



NINE MYTHS ABOUT PAID SICK LEAVE

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In the wake of the recent moves by the government, here's a look at all the myths they keep repeating about paid sick leave.

MYTH #1: Sick leave costs the government and taxpayers close to \$1 billion per year.

In most instances, when an employee is absent, their work isn't done. The work waits for them to return to work.

Reality: The sick leave provisions in public service collective agreements are there to guarantee revenue continuity in instances where an employee is ill or injured and can't report to work. Typically, sick leave is used for one, or two or three consecutive days, when an employee misses work due to illness. In most instances, when an employee is absent, their work isn't done. The work waits for them to return to work.

More often than not, the employee does the work by intensifying his or her pace of work or working for free at the end of the day or on a weekend. Some instances of sick leave do translate into a cost, but the numbers used by the Conservative government grossly exaggerate the real cost of absences due to illness and injury.

MYTH #2: Taxpayers are on the hook for each sick day taken by a public service employee.

Reality: As explained with Myth no. 1, when a public service employee takes one, or two or three consecutive days away from work due to illness or injury, their work waits for their return to get done. While this isn't the case for all public service employees (correctional officers, border officers and other public service employees who work directly with the public or a clientele are often replaced when sick), it is true for the vast majority. This type of

short absence due to illness is usually the type of sick leave for which no medical certificate is requested by a manager. However, when an absence lasts for a week or several weeks, or when an employee is forced on long-term disability for reasons of illness or

injury, then a medical certificate is normally required. These longer absences from the workplace are absences that incur a cost because the employee won't be able to make up the lost upon their return.

On average, sick leave requiring medical certificates accounts for less than one-third of all sick days. The other two-thirds were taken mostly in circumstances where no additional costs were incurred.

MYTH #2, continued

What are the Conservative government's numbers regarding certified and uncertified sick leave absences? After all, these would give some indication of the actual cost of sick leave. According to the government's numbers, the average number of paid sick days taken in the federal public service

in fiscal year 2011-2012 was 11.5 days. Only 3.8 days on average, or less than one third of the total average, were sick-leave days where management required a medical certificate. The other 7.7 days were taken mostly in circumstances where no additional cost was incurred from the absence of ill or injured employees. Again, we underscore that the imperfect

correlation between sick days where no medical certificate is required by management and sick days where no actual cost is incurred. But, it is further indication that the current's system true cost to taxpayers is only a small fraction of what is being suggested by the Conservative government. It's significantly less than the average of 11.5 days per year.



MYTH #3 : It is easy to determine the fiscal liability created by sick leave.

Reality: First, it's interesting to note that the notion of fiscal liability for matters such as sick leave was created by the Conservative government. Prior to the 2012-2013 Conservative budget, there had never been an attempt to measure what kind of "liability" would accrue from public service collective agreements, including sick leave provisions.

Why? Probably because, like most matters governed by collective agreements, it would be impossible to provide a reliable figure. There is the issue of the reality behind myth number 1. In addition, public service employees often leave the public service with large banks of sick leave credits that they have never taken and will never take. All these sick leave credits cost the employer

In other words, only part of earned sick leave is used. And only part of used sick leave has an actual cost.

and taxpayers a total of 0\$. They are on paper and are erased without any form of monetary compensation going to the employee.



MYTH #4 : The government and its public service managers have no control over sick leave and its costs.

Reality: A public service employee accrues sick leave credits if they meet the conditions defined in their collective agreement. But the employee can only take sick leave when they meet the conditions required for taking sick leave; these include "satisfying the employer" that he or she is "unable to perform duties as a result of illness or injury" and satisfying the employer "in such a manner and at such a time as may be determined by the employer...". Employees do not decide whether they can take sick leave; managers

decide. Or, by extension, the government decides. Now, the

Employees don't decide whether they can take sick leave; managers decide.

government, as part of its plan to scrap sick-leave provisions from collective agreements, is proposing to outsource the management of sick leave to an insurance company. Ask yourself: what is

the primary interest of an insurance company? To pay benefits or to not pay benefits? And you only get benefits if the insurance company agrees that you are sick and are therefore entitled to them. So, the employer is looking to shirk its responsibility to manage some types of absences from the workplace, while maintaining control over the management of others. And an insurance company will decide whether the person serving you at the counter is sick or not.

MYTH #5 : Public service employees take more sick leave than their counterparts in the private sector.

Reality: The fallacy of this statement has been demonstrated several times by reliable independent analysis. The Parliamentary Budget Office has demonstrated that this is false:

“The average sick leave of 18.26 days reported by Treasury Board Secretariat (TBS) includes time missed due to workplace injuries and unpaid sick leave. The average number of paid sick days taken by public servants in the core public administration (CPA) was reported at 11.52 days per year in 2011-2012.”

