



Budget bill gives government the power to impose sick leave deal it wants

Kathryn May, Ottawa Citizen, May 7, 2015

The Conservative government gave itself the power in the latest budget bill to override federal labour law and impose a contentious new sick leave and disability regime for Canada's public servants at any time.

The budget bill allows Treasury Board president Tony Clement to set aside parts of the Public Service Labour Relations Act, which governs collective bargaining in the public service, to impose new terms and conditions for sick leave and introduce a new short-term disability plan.

The timing for such a move will be left up to cabinet to decide.

The measures, expected to be challenged in court when passed, give the government the tools it needs to ensure the agreement it wants on sick leave and disability is implemented.

The proposed measures are another shot at the labour rights of the 17 federal unions, which the government had already eroded leading up to this controversial round of bargaining over sick-leave benefits.

In 2013, the government changed the rules for collective bargaining in a budget bill that significantly diminished the unions' bargaining clout. The unions are challenging that legislation in court.

"This government has reached a new low," said Debi Daviau, president of the Professional Institute of the Public Service of Canada. "What they intend to do to our members' rights is nothing short of illegal. Their solution is quite simply to override the law."

The unions were girded for tough measures after Finance Minister Joe Oliver announced in the budget a new short-term disability plan right in the middle of contract talks over the proposal. Union leaders are meeting Friday to discuss the bill's implications and the impact on bargaining.

The biggest union, the Public Service Alliance of Canada, is scheduled to go back to the table with Treasury Board negotiators on Tuesday.

“The government has decided to completely throw out any pretence that they intend to respect the collective bargaining rights of its workers,” said PSAC president Robyn Benson.

“This attack on our members’ rights will seriously harm public services by forcing people to go to work sick, and cause irreparable damage to labour relations. We will take every available action in our power to challenge the legislation.”

For now, Clement said he intends to continue bargaining with unions. He said the bill will give him the option of imposing a deal in a “reasonable time frame” but he prefers a negotiated settlement.

“Our goal remains to reach a negotiated agreement with the bargaining agents,” said Clement.

Clement is said to want a deal before the election, so the question is when would he use his power to impose a deal.

The bill leaves that timing wide open. It creates a “period” of time when Treasury Board can impose the terms on the three most contentious issues — the amount of annual sick leave public servants will be entitled to, the amount they can carry over to the next year, and how the existing sick-leave banks will be handled.

That period begins when cabinet decides and sets the date, and ends when the new short-term disability plan comes into effect. The government has already told unions during bargaining that the new disability plan won’t be up and running before 2017.

That leaves the government a lot of leeway. It could start that period before the election and trigger a showdown with the unions, or it could make the new sick leave and disability regime part of an election platform and promise to implement it if elected.

Unions argue the government has shrewdly crafted the bill so it can exploit the timing and a showdown with unions when it will help them the most politically.

“This bill will hold federal public service workers hostage until they accept a plan that forces them to go to work sick,” added Daviau. “We are dealing with ideological bullies who have no concern for the public interest but are focused on their own re-election.”

The bill also says that if sick leave is imposed, the government and unions can continue contract negotiations on any other outstanding issues. They can also strike on any other issue other than sick leave.

Unions fiercely oppose the new short-term disability plan because it would replace existing sick-leave benefits, as well as the 15 million days of unused sick days public servants have banked over the years.

Sick leave has always been negotiated in the public service and the conditions, such as the number of days and the carry-over, enshrined in the collective agreements. Public servants now

earn 15 days of paid leave. Unused leave can be rolled over from year to year but their banks disappear when they retire.

In its last offer, the government offered six days of sick leave a year and no rollover.

Once sick leave is used, employees would still face a seven-day unpaid waiting period before applying for short-term disability benefits. On disability, they would collect 100 per cent of salary for five weeks. After that, benefits would be reduced to 70 per cent of salary.

That proposal also proposed a formula that will allow employees with banked sick leave to convert it into credits to top up benefits from 70 per cent of salary to 85 per cent.

The unions have flatly refused any changes to sick leave and argue Clement has never given them a business case to justify the changes.

Under existing legislation, all terms and conditions of employment are “statutorily frozen” or remain in force until a deal is reached or a strike is called. The budget bill overrules that provision.

The budget bill would also force arbitrators to be bound by the sick leave terms the government wants when it is ruling on an impasse. The changes also forbid any changes to sick leave for four years after the new short-term disability plan is implemented.



Conservative budget bill sets up battle with federal unions

Bill Curry, The Globe and Mail, May 7, 2015

The Conservative government is giving itself new powers in the latest omnibus budget bill to impose controversial sick leave changes to the public service, a move that sets up a battle with federal unions just months before the October election.

The budget bill tabled Thursday, C-59, has 157 numbered pages, which is less than half the size of both budget bills tabled last year. However Thursday's bill continues the pattern of jamming budget bills with a wide-range of substantive measures, including entirely new laws.

Liberal Leader Justin Trudeau is proposing a tax hike for the wealthiest one per cent of Canadians and an income tax cut for the middle class. But the Conservative government and the New Democrats say the policy doesn't add up.

Bill C-59 includes the government's long-promised balanced budget legislation, as well as a new law called the Prevention of Terrorist Travel Act, which restricts the release of intelligence used by government to cancel a passport on national security grounds.

Critics have long opposed the government's approach to omnibus budget bills, arguing that including major new measures all in one bill means that the individual changes do not receive the same thorough Parliamentary scrutiny that they would have received had they been introduced as a piece of standalone legislation.

