



CITY OF HAMILTON

**CITY MANAGER'S OFFICE
HUMAN RESOURCES DIVISION**

TO: Chair and Members of the Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: June 11, 2012	
SUBJECT/REPORT NO: Employee Attendance Performance Measures (HUR12008) (City Wide)	
SUBMITTED BY: Chris Murray, City Manager	PREPARED BY: Helen Hale Tomasik Ext. 4155 David Lindeman Ext. 5657
SIGNATURE:	Lora Fontana Ext. 4091

RECOMMENDATIONS

- (a) The direction outlined under the Management Action Plan in Appendix G to Report HUR12008, to achieve a targeted reduction of not less than 10% in average sick days per employee by the end of 2014, an average of 1 day per employee, be supported;
- (b) That staff provide members of Audit, Finance and Administration Committee with quarterly Information Reports on corporate and departmental employee absence performance measures;
- (c) That staff provide a comprehensive annual report to Audit, Finance and Administration Committee on the status of employee absence performance measures, including an analysis of trends and comparisons with comparable municipalities, and mitigation strategies that encourage and support an attendance-oriented and healthy workplace culture; and
- (d) That the subject matter be identified as completed and removed from the Outstanding Business List.

EXECUTIVE SUMMARY

Council Direction:

Human Resources staff has been reporting return to work performance measures to Audit Finance and Administration Committee on a quarterly basis since April 2011. At the September 21, 2011 Committee meeting, the following resolution was passed:

That staff be directed to meet with members of the Audit Finance and Administration Committee individually, to address the concerns raised at the Audit Finance and Administration Committee meeting on September 21, 2011 and work towards a motion for consideration at a future meeting.

Staff was charged with providing reports that would identify key absence management related activities that are in development or in place that would mitigate the impact and lessen the frequency of employee illness and injury absence. Staff met with members of the Committee to further discuss their concerns regarding the magnitude of employee sick absences which included the need to:

- present absence data by department,
- develop an index for departmental comparisons,
- demonstrate how absenteeism is being managed (including provision of medical documentation to support absences, progressive discipline for culpable absenteeism, attendance support and steps to improve rates of absenteeism)
- compare City of Hamilton's absenteeism with other employers,
- examine seasonal variations and trends,
- dive deeper into the data analysis, and
- present the information in a clear and usable format

This report provides an overview of employee absence performance measures for 2011, further analysis as requested by Committee members, and a recommended Management Action Plan to improve employee attendance. The accountability for attendance management starts with the Senior Management Team and involves all levels within the organization. Senior Management Team has agreed to the roles and accountabilities delineated in this report.

Employees are absent from work for varied reasons related to individual circumstances, personal attributes, workplace conditions and climate. Our workforce is aging and increasingly prone to chronic illnesses and disabilities such as cardiovascular disease, arthritis, and back injuries. The City of Hamilton's strategy for managing employee absence needs to be comprehensive and address employees' health, their workplace and the effect the work they do has on their attendance. Strategies that foster a positive workplace culture while holding individual employees accountable can have a positive impact on attendance.

Employee Absence Performance Measures 2011 Overview

1. Work-related injuries and illness (WSIB): There has been a decline year over year from 2007 through to and including 2011. The overall number of WSIB days lost also declined in 2011. There were 1,110 fewer days lost due to workplace illnesses and injury in 2011 over 2010 with a savings in WSIB costs of \$40,000.

2. Short-term disability (STD): Employee short-term absences are measured by both duration (paid days/hours lost) and frequency (occasions).

In 2011, the average number of STD days taken per eligible employee (paid sick days) increased from 9.95 to 10.52 days (an increase of .57 days) after a drop of 1.15 days over the previous 2 years from a high of 11.1 days in 2008. As a result, an additional \$633,242 was paid out in sick benefits in 2011 over 2010. Sick absence costs measured as a percentage of payroll¹ increased from 3.4% in 2010 to 3.6% in 2011.

In 2011, there were 1,026 employees who had **no sick days**. This group of employees represented 21% of all 4,981 City employees who are eligible for paid sick time. Another 53% had one or two sick absences. In total, 74% of our eligible employees called in sick once, twice or not at all in 2011.

On average, eligible employees had 1.81 sick occasions in 2011.

Paid sick absence trends by Department were as follows:

- Public Works (up by 1.78 days)
- Planning & Economic Development (up by .59 days),
- Public Health Services (up by .58 days)
- The City Manager's Office, Corporate Services and Emergency Medical Services remained the same.
- Community Services dropped by .23 days
- Fire Services decreased by .7 days.

There is significant variation among various employee groups in the average paid sick days in 2011 with a low of 4.9 days for ONA Public Health and a high of 14.2 days for Hamilton Ontario Water Employees Association (HOWEA). The average paid sick days for all unionized staff is 11.0 days versus 5.7 days for the non-unionized workforce. The reasons for the contrast between these groups is likely related to differences in how engaged employees feel with their work, access to flexible work arrangements, differences in the nature of the work and over all job satisfaction.

¹ Sick absence costs as a percentage of payroll is a Human Resources Benchmarking Network measure that uses salary paid out on eligible employee T4 slips

3. Long-term Disabilities (LTD): We have seen an increase in the number of days lost, the number of active cases, and the cost of LTD absences in 2011. There is a \$600,000 increase in cost due to the higher number of LTD claims and increases in rehabilitation costs, assessment fees and retraining costs.

4. Work Accommodation Measures: In 2011, Return to Work Services successfully returned over 500 employees to work after injury or illness. Over 80% of these employees returned to full regular duties with their original job. At the end of the year, 17 employees were still waiting for a job placement.

Roles and Accountabilities for Employee Attendance

The reasons behind employee absences from any workplace are varied and include: illness and accidents, personal or family problems/responsibilities, lack of job satisfaction, stress, workload, poor working conditions, low morale, entitlement attitude, and inadequate supervision. Of concern in all workplaces is the aging workforce who is increasingly prone to chronic illnesses and disabilities such as cardiovascular disease, arthritis, and back injuries. Employee attendance is also impacted by organizational culture, the employee's relationship with their supervisor and coworkers, and the employee's level of engagement and commitment to the organization's direction.

Consequently, the City of Hamilton's strategy for managing employee absence needs to be comprehensive. Attendance improvement strategies range from absence control and correction to proactive measures that are aimed at preventing an absenteeism problem from developing. Health promotion and wellness programs and employee engagement strategies that foster employee participation in workplace decisions have a positive impact on workplace culture, which in turn, can have a positive impact on attendance. Refer to Appendix A to HUR12008 for further information on the City's comprehensive policy approach to managing all types of employee absences.

The City of Hamilton expects regular attendance at work but recognizes that on occasion employees need to be absent to aid with recovery from illness and injury or to prevent the spread of communicable disease. In 2012, Senior Management Team (SMT) and Human Resources (HR) have increased their attention on controlling and reducing the impact of employee absences on operations. The following outlines the roles and accountabilities for employee attendance agreed to by SMT.

Senior Management Team roles and accountabilities:

- engage employees, foster employee participation and increase employee job satisfaction
- promote employee health and wellness programs
- create healthy and safe workplaces
- sponsor and support overall Attendance Support Program
- accept accountability for overall attendance management across the organization
- regularly review corporate and departmental levels of attendance

- ensure procedures outlined in Attendance Support Program are applied consistently and effectively
- set goals for employee attendance and make changes to Attendance Support Program when required. SMT set a goal of not less than a 10% reduction in average sick days per employee by end of 2014 (an average of 1 paid sick day per employee) for the 2012-2015 strategic plan.

