

# The Review

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DIDIER DEBUSSCHERE

BUILDING THE RÉSIDENCE SAINT-CHARLES, A RESIDENTIAL AND LONG-TERM CARE CENTRE (CHSLD) IN QUEBEC CITY, AS A PUBLIC-PRIVATE PARTNERSHIP (P3) WILL COST \$14 MILLION MORE THAN THE CONVENTIONAL METHOD WOULD. THIS IS THE CONCLUSION REACHED IN AN INDEPENDENT STUDY BY THE MALLETTE FIRM, COMMISSIONED BY THE CENTRE DE SANTÉ ET DE SERVICES SOCIAUX (CSSS) DE QUÉBEC-SUD. A COMPLETE COPY OF THE STUDY WAS OBTAINED THROUGH AN ACCESS TO INFORMATION REQUEST MADE BY ANDRÉ BENOÎT, PRESIDENT OF LOCAL 3763. THE STUDY WAS MADE PUBLIC AT A PRESS CONFERENCE HELD BY CUPE AND QFL PRESIDENT HENRI MASSÉ.

## The study

The study indicates that building and operating the Résidence Saint-Charles would cost \$42.2 million using the conventional method, compared to \$56.6 million with the P3 method. Over a 25-year period, the production cost per bed would be in the vicinity of \$430,000 with a P3, compared to \$320,000 with the conventional approach – or \$110,000 more per bed with a P3!

According to the same study, only a combination of two specific conditions might give a slight advantage to the P3 approach – but there is a slight problem. For starters, the private partner would have to be willing to accept a 5% return; and secondly, construction costs in the P3 method would have to be reduced to 20% less than with the conventional method. This second condition means that current standards (e.g. quality of building materials, size of meal areas, etc.) would not be met. In other words, the comparison is no longer between comparable products. And it's certainly a far cry from the Treasury Board chair's claims about P3 construction providing better quality...



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**André Benoit, President, Local 3763, Lucie Richard, Assistant Director, CUPE, Henri Massé, President, FTQ and Michel Parenteau, Union Advisor, CUPE**

## Henri Massé's reactions

From his reading of the study, QFL president Henri Massé concluded that "there are clearly no savings to be had with a P3; on the contrary, it will cost at least 34% more." He pointed out that the "Foyer Saint-Charles project has been dragging on for at least ten years and the citizens of Quebec City have waited long enough; it's time for the

government to make a decision."

*"For once – and it's very rare that this is the case," he added, "we have a study that comes not from some distant area of the world, but from right here. But there's something that worries me: what's true for Saint-Charles, in Quebec City, is just as true elsewhere in Québec. Minister Monique Jérôme-Forget has told us that the P3 projects*

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# Built by PPP, a Reception Centre will cost \$14M more



she is contemplating include 3,000 to 5,000 spaces in P3 long-term care hospital centres... 5,000 times \$110,000 equals an extra \$550 million - half a billion dollars going to the private sector, for nothing more in return."

In light of this recent study, CUPE's assistant director Lucie Richard argues that the P3 Agency recently created by the government should make public all the studies connected with P3 projects, in health care as well as in other sectors. *"When we see the astronomical costs of P3s for the population, the government's primary responsibility is to be open and transparent,"* she insisted. *"Cultivating secret studies will not be of any benefit to the population or to sound democracy in Québec."*

## The Mallette firm

Mallette is a firm offering a range of services, including consulting. It operates mainly in eastern Québec. At the request of the CSSS de Québec-Sud, it did a comparative study of the Résidence Saint-Charles real estate project. Entitled Étude comparative entre le mode de prestation conventionnel et le mode PAPP, dated November 23, 2004, the study compared two scenarios for a project including a 132-bed residential centre, a day centre with a capacity of 50 "clients," and a service point for the CLSC Limoilou, encompassing a total of 12,880 square metres.

