



# PSAC-UPCE STRIKE BULLETIN



**Canada Post's offer  
makes me SICK!**

November 14, 2008

Dear member

Canada Post is working very hard to leave you with the impression that its third offer of November 6 marked a major change from October 30 and that this is a good and fair offer, and the best that they can do. That is simply not the case.

## **So what's at stake?**

After close to 30 days of negotiations and despite our best efforts, CPC did not appear to be ready to either withdraw or make any significant change to their sick leave scheme, or renew the job security clause as it always has done. There were minor improvements to the monetary proposal for each of the last two years – from 2.25% to 2.5%

Your key issues, sick leave scheme and job security still remain unchanged and unresolved. It is because of this that we served Canada Post with a strike notice on November 13.

## **Short term Disability Scheme**

This proposal appears to be nothing more than a thinly disguised attendance management program. Pooling Family Related Leave with Sick Leave, reducing the current 20 days down to 7 days, and then handing over the policing of this scheme to third parties like Manulife without the right to grieve their decisions makes it difficult to draw any other conclusion.

## **Job Security**

CPC is not prepared to continue the past practice whereby all current employees receive full job security at the date of contract signing. This refusal leaves anyone with less than 5 years of service with no surplus protection and even more vulnerable to layoffs.

The bargaining team remains ready to return to the table any time the Corporation signals they are prepared to make meaningful change. You are encouraged to check the web site regularly and stay in touch with your local strike captain over the coming days for any new developments.

Attached you will find copies of two bulletins which were sent out earlier. The first is an accurate and detailed summary of the status of negotiations to October 30.

And the second bulletin describes Short Term Disability Plans and outlines what a good plan should look like.

November 5 Bulletin

Dear member,

In October, you turned out in record numbers to provide your bargaining team with a clear mandate. CPC's proposed rollbacks on job security, benefits and vacation entitlements were unacceptable. The wage offer was inadequate and the proposed sick leave scheme was deplorable.

With that strong mandate, your team immediately requested a return to the bargaining table. We did so with the expectation that CPC would meet again with the goal of achieving a fair collective agreement.

Taken at face value, it seems that CPC made significant changes with a second offer. The truth of the matter is, while there have been some improvements on key issues - the sick leave proposal has only been tinkered with.

In tabling their second offer, CPC has attempted to buy your future in the coming collective agreement and for the foreseeable future in the cheapest way possible. In return for small lump sum payments, CPC wants to remove your right to manage your own health in consultation with your physician. They want a Manulife to intervene as the third party who gets to approve or deny your sick leave.

The approval of Manulife and Employment Insurance is still required prior to receiving paid sick leave, only the order in which you have to apply for that approval has changed. Plan reimbursement rates have not changed. The seven days of "personal" leave has not changed. Sick leave banks will still be frozen. The 5 days of Family Related leave will still be eliminated.

A bulletin on Short Term Disability Plans was distributed earlier this week to provide you with detailed background information on how such plans should be designed to help members when they are sick and why CPC's second try falls short when compared to your current entitlements and in relation to other plans. It is posted on PSAC.com in case you missed it.

Also on the PSAC web site is an interactive sick leave calculator that you can use to work out the dollar value of your personal sick leave entitlements – you can then compare that to the lump sum payment that CPC is offering.

Your team will be returning to the bargaining table on November 6th. You are encouraged to check the web site regularly and stay in touch with your local executive over the coming days for any new developments.

What follows is a detailed summary of the most recent set of negotiations as of October 30, 2008. This table is organized by theme.

