

**MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT
2019 SUSTAINABLE SERVICES NEGOTIATING MANDATE
QUESTIONS AND ANSWERS**

This document provides key information for MCFD Staff and Service Providers related to the wage increases under the Sustainable Services Negotiating Mandate (SSNM).

BACKGROUND INFORMATION

1. What is the Sustainable Services Negotiating Mandate?

The Sustainable Services Negotiating Mandate (SSNM)¹ applies to all public sector employers with unionized employees looking to renew agreements between April 1, 2019 until March 31, 2022. The goals of the mandate are to create certainty and stability throughout the public sector; address service delivery challenges, and negotiate collective agreements that are affordable to the taxpayers of B.C.

2. What are the components of the SSNM?

Specific to the community health and community social services sectors, SSNM includes three potential salary increase components. These are the General Wage Increase (GWI), the Low Wage Redress (LWR) and Service Improvement Allocation (SIA).

The GWI is an adjustment to the wages of unionized employees included in the SSNM.

Specific to the community health and community social service sectors, the SSNM supports Low Wage Redress to reduce the compensation gap between comparable positions (e.g. care aides) in the social services sector, the community health sector, with similar positions in the health facilities sector.

The Service Improvement Allocation (SIA) is contingent amount available under the SSNM to address specific service delivery challenges or improvements. The SIA is not available to those agencies that receive funding for LWR.

3. How were the GWI and LWR rates determined?

The GWI and LWR were determined through negotiations between the Health Employers' Association of BC (HEABC) and their respective bargaining unions, represented by the Community (Health) Bargaining Association (CBA), and between the Community Social Services Employers' Association (CSSEA) and their respective bargaining unions, represented by the Community Social Services Bargaining Association.

CSSEA (CSSBA) AND HEABC (CBA) UNION AGENCY QUESTIONS

4. How much funding will be provided to agencies to fund SSNM wage increases?

The SSNM rate increases depend on the agency's collective agreement as follows:

		Effective Date		
		April 1, 2019	April 1, 2020	April 1, 2021
CSSEA- CSSBA	GWI	2.00%	2.00%	2.00%
	LWR	3.93%	3.71%	3.51%

¹ SSNM acronym is being used for simplicity.

HEABC-CBA	GWI	2.00%	2.00%	2.00%
	LWR	1.90%	2.00%	1.80%

Colour ID: General Wage Increase; Low Wage Redress

5. Will all union employees receive LWR?

Receipt of the LWR increase is dependent upon what was negotiated within the collective agreement. Information relating to specific wage increases and how they are applied to classification levels can be found at the HEABC or CSSEA websites or by contacting your respective union.

6. Is management eligible to receive the wage increases?

As with the previous mandate, the negotiated wage increases only apply to unionized agency staff.

OTHER UNIONIZED AGENCIES & NON-UNION AGENCY QUESTIONS

7. Will non-union agencies contracting with the ministry receive funding for wage increases?

Other unionized agencies not covered by the CBA or CSSBA Collective agreements, and Non-union agencies that meet ministry eligibility criteria will be provided funding as follows:

	Effective Date		
	April 1, 2019	April 1, 2020	April 1, 2021
GWI	2.00%	2.00%	2.00%
SIA	0.25%	0.25%	0.25%

Colour ID: General Wage Increase; Service Improvement Allocation

However, non-union entities such as individual contract holders or organizations with no employees, foster parents, organizations providing professional services and subcontractors are not eligible for the funded wage increase.

8. What is the Service Improvement Allocation?

The Service Improvement Allocation (SIA) is contingent amount available under the SSNM to address specific recruitment and retention pressures. The SIA is not available to those agencies receiving funding for LWR.

CALCULATION QUESTIONS

9. How is the GWI being calculated?

As in the previous mandate the wage increases will be calculated based on the previous years' contract value. In most cases, the ministry will calculate the wage increases on 77% of the total contract value, that is, 77% of the total contract value represents wages and benefits (compensation costs). This will occur automatically and there is no need for Service Providers to apply for this funding. This is done to ensure agencies receive their funding in a timely manner and to reduce administrative burden on the agencies.

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.

10. How is the ministry calculating and funding the LWR?

As with the GWI, the ministry will calculate the wage increases on 77% of the total contract value. Actual wage rate increases vary based on the individual wage classifications.

CSSEA has provided the ministry with average increase rates for CSSEA bargaining unit agencies.

11. How did the ministry determine the rate for LWR? Will the Ministry be addressing the discrepancy in LWR rate for Paraprofessional Grids levels that have negotiated increases higher than the ministry funded amount?

The LWR is based on individual union occupations which will lead to variable funding increases for each service provider. MCFD worked with the respective bargaining agencies to calculate a suitable rate. Calculations were based on blended 4 individual occupation rates. To address variances, the ministry will review a sample of contracts in year one of SSNM implementation to reconcile actual against estimated rates and make further adjustments if necessary. In addition, ministry staff will have a process in place to review requests by service providers to assess significant variances between MCFD funding and actual wages paid to eligible employees throughout the contract term. Please contact your local procurement team for more information.

12. How will unresolved variances between the ministry's estimate of the wage increase and the agency's estimate or actual wage cost be addressed?

Ministry staff will make all efforts to resolve significant variances arising from the agency's specific wage profile. Requests by service providers to assess significant variances between MCFD funding and actual wages paid to eligible employees throughout the contract term will be reviewed and assessed.

13. Are school districts and health authorities eligible for the wage increase?

Service contracts with school districts and health authorities are eligible for the wage increases under their respective collective agreements. As with the previous mandate (Economic Stability Mandate), MCFD did not fund these. The Ministry of Finance funds each base ministry and wage increases are allocated through the base ministry. The ministry will work with school districts and health authorities who can confirm that SSNM funding for the ministry service contracts has not already been provided to the base ministry.

OFF CYCLE CONTRACTS

14. What about off cycle contracts?

Off cycle contract(s) refer to those contracts that fall outside of the fiscal year renewal period, meaning a contract with an expiry date that falls after March 31.

The SSNM process of implementing wage increases is the same across all eligible contracts. The only difference is the timing of payments which is based on contract terms. At the time of contract renewal, a lump sum payment will be made to retroactively cover the SSNM wage increases that take effect April 1, 2019 through to the start of your contract term. For example, a lump sum payment to cover the months from April 1st to September 30th for a October 1st contract start date.

MULTI-YEAR CONTRACTS

15. How do multi-year contracts impact SSNM?

A process is being determined to apply SSNM increases on multi-year contracts (contract terms over 2 years and under 5 years).