## The comparative study

More specifically, the study compared the project if carried out according to the conventional model (designed, funded and operated by a public agency) and if carried out on a public-private partnership model, in which the project would be built, operated and funded by private enterprise and then turned over to the public agency at the end of a 25-year operating contract. In the second hypothesis, the public agency is responsible for health care and pays rent (user fees) to the private company that operates and maintains the building. The study involved a survey of the expectations of a number of private companies potentially interested in such a P3 project.

CUPE's research department analyzed the Mallette study for the Résidence Saint-Charles project and concluded that the study's significance goes far beyond the plans to relocate the CHSLD. For CUPE's analysts, it is a "brilliant demonstration

of the hollowness of the claims made by the P3 promoters. Despite the most unlikely hypotheses that favoured P3s (underestimating expected returns, costs of bank financing and operating costs), the Mallette firm wound up proving that the conventional approach (public-sector funding, ownership and operation) remained far more advantageous for taxpayers than the P3 model."

# GUESS WHAT? OUR SALARIES ARE SHRINKING!

A survey conducted recently by the Quebec Statistics Institute (ISQ) has confirmed what we all already know instinctively: public sector salaries have fallen back compared to the majority of sectors in Québec. In order to compare «apples with apples», this study is based on companies with more than 200 employees.

According to ISQ, our salaries are now lagging behind the largest category i.e. «other Québec workers» by 12.1%. When compared exclusively to the private sector, the gap is 12.3% this time.

ISQ also compared what it calls global compensation. Global compensation includes, in addition to remuneration, all the other benefits having a direct financial impact such as sick days, vacation entitlement, statutory holidays, pension fund, insurance coverage, etc.

Even by adding up all these elements, global compensation for all the employees of the public sector is lagging behind the «other Québec workers» by 7.6%, and by 3.5% when compared to the private sector.

When public sector salaries were ahead of those in the private sector, the government used profusely the ISQ reports to impose salary freezes or marginal increases.

The time has now come for the government to play fair and to give us, in addition to statutory increases, the portion that will allow us to catch up other categories of Québec workers.

Let's make it clear. At PCSA (FTQ), this issue along with the improvement of the provisions against subcontracting and privatization, will constitute the main priorities in the negotiation which is about to begin.

At PCSA (FTQ), with everyone's cooperation, we intend to spend all our energy, to use all the necessary resources that will allow us to reach these goals.

We will not accept a substandard agreement. Already, some 500,000 FTQ affiliated-members have assured us of their support if the government tries to impose salary regulation.

Marcel Girard



# There's room for professionals within CUPE!

An interview by Guy Jolicoeur

MS. MANON LECLERC IS A BONA FIDE SOCIAL WORKER; SHE WORKED FOR SEVERAL YEARS WITH INDIVIDUALS WITH LIMITED AUTONOMY. SHE IS CURRENTLY ACTING AS COMMUNITY ORGANIZER FOR THE CSSS NORD-EST OF MONTRÉAL (PREVIOUSLY CLSC ST-MICHEL).

Within the labour-union movement, she is President of CUPE Local 2825 representing the St. Michel site and has accepted, on an interim basis, the vice presidency for the Montréal-Montérégie-Outaouais Region, for the Provincial Council of Social Affairs. She has accepted to answer our questions on her combined role of case worker and union officer.

**Ms. Leclerc, how do you conciliate the responsibilities of your union functions with those of your profession?**

It is a question of balance: one must know how to conciliate personal, professional and union life. What we do for our clients as case worker, we do also for our unionized employees, by solving problems in order to improve quality of life. Now, in 2005, we cannot disregard the prevailing working conditions in our professional life. Professionals and technicians are the first targets when it is time to take into consideration massive workloads, professional isolation and inter-personal conflicts. Consequences: a substantial increase in sick days due to depressions, burn-outs, chronic fatigue, work accidents and a feeling of helplessness when facing difficult situations when often, the only thing the boss is worried about is how soon the employee will be back to work! CUPE has therefore reacted to this situation by defending energetically its members in disputes over salary insurance claims or in CSST cases.

