



2017/18 Collective Agreement and Other Costs and Sector Updates

Community Social Services Employers' Association of BC
Suite 800, Two Bentall Centre, 555 Burrard Street
Box 232, Vancouver BC, V7X 1M8

Tel 604.687.7220
Toll free 1.800.377.3340
Fax 604.687.7266

www.cssea.bc.ca

December 5, 2016

Overview

1. 2014 to 2019 Collective Agreement

- General Wage Increase
- Economic Stability Dividend
- Comparability and Anomaly Adjustment
- Transportation and Meal Allowance
- Extended Health Care

2. Other Cost Increases

Statutory Benefits

- CPP
- Employment Insurance

Health Benefits

- MSP
- Extended Health Care

Dental

Pension

- MPP

- WorkSafe BC
- Group Life
- Accidental Death & Dismemberment (AD&D)
- Long Term Disability

3. Collective Agreement Cost Increases 2018/2019

4. Preliminary Estimate – Bargaining Unit Employees

5. Highlights Summary

2017 General Wage Increase

- **1.0% General Wage Increase effective February 1, 2017** for Community Living Services and General Services
- **1.0% General Wage Increase effective February 5, 2017** for Aboriginal Services
- **0.5% General Wage Increase effective April 2, 2017** for Aboriginal Services

Economic Stability Dividend

- **0.35% Wage Increase effective February 1, 2017**
- Economic Stability Dividend applies to union and non-union positions
- February 2017 wage grid will be available this week

Illustrations:

Community Living Services - Residence Worker

- Annualized base salary = **\$38,181.00** (rate calculated at **1,950** hours per FTE, **Step 4** hourly rate = **\$19.58**)
- Annual increase provided by the 0.35% dividend = **\$133.63** per year or **\$11.14** per month

General Services – Adult, Youth and/or Child Worker

- Annualized base salary = **\$40,794.00** (rate calculated at **1,950** hours per FTE, **Step 4** hourly rate = **\$20.92**)
- Annual increase provided by the 0.35% dividend = **\$142.78** per year or **\$11.90** per month

Comparability and Anomaly Wage Adjustment

- **2.5% Wage Increase effective April 1, 2017**
- Comparability and Anomaly Wage Adjustment applies to all union and non-union positions
- April 1, 2017 wage grid will be available early February 2017

Transportation and Meal Allowances

Transportation Allowance

	April 1, 2016	April 1, 2017
For CLS/GS	\$0.46	\$0.47
For AS	\$0.50	\$0.51

Meal Allowance

	April 1, 2016	April 1, 2017
Breakfast	\$10.25	\$10.41
Lunch	\$12.56	\$12.75
Dinner	\$21.78	\$22.11

Extended Health Care

- Effective April 1, 2017, a maximum of \$100 every 24 months for eye examinations.
- Effective April 1, 2017, coverage for eyeglasses increases to a maximum of 80% of \$350 per person per 24 month from \$225 and now includes equivalent corrective laser treatment.
- **EHC premium was estimated to increase by 14.3% (weighted average)**

Canada Pension Plan (CPP)

Canada Pension Plan (CPP)		
Year's Maximum Pensionable Earnings (YMPE)	<ul style="list-style-type: none"> The current (2016) YMPE is \$54,900. 	<ul style="list-style-type: none"> \$55,300, <u>an increase of 0.73%</u> from current YMPE
Year's Basic Exemption (YBE)	<ul style="list-style-type: none"> YBE of \$3,500 has been in effect since 1996 	<ul style="list-style-type: none"> No change – YBE will remain at \$3,500
CPP Contribution Rate	<ul style="list-style-type: none"> The contribution rate is applied to employment earnings that exceed YBE up to the YMPE The current (2016) contribution rate of 4.95% for employer and employee is in place since 2003 	<ul style="list-style-type: none"> No change in contribution rate for both the employer and employee (9.9% combined)
Maximum Annual Contribution	<ul style="list-style-type: none"> Maximum annual contribution amounts in 2016 for both the employer and employee is \$2,544.30. 	<ul style="list-style-type: none"> The maximum annual contribution amounts in 2017 for both employer and employee is \$2,564.10, <u>an increase of 0.78%</u>.

