Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Service Employees International Union

SEIU Healthcare

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Recommendations:

#1 - Help today:

As part of an ongoing strategy to boost the number of healthcare workers available in the long-term care and homecare sectors, the federal government establish targeted and direct financial supports for essential frontline healthcareworkers who continue to see a reduced income in an already precarious environment.

#2 - Help tomorrow:

As part of its economic rebuilding measures, the federal government needs to create a $75-100M fund to support innovation in portable, workplace-based benefits to enhance the retirement security of working-class Canadians, like precariously employed personal support workers (PSWs) throughout the long-term care and homecare systems.

The era of COVID-19 has brought the public face-to-face with the inequities that frontline healthcare workers face. Tragically, it has taken a pandemic and the countless loss of lives for governments at all levels to recognize the challenges faced by frontline healthcare workers, particularly those working in the long-term care and homecare sectors. These workers courageously served our most vulnerable in nursing homes that had the highest proportion of deaths in Canada. While the economic stress and physical illness continues, it should not have taken the deaths of frontline workers to alert our governments of the precariously employed women working in these healthcare settings.

The Service Employees International Union (SEIU) represents 120,000 workers across Canada. SEIU Healthcare proudly represents over 60,000 frontline healthcare workers, many of whom are Personal Support Workers (PSWs) and Registered Practical Nurses (RPNs) employed in both long-term care facilities and homecare agencies.

While governments are only beginning to assess the first wave of the virus, we already know that our country has experienced twice as many deaths in long-term care homes when compared to 16 other OECD countries. It is clear that after being neglected by successive governments, the COVID pandemic exposed the necessity of ensuring Canada's long-term care system can be a sustainable and safe environment for residents and all staff members. With the virus progressing in an uncharted way - more than ever, PSWs need to be retained and recruited. However, a history of low pay, unstable working environments, and no retirement options leaves this critical job position difficult to fill.

As a result, healthcare workers are over-worked, under-staffed and facing precarious working environments in the midst of a global pandemic.

The impact of the pandemic on the women who work in our healthcare system cannot be understated. Tragically, the numbers speak for themselves. **But, behind each number there is a tragic story.** Thousands of frontline workers at long-term care facilities, including SEIU's members, have contracted the virus and sadly the tragic loss of life does not stop there. So far, three of our members have died after contracting COVID-19: Sharon Roberts, Arlene Reid, and Christine Mandegarian. It has been said again and again throughout this crisis that frontline healthcare workers are the heroes of this pandemic. For any person who has willingly put themselves at risk, as Sharon, Arlene and Christine did, to pass away in these circumstances is a clear injustice.

It should be noted, these outbreaks and the resulting death toll tend to be concentrated in for-profit, privately owned homes. From the beginning of this crisis, SEIU has raised concerns regarding the infection control measures in these homes. Our members have come to us with stories of PSWs not being given access to life saving N95 masks and other personal protective equipment (PPE) while big business operating in these health sectors continued to distribute dividends to shareholders totalling over $58 million in the last three months alone - this occurred while workers wore gowns made of garbage bags to extend the life of their PPE.

Women working on the frontline of this pandemic have been denied both physical and economic security. The outcome is an exodus of healthcare workers seeking employment in sectors that contribute to their immediate and long-term needs.

Federal programs have not directly benefited Personal Support Workers.

While SEIU applauds the federal government for taking quick actions to ensure the financial security of workers who have lost employment in the pandemic, federal financial supports have not directly benefited PSWs. PSWs are a critical part of the healthcare system but they have been undervalued as frontline healthcare workers.

PSWs often have multiple employers, rely on shift and part-time work, and struggle to make ends meet given their low pay. Since COVID-19 has relegated these workers, particularly those in long-term care home settings, to a single workplace setting, PSWs have seen decreased incomes due to reduced hours in an already precarious work setting. While the federal government has presented a wage subsidy program for employers, there is no requirement nor is the system structured to simply and quickly pass on these financial supports to critical staff such as PSWs who have seen wages lag relative to the cost of living.

Many long-term care employers are large corporations with multiple revenue streams. They have not lost 30% of their revenues and continue to pay millions in dividends to stakeholders while their residents shoulder the decrease in quality of care and employees work harder than ever to fill the ever-widening gap of needs during a pandemic. It is important that Canada's PSWs are paid a living-wage that will incentivize more to choose this profession that will only grow in demand.

