



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 23, 2017
SUBJECT/REPORT NO:	Employee Attendance Report Q1 to Q2 2017 (HUR17021) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	David Lindeman 905 546-2424 Ext. 5657 Zachary Nichol 905 546-2424 Ext. 6273
SUBMITTED BY:	Lora Fontana Executive Director Human Resources & Organizational Development
SIGNATURE:	

Council Direction:

That Human Resources staff reports employee attendance performance measures to Audit Finance and Administration Committee on an annual and semi-annual basis. This report presents sick absence data covering January to June 2017 with comparison to 2015 and 2016.

Executive Summary

This report provides an overall summary of the City's employee attendance performance measures and program.

Short-term Disabilities (STD)

- Short term Disabilities are broken down for the purposes of this report into two categories; 1) those governed by Income Protection Plans (most of the organization) and, 2) those governed by a Sick Bank Plan (Fire).

Trends for STD – Group 1 - Income Protection Plans

- Average **Incidental** paid sick absences increased from 13.5 hours per employee in 2016 to 14.1 hours in 2017 (a 4% increase)
- 46.3% of employees had no **incidental** sick absences so far in 2017

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- Average **Significant** sick absences increased from 21.8 hours per employee in 2016 to 23.2 hours in 2017 (a 6% increase)
- 90.2% of employees had no **significant** sick absences so far in 2017
- Overall, average paid sick time for all absences increased to 41.7 hours from 40.3 in 2016 (3% increase)
- Average modified sick time per employee was 2.0 hours in 2017, down slightly from 2.1 hours in 2016.

STD – Group 2 - Sick Leave Plan (Fire Services)

- Average **Incidental** paid sick absences per employee increased from 24.9 hours per employee in 2016 to 26.1 hours in 2017 (an 8% increase)
- Average **Significant** paid sick absences increased from 33.0 hours per employee in 2016 to 35.8 hours in 2017 (a 4% increase)
- Overall, average paid sick time for all absences increased to 62.3 hours from 58.0 hours in 2016 (7% increase)

Long-term Disabilities (LTD)

- The number of new LTD claims received increased from 37 in 2016 to 41 in 2017
- Total active claims (new and old) at the end of Q2 increased from 166 in 2016 to 176 in 2017

Return to Work Services Performance Measures

- The team closed 291 cases for employees needing assistance in returning to work after an injury or illness in Q1 to Q2 2017, decrease from 318 cases in 2016. This includes both occupational and non-occupational cases.
- Return to Work Services (RTWS) assisted in returning 241 employees to their full-time hours in Q1 to Q2 2017. The productivity gain for those employees with non-occupational illnesses or injuries who had modified work in Q1 to Q2 2017 was \$274,482.
- The number of employees waiting for permanent, suitable accommodated work remained low at the end of Q2 2017 (N=14), the same level as the end of Q2 2016. This success in finding permanent work is the result of the efforts of the RTWS team and others in Human Resources in working with all parties

(management and unions) to find suitable employment for these employees with significant permanent injuries or illnesses.

2017 Initiatives to Address Employee Absenteeism

- In 2017, trained instructors began delivering deliver the Mental Health Commission of Canada's The Working Mind (TWM) program to staff across the organization. TWM is an education-based program designed to address and promote mental health and reduce the stigma of mental illness. Delivery of the program will become a foundational piece of our Workplace Mental Health and Wellbeing Strategy.
- A number of other employee health and wellbeing initiatives are underway to provide employees with psychologically safe workplaces and increased personal resiliency (see Workplace Mental Health and Wellbeing Strategy (2016-2018) HUR17019)
- Human Resources is modifying the Attendance Support Program to better focus management resources on areas where they can make the greatest impact and ensure employee absenteeism is managed appropriately.
- The Hamilton Fire Department and Human Resources have dedicated a Return to Work Specialist who will focus on Fire absenteeism. This position will monitor both occupational and non-occupational absences and facilitate early and safe return to work.

Information:

Background

The City of Hamilton proactively manages occupational illnesses and injuries through programs and policies that: control employee absences; identify employees whose attendance needs improving; support employees in improving attendance; and prevent illness and injury amongst our employees.

Definitions:

Short-term Disabilities (STD) include absences of less than 1 day up to 130 days. STD has been further categorized into either Incidental or Significant sick absences. The majority of full-time employees are covered by an Income Protection Plan that provides benefits during a sick absence.