Management roles and accountabilities:

- create a positive work environment
- promote workplace wellness
- encourage employee participation in the organization of work
- manage and participate in Attendance Support and Return to Work programs
- follow procedures outlined in Attendance Support Program and apply procedures consistently
- establish sick absence reporting procedures
- maintain contact with absent employees
- identify and address culpable absences promptly
- request sick claim forms as allowed under collective agreements or policy from first day of absence where circumstances create an uncertainty that absence is due to illness or injury
- identify opportunities to modify work to facilitate an employee's return to work
- maintain a safe and healthy workplace

Employee roles and accountabilities:

- maintain good health and work safely
- support other employees
- report absences promptly to the appropriate department contact
- seek treatment for illness and injury
- provide sick absence claim forms within required timelines
- provide information on medical restrictions and limitations that may affect ability to work and require modification of work
- maintain contact with the workplace throughout an absence
- participate in Attendance Support and Return to Work programs

Human Resources roles and accountabilities:

- provide occupational health services and corporate healthy workplace programming
- support departmental health, safety and wellness programming
- provide training, consultation and information
- develop Attendance Support Program
- administer WSIB, STD and LTD plans
- provide data on STD, LTD and WSIB absences
- audit sick claim forms
- advise department management on attendance related matters
- review, monitor, evaluate and recommend changes to the Attendance Support and Return to Work programs to Senior Management Team

2012 – 2015 Management Action Plan to Improve Employee Attendance

- (a) The City Manager and Human Resources will implement a corporate-wide and segmented communication strategy to all employees that includes:
- Council's objective to improve employee attendance with measurable absence reduction targets
 - The City's attendance expectations and that attendance is managed every day, not just when an employee triggers into the Attendance Support Program (formerly Attendance Support and Management Plan)
 - Management's intention to inquire into absences where appropriate to ensure efficient and effective delivery of public services
 - the roles and accountabilities of all involved in this corporate attendance improvement initiative, and
 - the proactive attendance supports and prevention measures that are available to support employees to be at work.
- (b) Management will take a more deliberate approach to the day-to-day management of employee attendance. There will be a focus on the importance of regular attendance as an expectation of all employees, while at the same time, recognizing that, on occasion, employees need to be absent from work to recover from illness or injury or to prevent the spread of communicable disease. Employees who misuse the income protection plan to cover absences unrelated to their own illness or injury will be subject to an appropriate management response. Management will discuss other supports, leave provisions and work arrangements that can be used by employees to deal with demands outside of the workplace that affect their ability to attend work. Where there is concern that an absence is not related to the employee's illness or injury or as an expectation arising out of attendance support meetings with an employee, Department Heads will require a sick claim form from the employee for one day of absence.
- (c) Human Resources will examine absences over the last 3 years and advise General Managers of employees who have a history of incidental absenteeism that doesn't trigger the thresholds set out in the Attendance Support Program (i.e., more than 4 occasions or more than 7 days in a 12 month period) but nonetheless impacts delivery of City services. Departments will take all steps necessary to help these employees improve their attendance and communicate attendance expectations, indicating the impact that absenteeism has on the organization's productivity, identifying management's concern and offering assistance to help employees attend work in a more regular fashion.
- (d) Department Heads will be held accountable for compliance with the Attendance Support Program. They will monitor and hold their management staff accountable for completing the Attendance Support Program meetings for their employees. All meetings will take place within 60 days of notification of the triggering event unless the employee is absent from the workplace or no longer

employed by the City. Human Resources will provide Department Heads with monthly reports on their department's compliance with the Attendance Support Program.

- (e) Human Resources will meet with union leadership and endeavour to discuss collaborative initiatives to lower absence rates and days lost amongst their membership. The discussions will include exploration of the factors behind employee absences and actions to encourage and support improved attendance.
- (f) Human Resources will continue to work with Information Services to provide business intelligence technology necessary to more efficiently and quickly analyze information to identify individuals with increasing incidence of absenteeism and/or patterns of chronic incidental absenteeism. Technology improvements are necessary to provide reports directly to frontline supervisors and managers for timely and appropriate response with their employees. Technological enhancements will also enable analysis of any demographic correlations and patterns of absenteeism among employees who account for the majority of paid sick days. Such analysis would inform mitigation strategies.
- (g) Human Resources will implement improvements to the Attendance Support Program as outlined in the recommendations of the review of the former Attendance Support and Management Plan.
- (h) Human Resources will provide training for supervisors and managers on disability management, the Attendance Support Program, and the disciplinary process for culpable absences. Department Heads will ensure that all of their management staff attend the training.
- (i) Human Resources will analyze the factors behind the increase in 2011 in days lost to absences that are longer than 5 days in length and take steps to shorten the average length of these claims. Human Resources will also examine its processes to identify opportunities to communicate with sick workers between the time a sick absence form is required and a medical return work clearance is mandatory (i.e. between day 5 and day 10 of a sick absence).
- (j) Human Resources and Senior Management Team will implement an integrated attendance improvement program that includes proactive preventive measures such as employee engagement strategies, healthy workplace programming, positive workplace policies, supportive work arrangements, occupational health supports and a mental health promotion and resilience strategy.

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial:

In 2011, payments to employees for STD sick absences amounted to over \$11 million. In 2011, an additional \$633,242 was paid out in STD sick benefits over 2010 payments. Workplace Safety and Insurance Board costs for absent active employees accounted for another \$4.7 million. LTD claim costs were \$2.4 million.

Staffing:

Full compliance with the Attendance Support Program will require staff time in each department. Staff time will also be devoted to managing employee absences through greater attention on culpable absences.

Legal:

N/A

HISTORICAL BACKGROUND (Chronology of events)

Human Resources Staff Enhancements 2010

The City's objective is to help employees stay healthy and remain at work and to return injured and ill employees back to work as quickly and safely as possible. These efforts were enhanced through the approval of a Return-to-Work Services (RTW) Assistant and an Occupational Health Nurse (OHN) in the 2010 budget process. Since September 2010, the RTW Assistant has provided administrative support to the RTW Services section enabling other RTW staff to focus on employee disability management (STD, WSIB, LTD), deliver disability management training, establish disability management policies and procedures, and conduct outreach activities with client departments. This role includes entering sick absences for departments across the City; opening and closing approximately 10,000 sick absences annually.

The OHN position was filled at the end of November 2010. This role supports disability management activities for ill and injured employees and also the prevention of injury and illness amongst our employees. The OHN assists the return to work process by providing occupational health expertise to ensure employees are receiving timely and appropriate care. The OHN also helps identify and mitigate any medical barriers to early, safe and sustainable return to work. In 2011, Human Resources began delivering its annual employee influenza immunization program internally instead of using an external provider. This change resulted in overall savings in the cost of delivering the program and increased participation amongst employees. Occupational health

programming has also included access to medical care and follow up for needle stick injuries, oversight of employee drug and alcohol testing, provision of employee health screening and coordinating employee medical surveillance like audiometric testing and pesticide exposure. Since bringing on the OHN, RTW Services has been able to decrease their contractual and consulting services budget by approximately \$17,000.

Attendance Support and Management Plan (ASMP) Review

Implementing and maintaining an attendance support program can be an effective strategy to control absences provided it is designed appropriately, supported by the organization and understood by employees. Human Resources undertook a review of the City's Attendance Support and Management Plan in 2011 to address concerns raised amongst city management about the effectiveness of the current program.

Overall, the City's attendance support and management plan was found to be in line with that of other organizations. The present design of the City's plan also reflects best practices (defined within published articles and by decisions of arbitrators) in that it:

- does not mix culpable with non-culpable absences
- incorporates reasonable trigger levels (more than 4 occasions or more than 7 days of absence in a 12 month period)
- does not violate human rights legislation
- offers accommodation based on individual employee needs
- excludes WSIB absences when considering employee discharge
- is not disciplinary in nature
- does not form part of the City's collective agreements
- does not conflict with collective agreements
- includes "trigger" periods that are of equal duration to monitoring periods

The review generated recommendations that will address the issues raised by stakeholders, while maintaining the integrity of the existing program and considering leading practices in attendance management. A summary of the recommendations from this ASMP Review, which were approved by SMT, appear in Appendix B to HUR12008.

For the program to succeed, and for the City to defend management decisions, it is important that the attendance support meetings are completed in a timely manner and specific expectations are generated at the meetings. It is also important that the program is applied consistently across the corporation and within departments. Many departments have fallen behind on completing their meetings with employees. Senior Management Team has re-committed to the re-branded Attendance Support Program. Human Resources is in the process of developing new tools and guidance for management to assist in conducting meaningful meetings with agreed to attendance expectations with each employee.

Human Resources Absence Management Activities in 2011

- developed and completed training for 135 supervisors and managers on Managing WSIB and STD
- developed information booklets for employees on disability management and claiming sick benefits
- reached out to other employers in the city and comparable municipalities to share best practices and successes on attendance management and to establish common benchmarks on attendance

POLICY IMPLICATIONS

Attendance Support Program

Human Resources will be revising the Attendance Support Program to reflect the recommendations that arose from review of the program.

Culpable Absenteeism

Human Resources and management will review matters of culpable absenteeism, which is defined as “unauthorized absences which are within the employee’s control and may warrant discipline”. Situations that will be managed more aggressively include:

- false explanation for an absence
- no reason provided for the absence
- unsubstantiated absence where evidence of reason is required, and,
- reason for absence is not legitimate.

In order to successfully discipline an employee or terminate employment, the City must establish that:

- the absence was indeed culpable
- the absence represents a violation of the City’s policy that has been clearly stated/outlined/communicated to the employee, as well, an indication that the employee read and understood the policy.
- the absences were in excess of normal/standard levels of absenteeism within the City
- the related policy that resulted in discipline or termination was applied consistently and fairly to all City employees.