Employment Insurance (EI)

Employment Insurance (EI)		
<p>El Contribution Rate</p>	<ul style="list-style-type: none"> The employer contribution rate is 1.4 X the employee rate. Current (2016) EI employer contribution rate is \$2.632 per \$100 of insurable earnings. Current (2016) EI employee contribution rate is \$1.88 per \$100 of insurable earnings. 	<ul style="list-style-type: none"> The 2017 EI employer contribution rate will go down from \$2.632 to \$2.282 per \$100 of insurable earnings, <u>a 13.3% reduction.</u>
<p>Maximum Annual Insurable Earnings (for all Canadian employees)</p>	<ul style="list-style-type: none"> The contribution rates noted above apply to maximum annual insurable earnings. In 2016, the maximum annual insurable earnings is \$50,800. 	<ul style="list-style-type: none"> \$51,300, <u>an increase of 0.98%</u> from current maximum annual insurable earnings.
<p>Maximum Annual Contribution</p>	<ul style="list-style-type: none"> Maximum annual contribution amounts in 2016 are \$1,337.06 for employer and \$955.04 for employee. 	<ul style="list-style-type: none"> The maximum annual contribution amounts in 2017 are \$1,170.67 for employer and \$836.19 for employee. Employer maximum annual contribution <u>decrease by 12.4%.</u>

WorkSafe BC

WorkSafe BC (Workers' Compensation)		
Assessment Rates	<ul style="list-style-type: none"> • Current (2016) average base rate is \$1.70 per \$100 of insurable earnings. • Majority of social services sector employees fall under six (6) classification units (CU) • The current (2015) base rates per \$100 of insurable earnings for the six (6) classification units (CU) are as follows: <ul style="list-style-type: none"> - Counselling or Social Services: \$1.19 - Residential Social Services: \$2.39 - Short Term Care: \$2.10 - Daycare Centre, Preschool, or Playschool: \$1.14 - Life and Jobs Skills Training: \$1.92 - Long Term Care: \$2.42 	<ul style="list-style-type: none"> • 2017 average base rate is dropping from \$1.70 to \$1.65 per \$100 of insurable earnings. • <u>Most of social services sector employees are getting a reduction in WorkSafe BC premium rates.</u> • The 2017 base rates rates per \$100 of insurable earnings for the six (6) classification units (CU) are as follows: <ul style="list-style-type: none"> - Counselling or Social Services: \$1.16 - Residential Social Services: \$2.12 - Short Term Care: \$1.80 - Daycare Centre, Preschool, or Playschool: \$1.11 - Life and Jobs Skills Training: \$2.09 - Long Term Care: \$2.36
Maximum wage per worker	<ul style="list-style-type: none"> • Current (2016) maximum wage per worker: \$80,600 	<ul style="list-style-type: none"> • 2017 maximum wage per worker is \$81,900

Other Costs

Medical Services Plan (MSP)

Monthly Premium Rates (2016)	Projection for 2017
<ul style="list-style-type: none"> Current (2016) monthly rates: \$75.00 Single / \$136.00 Family of Two / \$150.00 Family of Three or More 	<ul style="list-style-type: none"> MSP monthly premium rates effective January 1, 2017: \$75.00 Individual / \$150.00 for Couple Rate for Couple will increase from \$136.00 to \$150 per month or from \$1,632 to \$1,800 per year, an increase of 10.3% Children will be exempt from MSP premiums Premium assistance will also be enhanced effective January 1, 2017.

Extended Health Care (EHC)*

	Projections for 2017
<ul style="list-style-type: none"> 2016 Average Benefit Increase Blended rate 4.04% Rates vary by employer and employee group 	<ul style="list-style-type: none"> 2017 Average Benefit Increase Blended rate 14.30% Rates vary by employer and employee group

Note:

- * - Effective April 1, 2017, a maximum of \$100 every 24 months for eye examinations.
- Effective April 1, 2017, coverage for eyeglasses increases to a maximum of 80% of \$350 per person per 24 month period from \$225 and now includes equivalent corrective laser treatment.