- Incidental sick absences are those that are less than 6 days in the Income Protection Plan and are managed primarily by an employee’s supervisor. These absences are primarily due to common ailments like colds, infections, respiratory illnesses, gastrointestinal illnesses, viruses, or minor injuries, and do not require a sick claim form. These sick absences continued as the primary focus for front-line management.
- Significant sick absences are those that are 6 days up to 130 days in the Income Protection Plan, require a medical claim form(s) and are additionally managed by Return to Work Services staff in Human Resources. These absences are caused by more serious medical conditions, including cancers, fractures, traumatic injuries, mental illness, cardiovascular conditions, nervous disorders, as well as surgeries.
- Modified sick absences are for those employees who are involved in graduated return to work programs and are paid for partial sick days. An increase in modified sick time reflects greater participation in return to work and therefore less unproductive costs.
- Chronic Sick Absence: Either a chronic condition (disease) of long duration and generally slow progression or a long term condition which has fluctuating periods of poor health and deterioration or relapse while the person generally maintains a level of functionality. These are self-identified by employees and are managed through Return to Work Services in Human Resources. They are also tracked through the Attendance Support Program.

Table 1a, 1b & 1c shows the breakdown of sick absences for employees covered by an Income Protection Plan (IPP).

Table 1a: Employee Short-term Sick Absences Q1 to Q2 2017 – Breakdown for Employees with Income Protection Plans

2017	IPP Sick Activity – Sick Absence				
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Chronic Sick Absence	Total
Headcount	4,664	4,664	4,664	4,664	4,664
Lost Sick Hours Per Eligible Employee	23.3	2.0	14.8	2.7	42.7
Lost Sick Calc. Days* Per Eligible Employee	3.3	0.3	2.1	0.4	6.1

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2017	IPP Sick Activity – Sick Absence				
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Chronic Sick Absence	Total
% Of Staff That Took Zero Sick Time	90.2 %	96.7 %	46.3 %	97.3 %	40.5 %
Paid Sick Hours Per Eligible Employee	23.2	2.0	14.1	2.4	41.7
Paid Sick Calc. Days* Per Eligible Employee	3.3	0.3	2.0	0.3	6.0
Total Cost Paid	\$3,424,062	\$274,482	\$2,352,394	\$302,407	\$6,353,345

Table 1b: Employee Short-term Sick Absences Q1 to Q2 2016 – Breakdown for Employees with Income Protection Plans

2016	IPP Sick Activity – Sick Absence				
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Chronic Sick Absence	Total
Headcount	4,609	4,609	4,609	4,609	4,609
Lost Sick Hours Per Eligible Employee	21.9	2.1	14.0	3.1	41.2
Lost Sick Calc. Days*Per Eligible Employee	3.1	0.3	2.0	0.4	5.9
% Of Staff That Took Zero Sick Time	89.7 %	96.9 %	48.5 %	97.5 %	42.0 %
Paid Sick Hours Per Eligible Employee	21.8	2.1	13.5	2.9	40.3
Paid Sick Calc. Days*Per Eligible Employee	3.1	0.3	1.9	0.4	5.8
Total Cost Paid	\$3,047,234	\$271,209	\$2,163,938	\$358,274	\$5,840,655

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Table 1c: Employee Short-term Sick Absences Q1 to Q2 2015 – Breakdown for Employees with Income Protection Plans

2015	IPP Sick Activity – Sick Absence				
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Chronic Sick Absence	Total
Headcount	4,474	4,474	4,474	4,474	4,474
Lost Sick Hours Per Eligible Employee	22.9	1.8	14.5	2.0	41.1
Lost Sick Calc. Days* Per Eligible Employee	3.3	0.3	2.1	0.3	5.9
% Of Staff That Took Zero Sick Time	89.6 %	96.5 %	48.4 %	98.5 %	42.2 %
Paid Sick Hours Per Eligible Employee	22.8	1.8	13.8	1.8	40.2
Paid Sick Calc. Days* Per Eligible Employee	3.3	0.3	2.0	0.3	5.7
Total Cost Paid	\$3,051,654	\$225,190	\$2,112,712	\$211,538	\$5,601,094

*For the above tables: * represents a standard calculated 7 hour day. **Incidental** sick absences are single absences of less than 6 days. **Significant** sick absences are single absences of 6 to 130 days*

The tables above indicate:

- Average **Incidental** paid sick absences increased from 13.5 hours (1.9 days) per employee in 2016 to 14.1 hours (2.0 days in 2017 (a 4% increase)
- 46.3% of employees had no **incidental** sick absences so far in 2017
- Average **Significant** sick absences increased from 21.8 hours (3.1 days) per employee in 2016 to 23.2 hours (3.3 days) in 2017 (a 6% increase)
- 90.2% of employees had no **significant** sick absences so far in 2017
- Overall, average paid sick time for all absences increased to 41.7 (6.0 days) hours from 40.3 (5.8 days) in 2016 (3% increase)

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- Average modified sick time per employee was 2.0 hours in 2017, down slightly from 2.1 hours in 2016.
- 125 employees classified as having a chronic or episodic condition that is affecting their ability to attend work in 2017

The breakdown of departmental short-term disability absences across the corporation appears in Appendix A to Report HUR17020.

