

Union mounts pressure to stop living-allowance cut at height of federal election

WHITEHORSE – In the midst of the federal election, the union for federal public service workers steps up its campaign to stop their employer's elimination of the living cost differential allowance that will seriously reduce their salaries and will have a detrimental impact to the local economy.

“About 800 federal workers will see their take-home pay cut anywhere from five to 25 per cent, which roughly translates to \$3,000 to a little over \$5,000 a year,” says Mike Nugent, the Yukon territorial director of the Public Service Alliance of Canada, the union representing the workers. “That translates to a loss of about \$3.5 million annually to the Yukon economy.”

The union also argues that despite an increasing demand for federal public service in the region, the government is compromising quality public service as the elimination of the allowance means compromising the government's ability to recruit and retain skilled and experienced workers in the region.

Union members will be handing out leaflets today at noon at the Elijah Smith Federal Building in Whitehorse to raise awareness on the issue.

They will also be urging other federal public service workers and the general public to ask candidates at the federal election about their positions on the issue and what they are prepared to do to protect the local economy and protect quality public service.

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Background

- In August 2005, the employer for federal workers in the North announced the elimination of the Living Cost Differential (LCD) component of the Isolated Post Allowance for employees based in Whitehorse, Yukon.
- The allowance will be phased out in three stages, starting on March 1, 2006.
- There were also major reductions in the allowance for other Yukon members residing outside Whitehorse.
- The LCD is allowance given to federal workers in isolated areas to maintain a competitive advantage in retaining and recruiting workers for these posts and to compensate for the higher cost of living and travel.
- The cut will affect about 800 employees in the Yukon, including workers in the federal government and agencies and in the RCMP.