

# Absenteeism in the Public Sector

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In his final offer to CUPE as published in the TJ last week, Premier Higgs offered a percentage wage increase to be tied to a reduction of two days in the contractual allowance for sick time. Employee absenteeism in the health care system is not just a problem; it is a costly part of what is wrong with what has been described as an ailing health system in New Brunswick. The total cost of absenteeism across the health and long term care system in New Brunswick would be in the \$100's of millions annually if calculated properly.

The sick time allowance in any collective agreement or institutional personnel policies, contrary to widespread myths, is that it serves as an insurance plan designed to ensure that employees cash flow is protected when they are seriously so they can remain at home, or hospital, without fear of losing pay. In the private sector, many employers provide little to no similar benefit but good employers will take steps to protect their employees. A small business operator recently told me that she pays for 2 sick days per annum. Others pay less, others pay more generously as an employee retention tool.

Absenteeism in the public sector is far higher in both allowance for paid sick time and time used. Global news carried a story June 28, 2018 outlining the excessive use of sick days in the public sector. Health and Long Term Care runs far ahead of the civil service. In the federal government, reports show that civil servants used 12.2 days in 2018 compared to the private sector average of 6.9 days.

McLean's magazine in the June 25, 2013 called sick time in the public sector the Sick Leave Scam and in an extensive article observed "it is time to rein in this expensive "public sector perk".

If CUPE employees in nursing homes are allowed 18 sick days per year on average, it is important to get behind that number to understand the causes. Much of the relevant literature on the topic notes that there are many reasons why people call in sick. Reasons cited include depression, disengagement, injuries off the job, peer pressure, competing family priorities, off the job injuries, job hunting, and illness. Several years ago, U.S. News and World Report stated that in their analysis, only 25% of use of the benefit was attributable to illness.

Many of the factors cited in literature suggest that excessive use of sick time can be attributed to workplace culture. If employees feel disengaged or are dealing with workplace bullying and peer pressure, that is a symptom of workplace culture.

Supervisors and managers who are uncertain of their duty to create meaning for employees must take more training leadership.

Depression can be demonstrated in the workplace in many obvious and subtle ways. Excessive use of sick time, in my experience, has often related to family and social issues. Every employee, regardless of position or profession, experiences life cycles that bring sources of depression into their lives including death of a spouse or child, financial distress, marital distress, and more. The attentive manager will sense that something is not quite right and extend support.

Senior and Long Term Care governmental expenditures for 2017/8 were reported at \$512 million. In Nursing Homes the labor costs run close to 70% or more of their expenditures. So keeping the focus on

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a well motivated, attentive staff and maintaining strong resident-centered focus is critical for managers and senior executives.

Aside from office workers, most employees in the health and long term care sector need to be replaced when they are absent because frail and sick persons are reliant on their service for daily living.

In scheduled absences, the work schedule is simply adjusted for other workers in the unit. With unscheduled absences, management is forced to call a replacement employee from a Casual Pool or other staff who is not scheduled. When this happens, the organization incurs replacement labor costs of time and one half. This means that the person who called in sick gets paid full salary and benefits and the replacement employee gets paid premium time which can range from \$35 per hour to \$60 per hour employees at higher classifications such as nurses in higher classifications. But to those base labor costs the employer must add shift differentials in which evening and night shift rates are augmented by significant allowances for each shift worked.

The huge cost of absenteeism is one of the large cost elements that gets little publicity during times of budget distress. In the public sector it is one of those many “elephants in the room” that politicians most often shy away from because they need to curry favor with public sector personnel for many reasons.

Typically at budget time, when cuts are to be made, government policy has traditionally defaulted to things that really irritate and create hardships for the public such as eliminating an essential river ferry, continuing education, threatening to close rural health care facilities and the list of threats goes on.

So what is it about the private sector, provincially and federally, that causes rates of absenteeism that are double that experienced in the private sector? Is there a sense of entitlement that comes from being paid from governmental sources? Many suggest that is a serious factor, that sick time is often seen as a benefit to be used.

And before I am branded as anti-public service, may I say that the political system seems to have fostered feelings of entitlement over the years.

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