

NON-UNION AGENCY COMPENSATION AND TURNOVER REPORTING INITIATIVE

**Presentation to Federation of Community
Social Services of B.C. – February 8, 2018**



Ministry of
Children and Family
Development

Opportunity Statement

There has been limited data to support government funding for contracted services provided by non-union agencies. Consequently, the Non-Union Agency Compensation and Employee Turnover Reporting Initiative was developed to collect compensation data from non-union agencies that could support funding decisions to address compensation disparities across the sector.

Context

- Under the Economic Stability Mandate (ESM), CSSEA and HEABC negotiated five year agreement for staff in their member agencies that extend from April 1, 2014 to March 31, 2019.
- These agreements include a series of wage increases over the five year period, the first of which was a general wage increase which came into effect April 1, 2015.
- Government requires more data to determine the impact of extending ESM and subsequent union agreements to non-union agencies.
- The non-union agency compensation and employee turnover reporting initiative was developed to collect compensation data from non-union agencies.

Social Sector Funders for Non-union Agencies

- The Ministries of Children and Family Development (MCFD), Public Safety and Solicitor General (PSSG) and Social Development and Poverty Reduction (SDPR) through Community Living BC (CLBC) invest over \$1.5 billion annually for contracted services.
- The breakdown of non-union agencies for funders follows:
 - MCFD: 472 agencies (approx. \$249M)
 - CLBC: 271 agencies (approx. \$139M)
 - PSSG: 95 agencies (approx. \$16M)

Financial Impacts – Service Providers

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

Note: The 2.50% CA as of April 1, 2018 and 1.0% GWI as of February 1, 2019 will be extended to non-union agencies.

Approach

- Social Sector funders have partnered with PSEC to gather wage, benefit and turnover data from non-union agencies.
- Data is being gathered by way of a Compensation and Employee Turnover survey completed by agencies.
- Survey is administered by CSSEA to leverage the collection capacity of their existing survey and to protect anonymity.
- Data collected includes wages, benefits, FTE count, employee count, vacancies, sources of funding, workforce demographics (gender, age), employee turnover, number of contracts, etc.
- The survey has been introduced under a phased approach to manage logistical and capacity considerations.

Chronology of Phases

- **Phase 1:** February 1, 2016 to May 31 2016
 - Approximately 150 of the largest funded non-union social services agencies in B.C. were invited to complete a survey of this data (overall participation rate = 74.83%)
- **Phase 2:** February 1, 2017 to May 31 2017
 - The survey was extended to all non-union social services agencies, including approximately 472 MCFD funded agencies and 366 agencies from both SDSI and PSSG (overall participation rate = 73.78%)
- **Phase 3:** Current (February 1, 2018 to May 31, 2018)
 - The survey will be available commencing late February, 2018.
 - This Phase involves a review of the aggregated data collected to ensure alignment to compensation base provided by CSSEA and consideration of ways to support agencies and increase future survey participation.

Survey Highlights – Phase 1 and 2

	2016			2017								
	Phase 1 Results			Phase 1 Agencies			Phase 2 Add'L Agencies			Total Phase 2 Agencies		
	> \$500k Agencies			> \$500k Agencies			< \$500k Agencies					
	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total
All	143	107	74.83%	136	124	91.18%	604	422	69.87%	740	546	73.78%
CLBC	56	46	82.14%	51	50	98.04%	220	170	77.27%	271	220	81.18%
MCFD	115	86	74.78%	112	101	90.18%	360	231	64.17%	472	332	70.34%
PSSG	20	18	90.00%	19	19	100.00%	76	66	86.84%	95	85	89.47%

Attended the Session

	Phase 1 Results			Phase 1 Agencies			Phase 2 Add'L Agencies			Total Phase 2 Agencies		
	> \$500k Agencies			> \$500k Agencies			< \$500k Agencies					
	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total
All	94	84	89.36%	67	67	100.00%	236	218	92.37%	303	285	94.06%
CLBC	41	38	92.68%	29	29	100.00%	103	93	90.29%	132	122	92.42%
MCFD	76	68	89.47%	56	56	100.00%	122	111	90.98%	178	167	93.82%
PSSG	17	16	94.12%	14	14	100.00%	41	41	100.00%	55	55	100.00%

No session

	Phase 1 Results			Phase 1 Agencies			Phase 2 Add'L Agencies			Total Phase 2 Agencies		
	> \$500k Agencies			> \$500k Agencies			< \$500k Agencies					
	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total
All	49	23	46.94%	69	57	82.61%	368	195	52.99%	437	252	57.67%
CLBC	10	7	70.00%	22	21	95.45%	117	77	65.81%	139	98	70.50%
MCFD	38	18	47.37%	56	45	80.36%	238	120	50.42%	294	165	56.12%
PSSG	3	2	66.67%	5	5	100.00%	35	25	71.43%	40	30	75.00%

Aboriginal

	Phase 1 Results			Phase 1 Agencies			Phase 2 Add'L Agencies			Total Phase 2 Agencies		
	> \$500k Agencies			> \$500k Agencies			< \$500k Agencies					
	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total
All	43	23	53.49%	41	37	90.24%	125	58	46.40%	166	95	57.23%
CLBC	1	0	0.00%	2	2	100.00%	7	4	57.14%	9	6	66.67%
MCFD	42	23	54.76%	40	36	90.00%	119	54	45.38%	159	90	56.60%
PSSG	3	2	66.67%	5	5	100.00%	7	6	85.71%	12	11	91.67%

