

Nine Myths About Paid Sick Leave

The Conservative government has begun a public information campaign to garner support for its plan to eliminate paid sick leave benefit provisions from public service collective agreements and replace them with a short-term disability plan. The government has made several statements, both separately and in combination, to rationalize this so-called reform.



The following is a closer look at the reality of paid sick leave in the public service, set against what the government has been saying and will continue to say about paid sick leave.

Myth 1: Sick leave costs the government and Canadian taxpayers close to one billion per year.

Reality: The sick leave provisions in public service collective agreements serve the purpose of guaranteeing revenue continuity in instances where an employee is unable to report for work for reasons of illness or injury. In a typical instance of sick leave use, an employee will miss one, two or three consecutive days of work for reasons of illness. In most cases, work does not get done in an employee's absence. More

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often than not, a returning employee has no choice but to step up the pace in order to deal with the work that has piled up, or put in extra time without compensation, literally 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 pay for every single day a public service employee is away from work for reasons of illness or injury.

Reality: As explained with Myth 1, when a public service employee takes one, two or three consecutive days away from work due to illness or injury, in most instances the employee's work does not get done until he or she returns to the workplace. While this is not so much the case for of correctional officers, border officers and other public service employees who work directly with the public or a clientele, it is true for the vast majority of public service employees. Managers do not usually require employees to produce a medical certificate when they take sick leave of such short duration. When an absence is for a week or several weeks, however, or when an employee is forced to take long-term disability for reasons of illness or injury, then a medical certificate is normally required. These longer absences from work also incur a cost, because the sick employee will not be able to make up for lost time when he or she returns to work.

On what numbers does the Conservative government base its calculation of the actual cost of certified and uncertified sick leave? According to the government's figures, the average number of paid sick leave days taken in the federal public service in fiscal year 2011-2012 was 11.5 days.

Of these, only 3.8 days on average, or less than one third of the total, were sick leave days where management required a certificate. The other 7.7 days were taken mostly in circumstances where no additional costs were incurred as a

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result of employee absence due to illness or injury. While the correlation between sick days where no medical certificate was required by management and sick days where there was no actual cost incurred is not perfect, it does indicate that the actual cost to taxpayers of the current system of sick leave in the public service is only a small fraction of what is being suggested by the Conservative government. It is 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: It is interesting to note that the notion of fiscal liability for such matters as sick leave was created by the Conservative government. Prior to the 2012–2013 Conservative budget, there was never any attempt to measure what kind of “liability” would accrue from public service collective agreements, including their sick leave provisions. Why? Probably because, for most matters covered by collective agreements, it would be impossible to provide reliable figures. We have already explored the reality behind Myth 1. Another consideration is the fact that public service employees leave the public service with large banks of sick leave credits that they have never taken and will never take. These sick leave credits cost the employer and taxpayers a grand total of \$0. They are strictly on paper, and they are erased with no money going to the employee when he or she leaves the public service. In other words, only part of earned sick leave is used. And only part of used sick leave has an actual cost.

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 the employee meets the conditions of accrual defined in collective agreements. But the employee can only take sick leave when he or she meets the conditions for taking sick leave, which include “satisfying the employer” that he or she is “unable to perform duties as a result of illness or injury;” and the employee must satisfy 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.

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Now the government, as part of its plan to eliminate sick leave provisions from collective agreements, is proposing to contract

the management of sick leave out to an insurance company. Ask yourself: is it in the best interest of the insurance company to pay benefits or not to pay benefits? And you only get

benefits if the insurance company says you can, because it agrees that you are sick. So the employer is looking to get out of 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 employees in the private sector.

Reality: This fallacy has been disproven several times by reliable independent analysis. The [PBO has demonstrated that this is not true:](#)

- 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.

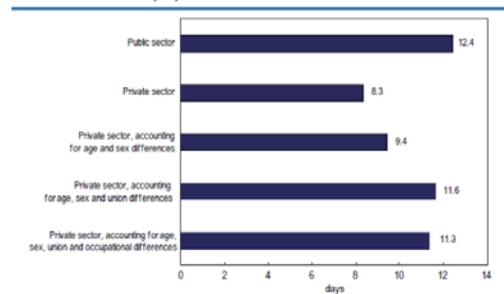
A report from [Statistics Canada did the same](#). When comparing apples to apples, when comparing the same kind of workers in the public and private sectors, we find that there is an insignificant difference in the number of days (0.8 days, or 6 hours annually) in the number of days employees are absent from the workplace for reasons of illness or injury.

