



Tony Clement wants to cut public servants' sick days to five

Kathryn May, The Ottawa Citizen, September 11, 2014

The Conservative government proposes to slash public servants' paid sick leave to five days a year and introduce an unpaid seven-day waiting period before they qualify for new short-term disability benefits.

Treasury Board negotiators presented the government's long-awaited bargaining position on a new sick-leave regime late Wednesday at closed-door talks with the giant Public Service Alliance of Canada. PSAC is the largest federal union, representing the majority of public servants in five large bargaining groups that have been locked in contract negotiations with Treasury Board this week.

Under the proposal, the government wants to get rid of the accumulated sick-leave bank, estimated to be worth about \$5.2 billion in unused sick-leave credits. It also wants to eliminate the 15 days of paid sick leave public servants now receive under their collective agreements and replace that with five days, or 37.5 hours, a year.

PSAC President Robyn Benson said the union won't entertain any proposal that demands concessions on the existing sick-leave regime.

She argued the big concern about fewer sick days – combined with a waiting period for short-term disability – is that public servants could end up going to work ill and making their colleagues sick rather than staying at home, because they have run out of sick days.

“The bottom line in my humble opinion is this (means) ‘go-to-work-sick’ and that will be the reality,” said Benson. “This government is telling their employees you have sick leave in your collective agreements and we are going to take it and you can go to work sick, be less productive and make everyone

else sick and if you don't go to work, then by God, you won't be able to feed your children.”

Benson said the government also expects public servants who borrow sick-leave credits (because they don't enough banked leave) to repay that advance later.

Under the existing contract, public servants can bank unused leave and roll it over year-to-year; bureaucrats have socked away thousands of hours over the years.

The five days of sick leave the government is now proposing cannot be accumulated and carried over. Any unused days would disappear at the end of the year.

The government is calling for an unpaid, seven “calendar day” waiting period which would kick in after public servants used all their allotted sick leave. After the waiting period, employees would be eligible to apply for short-term disability, which would pay benefits for up to 26 weeks.

Under the proposal, if they qualify for short-term disability, public servants can collect full pay for four weeks. Pay drops to 70 per cent for the remainder of the 26 weeks.

Employees who are still unable to return to work after 130 days on short-term disability will then go on long-term disability, under the government's proposal.

With the government's demands tabled, the pressure is on at the bargaining table. The government wants the new short-term disability plan up and running by September, 2016.

Claude Poirier, president of the Canadian Association of Professional Employees, said he was surprised that Treasury Board President Tony Clement, who is responsible for bargaining, went so far in his demands, and expects his union will be presented with “something very similar” when it resumes bargaining next month.

He argued the proposal flies in the face of Clement's insistence that a new system was necessary to protect workers who didn't have enough banked leave to cover a prolonged illness.

"Now, if you are sick twice a year you face seven days without pay before going on STD, so when he pretends he is trying to help people without banked sick leave, he is lying. This doesn't help anyone," Poirier said.

Bureaucrats offered Clement various options on how to overhaul the plan and the proposal he selected was considered the "most transformative." It also shows how willing the government is to wage a major battle with unions in the run-up to the 2015 election.

The creation of a short-term disability plan is not part of negotiations as such. But the number of sick days and ability to roll over unused days is enshrined in contracts and must be re-negotiated.

The fate of banked sick leave was a big question hanging over this round of bargaining. Public servants can't cash in their unused sick leave when they retire and many leave with weeks or months in their banks.

The government had commissioned an actuarial valuation of the \$5.2 billion in banked leave, which determined bureaucrats would only use about \$1.4 billion worth of the unused leave. That \$1.4 billion, recorded as a liability on the government's books, will disappear if banked sick leave is abolished.

Many hoped Clement would allow some, if not all, to be carried over so employees could dip into their credits for extra leave if they needed more than the new five-day threshold. Canada Post did this when it revamped its sick leave.

Collective bargaining has been underway for months as union and Treasury Board negotiators traded demands but PSAC is the first union to receive the sick-leave proposal. Benson met Thursday with leaders of the other 16 unions to discuss next steps.

Although the various unions negotiate with the government separately from each other, the unions have signed a "solidarity" pact to present a common front on sick leave.

Clement has so far shown no openness to the union's position that the existing system should be fixed rather than replaced with a new short-term disability plan.

He originally said he was open to their input and the main reason for the government's delay in unveiling its position was unions' refusal to participate in "informal" discussions – which were to be held outside the collective bargaining process – on the broad shape of the new short-term and long-term disability plans.

Clement said once the unions "categorically" rejected his offer for discussions, Treasury Board was forced "back to the drawing board" to draft its own proposal without their input.

The proposal at a glance

Treasury Board President Tony Clement wants to replace the existing accumulated sick-leave regime in Canada's public service with a new short-term disability plan in 2016. Here's a look at what could change:

Sick-leave bank

\$5.2 B: Current value of total banked or unused sick leave.

\$0: What would remain in sick-leave bank, under the government's scenario, after government abolishes sick-leave credits as part of a new short-term disability plan.

Sick Days

15: Current number of paid sick days to which public servants are annually entitled under existing collective agreements. Unused days can be banked and carried over year to year.

5: Number of paid sick-leave days every year under the government's proposal. Unused days would be lost and couldn't be banked.

Waiting Period

13: Number of weeks public servants currently must wait to qualify for long-term disability. They can use banked sick leave to collect full pay during the waiting period – if they have banked leave.

7: Under the government's proposal, number of "calendar" days, unpaid, that public servants would wait before they can qualify for short-term disability once they use up the five days of paid sick leave they would get.

Pay

100 per cent: Public servants currently get full pay when ill as long as they have enough banked sick leave to cover their absences. Employees now qualify for long-term disability – at 70 per cent of pay – after 13 weeks or after using all their sick leave.

70 to 100 per cent – Under the government proposal, employees on short-term disability would receive full pay for four weeks, then 70 per cent of salary for the remaining 22 weeks. Long-term disability would kick in after that.

11: Average number of sick days public servants now take annually.