Non-Aboriginal

	Phase 1 Results			Phase 1 Agencies			Phase 2 Add'L Agencies			Total Phase 2 Agencies		
	> \$500k Agencies			> \$500k Agencies			< \$500k Agencies					
	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total	Agencies	Received	% Total
All	101	84	83.17%	96	87	90.63%	479	364	75.99%	575	451	78.43%
CLBC	50	45	90.00%	49	48	97.96%	213	166	77.93%	262	214	81.68%
MCFD	72	63	87.50%	73	65	89.04%	241	177	73.44%	314	242	77.07%
PSSG	15	15	100.00%	14	14	100.00%	69	60	86.96%	83	74	89.16%

2017 Survey Highlights

- **818 of the largest non-union social services agencies** funded by the Province of BC were invited to complete the 2017 Compensation and Employee Turnover Survey. Subsequently, 78 agencies did not meet the reporting criteria and were exempt from the survey.
- From the remaining 740 agencies, 546 surveys were completed and received, resulting in an **overall participation rate of 73.78%**.
- With respect to 472 MCFD agencies surveyed, 332 surveys were completed and received, leaving **140 MCFD agencies who did not complete the survey**.
- Of the agencies who did not complete the survey, first time participants from **Indigenous agencies had a lower completion rate** than their non-Indigenous counterparts.
- Qualitative data collected from agencies that did not complete the survey identified an overall theme of **lack of clarity around the survey**. Several agencies identified that they were unsure if the survey applied to them and received mixed messages from contract managers. **Time to complete the survey** is a concern for some agencies.

Support to Agencies

Communications Lead: Funders	Survey Deployment Lead: CSSEA	Data Reporting Lead: CSSEA
<p>Letters/e-mails distributed to all agencies to explain the rationale and importance of completing the survey</p>	<p>Orientation Sessions (2017: 35 in-person orientation sessions attended by over 450 participants held in 24 locations in B.C. and four webinars attended by over 200 participants and 110 one-on-one sessions)</p>	<p>Survey captures aggregate, non-employee specific data and therefore personal identifiers are not gathered</p>
<p>Government web page, including frequently asked questions</p>	<p>1-800 support phone line and e-mail support</p>	<p>Useful benchmark information is provided by CSSEA to support recruitment and retention strategies and shifting labour force demographics</p>
<p>Contract manager engagement</p>	<p>Completion times will vary by agency</p>	

Next Steps

- Eligible non-union agencies in the social sector will continue to receive ESM wage increases for the foreseeable future, with the goal to strive towards achieving 100% compliance over the course of the next two years.
- This strategy is aligned with the current five year mandate.
- For those agencies who did not complete the survey (mostly Indigenous organizations), the social sector funders will work with them in a supportive, responsive, consultative way to facilitate completion of the survey:
 - Promote the survey through orientation sessions
 - Share data analytics and other reports with relevant information collected in the survey
 - Outreach to non-union agencies to determine ways to help them provide the necessary information
 - Provide education and awareness to the contract managers to ensure consistent messaging is provided to all non-union agencies.

New Streamlined Process for ESM in 2018/19

Example: CSSEA Union Affiliation (all ESM increases are incorporated into one contract as opposed to receiving increases through contract modifications).

Lump Sum Payment:

- At the time of contract renewal (Jan – Mar), a payment will be made to retroactively cover the 0.4% Economic Stability Dividend (Feb. 1 – Mar. 31, 2018) – applies to union affiliated agencies.

Ongoing monthly payments:

- At the time of contract renewal, ongoing monthly payments will include the 0.4% **Economic Stability Dividend** and the **Comparability Adjustment (CA)** and the **General Wage Increase (GWI)** that will be apportioned from the renewal date until the end of the fiscal year.

Contract language changes:

- A payment increase table will be included in the contract to itemize the ESM increases with corresponding dates.
- The “**Total Increase Annual Baseline**” in the contract refers to the total value of the contract based on the fixed monthly increase over the course of a year (i.e. includes all increases applied to full year).

Benefits of Streamlined Process

- ✓ Pro-rating of the increases evenly to the monthly payments (from the contract renewal date to the end of the fiscal year) means that all of the ESM increases (including known increases effective February 1, 2019) are incorporated into one contract rather than receiving increases throughout the fiscal year via contract modification.
- ✓ The annual baseline contract amount in the contract language includes all of the ESM increases applied to a full fiscal year and represents the annual baseline for fiscal year 2019/20, subject to any other changes.
- ✓ Similar to past practice, the wage increase(s) will be calculated based on 77% of the contract value.
- ✓ The same process applies to non-union agencies for consistency and comparability purposes.
- ✓ Recognizing that this process is new, procurement teams in PCMB will provide support to service providers who have inquiries about the ESM increases.

Key Message for the Sector

We need and would like to request strong participation and response to the survey to support government in making decisions on future funded compensation increases for the non-union social services sector.

Questions

