

Address

Date

Dear Service Provider:

The Ministry of Children and Family Development (MCFD) is in the process of implementing the Sustainable Services Negotiating Mandate (SSNM) for contracted service sector wage increases effective April 1, 2019.

The funding increases are based on the negotiated three-year agreements that run from April 1, 2019 until March 31, 2022. The funding increases will reflect the specific collective agreements that apply to your organization. There are three basic groups:

1. Agencies subject to one of the three Community Social Services Employers' Association (CSSEA) – Community Social Services Bargaining Association (CSSEA-CSSBA) Collective Agreements (General Services, Community Living, Indigenous Services);
2. Agencies subject to the Health Employers' Association (HEABC) -- Community (Health) Bargaining Association;
3. Non-union or agencies subject to other B.C. public sector collective agreements (e.g. the Public Service Agency – BC Government Employees' Union Main Collective Agreement).

The SSNM includes two potential funding increase components. These are the General Wage Increase (GWI) and the Low Wage Redress (LWR) or the Service Improvement Allocation (SIA) – see Table 1. LWR is only available to those agencies covered by CSSEA-CSSBA and HEABC-CBA Collective Agreements. The LWR for the HEABC-CBA agreement has not yet been finalized; more detailed information will be provided when available.

**Table 1: SSNM Funding Increase Schedule for Service Providers**

		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%
HEABC-CBA	GWI	2.00%	2.00%	2.00%
	LWR	TBD	TBD	TBD
OTHER	GWI	2.00%	2.00%	2.00%
	SIA	0.25%	0.25%	0.25%

Colour ID: General Wage Increase; Low Wage Redress or Service Improvement Allocation

As in the previous mandate, the wage increase(s) will be calculated on 77% of the contract's annual baseline funding.

To streamline the process, MCFD is implementing the SSNM compensation increases, as follows:

**1. Ongoing monthly payments**

At the time of contract renewal, ongoing monthly payments will include the LWR/SIA and the GWI (effective April 1, 2019) that will be apportioned evenly across the year.

**2. Contract language changes**

- As increases are more straightforward under the new mandate, the payment increase table has been removed and replaced with simpler language detailing the increases to contract baselines.
- Multiyear contracts may have a payment schedule table added to them to clarify payments over multiple years.

If you have contracts that are “off cycle”, meaning contract(s) that fall outside of the fiscal year renewal period (i.e. after March 31, 2019), you will also receive a lump sum payment at the time of contract renewal to retroactively cover any eligible SSNM increases that took effect prior to the expiry of your contract.

Please note: The LWR is based on individual union occupations which will lead to variable funding increases for each service provider. Rates of increases are subject to change during yearly review processes by bargaining agencies. The rates referenced in this letter represent a blending of the individual occupation rates. MCFD will be reviewing a sample of contracts to reconcile the actual against the estimated rates in year 1 of the implementation and identify significant variances that require further adjustments. In addition, 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.

For more information, please contact your procurement team for all inquiries related to the SSNM increases.

Sincerely,



Philip Twyford  
Assistant Deputy Minister and Executive Financial Officer  
Finance and Corporate Services Division

**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.