Employee and Labour Relations can advise City management on steps to be taken to appropriately address culpable absences. These absences must be managed outside the Attendance Support Program given their deliberate and culpable nature. In some cases, departments may have to terminate employment when it demonstrates either a clear frustration of the employment contract between the parties or in cases where the employee blatantly demonstrates culpability for their continued absenteeism. In 2010,

there were 6 terminations related to attendance issues. In 2011, there were 4 such terminations.

Requesting Claim Forms from Day 1 of an Absence

Councillors want assurance that management is using the tools at their disposal to effectively manage absences including requesting sick claim forms from the first day of absence in some circumstances. The circumstances of some sick absences may dictate that Department Heads request a claim form from day one of an absence. These are occasions where the supervisor or Department Head has reason to believe that the absence is not due to an illness or non-occupational injury. This is allowed under collective agreements or Human Resources policy.

As part of the disability management training offered by Human Resources, management has been provided with guidance on when they should consider requesting sick claim forms. Human Resources will tally the number of requests for sick claim forms made by departments and provide counts and analysis on the effectiveness of this method of managing sick absences in future reports. Should this initiative not have the desired impact on overall employee attendance, consideration would be given to requiring mandatory sick claim forms sooner during an absence through collective bargaining and policy changes.

RELEVANT CONSULTATION

Senior Management Team
Jason Mandlowitz, Hicks Morley

ANALYSIS / RATIONALE FOR RECOMMENDATION

City of Hamilton Short-Term Disability Trends and Comparisons

Most eligible employees covered by income protection plans are entitled to up to 26 weeks of short-term disability (some still have sick banks). As indicated in Table 1, the average Short-Term Disability (STD/Sick days) for eligible employees increased from 9.95 in 2010 to 10.52 days in 2011 (an increase of .57 days). Sick absence costs measured as a percentage of payroll increased from 3.4% in 2010 to 3.6% in 2011. In 2011, an additional \$632,242 was paid out in sick benefits. Refer to Table 1 for details on years 2007 to 2011.

City of Hamilton participates in the Human Resources Benchmarking Network (HRBN). Table 1 compares the City of Hamilton’s Short-Term Disability data with the 19 municipalities that participated in the HRBN, from 2007 – 2011. The performance measure for Short-Term Disability is **paid sick hours per eligible employee**. This is a measure of the degree to which a workforce is utilizing paid sick time. Total number of paid sick hours (excluding LTD) is divided by the number of eligible employees (i.e. employees who are eligible for paid sick time). As employees across different municipalities work different shifts and have different work days, HRBN reports all paid sick time in hours.

Table 1: Short-Term Disability Measures for Hamilton 2007- 2011

Year	Total paid sick hours	Total paid sick days (based on 7 hr days)	Average sick days for employees eligible for paid sick time (based on 7 hr day)	Average sick days for employees eligible for paid sick time for HRBN municipalities	Sick costs as a % of payroll for Hamilton	Sick costs as a % of payroll for HRBN* municipalities	Costs
2007	344,973	49,281	10.9	10.06	3.2%	3.39%	\$9,910,573
2008	371,228	53,032	11.1	10.37	3.4%	3.75%	\$10,779,808
2009	360,711	51,530	10.8	10.4	3.7%	3.71%	\$10,872,174
2010	346,497	49,530	9.95	10.14	3.4%	3.43%	\$10,971,658
2011	366,638	52,376	10.52	N/A	3.6%	N/A	\$11,605,900

*HRBN includes 19 municipalities in Ontario

The Regional/Single Tier group of 12 municipalities have agreed to benchmark against each other on a number of performance measures. Table 2 summarizes and rank orders data from 12 Regional/Single Tier municipalities (including Hamilton) on their **paid sick hours per eligible employee**. The Regional Single Tier group of municipalities have agreed to use 7 hour days as the standard day for comparison purposes. While trend data is available for the City of Hamilton since 2007, we only have data for most of our Regional Single Tier comparators since 2009, and will not have the 2011 comparators until later in the year.

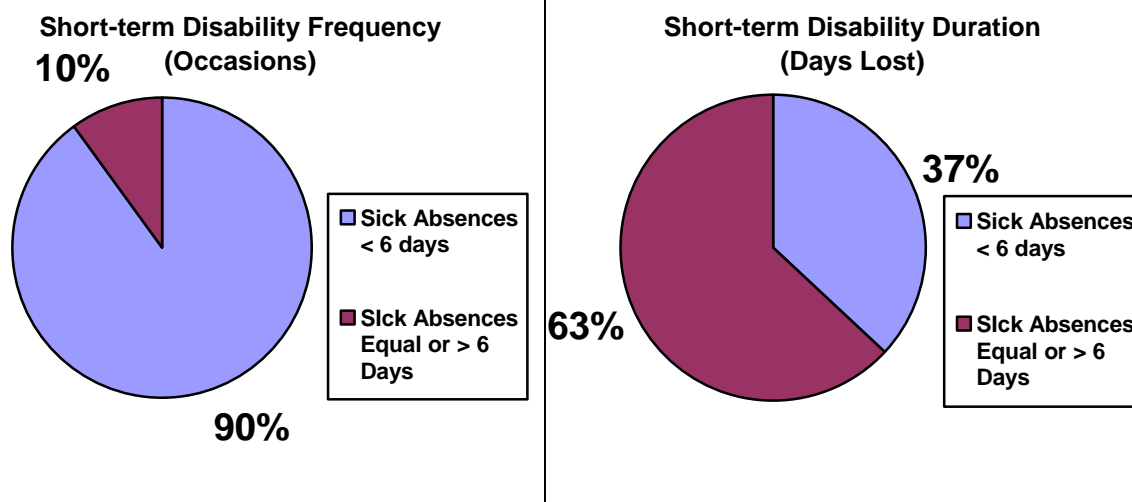
**Table 2: City of Hamilton Comparison with Regional Single Tier Municipalities -
Paid Sick Days per Eligible Employee**

Municipality	2009	2010	2011
1	6.57	6.65	
2	7.75	8.34	
3	8.60	8.97	
4	8.47	9.49	
5	9.65	9.59	
6	9.49	9.82	
City of Hamilton	10.8	9.95	(10.52 days)
8	10.19	10.46	
9	10.77	10.79	
10	11.37	11.54	
11	11.56	12.25	
12	-	13.38	
Municipality Average	9.5	10.10 days	
Canadian Public Sector (Statistics Canada)	10.3 days	9.7 days	

It should be noted that the Hamilton average paid sick days of **10.52 days** in 2011 is above the 2010 municipality average of 10.10 days, but within the range of average sick days for our municipal comparators in 2010 (6.65 days to 13.38 days). Where Hamilton had been trending down since 2009, all other municipalities had been trending upwards. It should also be noted that the municipalities that have Fire, EMS, Transit and Long Term Care in their scope of service have the highest rates of absenteeism. These work groups regularly have high employee sick absence rates likely due in part to the nature of the work.

Frequency and Duration of Short Term Sick Absences

Employee short-term absences are measured by both frequency (occasions) and duration (paid days/hours lost). In 2011, there were over 10,000 sick absence occasions incurred by employees. Approximately 90% of all sick absence occasions were for durations of 5 days or less. These shorter duration absences are managed by individual departments, with the support of RTW Services staff, as required. These absences accounted for 37% of total number of sick days lost. Sick absence occasions that are 6 days or longer in length accounted for only 10% of all sick absence occasions but accounted for 63% of the total number of sick days lost, As illustrated in the following pie charts, sick absences of less than 6 days in length account for 90% of the sick absence occasions but only 37% of all days lost to sick absences. On the other hand, sick absences of 6 days or longer in length accounted for 10% of the sick absence occasions but 63% of all days lost to sick absences.



Sick absences that are 6 days or longer require a medical claim form and are managed more closely by Return to Work Services staff. If the absence extends to 10 working days, the employee needs return to work clearance from a treating practitioner. The days lost to sick absences of longer than 6 days increased by 1500 days in 2011 and involves just over 900 employees for the absences that commenced in 2011. From 2010 to 2011, the average length of absence increased by 1.48 days for this group. The median length of absence increased from 21 days in 2010 to 24 days in 2011. This indicates that more employees are suffering from injuries and illnesses that require a greater time away from work for treatment and healing. An increased number of employees also used sick time in conjunction with pregnancy leave resulting in over 300 additional sick days.

Table 3 delineates the number and percentage of full-time eligible employees who had from no absence occasions up to 5 or more absence occasions in 2011. In 2011, there were 1,026 employees who had **no sick days**. This group of employees represented 21% of all 4,981 City employees who are eligible for paid sick time. Another 53% had one or two sick absence occasions. In total, 79% of our eligible employees had at least one sick occasion in 2011.

