

March 20, 2017

Dear Service Provider:

The Ministry of Children and Family Development (MCFD) is reviewing all of its contracts to determine the applicable wage increases under the Economic Stability Mandate (ESM) for the upcoming fiscal year (April 1, 2017 to March 31, 2018). Based on this analysis, the compensation component of the eligible agencies' contracts will then be adjusted accordingly, for those contracts expiring on March 31, 2017 and later.

The following series of wage increases (Table 1) will be managed over the next few months as per the negotiated agreements for unionized service providers and government directed increases for non-unionized service providers.

- Service providers represented by CSSEA and HEABC will receive the **Economic Stability Dividend (ESD), Comparability Adjustment (CA), and General Wage Increases (GWI)**.
- BCGEU and CUPE Service Providers will receive the **Economic Stability Dividend and General Wage Increase**.

MCFD can confirm that non-union agencies (Table 2) will receive the 2.50% Comparability Adjustment as of April 1, 2017 and 1.00% General Wage Increase as of February 1, 2018.

Table 1: ESM Wage Increase Schedule for Union Service Providers

	Effective Date							
	Apr 1, 2015	Feb 1, 2016	Apr 1, 2016	Feb 1, 2017	Apr 1, 2017	Feb 1, 2018	Apr 1, 2018	Feb 1, 2019
CSSEA	1.00%	0.45%	2.50%	1.00%	2.50%	1.00%	2.50%	1.00%
				0.35%		Unknown		Unknown
HEABC	1.00%	0.45%	0.80%	1.00%	0.40%	1.00%	0.40%	1.00%
			0.50%	0.35%	0.50%	Unknown	0.50%	Unknown
BCGEU	Apr 5, 2015	Feb 7, 2016	Apr 3, 2016	Feb 5, 2017	Apr 2, 2017	Feb 4, 2018	Apr 1, 2018	Feb 3, 2019
	1.00%	0.45%	0.50%	1.00%	0.50%	1.00%	0.50%	1.00%
				0.35%		Unknown		Unknown
CUPE	Jul 1, 2015	May 1, 2016	Jul 1, 2016	May 1, 2017	Jul 1, 2017	May 1, 2018	Jul 1, 2018	May 1, 2019
	1.00%	0.45%	0.50%	1.00%	0.50%	1.00%	0.50%	1.00%
				0.35%		Unknown		Unknown

Colour ID: General Wage Increase; Comparability Adjustment; Economic Stability Dividend

Table 2: ESM Wage Increase Schedule for Non-Union Service Providers

	Effective Date						
	Apr 1, 2015	Apr 1, 2016	Feb 1, 2017	Apr 1, 2017	Feb 1, 2018	Apr 1, 2018	Feb 1, 2019
Non-Union	1.00%	2.50%	1.00%	2.50%	1.00%	Unknown	Unknown

Colour ID: General Wage Increase; Comparability Adjustment

The wage increase(s) will be calculated on 77% of the total contract value. The ministry will assess requests to review the funding in situations where the agency provides both the data to support wages and wage-impacted benefits exceeding 77% for MCFD contracts, and a clear rationale for the anomaly.

For contracts that meet the eligibility requirements and do not expire on March 31, 2017, the Ministry is reviewing them to determine the applicable wage increases. The compensation component of the eligible contracts will be adjusted accordingly.

For contracts that meet the eligibility requirements and expire on or before September 30, 2017, to reduce administrative workload on both your agency and the ministry, wage increases will be managed when the contract expires. Agencies will receive a lump sum payment to retroactively cover the cost of the increases from their respective start dates to the contract end date.

For contracts that meet the eligibility requirements and expire after September 30, 2017, wage increases will be managed through contract modifications (expected to be completed by the end of September 2017). Agencies will receive a lump sum payment to retroactively cover the cost of the increases from their respective start dates to the effective date of the modification.

Finally, non-union participation in the [2017 Compensation and Employee Turnover Survey](#) (the survey), due May 31, 2017, is required to support the decision to continue funding non-union service providers for ESM components after March 2018. Funding for the CA and GWI components of ESM will not be provided in 2018/19 unless the compensation data received from your organization is satisfactory.

For more information, visit the ministry's website to review the [Frequently Asked Questions](#) document. Your Director of Operations/Program Manager will be your first point of contact for all inquiries or issues related to the negotiated wage increases.

Thank you.

Sincerely,



Paul Cumberland
Executive Director
Procurement and Contract Management Branch

Note: You may receive more than one copy of this letter if you provide services in more than one service delivery area. Also, if you do not have employees who are eligible for the negotiated wage increases, you have received this letter in error. If so, please disregard this letter.