**Why then choose CUPE (FTQ) rather than another union?**

We are the only union protecting our members with a long-term disability insurance (after two years of disability) paid by the Employer; some other unions are offering it only if there is a positive vote in general assembly but the members must pay an additional coverage (from \$300 to \$500 per member per year). A good union is also one who knows its members and trains good union officers. In short, we provide our professionals with quantitative and qualitative services ensuring that whatever happens, they will be protected by the union.

**With the introduction of Bills 25 and 30, how will professionals face the future within the network?**

This is not an easy time for the health and social services network workers, particularly professionals. Mergers of institutions and reduction of unions in categories will create uncertainty for our unionized members. But, if I have an advice to give to my colleagues, it is to make a good

choice because more than 26 issues will be negotiated locally in 2005.

**What aspects of the local negotiation concern the professionals?**

Because everything is on the table. We must understand that this negotiation will be different from the other negotiations because the government has divided the negotiation issues between those negotiated at the central table such as remuneration, retirement fund, anything with financial impact, and the balance of the articles, a total of 26, will be negotiated locally. The government has fixed a 2-year time limit, and the local negotiation team must be supported. Union expertise is acquired on the field, but above all, it cannot be improvised.



**Manon Leclerc, President of CUPE Local 2825 and vice-president (interim) for Montreal-Montérégie-Outaouais region**

## LONG-TERM SALARY INSURANCE: A Testimony

AS YOU PROBABLY ALL KNOW, HEALTH IS AN EXTREMELY PRECIOUS «GIFT». I WAS ONLY 27 YEARS OLD WHEN I WAS DIAGNOSED WITH MULTIPLE SCLEROSIS IN 1992. I WAS YOUNG AND NEVER THOUGHT FOR A MOMENT THAT THIS COULD HAPPEN TO ME. ALL THINGS CONSIDERED, IF I DID NOT HAVE MY INCOME FROM MY LONG-TERM SALARY INSURANCE, MY LIFE, NO DOUBT, WOULD BE A JOURNEY FULL OF OBSTACLES AND MISERY, AND THIS, I AM SURE, WOULD HAVE ACCELERATED THE PROGRESSION OF THE DISEASE.



DIDIER DEBUSSCHERE

**Right now, I feel relatively well. Multiple sclerosis, in itself, is very insidious and degenerative. I have, for the time being, a certain control over it. I cannot overindulge and I must maintain a regimented lifestyle.**

**I meet, on a regular basis through self-help groups, men and more often women (since more women are affected by this disease) who have lost everything because they were not covered by a long-term salary insurance. For them, it is utter destitution, and when they find out about my financial condition, they envy me.**

**I thank with all my heart my Union, CUPE (FTQ), for including, without proof of insurability, the long term insurance coverage in the collective agreement.**

**My life is not only a tale of suffering. It is not a real fairy tale, of course, but if I had to face financial difficulties, in addition to my pain ... I don't even want to go there. My spouse, my daughter and I would certainly not have the same standard of living**

Chantal Beaumier

# A democracy in action

CUPE IS PRESENT IN THE HEALTH AND SOCIAL SERVICES SECTOR INSTITUTIONS SUCH AS HOSPITALS, RECEPTION AND RE-ADAPTATION CENTRES, YOUTH CENTRES, CLSC'S, CHSLD'S, DEVELOPMENT AGENCIES, ETC. THE LOCAL UNIONS PRESENT IN THESE PLACES CONSTITUTE THE PROVINCIAL COUNCIL OF SOCIAL AFFAIRS.

The PCSA Executive Board is composed of eight individuals elected at a convention held every two years. There is a president, a secretary general and six vice presidents representing the various Quebec regions.

