

## Right to banked sick days a waning trend in Ontario

**Striking workers face 'tough' battle in effort to keep benefit that's been mostly faded out in last 20 years**

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Sandro Contenta

FEATURE WRITER

Striking Toronto workers are trying to buck a two-decades-old trend that has seen many public sector employees lose the right to cash banked sick days.

"It is tough to keep," says Don Ford, spokesperson for the Ontario Public Service Employees Union, noting that almost all of the 130,000 provincial workers in his union lost the benefit during the last 20 years.

Ontario high school and elementary teachers have for years been fighting board attempts to wipe out a version of the plan. A majority of them have managed to hang on to it.

Municipally, it's a mixed bag. Brampton and Oshawa have plans that cash banked sick days; Hamilton and Burlington don't.

Mississauga is a hybrid: firefighters still enjoy the benefit but any other employee hired after 1982 doesn't.

This type of sick plan is largely unheard of in the private sector.

In Toronto's case, the plan allows city employees to bank up to 18 sick days a year and, after at least 10 years of service, cash them out at half their value on retirement. The maximum, paid out to those with at least 25 years of service, is six months.

What's clear is cash-strapped municipalities are gunning to get rid of it, says Roy Male, past president of Ontario Municipal Human Resources Association, which advises municipalities on collective bargaining.

Some municipalities have placed contract talks on hold and are awaiting the outcome of strikes in Toronto and Windsor, where the city's bid to cut retirement health benefits for new hires has resulted in an 11-week-old garbage strike.

"If they can get away with stripping these concessions in Toronto and Windsor we know we'll be faced with it everywhere else," says Ontario CUPE president Sid Ryan, citing Brampton and Waterloo as places where talks are on hold.

In Toronto, where two CUPE locals representing 30,000 city employees are on strike, including garbage collectors and daycare workers, union representatives believe the right to bank and cash unused sick days is at least 40 years old.

It dates to a time of almost full employment, when competition for workers was high. They say the plan was intended to keep talented workers in the civil service. Politicians apparently considered it more publicly palatable than higher wages.

Mayor David Miller puts the future cost to the city to pay for banked sick days at \$260 million. But that estimate includes the bill for non-striking firefighters and non-unionized managers. To pay for striking employees of CUPE locals 79 and 416, the liability is \$140 million, according to the city's estimate.

Last year, firefighters, CUPE employees and non-unionized workers who cashed banked sick days cost the city \$9 million.

The city wants to replace the benefit with a "short-term disability plan." Kevin Sack, the city's spokesperson, says it would be modelled on the one that now covers Toronto's non-unionized managers.

That plan provides 75 per cent to 100 per cent of salary when managers are away from work, due to illness or injury, for up to 26 weeks. Long-term disability kicks in after that, at 75 per cent of pay. There is no provision for banking unused sick time.

"The rationale for this benefit is to provide people with income protection when they are sick, not when they're not sick," Sack says.

He argues it would give striking employees better sick-day coverage than their current plan. Last year, about 300 members of the striking union locals were not paid when off ill or injured because they didn't have enough banked sick days, Sacks says.

CUPE spokesperson Pat Daley describes the short-term disability plan the city has proposed in negotiations as "substandard." It offers less coverage than what employees now get, she insists. Unions that gave up sick-day banks in other municipalities were compensated with benefits of equal value, she argues. She hints at a possible compromise by noting that striking employees get no severance pay from the city when they leave their jobs. City councillors, on the other hand, get one month's severance for every year they serve, up to a maximum of 12 months' salary, she says.

She says workers have long counted on the cash-out to supplement retirement plans. She also describes the sick-day bank as an incentive to reduce absenteeism.

"We know that people in all kinds of workplaces might call in sick when they're not really sick," she says.

From 1997 to 2008, annual work time lost for personal reasons increased from 7.4 days per worker to 10 days, according to Statistics Canada. As contributing factors, StatsCan cites an aging workforce, the growing share of mothers with young children in the workforce, higher worker stress and more generous sick and family-related leave benefits.

In 2008, full-time unionized workers were absent more days than non-unionized workers – 13.9 days compared to 8.2 days. It confirms a trend noted for years, likely due to the fact that unionized workers tend to have better sick-leave benefits.

Gary Johns, an expert on workplace absenteeism, argues the payoff in banked-sick-day plans is too far in the future to change employee behaviour. "I don't think that the average person waking up in the morning with a hangover or a cold is much influenced by these kinds of systems," says Johns, management professor at Concordia University's John Molson School of Business.

If anything, the incentive could be harmful for the employer in the long run if workers who should be at home sick report for duty and spread their germs, says Rick Hackett, professor of organizational behaviour at McMaster University's DeGroote School of Business.

It's also unfair to employees who legitimately use up their sick days, Hackett argues. They're essentially penalized for their illness by having less banked time to cash out, he says.

Daley says both sides in the dispute have been talking but "there's no light" at the end of the bargaining tunnel yet. The days when municipalities needed to entice workers to stay on seem long gone.