It is SEIU's experience that healthcare workers precariously employed by for-profit healthcare corporations are systematically exploited by today's long-term care and homecare industries. Further, a recent report from CIHI tells us that Canada has as few as half-as-many frontline workers per 100 nursing home residents as countries with fewer COVID-19 related deaths. This calls on us to embark on a bold human resource recruitment exercise if we are to improve the conditions of work and care in these sectors prior to the flu-season and in the event of subsequent waves of the pandemic.

This is why the government must establish targeted and direct financial supports for front-line workers who continue to earn a reduced income in an already precarious environment.

It was extremely welcomed news when Prime Minister Justin Trudeau announced on May 7, 2020 that financial support would be forthcoming to essential healthcare workers, but it wasn't until several months later that the money actually reached the pockets of economically insecure workers, like PSWs. In fact, thousands of frontline workers who meet the qualifications for "pandemic pay" in Ontario have still not received the hourly wage support that originally flowed from the federal government. The delays caused by transfers to provincial governments —and in particular, to

for-profit operators and agencies that deprioritize the well-being of this essential workforce— are a barrier to urgent retention efforts required to support an under-staffed, underpaid workforces struggling to meet the needs of our most vulnerable. Simply transferring money to provinces is inadequate in this unprecedented moment.

There are no appropriate retirement options for working-class homecare workers.

Homecare workers, like PSWs, remain one of the few essential workers in the healthcare system who do not have access to an appropriate pension or retirement savings plan. The low-wage, multi-employer dominant system means workplace pensions are highly uncommon and, where available, often ill-fitting. Further, the lack of long-term saving options for workers in the homecare sector contributes to extremely high turnover as workers seek employment in other parts of the healthcare system where access to an appropriate plan is common.

Essential workers in homecare who should have full-time jobs with benefits and a pension are instead experiencing poverty when they enter retirement. After a career of serving our communities, PSWs working in the homecare sector deserve the stability that comes with a secure retirement. This is where the federal government can play a role, starting now.

Many of the supports PSWs require were needed far before this pandemic put significant pressure on our health care system. Existing problems have been further exacerbated due to COVID-19 and require urgent attention. This is why, for the third consecutive year,

We are calling on the federal government to commit $34 million in support of My65+ to improve retirement security for Canada's homecare workforce within a $75-100M commitment towards innovation in portable, workplace-based benefits to enhance the retirement security of working-class Canadians, like precariously employed PSWs.

With targeted financial support and the comfort of retirement security, we can bring stability to these precarious workers who deliver compassionate care to our most vulnerable seniors.

The vast majority of workers in the homecare sector, most of whom are women, do not have access to a pension. This endangers their ability to support themselves throughout retirement. We believe it is important that frontline healthcare workers have a chance to retire with dignity. That is why SEIU Healthcare created the My65+ retirement savings plan, the first plan of its kind designed specifically for Canadians earning less than $50,000 per year with no workplace pension plan. While SEIU strongly supported the expansion of the Canada Pension Plan (CPP), the positive impact on middle-class families is not equally shared with working-class Canadians. That is why we're called upon to do more for precariously employed healthcare workers.
The **multi-employer** nature of work throughout the long-term care and homecare systems mean that appropriate retirement savings vehicles must be portable.

The **lower-wage compensation schemes** throughout the long-term care and homecare systems mean that appropriate retirement savings vehicles must protect other government income support programs, such as the GIS, in order to be worthwhile.

My65+ achieves both those objectives. The innovative nature of My65+ borrows the best characteristics from other world-class pension plans but utilizes the Tax-Free Savings Account (TFSA) tax category. This approach provides 3-4 times more value than a typical registered retirement savings plan for working Canadians in this income category. Supplemental materials about the My65+ retirement savings plan will be sent to committee members.

We continue to call on government to care for its frontline workers.

Ultimately, we believe that SEIU and the federal government share common goals to ensure that frontline workers are supported in the delivery of essential healthcare services, now and into the future. Together we can deliver more targeted and direct action to support those frontline workers who put their lives on the line so that our country's most vulnerable receive the care they deserve.