

2018-01

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By E-mail: Two Pages

Compensation Update

PSEC Calendar 2018 Compensation Direction

We have now received from the Public Sector Employers' Council (PSEC) Secretariat the compensation policy direction for executive and exempt employees (including principals/vice principals) in the broader public sector — including the K-12 public education sector — for calendar 2018.

Please note that decisions with respect to compensation for the position of Superintendent only, remain the sole purview of the board of education.

Please also note that the policy direction as set out in this bulletin does not apply to positions that are still in the process of transitioning to the new Level A/Step 0 of their applicable salary range. Those positions remain subject to the transition plan approved by the PSEC Secretariat.

For incumbents whose current annual salary is within their applicable salary range and who are not still in the process of transitioning to their new salary range minimum, the PSEC Secretariat has advised that districts may apply an increase of up to two percent (2%) effective no earlier than January 1, 2018.

It is important to note that the eligibility parameters and policy principles specific to application of the PSEC calendar 2018 compensation policy direction remain consistent with the parameters for the calendar 2017 compensation policy direction as set out in BCPSEA *Exempt Staff Issues* bulletin [No. 2017-01 dated January 19, 2017](#). These parameters include ensuring that allocation of the proposed increase does not increase the salary for any position beyond the maximum of the applicable salary range and further, that progression to the next step in the applicable salary range is not permitted at this time.

Submission Process

Unlike previous compensation policy direction, the calendar 2018 compensation increase process **DOES NOT** require the district to prepare and submit a spreadsheet to BCPSEA for review to ensure compliance with the PSEC Secretariat compensation policy direction.

The PSEC Secretariat notes, however, that it is important for districts to ensure they comply with the parameters of this compensation policy direction, as statutory reporting processes and audits conducted by the ministry of education will identify any increases applied that are not in compliance with this direction. It is important to note that s. 15.1 of the *Public Sector Employers Act* provides that an employee who receives compensation to which he/she is not entitled must re-pay that compensation to the provincial government or the employer.

Looking Ahead: Further Compensation Policy Direction Anticipated in 2018

We remain hopeful that the broader public sector will receive further exempt staff compensation policy direction from the PSEC Secretariat during this calendar year. As you know, BCPSEA has utilized every opportunity to make the business case to the PSEC Secretariat that school districts should have the ability to manage salary decisions for their district-based executive and exempt employees, as well as principals/vice principals, within the applicable salary ranges.

Exempt Staff Benefits Review: Phase 2 of the BCPSEA Sectoral Exempt Staff Compensation Review Project

As you will recall, in September 2017 we advised school districts that the PSEC Secretariat was permitting BCPSEA to proceed with a review of exempt staff health and welfare benefits, specifically extended health and dental benefits, in the context of benefits provided to teaching staff.

The terms of reference of the review included:

- Obtain plan design comparisons prepared by Morneau Shepell
 - Set out the specific provisions of each district's health and welfare benefits plans for teaching, support staff, district-based executive and exempt staff, and principals/vice principals
 - Identify those provisions where the district-based executive and exempt staff and/or principal/vice principal health and welfare benefits differ from those provided to unionized teaching and support staff in the district
- Obtain costing analyses from Morneau on an individual district basis to facilitate a comprehensive assessment of the cost of addressing specific benefit changes to more closely align with unionized staff
- Report back to the PSEC Secretariat the findings from the review.

The plan design comparisons and costing analyses are currently with the PSEC Secretariat and we are waiting for further direction to proceed to engage in discussion with each school district to review the information provided and determine each district's desired approach to plan design and the associated costs.

Questions

If you have any questions on the applicability of the PSEC 2018 exempt staff compensation policy direction, please contact Deborah Stewart, Executive Director, Corporate Services and Communications, at 604 730 4506 or deborahs@bcpsea.bc.ca.

If you have any questions on the exempt staff benefits review at this time, please contact Maureen Carradice, Director, Labour Relations, at maureenc@bcpsea.bc.ca or 604 730 4522.