

# Memo

To: University Leadership Team

From: Human Resources and Faculty and Academic Staff Relations

Date: April 29, 2020

Re: Bill 124 Moderation Period Effective Dates

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As you know, Bill 124, the “*Protecting a Sustainable Public Sector for Future Generations Act, 2019*” (the Act) was introduced by the Ontario government on June 5, 2019 and achieved Royal Assent on November 7, 2019. The Act was created to implement moderation measures in respect of compensation in Ontario’s public sector. The Act amended the *Employment Standards Act, 2000* and the *Labour Relations Act, 1995* to curb compensation increases over a three (3) year period.

The Act provides for a three (3) year window of salary moderation (a “moderation period”) and compensation restraint. During this three (3) year period, the Act limits salary rate increases to no more than 1% for each 12-month period, for each position or class of positions.

This limitation does not apply to salary or wage increases that are related to:

- length of employment (i.e. movement through a pre-existing wage grid)
- the assessment of performance, or
- the successful completion of a course of professional or technical education (provided that the increases are authorized by either a collective agreement or an existing compensation plan)

As a result of the Act, any increases to compensation within the defined moderation period must be consistent with the above criteria. This means that many discretionary payments such as selective salary increase or salary adjustments on contract renewal, cannot exceed 1% unless they can be directly linked to one or more of above exceptions.

Hiring managers and supervisors are encouraged to work closely with Human Resources or Faculty and Academic Staff Relations to ensure that any compensation increases during the moderation period are compliant with the Act.

As most the University’s employee agreements have or will expire over the coming months, the defined moderation periods applicable to each group of employees at the University of Guelph is defined below.

<b>Employee Group / Classification</b>	<b>Moderation Period Start Date</b>	<b>Moderation Period End Date</b>
<b>CUPE 1334 CUPE 1334 -1</b>	May 1, 2019	April 30, 2022
<b>CUPE 3913 -1 CUPE 3913 -2</b>	September 1, 2019	August 31, 2022
<b>PSA USW 4120 Exempt ONA Grant and Trust Funded (GTP, GTAT) Post-Doctoral Fellows</b>	May 1, 2020	April 30, 2023
<b>OSSTF/TARA OPSEU UNIFOR UGFSEA -1 UGFSEA -2</b>	May 1, 2021	April 30, 2024
<b>UGFA Non-Designated Executives</b>	July, 2021	June 30, 2024
<b>UGFA-2</b>	May 1, 2022	April 30, 2025

Should you have any questions about the impact of this legislation please contact your Human Resources or Faculty and Academic Staff Relations representative directly.