

Bargaining *INFO*



Public Service Alliance of Canada

Payout of unused sick leave won't address underlying issue

The payout of unused sick leave upon retirement ranks as a high priority demand for some of our members. This is no surprise, as this demand was submitted in previous rounds of bargaining and was championed by some bargaining teams.

It's recognized that the demand for sick leave payout repeatedly comes because of an underlying issue – the desire of our members to have their years of service recognized. However, paying out of sick leave will not address the problem.

The demand can have very negative repercussions:

It is an extraordinarily expensive demand. If the employer agrees to it, it would have to immediately budget for all accumulated credits to be paid out in the future. The year-one cost would be about 35% of payroll if the cash out was 100% of unused sick leave. That is the amount of funds the employer would need to set aside to cover future liability.

Putting sick leave cash out on the table opens the door for the employer to attack severance pay. This is something they are itching to do. We saw this last round with Canada Post. They attacked severance pay by offering to pay out the accumulated amounts. In the end, we didn't get sick-leave payout in return. Workers who have worked 25 years for the employer get 26 weeks of severance when they retire. That is far better than what most employees would receive if they have payout of unused sick leave – and it is a benefit which extends to **all** employees, even to those who have had to suffer long illnesses or disabilities that required the use of sick leave.

The demand also runs counter to union principles:

Sick leave payout discriminates on the basis of disability. It gives privileges to those who are healthier and it has an adverse impact on those who have had to draw on their sick leave because of their physical health or disability.

A program which encourages workers to come to work sick is a bad idea. People come into work when they ought to stay home. That is what happens in work places where severance is tied to building up unused sick leave credits.

The underlying issue behind this demand is recognition. Recognition for long-service, for years of unpaid overtime and for caring about the quality of the work. In other words: respect.

To the extent that this is the underlying issue, let's ask for something that recognizes long service. Instead of sick leave pay-out, let's focus on pre-retirement leave, better severance, or more vacation for long-serving employees. All of these are things that recognize dedication without penalizing those who were forced to be absent through no fault of their own, and without giving the employer a card to play in other areas of the collective agreement.