A report from Statistics Canada did the same. When comparing apples to apples – the same kind of workers in the public and private sectors – we find that there is an insignificant difference in the number of days employees are absent from the work place for reasons of illness or injury. To be clear, it amounts to 0.8 days, or 6 hours per year.



MYTH #6 : Public service employees are vulnerable under the current system.

Reality: They are vulnerable because they don’t accumulate enough sick-leave credits to bridge them over the 13-week waiting period required to access long-term disability benefits. The 2014 and 2015 budgets give the impression that the current system is awful for tens, if not hundreds of thousands of public service employees. The government claims that 65% of its employees, or roughly 150 000, don’t have the credits necessary

to get them through the waiting period. Whether this number is accurate or a myth is irrelevant.

The fact is that 2,832 sick leave requests for long-term disability were approved in 2013. A thousand were rejected that same year. Over the years, the total number of active claims approved was less than 12,000.

The question that taxpayers should ask themselves is whether

it’s fiscally responsible to impose something as expensive as a short-term disability plan to address a situation that affects less than 2% of public service employees. Yes, we are prepared to believe that more than 65% of public service employees don’t have enough sick leave credits to carry them over the waiting period to long-term disability benefits. But they don’t need those credits; less than 2% do.

Claims statistics:

	2011	2012	2013
Number of declined claims during the year	426	835	1,084
Number of terminated claims during the year	2,661	3,040	2,964
Number of claims notified during the year	3,790	4,003	3,777
Number of claims approved during the year	3,283	3,193	2,832
Total number of approved claims at year-end	11,705	11,820	11,669
Total number of pending claims at year-end	279	304	213



MYTH #7 :

Service unions protect interests that are not reasonable and fair to taxpayers.

Reality: It's true that the role of a public-sector union is to defend its members. Who else will defend them? But only short-sightedness can explain why a government equates fairness for employee with unfairness for taxpayers. The truth

is that public-sector unions have provided the government with many inexpensive ways of dealing with the problems created by the disjointed sick leave system and long term disability plan. In fact – and contrary to what was said by Treasury Board President Tony Clement – union representatives worked for months with management representatives. The recommendations that flowed from this collaboration would be less expensive to taxpayers than

what the government appears to be planning. However, talks broke down when the government said the only options it would consider would be a short-term disability plan managed by a private insurance firm.

How can a government contend that fair treatment of its employees is at odds with the fair treatment of taxpayers?



MYTH #8 :

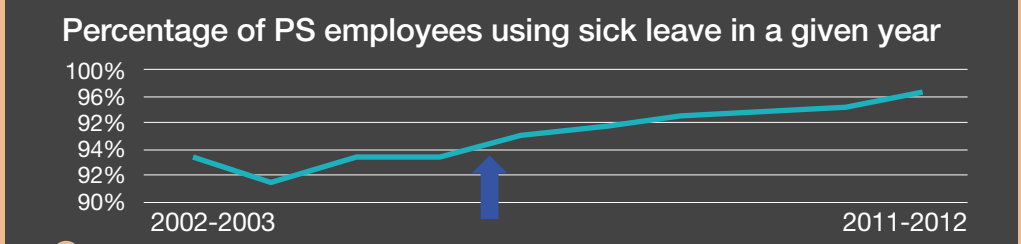
The Conservative government knows how to manage.

Reality: Simply on the matter of sick leave, the numbers provided by the Conservative government show that significantly more public service employees have been off work sick under its management. Comparing the period of four years that predates this conservative government to six years it has

been in power, the average proportion of public service employees who have taken paid sick leave has gone up by 3.7%.

Since the conservative government started managing the public service in fiscal 2006-2007, the increase has been almost 5%

when comparing fiscal 2011-2012 to fiscal year 2005-2006, the period immediately before the Conservatives' rise to power. Expressing this increased number of sick days in number of full time employees, the additional days of sick leave is equal to 0.7% employees off sick, all year round. During the last six years, the public service has become a very unhealthy workplace for many reasons, resulting in possible negative effects on productivity. And it's only getting worse.



MYTH #9 :

The Conservative government would never try to mislead you.

From a June 10, 2013 Globe and Mail article:

*"Look, I think that the great majority of public servants are, when they take time off, they are sick. But there's no question that the rate of sick leave, when you're looking at **18.2 days as an average** in a year, is well beyond not only private sector norms but other public-sector norms," Mr. Clement said Monday at a news conference on Parliament Hill.*

Reality:

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(from the Parliamentary Budget Office)