Unions had already expressed concerns about the government's plans on sick leave when they were first signalled in Finance Minister Joe Oliver's April 21 budget.

Bill C-59 gives the Treasury Board minister the power to ignore provisions of the Public Service Labour Relations Act and unilaterally change the terms and conditions of sick leave in the public service and create a new short-term disability program.

Treasury Board President Tony Clement has said a new sick leave regime was his priority heading into labour negotiations last year with public service bargaining units. The major unions had said they strongly opposed Mr. Clement's proposal.

"Nothing in this [section] affects the right to strike under the Public Service Labour Relations Act," states one section of the budget bill.

"The government has decided to completely throw out any pretense that they intend to respect the collective bargaining rights of its workers," said Robyn Benson, president of the Public Service Alliance of Canada, the largest union of federal public servants. "This attack on our members' rights will seriously harm public services by forcing people to go to work sick, and cause irreparable damage to labour relations. We will take every available action in our power to challenge the legislation."

Other sections of the bill implement the wide range of tax credits announced in the budget, including repealing the child tax credit, expanding the Universal Child Care Benefit and introducing income splitting for couples in different income brackets.

The bill creates a new "Parliamentary Protective Service," that would place responsibility for security on Parliament Hill in the hands of the RCMP.

The bill also lays out new rules regulating unpaid internships, including that they cannot replace any employee and that the internship must not be a prerequisite to the person being offered employment.

The budget bill includes changes to a wide-range of existing laws, including the Industrial Design Act, the Patent Act, the Trade-marks Act, the Canada Labour Code, the Copyright Act, the Export Development Act, the Members of Parliament Retiring Allowances Act, the National Energy Board Act, the Parliament of Canada Act, the Employment Insurance Act, the Canada Small Business Financing Act, the Personal Information Protection and Electronic Documents Act, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, the Immigration and Refugee Protection Act, the First Nations Fiscal Management Act, the Canadian Forces Members and Veterans Re-establishment and Compensation Act, the Ending the Long-gun Registry Act, the Trust and Loan Companies Act, the Bank Act, the Insurance Companies Act, and the Cooperative Credit Associations Act.

Budget bill C-59 checks off Conservatives' pre-election 'to-do' list

Budget implementation bill lumps in other things Harper government wants passed

By Janyce McGregor, CBC News, May 7, 2015

It's he-ere...

The Harper government has tabled its budget implementation bill, which once again contains more than just this year's budget measures.

The legislation, expected to pass before Parliament rises for the summer, reads like a pre-election must-do list for the Conservatives.

Its short title, the Economic Action Plan 2015 Act, suggests its main purpose: implementing the crux of the budget Finance Minister Joe Oliver tabled two weeks ago.

But its official title — an Act to implement certain provisions of the budget tabled in Parliament on April 21, 2015 and other measures — more accurately reflects how other things are rolled into the finer print.

At 167 pages, its size doesn't match past doorstoppers, like the 450- and 457-page versions from the spring and fall of 2012 that set off howls of protest (as well as actual protests) off and on Parliament Hill.

But the strategy is the same: Stephen Harper's government heads out on the hustings this fall, and budget or beyond, it's got stuff it needs to pass quickly.

What's in C-59?

Here's a quick look at what's included in the bill introduced Thursday in the Commons:

- 2015 Budget tax measures: Changes announced by Oliver last month to RRIFs and TFSAs, the small business tax rate, capital gains exemptions, disability savings funds and veterans benefits are all included, as is the new home accessibility tax credit.
- Family tax cut and benefits changes: Announced by the prime minister last October and re-announced by Oliver in the budget.

- Federal Balanced Budget Act: Announced as a separate bill, it's rolled into this one for passage.
- Prevention of Terrorist Travel Act: Also announced as a separate bill, but rolled into C-59.
- Parliamentary Protective Service: Previously-announced changes to security on Parliament Hill, as the RCMP takes over security for the Parliamentary precinct following the Oct. 22 shootings.
- Public service sick leave: New authorization for Treasury Board to establish and modify, despite existing laws and ongoing contract talks, the "terms and conditions of employment related to the sick leave of employees," including the establishment or modification of a new short-term and long-term disability program.
- Patent Act and Trade-marks Act changes.
- Compassionate care leave extension: Now up to 28 weeks, and related EI benefits extended to 26 weeks.
- Copyright Act changes.
- Export Development Act changes.
- Canada Labour Code changes to include unpaid employees (for example, interns.)
- Members of Parliament Retiring Allowances Act changes to harmonize contribution rates for senators and MPs.
- National Energy Board Act changes to extend the duration of natural gas export licenses.
- Employment Insurance Act eligibility changes.
- Canada Small Business Financing Act changes to increase the amount of gross revenue allowed in the definition of "small business."
- Personal Information Protection and Electronic Documents Act changes.
- Proceeds of Crime (Money Laundering) and Terrorist Financing Act changes.
- Immigration and Refugee Protection Act changes, to expand the use of biometrics and electronic documents.
- First Nations Fiscal Management Act changes.
- Canadian Forces Members and Veterans Re-establishment and Compensation Act changes to enact previously-announced injury and caregiver benefits.
- Ending the Long-gun Registry Act changes to exempt applicable records from Access to Information rules.

Read Bill C-59:

<http://s3.documentcloud.org/documents/2074191/c-59-budget-implementation-bill.pdf>