Other Costs

Dental

	Projections for 2017
<ul style="list-style-type: none">2016 Average Benefit Increase Blended rate 4.18%Rates vary by employer and employee group	<ul style="list-style-type: none">2017 Average Benefit Increase <u>Blended rate</u> 6.46%Rates vary by employer and employee group

Group Life

	Projections for 2017
<ul style="list-style-type: none">2016 Average Benefit Increase Blended rate 2.79%Rates vary by employer and employee group	<ul style="list-style-type: none">2017 Average Benefit Increase <u>Blended rate</u> 3.54%Rates vary by employer and employee group

Other Costs

Accidental Death and Dismemberment (AD&D)

	Projections for 2017
<ul style="list-style-type: none"> 2016 Average Benefit Increase Blended rate 4.02% Rates vary by employer and employee group 	<ul style="list-style-type: none"> 2017 Average Benefit Increase <u>Blended rate</u> 1.64% Rates vary by employer and employee group

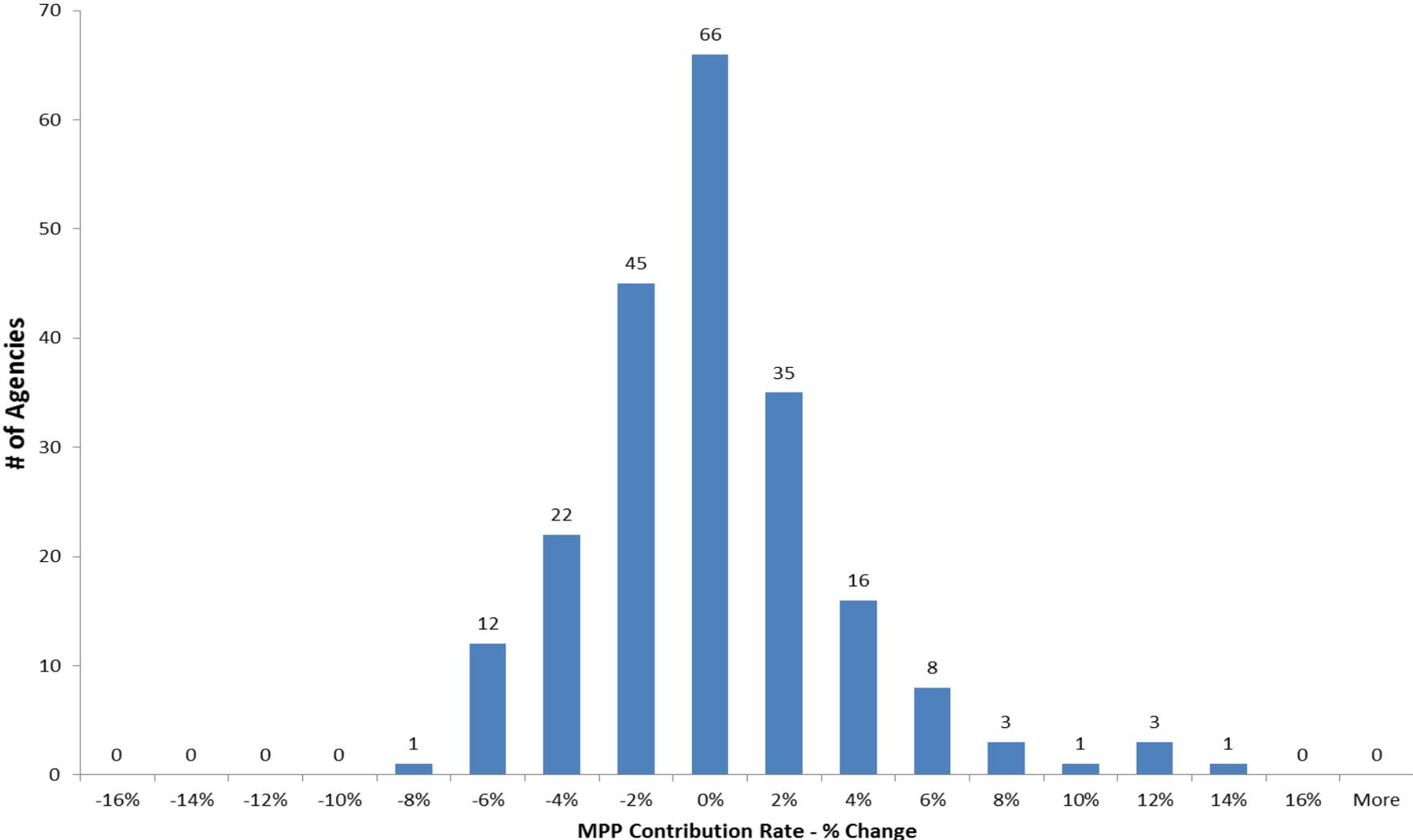
Long Term Disability

	Projections for 2017
<ul style="list-style-type: none"> 2016 Average Benefit Increase Blended rate 5.42% Rates vary by employer and employee group 	<ul style="list-style-type: none"> 2017 Average Benefit Increase <u>Blended rate</u> 11.13% Rates vary by employer and employee group

Municipal Pension Plan (MPP)

MPP Contribution Rate

% Change effective January 1, 2017



Collective Agreement Cost Increases 2018/2019

Effective Date	Monetary Items
February 1, 2018	1.0% General Wage Increase
	Economic Stability Dividend based on 2017 GDP
April 1, 2018	2.5% Comparability Increase 0.5% GWI directed to address anomalies