In addition, a union advisor acts as co-ordinator for the social affairs sector. His mandate is to follow up

closely the most important issues which the workers, represented by CUPE, are concerned about: application of the collective agreement, pension funds, etc. jointly with union advisors specialized in certain issues such as grievances, health and safety, pay equity, etc. as well as with union advisors assigned to each local.

Since its inception, PCSA's main objective has been the provincial negotiation. The introduction of Bill 30 by the Charest Government brings about a repositioning for the negotiation taking into account that several elements of the provincial negotiation have been transferred to the local negotiation such as the definition of position, service or department and postings (voluntary transfers), etc. It is with CUPE resources and the support of union advisors that the local

unions will undertake this local negotiation.

Today, 20,000 members in 120 local unions constitute PCSA. We say «constitute» because the important orientations and the stakes of our organization are often decided at General Council meetings; this group meets five times a year. From these orientations, an action plan, if the need arises, is developed and eventually presented to the members of local unions.

At CUPE, you are first a member of a self-reliant local union. The general assembly elects the individuals who will represent the local. The general assembly adopts or turns down the action plan and implements it. In other words, you are the one who decides!

To follow the evolution of any changes in work areas, PCSA has

set up permanent committees such as Group Insurance, Status of Women, Fight against Sub-contracting and Privatization, Pay Equity, etc. as well as Ad Hoc or Temporary committees such as the one on Provincial negotiation of the collective agreement. Furthermore, to answer specific concerns from the members, Specific Groups meet to discuss their particular issues: Certified Nursing Assistants, Beneficiary Attendants, Office Personnel, Health Technicians, etc. and institute, if need be, appropriate actions or interventions.

Basically, in the health and social services sector, PCSA is a group of self-reliant local unions who feel strongly about the members they represent.

## LOOK OUT FOR BILL 83

TRUE TO ITS DESIRE TO «REENGINEER» THE HEALTH AND SOCIAL SERVICES NETWORK, THE LIBERAL GOVERNMENT TABLED LAST DECEMBER A HUGE BILL.

While reading it, we must realize that this bill is, in terms of legislation, the final touch formalizing the liberal «vision» of our health system.

### Another step towards the «private»

Several provisions contained in this bill focus on the «quiet» introduction of the private sector in various levels within the network structures. For example, this bill provides for the systematic presence of a medical doctor working in the private sector on CSSS Boards.

In the same way, community pharmacists (owners of drug stores) will sit on a regional committee in charge among others to make recommendations to the network instances on purchasing and distribution of medication.

### One step ahead and two back for democracy

Following several interventions on our part, we must welcome the return of non-clinical staff on the boards of directors of our institutions. However, this victory is dampened by the abolition, plain and simple, of community discussion groups.

Let's remember that these forums had an important mandate. They were set up to ensure that the population would be able to express their opinion as to their satisfaction with the health and social services network. Would the Health Minister, by any chance, be fed up to hear from us?

### Budget anarchy: one step left to take




Agencies are being stripped from several responsibilities. Their mandate is revised from top to bottom with all the effects to be expected for the staff responsible to perform the tasks pertinent to the realization of these mandates.

Some aspects of the budget control are slipping by. Again, for example, let's say that institutions, under certain conditions, will be able to spend unlimited amounts without prior authorization from the agency or the ministry in order to renovate or modify their facilities. Are we seeing another cash cow for the private enterprise?

### Inform and denounce: a first step in the right direction

The few examples mentioned in this article represent only a minuscule portion of all the measures in the bill tabled quickly. In spite of horribly short delays, we have reacted in January with a memorandum denouncing several aspects of Bill 83, a document too long to incorporate it all in this document.

Those wishing to know more on this issue are invited to visit the CUPE site on the Web at the following address: [www.scfp.qc.ca](http://www.scfp.qc.ca)



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**President :** Marcel Girard

**Secretary General :** Claude Turcotte

**Co-ordinators :** Martial Demers, Guy Jolicoeur & Claude Turcotte, Information Committee with the collaboration of Alain Tessier and CUPE's Communications Branch

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