Table 3: Short-term Disability Frequency (Occurrences) Employee Counts 2011

Number of Sick Occasions	Number of Eligible Employees	% of Eligible Full-Time Employees
0	1026	21%
1	1510	30%
2	1130	23%
3	680	14%
4	320	6%
5+	315	6%
	4,981	100%

Key Performance Measures for Sick Absences by Department

Table 4 summarizes the Short-term Disability sick absence performance measures for each department for 2011. The average paid sick days ranges from 4.15 days in the City Manager's Office to 12.96 days in Public Works. Also included is a measurement of each department's compliance with the employee meetings required under the Attendance Support Program. Departments with higher labour costs, longer average work days and/or higher sick absence rates will incur the highest Average Sick Costs per eligible employee. Historical trends for departments are summarized in Appendix C to report HUR12008.

Table 4: Key Performance Measures for Sick Absences by Department for 2011

2011 Department	Head Count for Eligible EEs for Paid Sick Time	Total paid sick hours	Average sick days for EEs eligible for paid sick time (based on 7 hr day)	Average Number occasions per eligible EE	Total Cost of Sick Absences	Average Sick Costs per eligible EE	Outstand- ing ASP Meetings per 100 EEs	Outstanding ASP Meetings at year end
Corporate Services	274	17,289	9.01	1.32	\$515,055	\$1,879	8	17
Community Services	1,117	82,136	10.50	1.69	\$2,143,645	\$1,919	13	363
City Manager's Office	108	3,135	4.15	1.34	\$123,513	\$1,143	5	9
Fire Services	528	39,561	10.70	2.79	\$2,305,253	\$4,366	108	601
Emergency Medical Services	213	17,181	11.52	2.88	\$813,402	\$3,808	23	71
Public Health Services	346	19,115	7.89	1.32	\$634,784	\$1,834	10	51
Planning & Economic Development	636	28,628	8.23	1.57	\$755,256	\$1,907	12	81
Public Works	1759	159,593	12.96	1.74	\$4,314,992	\$2,453	10	208
Corporation	4981	366,638	10.52	1.81	\$11,605,900	\$2,330	19	1401

Explanatory notes regarding Table 4:

- eligible employees (EEs) includes only those employees who are paid for sick absences
- an occasion is a sick absence of any length that started and ended in the year
- average sick days per eligible employee is the total number of paid sick hours taken by eligible employees divided by 7 and divided by the total number of eligible employees (HRBN performance measure)
- % of eligible employees with at least one sick occasion, i.e., employee booked off sick at least once in the year for a sick absence of any length

- Average number of occasions per eligible employee is the total occasions divided by total head count for eligible employees
- Outstanding Attendance Support Program (ASP) meetings “per 100 EEs” is the total number of meetings outstanding at year end divided by total number of employees times 100

Key Performance Measures for Sick Absences by Employee Group

Table 5 summarizes average paid sick days for each employee group across the organization in 2011 and provides trend data for each employee group since 2007. There is significant variation among various employee groups in the average paid sick days with a low of 4.9 days for ONA Public Health and a high of 14.2 days for Hamilton Ontario Water Employees Association (HOWEA) in 2011. In 2011, the average paid sick days for all unionized staff is 11.0 days versus 5.7 days for the non-unionized workforce.

Of interest is the comparable average sick days in 2008 and 2011 for CUPE 5167 which are both bargaining years. Noteworthy is the significant reduction of average paid sick days (3.7) among Ontario Nurses Association (ONA) Public Health and ONA Lodges (2.3 days) Also noteworthy is the .7 day drop with Hamilton Professional Fire Fighters Association (HPFFA), likely due to the 24 hour shift schedule in 2011 whereby the fire fighters are working less calendar days. OPSEU and ATU also experienced a reduction of .6 days and .4 days respectively. The non-union workforce had an increase of 1.6 days in average paid sick days in 2011 which requires further analysis.

Table 5: Short-term Sick Absences by Employee Group 2007 - 2011

Employee Group	Eligible Employee Head Count	Avg. Paid Sick Hours 2011		Avg. Paid Sick Days 2011	Avg. Paid Sick Days 2010	Avg. Paid Sick Days 2009	Avg. Paid Sick Days 2008	Avg. Paid Sick Days 2007
CUPE 5167	2341	85.4		12.2	11.1	11.3	12.3	11.2
HPFFA Local 288	532	74.9		10.7	11.4	11.7	11.2	12.1
CUPE 1041	287	46.9		6.7	6.7	5.3	8.2	7.5
ATU Local 107	558	94.5		13.5	13.9	14.6	14.0	12.1
Hamilton Ontario Water Employees Association (HOWEA)	47	99.4		14.2	11.8	12.4	10.7	15.5
ONA Local 50 (Public Health)	117	34.3		4.9	8.6	6.9	7.3	7.3
ONA Lodges	16	82.6		11.8	14.1	10.8	16.3	7.0
OPSEU	194	82.6		11.8	12.4	13.8	16.9	11.8
Total Unionized Employees	4,092	77.0		11.0	11.3	11.4	12.2	11.2
Non-Union	713	39.9		5.7	4.1	5.5	5.1	6.4

Appendix D to HUR12008 provides corporate wide short term disability trend data from 2007 to 2011 as well as quarterly trend data from 2010 to 2011 in bar graph format.
City of Hamilton WSIB Claims

All employees are eligible to receive WSIB benefits for the injuries and illnesses they develop as a result of work activities. The costs associated with these claims include lost time and healthcare. The City of Hamilton is responsible for paying the WSIB directly for all costs related to our WSIB claims. The WSIB also applies an administration fee on top of all of our costs. The provisional fee for 2011 was 22.2%; for 2012 it is 27.6%.

WSIB Lost Time Injury rates have declined year over year since 2007, including 2011, as summarized in Table 6 below. The number of WSIB days lost also declined in 2011. There were 1,110 fewer days lost due to workplace illnesses and injury in 2011 over 2010 with a savings in WSIB costs of \$40,000.

Table 6: Occupational Illness and Injury Claims (WSIB) 2007 - 2011

Year	WSIB Days Lost	New Lost Time Injuries	Costs for all claims (new and old)
2007	10,290	300	\$4,969,325
2008	11,469	282	\$4,850,943
2009	10,102	276	\$4,801,976
2010	11,163	268	\$4,777,351
2011	9,097	248	\$4,737,220

Departmental performance measures for WSIB are itemized in Appendix C to HUR12008 and Appendix E to HUR12008 provides corporate WSIB trends from 2007 to 2011 and quarterly trend data from 2010 to 2011 in bar graph format.

City of Hamilton Long-term Disability (LTD)

There has been an increase in the number of days lost, the number of active cases, and the cost of LTD absences in 2011, as noted in Table 7 below. The \$600,000 increased cost is due to the higher number of LTD claims and increases in rehabilitation costs, assessment fees and retraining costs.

Table 7: Long-term Disability Claims 2007 - 2011

Year	LTD Days for employees	LTD Active Cases at year end	LTD new claims	Costs
2007	10,000	63	38	\$1,717,127
2008	12,966	75	47	\$1,840,222
2009	13,601	74	46	\$1,978,369
2010	10,701	78	57	\$1,658,598
2011	13,472	93	57	\$2,358,512

Appendix F to HUR12008 provides long-term disability claim data from 2007 to 2011 and quarterly LTD data from 2010 to 2011 in bar graph format.

RTW Services staff continues to identify opportunities for employees on LTD to re-enter the workforce through modified duties and graduated return to work. Efforts are made to identify suitable and sustainable work for those employees who are unlikely to qualify for benefits beyond the 2-year mark.

Work Accommodation Program

Employees who have been absent as a result of a non-occupational injury or illness, or a WSIB injury or illness, all participate in the work accommodation program. Staff in RTW Services facilitates work accommodation by working with the employee, management, union and medical professionals to design appropriate return to work plans based on the employee's physical and cognitive restrictions and limitations. The employee's needs are matched with job demands with the focus on returning the employee to their own job first and, secondly, looking at other opportunities for permanent or temporary accommodations. Table 8 summarizes the work accommodation activity for 2011, noting a total of 504 new cases of work accommodation for the year.

Table 8: Work Accommodation Activity Q1 2011 to Q4 2011

Quarter	Employees starting work accommodation program (new cases)	Employees in active work accommodation programs (all cases)
2011 Q1	133	217
2011 Q2	134	238
2011 Q3	131	227
2011Q4	106	205
Total	504	

Table 9 provides data on the outcomes of the work accommodation activity of RTW Services staff for the first four quarters of 2011. In most cases, employees returned to their regular, full duties. Others were permanently accommodated in new jobs. Much of the time spent on each case by Return to Work Services occurs during the initial placement process and in monitoring the employee's progression throughout the accommodation. It is important that the employee continues to receive support and encouragement to ensure that the accommodation is a success and is sustainable. As noted in Table 9, Return to Work Services successfully returned over 500 employees to work after injury or illness.