Table 2a: Employee Sick Absences, Q1 to Q2 2017 – STD Breakdown for Employees with Sick Bank – (Fire Services)

2017	Sick Activity – Sick Absence			
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Total
Headcount	532	532	532	532
Lost Sick Hours Per Eligible Employee	36.8	0.5	26.2	63.5
Lost Sick SHIFTS Per Eligible Employee	1.9	0.0	1.2	3.2
% Of Staff That Take Zero Sick Time	73.9 %	99.4 %	34.6 %	25.2 %
Paid Sick Hours Per Eligible Employee	35.8	0.4	26.1	62.3
Paid Sick SHIFTS Per Eligible Employee	1.79	0.04	1.24	3.06
Total Cost Paid	\$833,982	\$8,349	\$588,617	\$1,430,948

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Table 2b: Employee Sick Absences, Q1 to Q2 2016 – STD Breakdown for Employees with Sick Bank – (Fire Services)

2016	Sick Activity – Sick Absence			
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Total
Headcount	548	548	548	548
Lost Sick Hours Per Eligible Employee	34.9	0.1	25.0	60.0
Lost Sick SHIFTS Per Eligible Employee	1.6	0.0	1.2	2.8
% Of Staff That Take Zero Sick Time	76.3 %	99.6 %	35.8 %	25.9 %
Paid Sick Hours Per Eligible Employee	33.0	0.1	24.9	58.0
Paid Sick SHIFTS Per Eligible Employee	1.52	0.01	1.16	2.70
Total Cost Paid	\$807,187	\$3,604	\$577,905	\$1,388,697

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Table 2c: Employee Sick Absences, Q1 to Q2 2015 – STD Breakdown for Employees with Sick Bank – (Fire Services)

2015	Sick Activity – Sick Absence			
	Significant Sick Absence	Modified Sick Absence	Incidental Sick Absence	Total
Headcount	543	543	543	543
Lost Sick Hours Per Eligible Employee	28.9	0.0	21.7	50.6
Lost Sick SHIFTS Per Eligible Employee	1.3	0.0	1.0	2.3
% Of Staff That Take Zero Sick Time	78.4 %	99.8 %	41.0 %	32.7 %
Paid Sick Hours Per Eligible Employee	27.3	0.0	21.6	49.0
Paid Sick SHIFTS Per Eligible Employee	1.25	0.00	1.01	2.27
Total Cost Paid	\$644,348	\$483	\$498,791	\$1,143,623

**Incidental* sick absences are single absences of 24 hours or less, i.e. one shift or less.
 **Significant* sick absences are single absences of more than 24 hours, i.e. more than one shift

The above tables indicate:

- Average **Incidental** paid sick absences per employee increased from 24.9 hours per employee in 2016 to 26.1 hours in 2017 (an 8% increase)
- Average **Significant** paid sick absences increased from 33.0 hours per employee in 2016 to 35.8 hours in 2017 (a 4% increase)
- Overall, average paid sick time for all absences increased to 62.3 hours from 58.0 hours in 2016 (7% increase)

Table 4: Modified Sick Absence Q1 to Q2 2015 to 2017

	2015	2016	2017
Average Eligible Employee Headcount	4,474	4,609	4,664
Paid Calculated Sick Days (7 Hour Day) Per Eligible Employee	0.25	0.30	0.28
Number of Employees Involved	156	142	153
Sick Costs	\$225,190	\$271,209	\$274,482

Since a modified return to work plan eventually returns an employee back to full duties and full hours, there is paid productive time at least equal to the modified sick time. The productivity gains associated with Modified Sick Absences are slightly below 2016 levels in 2017 (from 0.30 days to 0.28 days per employee). In Q1 to Q2 2017, the productivity amounted to \$274,482 in 2017. The number of employees involved in modified work increased in 2017.

Long-term Disability (LTD)

These are sick absences that extend beyond 130 days and are managed by a third party.

Table 4: Long-term Disability (LTD) Claims Q1 to Q2 2015 to 2017

	2015	2016	2017
LTD new claims	41	37	41
LTD Days for employees	11,103	14,567	16,119
LTD Active Cases at end of period	138	166	176
Costs	\$1,579,845	\$1,783,085	\$2,126,512

The number of new claims received in Q1 to Q2 was up from 37 in 2016 to 41 in 2017. The number of active cases at the end of Q2 was also up from 166 in 2016 to 176 in 2017. Total days lost and costs also rose in 2017 due to the higher caseload.

Appendices and Schedules Attached

Appendix A to Report HUR17021- Departmental Short-term Disability Absences

Appendix B to Report HUR17021 - Workplace Accommodation Activity