PAY EQUITY FUNDING and EQUALIZATION ADJUSTMENT GUIDELINES

February, 2011

1.0 PROVISION OF FUNDING

1.1 Definition:
In these Guidelines, “MOS” means the Memorandum of Settlement that was agreed to in April 2003, between five unions (CUPE, ONA, OPSEU, SEIU, United Steelworkers of America), four private individual complainants, and the Government of Ontario, covering the period from Jan 1, 1999, to Dec 31, 2005, under which the Government of Ontario agreed to provide proxy pay equity funding to long-term care homes, and other organizations, that were eligible, in order to assist with proxy obligations under the Pay Equity Act.

1.2 Annual Pay Equity Funding consists of:

(a) An amount based on the amount, if any, of “Pay Equity” funding that the Operator received from MOHLTC in the 2002/03 fiscal year, excluding any amounts attributable to the MOS, together with

(b) An amount based on the amount, if any, of “Pay Equity” funding that the Operator received from MOHLTC in the 2009/10 fiscal year, excluding any amount covered by clause (a).

1.3 Equalization Adjustment: Where the Operator, receives less than three dollars and twenty-five cents ($3.25) per resident per day for any given fiscal year, beginning in October 2004, under section 1.2(a), MOHLTC provides to the Operator an equalization adjustment of $3.25 per resident per day less the amount per resident per day received by the Operator under section 1.2(a), if any, in respect of that fiscal year.

2.0 PAYMENT OF FUNDING

2.1 The MOHLTC shall pay the funding under sections 1.2 and/or 1.3 to the Operator in monthly installments on or about the twenty-second (22nd) day of each month of the Term.
3.0 **USE OF AND ACCOUNTABILITY FOR FUNDING**

3.1 The Operator shall utilize the funding it receives under section 1.2 to meet its legal obligations under the *Pay Equity Act*.

3.2 Funding under section 1.2 shall be deemed to be allocated to the various envelopes in the same proportions as applied to the Pay Equity funding provided by MOHLTC to the Operator according the MOHLTC records for the 2009/10 fiscal year. Funding under section 1.3 shall be allocated in the following proportions: 70.43% in Nursing and Personal Care, 4.11% in Program and Support Services and 25.46% in Other Accommodation.

3.3 Employers in the broader public sector who have been subject to proxy pay equity orders are legally obliged to provide employees with their proxy pay equity adjustments on an annual basis. These payments are not discretionary.