Table 9: Overview of Work Accommodation Activity Q1 2011 to Q4 2011

Quarter	RTW full duties own job	Perm Accom. own job	Perm Accom. new job	Accom. work no longer available or not suitable	Recurrence	other	Total cases closed
2011 Q1	91	1	2	2	12	3	111
2011 Q2	102	0	4	5	24	8	143
2011 Q3	138	1	4	6	21	7	177
2011 Q4	96	0	1	3	10	3	113
Total	427	2	11	16	67	21	544

Human Resources staff strives to place employees into a work accommodation program in a timely basis. However, there are always some employees, who as a result of their restrictions, skills and abilities, have to wait for a period of time before suitable work is identified. Table 10 presents the number of employees who were waiting for placement in accommodated work at the end of the quarter.

Table 10: Waiting for Accommodation Placement Q1 2011 to Q4 2011

Quarter	Awaiting permanent accommodation	Awaiting temporary accommodation
2011 Q1	8	0
2011 Q2	9	4
2011 Q3	16	6
2011 Q4	17	2

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Should the Management Action Plan put in place in 2012 not result in a 10% reduction in the average number of paid sick days per employee by the end of 2014, Human Resources will bring forward amendments to the Income Protection policies and/or the collective agreements for Council’s consideration including shortening the minimum sick absence length to require mandatory sick claim forms sooner during an absence.

Should the Management Action Plan put in place in 2012 achieve the targeted outcome, Senior Management Team will identify an appropriate target for the subsequent strategic plan.

CORPORATE STRATEGIC PLAN

The recommendations of this report support the objectives in the previous Strategic Plan for a 15% reduction in WSIB lost-time claims and 10% reduction in average lost sick days. The 2012-2015 Strategic Plan references the Management Action Plan in this report.

APPENDICES / SCHEDULES

- Appendix A to Report HUR12008 – Minimizing Absence – Maximizing Attendance:
Policy Continuum
- Appendix B to Report HUR12008 – Attendance Support Management Program Review
- Appendix C to Report HUR12008 - Departmental Yearly Statistics 2007 – 2011
- Appendix D to Report HUR12008 - Short-term Disability Claims
- Appendix E to Report HUR12008 - Occupational Illness and Injury Claims (WSIB)
- Appendix F to Report HUR12008 - Long-term Disability Claims
- Appendix G to Report HUR12008 – 2012-2015 Management Action Plan to Improve
Employee Attendance

- a clear policy describing attendance management in a positive, constructive and non-disciplinary manner
- compliance with all legislation and regulations
- realistic and achievable goal setting
- communication of attendance expectations and supports during employee orientation and as required throughout employment
- an information system that provides timely and meaningful statistics so that management can have the necessary oversight and take action as appropriate
- progressive discipline for culpable absences
- disability management involving all levels of the organization
- multi-stakeholder return to work planning
- consistent workplace accommodation
- flexible work arrangements
- occupational health resources
- healthy workplace programming including employee engagement strategies
- training for supervisors and managers on disability management, attendance support management, other types of employee leave available to employees, flexible work arrangements, and discipline for culpable absences
- prevention of workplace injury and illness

Attendance Support Management Program Review

Recommendations:

1. Rename program Attendance Support Plan (ASP)
2. SMT to confirm the utility of an Attendance Support Plan as an effective tool to manage non-culpable absences and SMT to recommit to meeting the plan's objectives by holding staff accountable for fulfilling their duties under the Plan.
3. Remove Workplace Safety and Insurance Board (WSIB) absences as a trigger in the plan.
4. Exclude sick absences related to pregnancy that immediately precedes or follows child birth.
5. Emphasize to managers and supervisors that attendance management strategies can be utilized outside of ASP and steps should be taken to identify and prevent sick absences before employees trigger ASP.
6. Include notification by letter to an employee at each trigger level that will include specific information on the employee's attendance record and notice that a meeting with the supervisor will be scheduled in the near future for levels 2, 3 and 4.
Consider replacing level 2 meeting with detailed letter and offer to meet.
7. Clear some of the backlog in outstanding meetings by allowing replacement of Level 2 face to face meeting with a detailed letter and offer to meet.
8. Provide an overview of the plan to all employees including distribution and discussion at new employee orientation and other new employee on-boarding processes.
9. Where appropriate, allow managers and supervisors to combine ASP meetings with other confidential meetings involving the same employee.
10. Develop online tools to support managers and supervisors in their discussion with employees.
11. Provide support to employees and/or managers on specific strategies for coping with particular health conditions to improve attendance.
12. Provide ASP training for managers/supervisors to complement existing training on disability management training.
13. Emphasize that all ASP meetings should result in agreed upon attendance goals and identify the strategies to be used to improve attendance and revise template letters to capture the goals and strategies.
14. In consultation with Return to Work Services, managers/supervisors will identify employees with chronic conditions that will likely result in periods of ongoing absence and replace related ASP meetings with letters that outline ongoing support and monitoring.
15. For levels 2, 3 and 4, all managers and supervisors will consider requiring completion of sick absence forms for all sick absences until attendance improves.

16. Modify ASP for Fire and EMS in a way that will address their unique scheduling demands and challenges. Consideration to be given to other work groups with similar challenges.
17. Ensure that ASP processes are considered and integrated in future deployment of attendance and scheduling technology.
18. Ensure that culpable absences are effectively managed through disciplinary processes with the same rigor and attention that is placed on managing non-culpable absences through ASP.