<b>Article</b>	<b>PSAC/UPCE</b>	<b>CPC</b>
<b>Leave</b>		
Sick leave (43)	Maintain current entitlements	<b>Eliminate sick leave and replace it with a Short term disability programi *</b>
Family-related leave (42.11)	Maintain current entitlements	<b>Eliminate Family related leave and replace it with a Short term disability program – see endnote i</b>
Vacation leave (40)	Maintain current entitlements	<b>Eliminate the entitlement to 7th week of vacation leave after 28 years of service *</b>
<b>Monetary</b>		
Wage increase (AA)	Increase of 3% per year	Increase of 2.25% per year
Cost of Living Allowance (COLA) (31)	Same as CUPW has: COLA to be paid if inflation exceeds 8% cumulatively over 3 years	<b>No change</b>
Child Care (H)	Increase funding by approximately \$200,000 for child care programs	Increase funding by \$25,000 for child care programs
<b>Benefits and Pensions</b>		
Drug Plan	Maintain principle that no member should lose current entitlements, letters of understanding to protect members, joint approach to communications and training	<b>Introduce a new one-tier drug plan with reduced formulary - like CUPW. Drugs that are currently in tier 2 or 3 will require a form to be filled out by employee's doctors.ii</b>
Vision and hearing benefits (37)	Increase to vision and hearing plans, including new entitlement for laser eye surgery	Conditional on accepting the new drug plan: Increases to vision and hearing plans, including new entitlement for laser eye surgery
Paramedical Benefits (O)	Increases to caps on paramedical benefits	Conditional on accepting the new drug plan: Increases to caps on paramedical benefits
Retiree Benefits (37)	Maintain current entitlements	<b>Retirees to be eligible for benefits only after 15 years of service *</b>
<b>Hours of Work, OT, Staffing</b>		
Paid lunch (25)	Provide a paid half hour lunch period for all members	<b>Refused proposed change</b>

Article	PSAC/UPCE	CPC
<b>Job Security, Bargaining Unit Issues</b>		
Job Security (28)	Job security to apply to all employees after 5 years of service	<b>Weakened job security: only applies to employees with five years of service and on strength in 2005</b>
<b>Other</b>		
Grievance Procedure (19)	Simplified grievance language	Simplified grievance language

<b>List of Items that have been agreed to in principle<sup>iii</sup></b>	
No Harassment (14)	Improved anti-harassment language, including personal harassment
Hours of Work (25)	Contact centre employees do not have to take a call in their first or last five minutes of work.
Hours of Work (25)	Part-time employees must be given at least 72 hours' notice for a shift change – if less notice is given, the first shift will be paid at overtime rates.
Staffing (27)	Employees to be notified when screened out of a competition
Staffing (27)	Employees to remain on transfer list for 2 years
Shift Premiums (32)	Increase of 20 cents to evening premium and 25 cents to night/weekend premium
Dental fee guide (37)	Updated fee guide, lagging behind by a year
Designated Paid Holidays (39)	Part-time employees to be paid for no less than the number of hours they would have been scheduled to work on a holiday.
Bereavement Leave (42.02)	Employees will be permitted to take one of the 4-day leave non-consecutively to attend a burial or ceremony.
Maternity and Parental Leave (42.04)	Changes to accord with new Quebec legislation (QPIP).

<b>List of Items that have been agreed to in principle - see endnote iii</b>	
Leave Without Pay for Child or Elder Care (42.14)	Employees permitted to take these leaves for periods of 2 weeks or more.
Pre-retirement Leave (42.17)	Employees to be permitted to take this leave in blocks of one day.
Appendix S (Human rights and Workplace Conflict)	Some improvements to this appendix.

NB: Any employer demand which is marked with an asterisk (\*) includes provisions to grandfather current employees. E.g. all current employees would

keep or eventually get their 7 weeks. All employees hired after a new agreement was signed would never get it.

**i** Short term disability plan: The employer has proposed the implementation of a plan to replace the current sick and family-related leave provisions in the collective agreement. **The plan would reduce the current 20 annual days of paid sick and family-related leave to 7 'personal days'**. These days would not roll over, but would be paid out if unused. The plan would also provide a 70% income replacement when off on extended sick leave. Accumulated sick leave would be partially grandfathered and could be used as a supplementary top-up when off on short term sick leave only. CPC is also offering small lump-sum payments to people who have more than 150 days of sick leave in their banks.

**ii** Drug Plan: the employer has proposed a new drug plan. It would be one-tier, instead of the current three-tiered system. **The formulary would be greatly reduced from the current formulary.** Drugs that are currently in tier 2 and 3 (reimbursed at 69% and 50%) would require extra forms to be filled out by the employee's doctor and may no longer be covered. The new formulary, like tier 1 of the current plan would be reimbursed at 80%. Employees who were prescribed a drug in 2008 would be grandfathered on that drug.

**iii** While these have been agreed to in principle at the table, Canada Post has reserved the right to pull any agreements off the table midnight Nov 4, 2008.