	Transportation Allowance: \$0.48 for CLS/GS; \$0.52 for AS
	Meal Allowance: B - \$10.56 / L - \$12.94 / D - \$22.44

Preliminary Estimate – Bargaining Unit Employees

Collective Agreement Costs	Wages	Wage Impacted Benefits	Non-Wage Impacted Benefits	Total	% of Total Compensation
General Wage Increase: 1.0%	\$3,854,412	\$691,962	\$0	\$4,546,375	0.95%
General Wage Increase: 0.5% for AS	\$52,546	\$10,242	\$0	\$62,787	0.01%
Economic Stability Dividened: 0.35%	\$1,349,044	\$242,187	\$0	\$1,591,231	0.33%
Comparability and Anomaly: 2.5%	\$9,766,117	\$1,753,260	\$0	\$11,519,377	2.40%
Total	\$15,022,120	\$2,697,651	\$0	\$17,719,770	3.69%

Other Costs	Wages	Wage Impacted Benefits	Non-Wage Impacted Benefits	Total	% of Total Compensation
EI: (-12.40%)		-\$1,131,709		-\$1,131,709	-0.24%
WCB: (-7.86%)		-\$617,653		-\$617,653	-0.13%
LTD: 11.13%		\$1,252,941		\$1,252,941	0.26%
MPP: (-0.86%) (note 1)		-\$197,990		-\$197,990	-0.04%
Extended Health: 14.30% (note 2)			\$849,536	\$849,536	0.18%
Dental: 6.46%			\$664,386	\$664,386	0.14%
Group Life: 3.54%			\$27,003	\$27,003	0.01%
AD&D: 1.64%			\$2,526	\$2,526	0.00%
MSP: 3.77% (note 3)			\$335,452	\$335,452	0.07%
Total	\$0	-\$694,411	\$1,878,903	\$1,184,492	0.25%

1: MPP rate simplification

2: Includes changes to vision care

3: Change couple rate to family rate

Highlights Summary

- 2017/18 CA total compensation increases will be 3.69 %
- Additional other compensation costs of 0.25 %
- Reported issues with the flow of the 2016 collective agreement funding
 - Timeliness
 - Non-compounding of increases
 - Union equivalent positions