17.

STAFF REPORT
ACTION REQUIRED

Short-term Disability Plan for Non-union Staff

Date:	June 11, 2007
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to obtain Toronto Public Library Board approval for the attached Short-term Disability Plan Policy for the Library's non-union staff.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the Short-term Disability Policy (Attachment 1) for non-union staff;

2. approves an implementation date for the Short-term Disability Policy of January 1, 2009; and

3. approves that the sick pay gratuity benefit be pro-rated for staff with less than 10 years of continuous service to a maximum benefit of three (3) months pay.

Implementation Points

Recommendation #3 is to pro-rate the sick pay gratuity benefit for staff with less than ten (10) years continuous service to a maximum benefit of three (3) months. This recommendation will deal equitably with all non-union staff hired by the Library since the date of amalgamation, January 1, 1998.

It took several years following amalgamation in January 1998 for the new Toronto Public Library to harmonization all of the administrative functions and its benefits package for non-union staff. In the interim period before the harmonization of these processes and benefits, a number of non-union staff were hired with different terms and conditions for their benefits, including different terms for the sick pay gratuity.

Recommendation #3 will provide for a uniform and equitable approach to the payment of the sick pay gratuity for all non-union staff with less than ten (10) years continuous service with the Board.

FINANCIAL IMPACT

There is no immediate financial impact to this report in 2007.

The Short-term Disability Policy will limit the Board's future liability in the sick pay gratuity benefit for non-union staff.

The Director, Finance and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

In January 2000, the Toronto Public Library Board adopted a compensation and benefits package for the Library's non-union staff which is based on the City of Toronto's compensation and benefits package for City non-union staff. The compensation and benefits package for non-union staff has continued to be based on the City's compensation package for its non-union staff.

In July 2006, Toronto City Council approved for the City's non-union staff a Short-term Disability Policy to replace the existing sick credit accrual plans, which had been carried over from the predecessor municipalities into the amalgamated City of Toronto.

City Council also directed City staff to forward the policy to the City's agencies, boards and commissions (ABCs) and to encourage the ABCs to adopt and implement the same policy. The Library received in January 2007 information about the Policy from the City's Director of Pensions, Payroll & Employee Benefits.

This report recommends that the Board approves the attached Short-term Disability Plan Policy for the Library's non-union staff.

COMMENTS

The Short-term Disability Policy ("the Policy") will replace existing sick leave accrual plans, effective January 1, 2009.

The Policy will provide up to six (6) months of income protection to employees who are sick or suffer non-compensable injuries at either 100% or 75% of salary, based on the number of years of uninterrupted service with the Board. The six (6) months of income protection is "refreshed" on the first day of work in January, each year.

The Short-term Disability Policy will provide coverage to non-union staff in order to bridge to the Long Term Disability plan.

The Policy allows up to six days per year for the care of ill dependents.

The employees' existing sick credit banks will be "frozen" effective the date of implementation of the Policy, on January 1, 2009. "Frozen" sick credits may be used to "top-up" the short-term disability coverage. Also, the "frozen" sick credits will be used to calculate the non-union employee's sick pay gratuity, which is paid out on the date of termination.

The eligibility and calculation of the non-union employee's sick pay gratuity will be based on the length of service and the number of banked sick credits as of the date of implementation of the Short-term Disability Policy.

The sick pay gratuity will be paid out at the salary rate as of the date of the employee's termination and in accordance to the terms of the plan of the employee's predecessor library system. For employees with less than ten (10) years continuous service at the date of implementation, the sick pay gratuity will be pro-rated to a maximum benefit of three (3) months.

CONTACT

Dan Keon, Director, Human Resources; Tel: 416-395-5850; Fax: 416-395-5952;
Email: dkeon@torontopubliclibrary.ca.

SIGNATURE

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Josephine Bryant
City Librarian

ATTACHMENTS

Attachment #1: Short-term Disability Plan – Management & Non-union Employees Policy