Myth 6: Public service employees are vulnerable under the current system because they don't have enough accumulated sick leave credits to bridge the period of 13 weeks that they must wait until they can receive benefits under the government's long term disability plan.

Reality: The 2014 budget gives the impression that the current system is bad for tens if not hundreds of thousands of public service employees. It states that 65% of public service employees, or approximately 150,000 public service employees, do not have enough credits to bridge the waiting period. Whether this figure is accurate or just another myth is irrelevant. The fact is that only 3,193 claims for long term disability were approved in 2012. One thousand claims were rejected in 2012, and the total number of approved active claims **accumulated** over the years was less than 12,000. The question that taxpayers should ask themselves is

Figure 6 - Statistics Canada Analysis

Chart 2 Union coverage, age and sex differences account for most of the difference in days lost between public and private sector employees



Source: Statistics Canada, Labour Force Survey, 2012.

whether it is good money management to impose something as expensive as a short-term disability plan to address the situation of less than 2% of public service employees. Yes, we are prepared to believe that more than 65% of public service employees do not 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

| | 2010 | 2011 | 2012 |
|--|--------|--------|--------|
| Number of declined claims during the year | 688 | 426 | 835 |
| Number of terminated claims during the year | 2,437 | 2,661 | 3,040 |
| Number of claims notified during the year | 3,874 | 3,790 | 4,003 |
| Number of claims approved during the year | 3,088 | 3,283 | 3,193 |
| Total number of approved claims at year-end | 11,100 | 11,705 | 11,820 |
| Total number of pending claims at year-end | 233 | 279 | 304 |

Myth 7: Public Service unions protect interests that are not reasonable or fair to taxpayers.

Reality: It is true that the role of a public service union is to defend its members. Who else will defend them? But only short-sightedness can explain why a government equates fairness for employees with unfairness for taxpayers. The truth is that public service unions have provided the employer with many inexpensive ways of dealing with the problems created by the disjointed system of sick

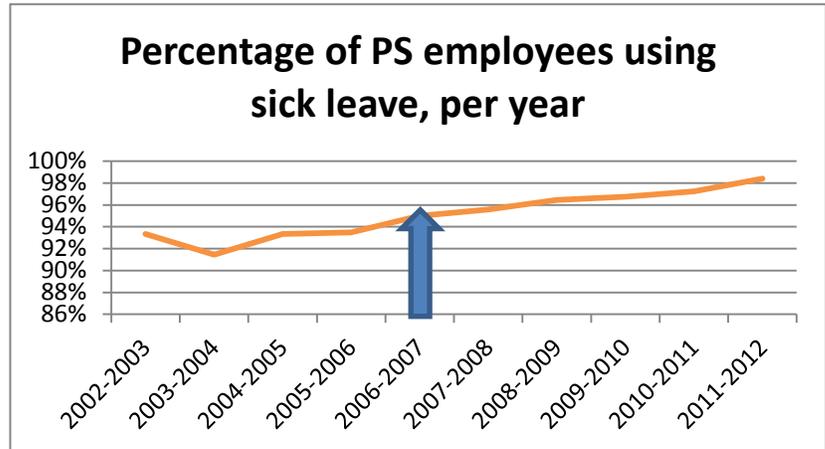
leave / long term disability plan. In fact, contrary to what was said by Treasury Board President Tony Clement, union representatives worked for months with

Why a government equates fairness for employees with unfairness for taxpayers?

management representatives and made a series of recommendations that would be less expensive for taxpayers than what the government appears to be planning. However, talks broke down when the government said the only option it will consider is a short-term disability plan managed by a private insurance firm.

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. A



comparison of the four years before the Conservatives came to power with the six-year period of Conservative rule reveals a 3.7% increase in the average proportion of public service employees using paid sick leave. Since the Conservative government has been managing the public service, starting in fiscal 2006–2007, the increase has been almost 5% (i.e., fiscal 2011–2012 versus fiscal 2005–2006, the year immediately preceding the Conservative ascension to power). Expressed in terms of full-time employees, this extra amount of sick leave taken is equal to 0.7% employees off sick year-round. The public service workplace has become very unhealthy for many reasons over the past six years, with probable negative effects on productivity. And it’s only getting worse

Myth 9: The Conservative government would never try to mislead you.

“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.

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