## A good short-term disability program vs. Canada Post's program

Short-term disability plans and sick leave plans have a similar goal: each is a different kind of program that's designed to offer employees insurance against the loss in income that would otherwise result from illness or injury.

We presently have a sick leave program that is broadly shared across federal public employers in Canada. Hundreds of federal employers have the same kind of sick leave that you currently have working at Canada Post. This sick leave program has a number of very good features:

- It provides you with 100% income support when you're sick.
- There is no minimum threshold – if you're sick for one day, you can use a sick day and you get one day's pay
- You do not need to convince an external insurance company like Manulife that you are sick. You and your Doctor know your health best, and his or her note is what you need to take sick leave.

Short-term disability plans have a terrible acronym – STDs, but are not necessarily bad – some, in fact, provide excellent income support when someone is ill or injured. But other short-term disability programs provide poor income support. The devil is in the details.

Canada Post wants to replace your current sick leave program with a short-term disability program. The program that is currently being offered to you by Canada Post is miserly. It contains some of the least generous elements of programs that are offered by other employers. They say that they want to introduce this program to protect employees, but in reality, they are offering the bare minimum and are trying to save money at your expense. You can look through the table on the following page to see what your current sick leave program offers, the common elements of a good STD Plan, and the cheap Plan that Canada Post wants to replace your sick leave with.

Your current Entitlements	A good short-term disability program:	Canada Post's program contains:	For example
100% income replacement when you have sick leave credits	Provides up to 100% income replacement when you're off sick.  Many programs offer benefits at 100%. Some will do it immediately, while others will offer 100% after a number of years of service. They start	70% income replacement under the Plan. If you're off sick, you only earn 70% of your salary.  The only way to get more is if you use your banked sick leave. However, under their proposal, no one will ever earn any more sick leave. Eventually	<ul style="list-style-type: none"> <li>• CHMC</li> <li>• CBC</li> <li>• Canada Council for the arts</li> <li>• NAV Canada</li> <li>• Bell Canada</li> </ul>

	offering 70% income replacement to new employees and progressively increase that amount as people accrue service	everyone will only earn 70% when on sick leave.	
Sick leave kicks in immediately when you're sick	Pays STD benefits after you're off for 3 days. And when you're off for three days, the benefits are retroactive to the first day of illness. That means if you're off sick for 4 days, you're fully covered.	Pays STD benefits after one week. They are not retroactive.  If you are sick for 4 days and are out of personal days, you'll be off work sick and get no pay at all.	<ul style="list-style-type: none"> <li>• CHMC</li> <li>• CBC</li> <li>• Canada Council</li> <li>• NAV Canada</li> </ul>
Is protected by the collective agreement	Is written up in the collective agreement so that you can grieve and your union can go to bat for you if there are problems with the program	Is not written into the collective agreement. The employer can do as they please in administering the program	See the four organizations listed above
Is separate from Family-related leave	Many programs stand alone from family-related leave. There are many agreements which have short-term disability, as well as leave to take care of your kids or elderly parents.	The elimination of Family Related leave	See the four organizations listed above
-	Most plans, on conversion to the STD plan, are grandfathered. This means that it gives people the choice of either staying with the old sick leave credits that they currently have, or going on the new STD Plan.	Canada Post wants to force everyone onto their new program. They hope to do this by buying you off with small lump sums for your accumulated sick leave.	<ul style="list-style-type: none"> <li>• CHMC</li> <li>• CBC</li> <li>• NAV Canada</li> </ul>
You do not have to apply for EI unless you have run out of sick leave credits	Good plans will not make you go through the hoops of applying for Employment Insurance (EI). It's a pain to do and adds unnecessary stress when you're off sick or injured.	Application for EI sickness benefits must occur when you've been off for 15 weeks.	<ul style="list-style-type: none"> <li>• Administration and/ or inclusion of EI varies from plan to plan</li> </ul>
A Doctor's note is sufficient to prove that you're sick	Good plans have light administrative burdens on sick or injured people. Many have protections built in so that your Doctor is mostly responsible for dealing with your case. Insurance companies can only intervene later in the process. Dealing with giant insurance companies does not help to heal sickness. It adds significant amounts of stress.	Canada Post wants to have Manulife administer this program. If Manulife doesn't think that you're sick, you won't receive any benefits from the short-term disability program.	<ul style="list-style-type: none"> <li>• Bank of Canada</li> </ul>