standards, and maintains service reliability and system accessibility for all customers.

Decision History

In receiving the Chief Executive Officer's report at its meeting of May 8, 2018, the TTC Board was informed of an anticipated need to increase the Operator workforce as a result of the ATU, Local 113 decision to not renew the excess hours agreement. The specific requirements were under review and would be the subject of a future report to the Board.

At that meeting, the Board also requested that staff assess the impact of the ESA and mitigate customer impact through workforce increases.

Issue Background

The ATU, Local 113 notified the TTC on April 20, 2018 that it would not renew the ESA excess hours agreement that allowed its members to work up to 64 hours weekly, for fatigue and fitness for duty reasons.

parties agreed to the arrangement. Since the ATU has decided to discontinue this agreement, TTC Management has adjusted operations to comply with the ESA 48-hours work limitation. Part of this effort to reduce hours of work required the TTC to temporarily suspend key operational activities crucial to TTC maintenance and upgrades such as large weekend subway closures. The TTC will reinstate closures this month.

All Departments have made temporary adjustments to their scheduling strategy to account for the ESA 48-hours of work limitation for the summer months, however with factors like crewing methods, and increase in paid emergency leaves, an increase in authorized workforce complement is required.

A key driver for additional workforce is the need to alleviate pressures caused by the 48-hour limitation. An increase in workforce complement will allow for the reinstatement of shuttle bus service to support subway closures, adequate coverage for emergency leave absences, and will allow for the required reductions in operator crew lengths.

In all, 150 Bus Operators, 15 Streetcar Operators, 24 Wheel-Trans Operators, four Subway Operators, six Carhouse Operators, one HVAC Mechanic, and one Automotive Technician are required to meet service needs for the September Board Period and onwards. In addition, to support the uplift, four Route Supervisors, two Instructors, and two Wicket Clerks, are also required.

The TTC also must continue to comply with the existing collective agreement provisions that require the TTC to budget for a modal split of no less than 38% of all Wheel-Trans service provided in TTC vehicles. Therefore, any increase in trips will necessarily result in an increased requirement for Operators. The TTC adjusted its operations accordingly to meet this contractual requirement; however, the limit on hours of work has impacted Wheel-Trans operations similar to conventional transit. To continue to meet the 38% contractual commitment, the TTC will be required to hire additional Wheel-Trans Bus Operators. The ESA 48 hours of work limitation has also restricted the option of additional service hours being provided primarily through overtime work.

Comments

Due to the compounded effect of crewing method changes, legislated changes to emergency leaves, resumption of capital construction, and the need for workforce resiliency, TTC Management has temporarily implemented various strategies to mitigate the reduction in available workforce such as: holding targeted hiring sessions, increasing Operator initial training programs, rehiring retired Instructors to support the number of training classes available, and deferring “non-essential” training programs (see: *Initiatives To-Date*).

Benefits

While an increase in headcount is required as a result of the changes, the benefits can also be measured with an increase in rest hours afforded to each Operator. Reduction in absence rate, fatigue-related injuries, as well as vehicular incidents and potentially

improved customer interactions, are to be expected and will be tracked through our KPI management processes and Customer Service Complaints.

Crewing

The TTC has adjusted the crewing process to meet the 48-hour limitation. To fulfill the new crewing standards, an increase in the required headcount is anticipated.

Paid Personal Emergency Leaves (Fair Workplaces, Better Jobs Act, 2017, S.O. 2017, c. 22 – Bill 148)

With the enactment of Bill 148 effective January 1, 2018, employees now have the right to two days of paid personal emergency leave. The TTC was able to initially mitigate the effect of this legislative change through overtime work, however, with the 48-hours of work limitation, additional workforce is now required to backfill open work when these leaves are taken.

Subway Closures

The TTC was forced to defer critical weekend subway closures to replenish the lack of Operator availability for regular work. With strategic planning, management is able to reinstate weekend closures in July 2018, using available overtime and spareboard Operators to the best of our ability at the divisional level. This strategy is not sustainable, and new strategies will need to be implemented to ensure that Operators are available for weekend closures in the September Board Period and onward. Management requires an increase in headcount to fill work for the September Board Period, and to ensure that closures will be sufficiently staffed.

Initiatives To-Date

All departments have implemented initiatives to mitigate the effects of the 48-hour limitation on TTC services. As a result of the workforce shortage, TTC has implemented a recruitment strategy to hire a large number of new transit Operators, expediting the hiring and onboarding process. This strategy is underway and on track.

