

January 21, 2026

Councillor Shelley Carroll
Chair – Budget Committee
100 Queen Street West, 2nd Floor
Toronto, ON M5H 2N2



CC: City Manager, Paul Johnson
Chief Financial Officer – Stephen Conforti
Mayor Olivia Chow
Members of Council

RE: Non-union Cost of Living (COLA) Increase

On behalf of the nearly 7000 non-union employees at the City of Toronto, COTAPSA is writing to request a fair and equitable 2026 Cost-of-Living Adjustment (COLA) for non-union employees.

As noted below, COLA for Toronto's non-union employees over the last 6 years is much less than that provided to unionized staff and Councillors - and far less than the actual rate of inflation. The chart below provides a comparison of COLA over the last six years:

Year	CPI	Councillors	Local 79	Local 416	Non-union
2020	0.7%	0%	1.0%	1.0%	0%
2021	3.4%	0%	1.0%	1.0%	0%
2022	6.8%	2.85%	1.0%	1.0%	1.0%
2023	3.9%	6.51%	1.5 (+.25 July 1)%	1.5% (+.25% July 1)	1.5% (+.25% on July 1)
2024	2.4%	4.23%	1.75%	1.75%	1.75%
2025	2.81%	2.81%	3.95 %	3.95%	2.5%
2026	TBD	TBD	3.9%	3.9%	TBD
TOTAL	20.0%	16.4%	14.35%	14.35%	7.0%

At its meeting on February 17, 2022, Toronto City Council approved a COLA adjustment at the same rate as unionized staff:

EX 30.2 – adopted by Council February 17, 2022

150. City Council direct that, commencing in 2022, cost of living adjustments for non-union and management employees be reinstated and set at a rate commensurate with the Local 79 and Local 416 cost of living adjustments (1 percent in 2022), or at the average rate thereof if the two cost of living adjustments are not same in a future year.

While this decision failed to compensate non-union employees for the years of inequality between non-union and union COLA, COTAPSA believed this to be a fair and reasonable directive.

Unfortunately, Toronto City Council changed this decision at its meeting on February 11, 2025 and delegated decision-making regarding COLA to the City Manager and introduced new considerations which provided discretion to award a lower COLA for non-union staff:

24. City Council direct the City Manager to establish the cost-of-living adjustment rate for non-union and management employees following the ratification of the collective bargaining agreements for CUPE Local 416 and CUPE Local 79, that takes into consideration the recently approved collective agreements with the City's unions; the previous year's average increase to Toronto's consumer price index (CPI); and the overall economic environment.

COTAPSA hopes that the City's non-union employees will not have to once again bear the financial burden of the City's budgetary constraints.

The impact of recent COLA decisions for non-union employees made by the City has had a significant personal impact. Earnings have not kept up with the rate of inflation, leaving non-union employees with **13% less** in terms of real wages. In addition, continued wage compression exists between union and non-union employees. This results in situations where Managers and Supervisors are making **the same or less** than the people who report to them.

In previous discussions, we note that the City continues to conflate COLA with Pay-for-Performance. We are told that a 2.5% COLA increment combined with a 2.5% pay-for-performance rating results in 5% salary increase. While that is true from a numerical standpoint, the two are separate considerations in an employee's salary determination. COLA is applied to protect people's purchasing power from inflation by increasing wages, benefits, or pensions to match rising prices for essentials like food, housing, and transport, ensuring their standard of living remains stable. Pay-for-Performance is to incentivize and reward non-union staff efforts and their performance compared to their objectives aligned with achieving Council goals for the residents and businesses of the City; allowing employees to move through their Council approved salary range. Unionized employees receive higher COLA **and** automatic step increases to progress through their wage grades.

Non-union employees deserve a COLA increase equal to unionized employees.

By consistently approving less COLA for non-union employees, the City is signalling it does not value their contributions as much as unionized employees. This feeling of underappreciation is pervasive among non-union employees. It will make it more difficult for the City to achieve its public service objectives to retain current and attract new employees.

The City's nearly 7000 non-union employees are on the front lines, working to achieve Council's service priorities. They are always willing to step up when asked to address challenges, as demonstrated during COVID, periods of a labour disruption, and hiring slow-downs.

Thank you for considering our request and we look forward to hearing back from you on a time to meet at your convenience.

Sincerely,

A handwritten signature in black ink that reads "M. MAJOR". The signature is stylized with a large, bold "M" and a cursive "MAJOR".

Mike Major
Executive Director