



HOSPITAL EMPLOYEES' UNION

# NEWS RELEASE

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**FOR IMMEDIATE RELEASE  
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## More than 350 mid-Island health workers hit hard by long weekend announcements

*B.C.'s commitment to jobs and families questioned as Parksville and Nanaimo workers face job losses and wage cuts stemming from government privatization policies*

Health care workers and their families at care facilities in Parksville and Nanaimo were forced to spend the long weekend worrying about how they'd make ends meet after Friday afternoon announcements of impending wage cuts and the contracting out of their work.

At Parksville's Stanford Place, more than 200 health care workers were told by an arbitrator that they must accept significant wage rollbacks and benefit cuts in order to keep the facility's private operator financially viable.

The rollbacks take more than \$1.25 million out of wages and benefits in each of the next two years and will leave some of the workers among the lowest-paid health care workers on the Island with wage cuts as deep as \$3 an hour.

The Hospital Employees' Union opposed the rollbacks arguing workers shouldn't have to shoulder the costs for the operator's failed business plan or the Vancouver Island Health Authority's failure to recognize that the public-private partnership (P3) was not viable.

Meanwhile, more than 150 health care workers at Nanaimo's Malaspina Gardens also learned that their employer – Chartwell Seniors' Housing REIT – intends to contract out their work.

Chartwell gave HEU notice of its intent on Friday afternoon, as required under the collective agreement, but no date for layoffs has been announced.

HEU's secretary-business manager Bonnie Pearson says the double-dose of bad news raises huge questions about the government's commitment to Island jobs and families.

"Over and over, health care workers have been told they must bear the burden of this government's failed privatization policies in health care," says Pearson.

"They've turned health care into a corporate shell game where working families always get the short end of the stick and corporations can always protect their profit margin.

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“Sadly, long-term care residents and their families will also suffer as our members seek out better paying jobs on which they can support their own families. It’s going to lead to turnover and instability at these facilities.”

Stanford Place was approved for construction by VIHA in 2006 as a P3 and opened in 2008. The Ahmon Group claimed in the arbitration that it underestimated costs in its 2006 bid for the project.

It’s not the first time workers at Stanford Place have been forced to take wage cuts. In January 2010, Ahmon Group imposed a five per cent reduction in wages as well as a 25 per cent reduction in vacation leave accrual and a 33 per cent reduction in sick leave.

Stanford Place workers joined HEU in May 2010 and earlier this year provided the union bargaining team with an 83 per cent strike mandate to support efforts to win a first collective agreement.

Despite the union’s objections to the use of a third-party to arbitrate wages and benefits, the Labour Relations Board imposed a mediation/arbitration process in June 2011.

Chartwell Seniors’ Housing REIT, the operator of Malaspina Gardens, has proposed several dates for consultation with the union over its plans for contracting out.

Since the passage of *Bill 29* in 2002, many care facilities have contracted out care and support services to sub-contractors in order to cut wage costs.

Although the Supreme Court of Canada struck down key provisions of the contract-shredding law in 2007, it did not restore contracting-out protections to health care collective agreements.

Workers impacted by Friday’s announcements at the two facilities include nurses, care aides, clerical workers, housekeepers, and dietary workers.

**Contact: Mike Old, HEU communications director  
604-828-6771 (cell)**