

Public service unions pull out of sick leave working group



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By Kathryn May, **OTTAWA CITIZEN** November 20, 2013

OTTAWA — Federal unions have pulled out of the working group created by the Conservative government for input into the biggest overhaul of sick leave and disability benefits in 40 years.

The withdrawal comes as the government is seeking input and holding consultations with the group benefits and insurance industry to help shape one of the biggest procurements of its kind in decades. The government is expected to issue a request for proposal for a new short-term disability plan and a revamped disability insurance scheme by next summer.

Most of the unions were participating in the working groups until the Conservative government revealed sweeping changes in the omnibus budget bill that will significantly weaken unions and their bargaining power.

The giant Public Service Alliance of Canada boycotted the consultations from the start and has publicly declared it wouldn't negotiate sick leave. The other unions that joined the sessions, however, began pulling out over the past week. The latest meeting Treasury Board planned for Monday was cancelled.

The discussions were clearly derailed by a growing mistrust between the parties, but union leaders say they decided the discussion on sick leave benefits, which are enshrined in collective agreements, would be best hammered out on the bargaining table. The next round begins in the spring and getting rid of accumulated sick leave is the top issue.

Gary Corbett, president of the Professional Institute of the Public Service of Canada, called the consultations a sham, and believes the government already has a plan in mind and is going to implement it regardless of what the unions say.

“There’s huge mistrust among the bargaining agents,” said Corbett. “We have been fooled before and nothing can change that and we worry the fact we are there would be used against us in collective bargaining.”

Claude Poirier, president of the Canadian Association of Professional Employees, said that “if we are part of that masquerade, they can argue that we accepted the fait accompli presented to us.”

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The lack of consultation has been an ongoing and thorny issue between the unions and the Conservative government. After the tabling of the budget bill, the unions appealed to the government to remove the amendments and meet with the unions to discuss new legislation. Clement rejected that proposal out of hand.

Treasury Board officials told the finance committee reviewing the budget bill earlier this week that they consulted no one outside government on changes to the Public Service Labour Relations Act that will change the ground rules for collective bargaining in the public service.

As the unions have long complained they aren’t consulted enough by government, some critics question how they could pull out of preliminary discussions on an overhaul that will have such a significant impact on the benefits of public servants. They argue that the unions should be putting their members’ interests first and be part of the process.

Lisa Blais, president of the Association of Justice Counsel, said the problem is that the “olive branch” Treasury Board seemed to offer when unions were invited to join the working group “wasn’t real. They weren’t true, meaningful discussions in any sense of the word.”

“Our fear is that they were trying to garner from us what we would be willing to give up when we go to negotiate so they would have the inside track on our thought processes and that should be reserved for negotiations,” said Blais.

The unions were part of the early discussions with the team Treasury Board created several years ago to examine the management of sick leave and disability. They candidly raised their concerns about problems with the system and voiced their concerns about where the existing system needed to be improved.

Disability experts have counselled government to keep unions in the loop and that disability management works best when unions are on board. They warned unions are legally obliged to represent their members so consultation and collaboration with them on the design and implementation is considered key.

One problem the unions faced in the discussions is that the government wants to integrate the management of a new short-term disability plan — which will replace accumulated sick leave — and its new disability insurance plan in its proposed overhaul.

Unions that pulled out of the working group over concerns about sick leave that they want left to collective bargaining didn't have the option of remaining in the group to discuss changes to the disability insurance plan.

The government appears to want to reduce the number of annual paid sick days and eliminate any carry-over. Once these sick days are used, employees would have to go on short-term disability at a reduced salary for a period of time — typically 26 weeks — before long-term disability kicks in.

Meanwhile, the government is charging ahead with consultations with the industry which are also underway. It is planning an “Industry Day” on Dec. 9 to gather information on the disability management services to support its new regime, such as claim adjudication, case management, rehabilitation, and issuing disability payments.

A request for information posted on the government's BuyandSell.gc.ca website shows the government is consulting industry to get a handle on the industry's capacity, possible delivery options and the “parameters” that will drive pricing and costs. It wants a “modern” system that will better manage injury, illness and disability while improving workplace wellness and reducing the cost of absenteeism.

The document says the disability overhaul is part of the government's drive to improve the efficiency and productivity of the public service while bringing its compensation “in line with comparable public and private sector employers.”

The new short-term and disability plans are so large that's it's expected only the biggest players, such as Sun Life Financial, Great-West Life and Manulife, will have the capacity to bid. Some say the running of the short-term disability plan will be the biggest challenge because no other employer in Canada has one in place for some 300,000 employees.

The government has four separate disability plans covering about 352,500 employees. The plan managed by Sun Life Financial is one of the largest in the country and covers 240,400 unionized

employees. The plan will pay 70 per cent of public servants' salaries when they are ill or disabled for long periods.

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