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Striking city workers are doing the math on banked sick day payouts

Though unions have angrily rejected latest offer, many union members are giving it a good hard look

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Striking municipal unions have angrily rejected the city's latest contract offer, but many union members are giving it a good hard look all the same. City officials say that, as of Monday afternoon, more than 28,000 people had [visited a special website](#) that lays out the details of the proposed deal.

The site's most popular feature is a built-in calculator that allows strikers to figure out the size of the payout they would get when the city winds up their outmoded sick leave plan. That plan, fiercely defended by the city unions, allows workers to bank unused sick days at a rate of 18 a year and trade them in for cash when they retire. Following the lead of many other cities, Toronto proposes to replace the system and compensate workers with a one-time cash payout.

For many workers, that would be a tidy little sum. Take a \$45.15-an-hour critical-care paramedic who has 26 years on the job and was hired by the old City of Toronto before it was amalgamated with other municipalities. With 150 banked sick days he would get \$46,956 if he retires before the end of next year.

A \$31.71-an-hour bricklayer with 20 years on the job and 120 banked sick days would take away \$17,862. A \$24.14-an-hour truck driver with 12 years service and 80 banked sick days would get \$4,393. On average, says the city, full-time employees with more than 10 years of service would get \$8,500.

That is pretty decent money for surrendering a benefit that fewer and fewer public sector workers enjoy and that private sector folks can only dream of. Because the payout is based on years of service and number of banked sick days, it is especially sweet for veteran workers who are approaching retirement. But there are advantages for less senior workers, too.

Under the existing plan, employees earn sick days as they go, at a rate of 1.5 days a month. So new hires who get sick are in trouble because they have no sick leave in the bank. City officials say that 300 workers who fell ill in the past year got no sick pay at all. Under the current setup, even a worker who has been on the job for six years and has never taken any sick leave would not have banked enough days to cover him until he becomes eligible for long-term disability pay.

By contrast, the new short-term disability plan proposed by the city to replace bankable sick leave would give junior employees good coverage right off the bat. So if they fall seriously ill, they are covered by the short-term plan until long-term disability kicks in.

No wonder so many people are clicking on that website. The city's proposal on sick leave makes sense – not just for the city, which wants to shed the \$140-million liability it is carrying around for future sick-leave payments, but for the employees.

When York region proposed to wind up its old sick leave plan in 2000, its union signed on without a strike. Ninety per cent of employees took an immediate payout for their banked sick time, while 10 per cent chose to defer it till retirement. In Hamilton, which got rid of banked sick leave in 1982, workers could keep the sick days they had already banked and cash them in on retiring or use their sick bank to top-up their benefits under the new sick plan introduced by the city. Toronto's non-union employees got a similar deal when the city did away with bankable sick leave last year. When Toronto's Parking Authority made the switch,

workers with more than 10 years of service got a payout up to a maximum of 130 days salary.

It is hard to fathom why Toronto's unions refuse to make the same shift, unless you count “we've got it and we're going to keep it” as an argument. They say that when it was introduced decades ago, bankable sick leave was meant to supplement modest incomes with a kind of severance pay. But as a city reports dryly put it, “the intent of a sick leave plan is to provide protection when an employee is sick,” not to provide the employee with a generous goodbye gift.