

Negotiating Framework for Exempt Staff — 2006-2007 Labour Market Adjustment Approved

We have been advised that the BCPSEA proposal for allocation of the labour market adjustment funds for 2006-2007 under the *Public Education Negotiating Framework Compensation Plan – Exempt Staff (2006-2010)* (“PENFCP”) has now been approved by the Minister of Finance.

Background

The PENFCP applies to all staff not covered by a collective agreement employed by the 60 K-12 public school employers in British Columbia, including executive, administrative, management, and support staff who are not members of the sector’s teacher or support staff bargaining units.

Executive and exempt staff are eligible to receive the compensation increases provided in the government Negotiating Framework, specifically:

- The one-time incentive payment of \$3,800 gross per full time equivalent employed by the public school employer as at March 31, 2006 (distributed April 2006)
- A general wage adjustment of 2% effective July 1, 2006 through July 1, 2009
- A fiscal dividend, if any, applicable in 2009-10
- Labour market adjustments for specific exempt positions through to June 30, 2010. A fund of 1% in each year (2006-2009) was established to address targeted labour market challenges, including salary compression, faced by some public school employers. These labour market challenges are affected by collective agreements with unionized staff and by the specific community or communities from which districts draw their employees.

Labour Market Adjustments: Salary Compression

In order to address the effect of a differentiated settlement with teachers, BCPSEA took the approach of utilizing the labour market adjustment process under the PENFCP. BCPSEA collected salary structures and demographic information from school districts in the fall of 2006 and proceeded to conduct district-by-district analyses of the impact of the agreement on the salary structures for the two exempt employee groups in the public school sector — principals/vice principals and general exempt/management staff.

Where there is a demonstrated and pressing issue of compression between exempt staff salaries and the highest paid teacher’s salary, BCPSEA made a submission to Treasury Board through the Public Sector Employers’ Council (PSEC) for allocation of labour market adjustment funds. As allocation of funding has been identified on a priority basis, **not all districts (or all exempt positions in a district) have been identified to receive labour market adjustment funding.** It is also important to note that the proposal that has been approved is only for allocation of the 1% labour market adjustment funds available for the **2006-2007 school year.**

BCPSEA Exempt Staff Compensation Management Plan (Policy 95-06)

Where there may be issues that are unable to be addressed through the labour market adjustment process but still warrant attention, the submission process under the BCPSEA exempt compensation management plan for the sector may be accessed (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*).

With the 2002 amendments to the *Public Sector Employers Act*, school boards are required to adhere to the salary ranges for the positions of Superintendent and Secretary Treasurer in the BCPSEA exempt compensation management plan (see *Exempt Staff Issues* bulletins No. 2007-01 and 2007-02 available on the BCPSEA website at <http://www.bcpsea.bc.ca/access/publications/exemptstaff/exemptstaff.html>) and to make submissions to the employers' association providing data and defensible rationale to support increases to any element of the compensation package for executive and exempt staff in the K-12 sector. The employers' association reviews school district submissions based upon established criteria. Approval of the employers' association is required before a school board may implement a proposed compensation increase.

Next Steps

We will follow up with a further communication to each school district to advise whether the district is to receive labour market adjustment funds for 2006-2007, the amount of the funds, and the process for application of the funds. PSEC advises that Treasury Board has informed the Ministry of Education to release the funds as per the BCPSEA submission; the funds will be distributed by electronic funds transfer.

The process and timing for access to labour market adjustment funds for successive years (2007-08, 2008-09, 2009-10) will be communicated early in the new year.

Questions

If you have any questions in the interim, please contact Deborah Stewart, Senior Human Resources Consultant, at deborahs@bcpsea.bc.ca or 604.730.4506.