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Unions living in dreamland

If the unions dig in their heels, they won't get much public sympathy

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Are you worried about losing your job in the recession? Is your company cutting your pay or laying off workers? Put aside all that stress for a minute. Close your eyes and dream.

Imagine you work for an employer that is hiring people and spending money like it's going out of style. Imagine you have a top-notch pension, generous benefits and a plan that lets you collect sick days and cash them in when you retire for thousands of dollars.

That's the cloud-cuckoo land inhabited by workers for the City of Toronto. Even by the plush standards of the public sector, the deal they have is enviable. Their sick-leave plan gives them 18 sick days a year, which they can take as needed or put in a bank for retirement. The premiums for their comprehensive dental plan are 100 per cent paid for by the city. In a country where three quarters of private-sector employees have no pension at all, their comfortable pensions are indexed to inflation.

All this, and they want to go on strike? Incredibly, as tens of thousands of Canadians are losing their jobs, the two unions representing 24,000 indoor and outdoor workers are threatening to down tools as early as midnight Sunday to protect what is theirs. "Our employer cannot get away with using the recession as an excuse to gut our collective agreements of the decent working conditions that we have negotiated over almost a century," huffed a union bulletin.

No union likes to make concessions. Like Queen Victoria, when pressed to give up bits of the British Empire, they believe that what you have, you hold. But to dismiss the worst economic crisis since the Great Depression as nothing more than "an excuse" is a little much.

The unions may have missed this detail, but Toronto is in hot water. It faces higher welfare costs because of the staggering economy. Revenues from sources such as the new land transfer tax are falling tens of millions short of what was expected. The hole in next year's budget could be \$350-million to \$500-million. And, unlike in years before, Toronto can't expect a bailout from the provincial government, which is facing an \$18.5-billion budget deficit of its own.

So it only makes sense for Toronto to control its labour costs, which make up half of its \$8.7-billion budget. Cities all over North America are doing it. The president of the Toronto Board of Trade, Carol Wilding, notes that mayors from Chicago to Los Angeles to New York are demanding concessions from city unions, imposing unpaid "furlough" days and laying off thousands of workers.

Nothing so draconian is being proposed by Toronto. The city insists it doesn't want to shed workers. In fact, it is hiring more than 1,000 new employees for transit and other services. What it does want to do is wind down the lavish and archaic sick-leave plan, which has burdened the city with an unfunded liability of about \$250-million.

That hardly counts as a plot to "gut" the employees' contract or strip away "decent" working conditions. Most other Canadian municipalities long ago did away with this ludicrous bit of featherbedding, replacing it with a standard plan that covers workers when they are, well, sick. Hamilton did it in 1982,

Etobicoke in 1996, York Region in 2000. Don't even talk about the private sector, where jaws fall open at the very idea that you could collect sick days like bubblegum cards and trade them in for valuable prizes.

Toronto itself switched its non-union staff to a standard sick-leave plan last year with no big fuss. Long-term employees got to keep their already banked sick days, cashable on retirement. Union employees would probably get a similar deal if they agreed to give up the sick-leave entitlement.

If, instead, the unions dig in their heels, they won't get much sympathy from the public. Imagine union leaders trying to explain that the daycares are closed, the pools and rinks shut and the garbage going uncollected because of their demand to keep a benefit that that is costing taxpayers millions and that few workers in other cities enjoy. If they believe they can sell that, they really are living in dreamland.