

179-2021-130

May 12, 2021

Re: Extension of the Personal Support Worker Temporary Wage Enhancement

Dear Long-Term Care Licensees:

Further to the recent letter from the Honorable Dr. Merrilee Fullerton, Minister of Long-Term Care, I am pleased to confirm that the Ministry of Long-Term Care (ministry) is extending the temporary wage enhancement for Personal Support Workers (PSWs) working in the long-term care (LTC) sector from April 1, 2021 to June 30, 2021. This funding is intended to continue to support retention and recruitment of PSWs in LTC homes.

The temporary wage enhancement funding of up to \$67,981,800 will constitute a one-time transfer payment and will be provided to eligible LTC licensees that are party to a Letter of Agreement for Ministry Direct Funding to LTC Homes (Direct Funding Agreement, or DFA) with the ministry. This letter and the associated Long-Term Care PSW Wage Enhancement Funding Policy constitute the primary Applicable Ministry Policy Documents with respect to the temporary wage enhancement program funding as supplemented by the directives and policies identified in the DFA. All other terms and conditions contained in the DFA will remain in full force and effect. The Long-Term Care PSW Temporary Wage Enhancement Funding Policy has been amended to reflect this extension, but is otherwise consistent with the existing program.

Funding Approach

The temporary wage enhancement extension will be in effect for the 13-week period effective April 1, 2021 to June 30, 2021. The temporary wage enhancement will consist of:

- **A temporary top-up based on hourly wages:** Eligible LTC staff will receive \$3 per hour for all hours worked.

The temporary wage enhancement is non-pensionable earnings (with the exception of Canada Pension Plan (CPP) contributions), is not part of an employee's base salary, will have no impact on benefits plans paid by employers and will be subject to statutory deductions such as CPP, Employment Insurance, Workplace Safety and Insurance Board and Employer Health Tax.

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Furthermore, this wage enhancement does not apply to time when eligible staff are not working, including vacation, any authorized paid leave (including sick leave), and time and benefits awarded under the *Workplace Safety and Insurance Act, 1997*.

It will be administered in accordance with the *Employment Standards Act, 2000* and/or the applicable collective agreement(s).

Payments to LTC licensees will be provided in two instalments:

1. The first estimated instalment will equal 75% of the LTC licensee's allocation and will be provided in May 2021.
2. The second estimated instalment will be provided in August 2021 and will equal the remaining balance (or 25% of the LTC licensee's allocation).

The ministry requests that employers add the temporary wage enhancement to their employees' regular paycheques or include it in contracts with external agencies.

Reporting Requirements for Funding

LTC licensees shall also submit an additional report (Extension Final Report) to the ministry. The Extension Final Report will cover the period from April 1, 2021 to June 30, 2021 and shall be submitted in July 2021. The second instalment (the remaining 25% of the LTC licensee's allocation) may be adjusted based on the submission and review of reports by the ministry.

Eligibility Criteria

Any PSW (full-time, part-time and casual) who:

- (a) is hired as a PSW in accordance with the requirements set out in Section 47 of O. Reg. 79/10 under the *Long-Term Care Homes Act, 2007*, or
- (b) is hired under O. Reg. 95/20: Streamlining Requirements for Long-Term Care Homes, under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, provided it was clear the individual was hired as a PSW

is eligible for the temporary wage enhancement.

Staff who are not direct employees of an LTC licensee and are hired by the LTC licensee either on a contract or through a third-party agency are also eligible for the temporary wage enhancement. LTC licensees are encouraged to secure a commitment in writing from their respective third-party agencies that the contract staff is receiving the appropriate temporary wage enhancement amounts.

To the extent that there may be conflicts between the provision of this temporary wage enhancement and the requirements under the *Protecting a Sustainable Public Sector for Future Generations Act, 2019* (PSPSFGA), this wage enhancement relies on an exception for temporary COVID-19-related payments set out in O. Reg. 195/20 under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*. This ensures that eligible employers who are subject to wage moderation under the PSPSFGA are able to provide eligible PSWs with the temporary wage enhancement.

Further details of the funding approach, the eligibility requirements, as well as the terms, conditions and accountability requirements are outlined in the associated Long-Term Care PSW Temporary Wage Enhancement Funding Policy. In case of an inconsistency between this letter and the policy, the terms of the policy shall govern.

Thank you for your continued dedication and commitment to improving the quality of LTC in Ontario, particularly during this unprecedented time. We will continue to work together to encourage the stabilization, retention and recruitment of PSWs in LTC homes.

If you have any questions or require further information, please contact the ministry by email at MLTC.Correspondence@ontario.ca.

Sincerely,



Sheila Bristo
Assistant Deputy Minister
Long-Term Care Operations Division

- c: Lisa Levin, Chief Executive Officer, AdvantAge Ontario
Donna Duncan, Chief Executive Officer, Ontario Long Term Care Association
Jane Sinclair, Chair, Board of Directors, AdvantAge Ontario
Brent Gingerich, Chair, Board of Directors, Ontario Long Term Care Association
Monika Turner, Director of Policy, Association of Municipalities of Ontario
Michael Jacek, Senior Advisor, Association of Municipalities of Ontario
Richard Steele, Deputy Minister, Ministry of Long-Term Care
Janet Hope, Assistant Deputy Minister, LTC Policy Division
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