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Union and city dig in on issue of sick leave

Monday strike deadline looms over talks

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From Tuesday's Globe and Mail, Friday, Jun. 19, 2009 03:44AM EDT

Sick leave remains one of the big stumbling blocks in negotiations between Toronto and its unionized workers as a strike deadline looms less than a week away and the city's non-union employees grumble about possible deferred vacations.

Talks with the Canadian Union of Public Employees, Local 79, which represents 18,000 indoor workers, are under a media blackout. But word from Local 416, representing 6,200 outdoor workers, is that "there's very little progress being made – so big are the concessions the city is asking for," CUPE spokeswoman Pat Daley said. "It looks like they're going to be negotiating right to the deadline."

Along with job security and seniority rights, sick-leave benefits continue to trip up both sides at the bargaining table. Workers are now entitled to 18 sick days a year at full salary, which they can accumulate, carry over and cash out at the end of their careers.

Compared with many other Ontario cities, it's a generous plan and virtually unheard of in the private sector.

The payout is calculated at a maximum of half of sick days earned, to no more than six months total, based on years of service. For example, a 25-year employee with six months of accrued sick days would get paid an extra three months at full salary upon retirement.

The city, grappling with what amounts to a multimillion-dollar unfunded liability, has proposed to switch workers to a short-term disability program that offers more sick days but prohibits carryovers, similar to what it imposed on non-unionized staff in 2008.

City spokesman Kevin Sack said he couldn't confirm a dollar figure or the size of the liability. A 2008 report to Mayor David Miller's executive committee cited a \$237.8-million liability in sick-leave gratuity for 2009, but that included the Toronto Police Service and the city's agencies, boards and commissions.

Ms. Daley said any figure is an "actuarial fantasy" based on an assumption that everyone would be eligible for the maximum and would retire at the same time. She noted employees are not entitled to any other severance upon retirement.

Ms. Daley said Toronto firefighters, police officers and municipal workers in Guelph, Brampton, Oshawa and Cambridge have similar sick leave carry-over-and-cash-out plans.

Still, many large Ontario cities and regional governments have moved to short-term disability programs, including Hamilton, Ottawa, Mississauga, Brampton, and the regions of Halton, York and Peel.

In Oakville, outside and inside workers – also represented by CUPE – are on the short-term disability

plan and have no carry-over privileges. It's the same story in Mississauga.

As for the private sector, "it's very uncommon today for any company to have that type of arrangement," said Michele Bossi of ACS/Buck Consultants, a Toronto-based employee and group benefits consulting firm.

"Sick days aren't meant to build up and build up and build up," she said, citing the "huge" financial liability such plans pose to companies.

The city and the two locals negotiated through the weekend and yesterday. The workers, including garbage collectors, daycare employees, paramedics, and parks and recreation staff, will be in a legal strike position Monday.

Meanwhile, Toronto's 4,000 non-union employees, who face a wage freeze this year, fired a shot across the bow yesterday in the form of a letter to city manager Joseph Pennachetti from their advocacy group, the City of Toronto Administrative, Professional, Supervisory Association Inc.

The letter cites a contingency planning memo from Mr. Pennachetti to his department heads that raises the prospect of deferred vacations and new job duties for non-union staff in the event of a city strike.

"Many of our members are expressing their feelings that they're not going to be as eager as they normally would to help the city out," said Richard Majkot, the association's executive director, citing the freeze.