Several temporary initiatives were put in place to facilitate approval of new Operator recruits, including accommodating for the larger recruitment pool by increasing Bus Initial New Hire class sizes, deferring a number of training programs in order to reallocate resources and rehiring retired Instructors to help with the class load. The Training and Development Department is also working with the Ministry of Transportation to expedite medical checks for licensing requirements.

Staff are in the process of packaging closures by operating Board Period to maximize and streamline the utilization of available resources.

The TTC will use the additional workforce to address service requirements associated with subway closures as well as the restructuring of crews.

In Streetcar Maintenance, workforce at Leslie Barns has utilized overtime in excess of 48-hours to address various challenges with the new yard configuration before the ESA changes. Without the required overtime, some vehicles were late into service from Leslie Barns in May. To adhere to the new ESA hours and to mitigate late service delivery, staff temporarily shifted workforce from Roncesvalles and Russell Carhouses

to Leslie Barns. Transfer of employees is possible due to the construction closure at Roncesvalles Carhouse.

To address yard challenges at Leslie Barns on a more permanent basis, staff will be adding a total of three Carhouse Operator positions in the 2019 budget submission.

To support service delivery changes and the subway closures, Rail Cars & Shops (RCS) had planned to rely on a substantial amount of overtime work. To comply with the new ESA hours, RCS will require a total of five additional positions, which include:

- Three Carhouse Operators
 - Service schedule changes for Wilson run outs (effective September 2018), additional Carhouse Operators required due to 48-hour ESA limitation.
- One Automotive Technician
 - Additional position required to support subway closures due to 48-hour ESA limitation.
- One HVAC Repair Person
 - Additional position required to maintain HVAC system for SRT fleet due to 48-hour ESA limitation, only one position exists currently.

Contact

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Signature

Richard J. Leary
Chief Executive Officer (Acting)

Attachments

Confidential Attachment 1

Appendix 1

Department	Position Title	Workforce Increase	Justification
Bus Transportation	Operators	150	<ul style="list-style-type: none"> - Improve regular service and planned subway disruptions - Improve workforce resiliency - Support revised crewing formula
	Supervisors	2	<ul style="list-style-type: none"> - Manage the delivery of regular and unscheduled/planned service disruption - Evaluate and support new Operator workforce - Improve Garage pull out effectiveness - Evaluate and execute safety initiatives
Wheel-Trans	Operators	24	<ul style="list-style-type: none"> - Improve service reliability - Support revised crewing formula - Reduce business dependency on overtime extras
Training and Development Department	Instructors	2	<ul style="list-style-type: none"> - Support work location needs and increased demands - Ensure qualified persons are available to provide service
Streetcar Transportation	Operators	15	<ul style="list-style-type: none"> - Support revised crewing formula - Maintain workforce resiliency - Reduce business dependency on overtime crews

Department	Position Title	Workforce Increase	Justification
	Supervisors	2	<ul style="list-style-type: none"> - Reduce business dependency on overtime crews - Supervise/instruct increase in junior operators - Improve service reliability
Streetcar Maintenance	Carhouse Operators	3	<ul style="list-style-type: none"> - Improve service reliability - Adhere to the ESA requirements
Service Delivery Control	Wicket Clerk (Wheel-Trans)	1	<ul style="list-style-type: none"> - Improve service reliability - Support revised crewing formula - Administer & implement the ESA 48 hour guidelines - Reduced dependency on overtime
	Bus Transportation Clerk	1	<ul style="list-style-type: none"> - Improve service reliability - Support revised crewing formula - Administer & implement the ESA 48 hour guidelines - Reduced dependency on overtime
Rail, Cars & Shops	Carhouse Operators	3	<ul style="list-style-type: none"> - Ensure/support dispatch of change to scheduled service within 48 hour ESA limitations. Reduce business dependence on overtime.
	HVAC Mechanic	1	<ul style="list-style-type: none"> - Maintain state of good repair of SRT fleet within 48 hour ESA limitations. Reduce business dependence on overtime in peak heating/cooling season.

Department	Position Title	Workforce Increase	Justification
	Automotive Technician	1	<ul style="list-style-type: none"> - Provide critical support for workcars during weekend subway closures within 48-hour ESA limitations. - Reduce business dependence on overtime.
Subway Transportation	Operators	4	<ul style="list-style-type: none"> - Mitigate delays due to crewing/operator absence - improve schedule and workforce reliability
TOTAL		209	