Departmental Yearly Statistics 2007-2011

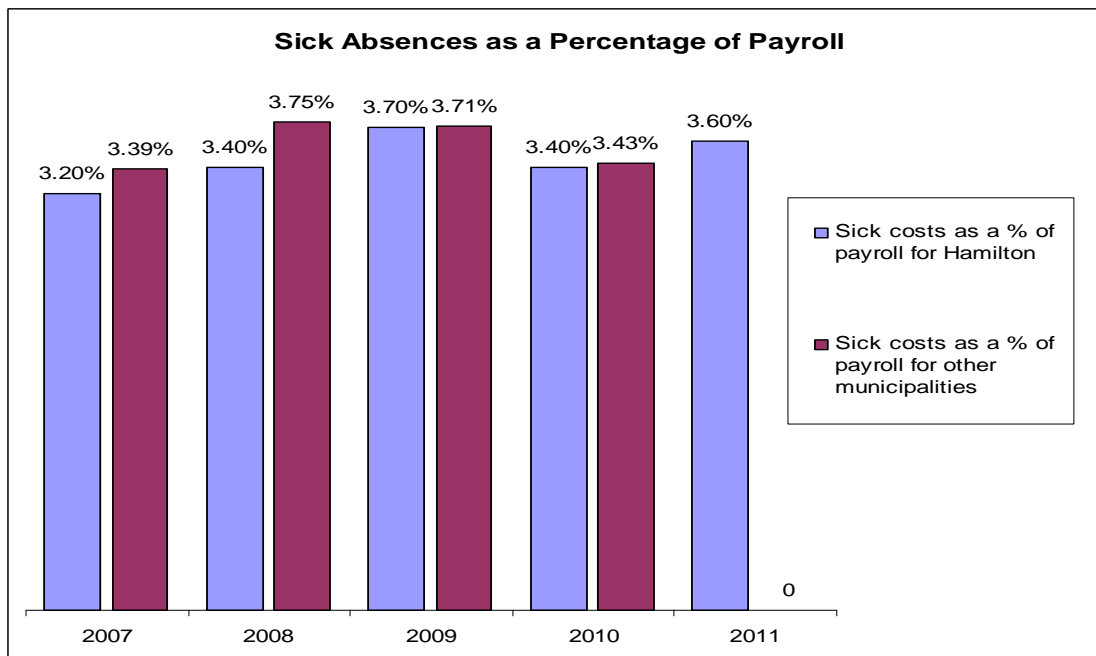
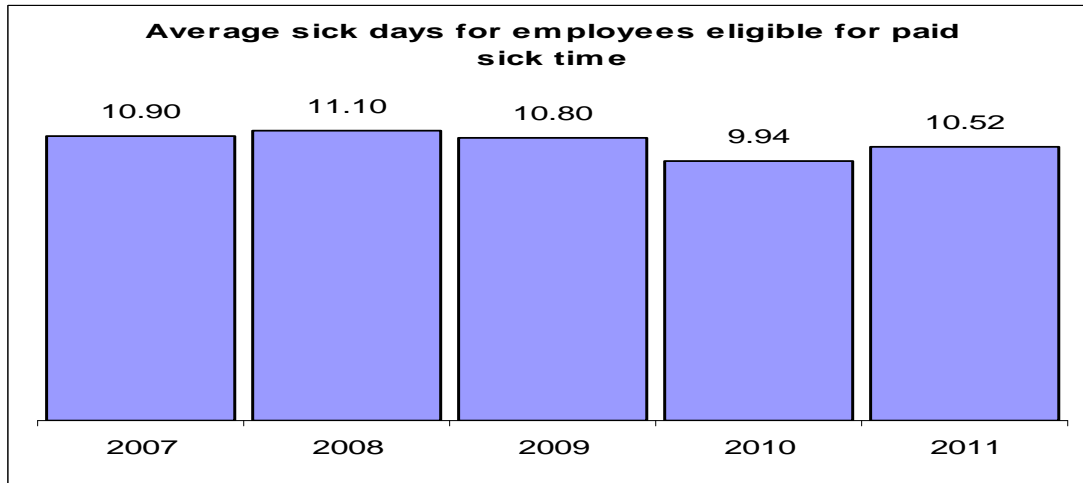
Department	Total paid sick hours	Head Count for employees eligible for paid sick time	Average Sick Days for employees eligible for paid sick time	Total Cost of Sick Absences	Average Sick costs per employee	Total WSIB Days	WSIB Lost Time Injuries	Total WSIB costs
Corporate Services								
2011	17,289	274	9.01	\$515,055	\$1,879	7	1	\$2,960
2010	17,822	284	8.96	\$537,011	\$1,890	14	3	\$8,401
2009	17,282	282	8.75	\$499,220	\$1,770	0	0	\$1,428
2008	20,728	290	10.21	\$584,675	\$2,016	5	2	\$1,662
2007	17,862	288	8.86	\$440,772	\$1,537	11	1	\$3,143
Community Services								
2011	82,136	1117	10.50	\$2,143,645	\$1,919	2,075	45	\$735,043
2010	82,851	1103	10.73	\$2,137,639	\$1,938	2,202	47	\$700,840
2009	72,606	1080	9.60	\$1,890,137	\$1,750	1,680	44	\$624,831
2008	81,236	1001	11.59	\$1,937,736	\$1,935	2,507	42	\$618,721
2007	69,369	981	10.10	\$1,596,060	\$1,626	2,901	45	\$594,414
City Manager's Office								
2011	3,135	108	4.15	\$123,513	\$1,143	1	1	\$285
2010	3,053	105	4.15	\$125,911	\$1,199	0	0	\$0
2009	4,518	108	5.98	\$177,280	\$1,641	0	0	\$233
2008	3,148	103	4.37	\$112,620	\$1,093	0	0	\$11,030
2007	5,826	91	9.15	\$203,986	\$2,241	23	1	\$10,335
Fire Services								
2011	39,561	528	10.70	\$2,305,253	\$4,366	1,382	47	\$1,065,025
2010	41,961	526	11.40	\$2,294,443	\$4,362	1,253	52	\$952,626
2009	43,520	532	11.69	\$2,305,513	\$4,333	1,107	40	\$1,120,035
2008	39,953	505	11.30	\$2,100,139	\$4,158	1,427	51	\$1,082,489
2007	43,308	491	12.60	\$2,253,999	\$4,590	1,106	77	\$1,009,586
Emergency Medical Services								
2011	17,181	213	11.52	\$811,126	\$3,808	1,053	34	\$306,839
2010	17,219	214	11.49	\$781,359	\$3,651	912	32	\$220,975
2009	18,520	212	12.48	\$820,216	\$3,868	733	43	\$216,493
2008	22,808	207	15.74	\$1,006,834	\$4,863	590	51	\$196,904
2007	15,499	192	11.53	\$595,198	\$3,099	456	52	\$165,508

Department	Total paid sick hours	Head Count for employees eligible for paid sick time	Average Sick Days for employees eligible for paid sick time	Total Cost of Sick Absences	Average Sick costs per employee	Total WSIB Days	WSIB Lost Time Injuries	Total WSIB costs
Public Health								
2011	19,115	346	7.89	\$634,784	\$1,834	2	0	\$7,859
2010	17,392	340	7.31	\$569,975	\$1,676	69	1	\$31,024
2009	13,489	277	6.96	\$513,786	\$1,854	66	7	\$15,586
2008	11,373	249	6.52	\$352,265	\$1,414	262	2	\$29,841
2007	10,788	248	6.21	\$311,898	\$1,257	249	4	\$53,620
Planning & Economic Development								
2011	22,817	396	8.23	\$755,256	\$1,907	537	3	\$196,238
2010	20,750	388	7.64	\$697,657	\$1,798	394	10	\$151,725
2009	22,709	380	8.54	\$749,489	\$1,972	358	10	\$123,360
2008	24,999	378	9.45	\$760,875	\$2,012	392	7	\$116,898
2007	17,075	357	6.83	\$558,247	\$1,563	389	9	\$131,979
	See note below							
Public Works								
2011	159,593	1759	12.96	\$4,314,992	\$2,453	4,784	116	\$1,201,861
2010	138,936	1775	11.18	\$3,819,761	\$2,151	6,145	124	\$1,523,046
2009	155,560	1790	12.42	\$4,024,819	\$2,248	5,483	131	\$1,230,616
2008	147,682	1716	12.29	\$3,672,663	\$2,140	5,432	129	\$1,226,841
2007	136,673	1574	12.40	\$3,351,350	\$2,129	4,795	116	\$911,858

Note: School Crossing Guards are excluded from the sick absence counts. Some members of this employee group still have sick banks but they work very limited hours compared to other employees. This group no longer accumulates sick bank credits or has income protection for sick absences. Including them would misrepresent the data.

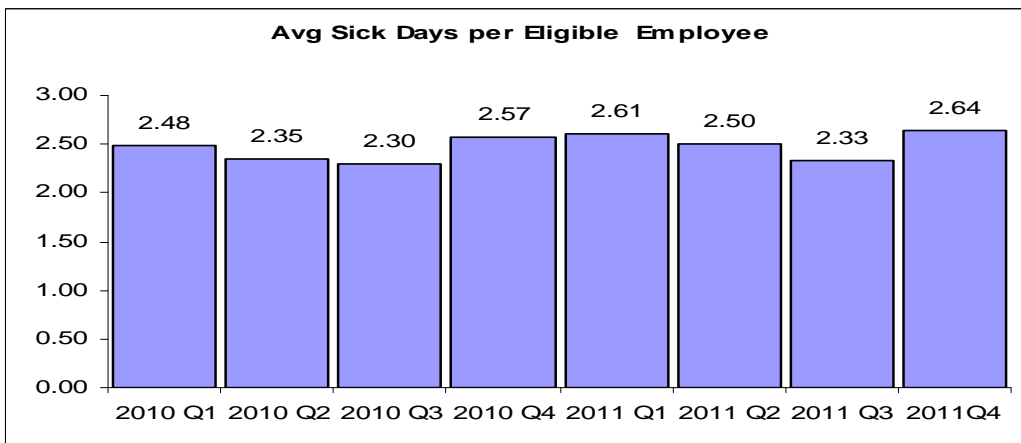
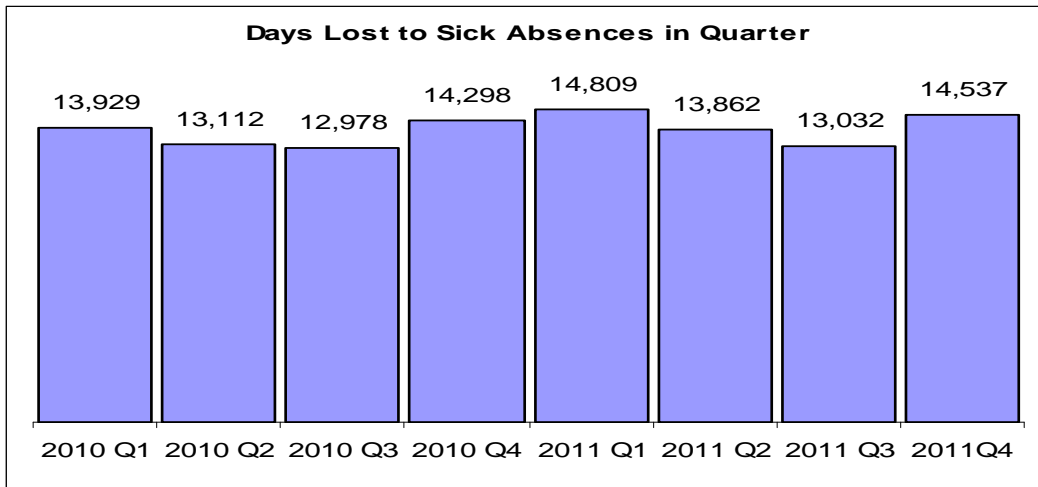
Short-term Disability Claims

Short-Term Disability Trends - 2007 to 2011



Includes 19 municipalities in Ontario

Quarterly Trends in STD Absences Q1 2010 to Q4 2011

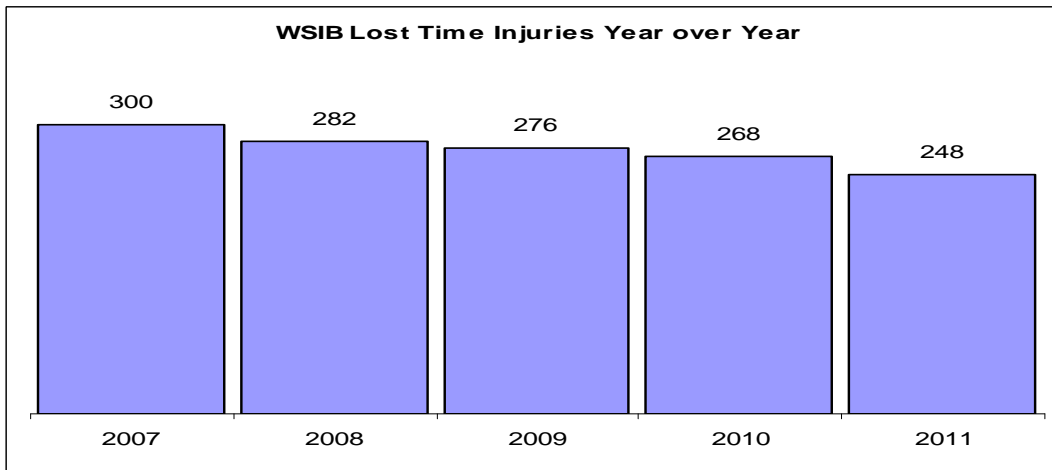
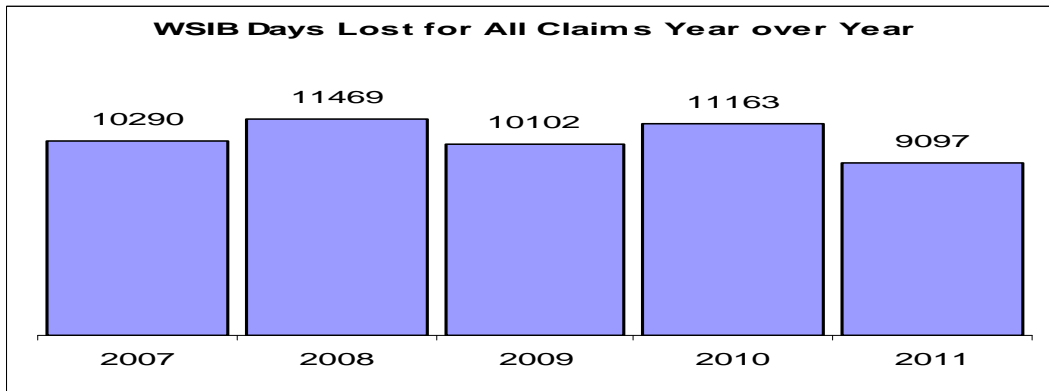


Occupational Injury and Illness Claims (WSIB)

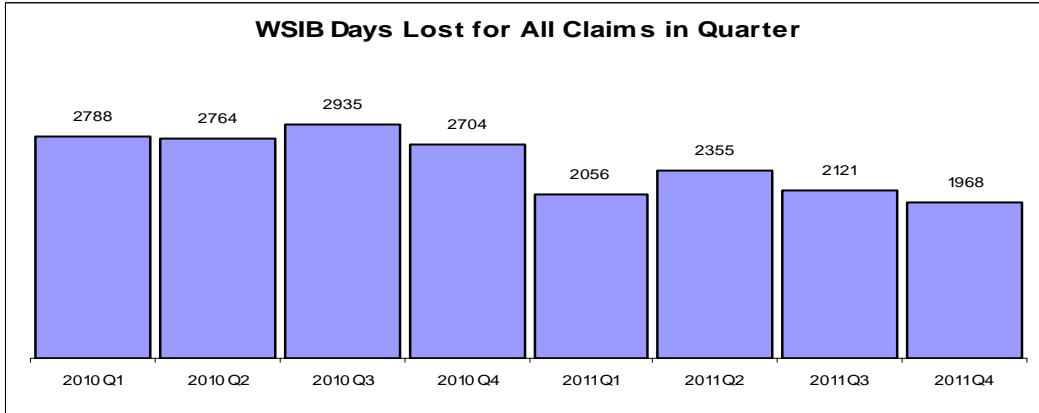
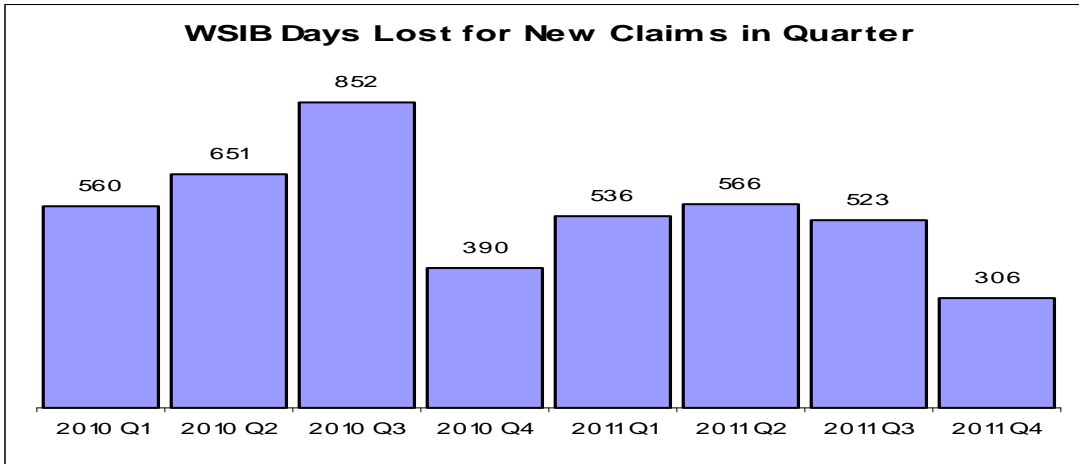
Annual Trends in WSIB Claims 2007 to 2011

While the WSIB Lost Time Injuries have declined year over year since 2007, the number of WSIB days has been fluctuating yearly. Work related lost-time injuries are down over 17% from 2007 to 2011. The days lost to WSIB absences are down in 2011 but have fluctuated up and down over the past 5 years.

The following two bar charts provide a visual presentation of how the WSIB days lost for all claims have declined since 2007.

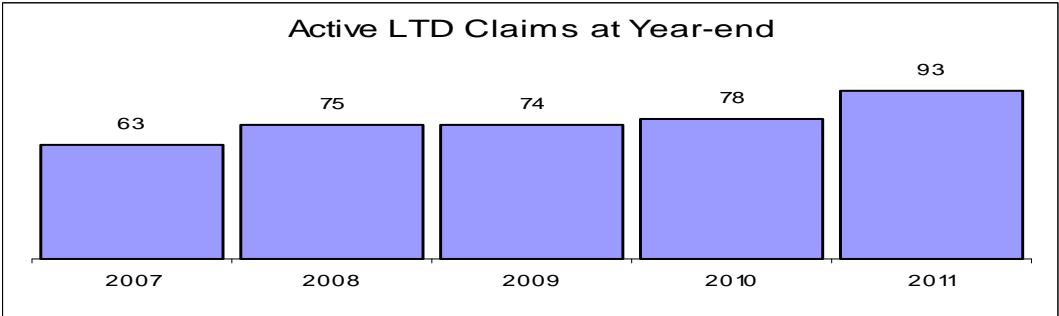
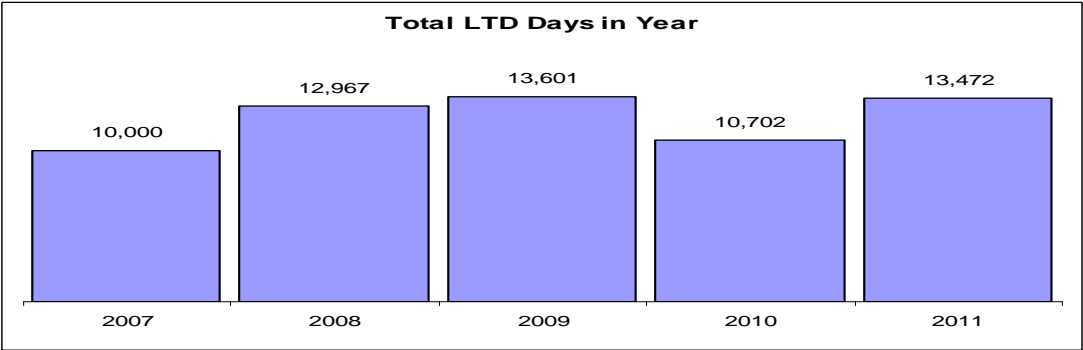


Quarterly Trends in WSIB Claims - Q1 2010 to Q4 2011

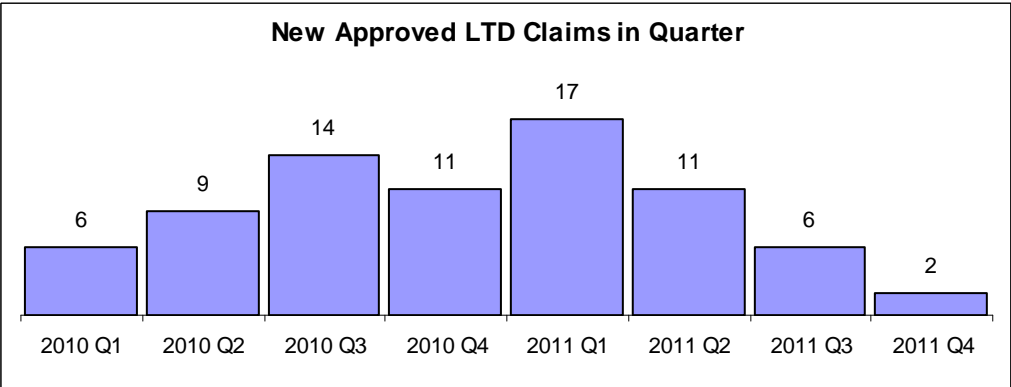


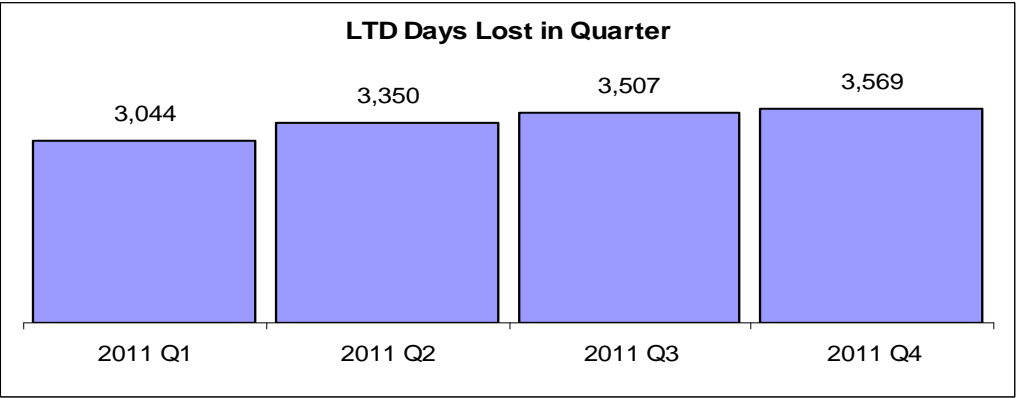
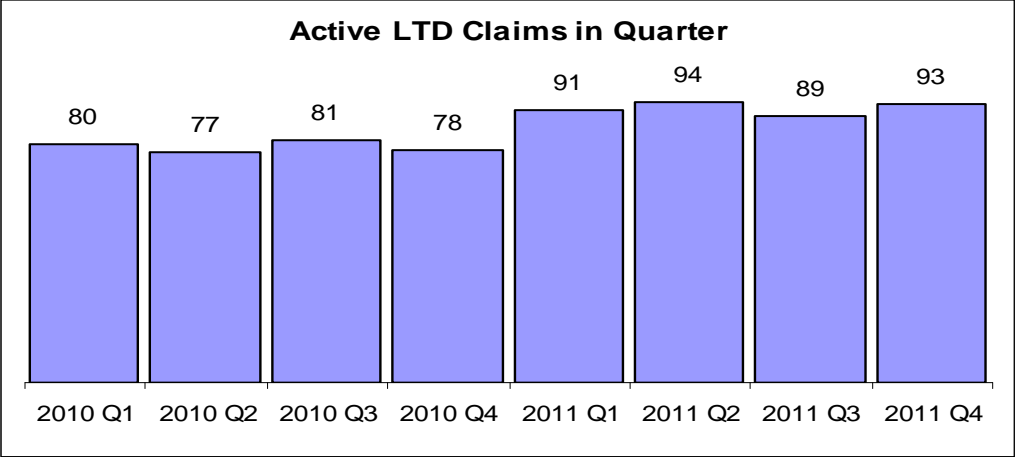
Long-term Disability Claims

Long-term Disability Trends 2007 to 2011



Quarterly Trends in Long-term Disability Q 1 2010 to Q4 2011





Note: Data on LTD days lost per quarter is not available pre 2011

2012 – 2015 Management Action Plan to Improve Employee Attendance

- (a) The City Manager and Human Resources will implement a corporate-wide and segmented communication strategy to all employees that includes:
- Council's objective to improve employee attendance with measurable absence reduction targets
 - The City's attendance expectations and that attendance is managed every day, not just when an employee triggers into the Attendance Support Program (formerly Attendance Support and Management Plan)
 - Management's intention to inquire into absences where appropriate to ensure efficient and effective delivery of public services
 - the roles and accountabilities of all involved in this corporate attendance improvement initiative, and
 - the proactive attendance supports and prevention measures that are available to support employees to be at work.
- (b) Management will take a more deliberate approach to the day-to-day management of employee attendance. There will be a focus on the importance of regular attendance as an expectation of all employees, while at the same time, recognizing that, on occasion, employees need to be absent from work to recover from illness or injury or to prevent the spread of communicable disease. Employees who misuse the income protection plan to cover absences unrelated to their own illness or injury will be subject to an appropriate management response. Management will discuss other supports, leave provisions and work arrangements that can be used by employees to deal with demands outside of the workplace that affect their ability to attend work. Where there is concern that an absence is not related to the employee's illness or injury or as an expectation arising out of attendance support meetings with an employee, Department Heads will require a sick claim form from the employee for one day of absence.
- (c) Human Resources will examine absences over the last 3 years and advise General Managers of employees who have a history of incidental absenteeism that doesn't trigger the thresholds set out in the Attendance Support Program (i.e. more than 4 occasions or more than 7 days in a 12 month period) but nonetheless impacts delivery of City services. Departments will take all steps necessary to help these employees improve their attendance and communicate attendance expectations, indicating the impact that absenteeism has on the organization's productivity, identifying management's concern and offering assistance to help employees attend work in a more regular fashion.
- (d) Department Heads will be held accountable for compliance with the Attendance Support Program. They will monitor and hold their management staff accountable for completing the Attendance Support Program meetings for their employees. All meetings will take place within 60 days of notification of the triggering event unless the employee is absent from the workplace or no longer employed by the City. Human

Resources will provide Department Heads with monthly reports on their department's compliance with the Attendance Support Program.

- (e) Human Resources will meet with union leadership and endeavour to discuss collaborative initiatives to lower absence rates and days lost amongst their membership. The discussions will include exploration of the factors behind employee absences and actions to encourage and support improved attendance.
- (f) Human Resources will continue to work with Information Services to provide business intelligence technology necessary to more efficiently and quickly analyze information to identify individuals with increasing incidence of absenteeism and/or patterns of chronic incidental absenteeism. Technology improvements are necessary to provide reports directly to frontline supervisors and managers for timely and appropriate response with their employees. Technological enhancements will also enable analysis of any demographic correlations and patterns of absenteeism among employees who account for the majority of paid sick days. Such analysis would inform mitigation strategies.
- (g) Human Resources will implement improvements to the Attendance Support Program as outlined in the recommendations of the review of the former Attendance Support and Management Plan.
- (h) Human Resources will provide training for supervisors and managers on disability management, the Attendance Support Program, and the disciplinary process for culpable absences. Department Heads will ensure that all of their management staff attend the training.
- (i) Human Resources will analyze the factors behind the increase in 2011 in days lost to absences that are longer than 5 days in length and take steps to shorten the average length of these claims. Human Resources will also examine its processes to identify opportunities to communicate with sick workers between the time a sick absence form is required and a medical return work clearance is mandatory (i.e. between day 5 and day 10 of a sick absence).
- (j) Human Resources and Senior Management Team will implement an integrated attendance improvement program that includes proactive preventive measures such as employee engagement strategies, healthy workplace programming, positive workplace policies, supportive work arrangements, occupational health supports and a mental health promotion and resilience strategy.