

Increase in PSW Minimum Wage

The Issue

The rate of pay for Personal Support Workers (PSWs) in home care is based on a Ministry of Health & Long-Term Care (MOHLTC) required minimum base wage of \$12.50 per hour exclusive of any additional benefits.ⁱ This rate was established in 2006 by the government as part of a stabilization strategy for service provided on behalf of Community Care access Centres (CCACs)ⁱⁱ and has not been adjusted since that time even though there have been adjustments to the minimum wage in general job categories (most recently in 2010)ⁱⁱⁱ. Additionally opportunities to increase wages have been compromised as a result of the government's wage restraint policy.

Personal Support Workers are those who have completed a standardized training program enabling them to provide care and assistance to clients of all ages, and their families/caregivers, with tasks of daily living, personal care and hygiene, restorative/activation activities and home management activities.^{iv} The term can be used to reflect to those known as health care aides, personal attendants, home supporters, respite care workers, palliative care workers, supportive care assistants and other titles.^v Personal Support Workers (PSWs) are primarily female and are the largest class of worker in the home care system.^{vi} They are amongst the lowest paid staff on the home care team.^{vii} PSWs are also employed by long term care facilities and hospitals where they can earn between 20 to 40% above that paid in home care sector.^{viii ix}

Recommendation

In order to support the transformation of the health system in Ontario to one that is based on care in the community, the government should increase the compensation framework to reflect the value placed on sector. This can be immediately achieved through an adjustment to the provincially established minimum wage for PSWs.

The Ontario Home Care Association (OHCA) recommends that the government fund a three percent increase in minimum wage for PSWs delivering publicly funded care through the CCAC bringing the hourly minimum wage to \$12.88. The funding should reflect the increase of 3% plus benefits of 20% creating a total compensation base package of \$15.45 per hour. This increase should be applied to all projected CCAC PSW hours in the province plus 30% to reflect travel time compensation obligations^x. The total cost to the government based on 2011-12 hours^{xi} would be approximately \$468,980,532.00 (see calculations in Appendix 1).

Rationale

In Ontario in 2011/12, 637,727 individuals received care at home funded by the MOHLTC and delivered by a CCAC approved service provider organization (SPO).^{xii} Seventy-one percent of publicly funded home care was provided by personal support /home support staff.^{xiii}

PSWs provide care and assist clients of all ages, and their families/caregivers, with tasks of daily living, personal care and hygiene, restorative/activation activities and home management activities.^{xiv} The scope and nature of work undertaken by PSWs is increasing and becoming more complex.^{xv}

While most PSWs are compensated at a rate higher than the minimum wage, the increase to the base serves to demonstrate the value and recognition for this category of staff. By funding the increase on all service hours, employers will be able to apply an increase to PSWs across all wage ranges.

Funding based on an adjustment to minimum wage allows the province to be consistent in its approach to all PSWs.

Approach

Funds should be allocated specifically to PSWs. The method should be for funding to flow through the CCACs to the SPOs to their staff. The SPO total projected PSW hours plus travel time (30% of hours) should be funded at a total rate of \$15.45 per hour.

In 2014-15 the CCACs should be funded to build the increase into the SPO bill rates, which reflect all overhead costs, so that overall volumes are not impacted.

Conclusion

PSWs are respected members of the home care team and need this provision to support their recruitment and retention in the sector.

About the OHCA

The OHCA, *the voice of home care in Ontario*, is a membership association representing providers of quality home care services from across Ontario. OHCA members represent an estimated 25,000 staff collectively serving 300,000 Ontarians per year. OHCA works with families as integral partners in the delivery of home care services and as such estimates that members impact 1.2 million Ontarians. OHCA is dedicated to promoting the growth and development of the home and community health care sector by helping to shape health care policy, supporting members to excel, and being a leading source of information on home and community care. OHCA members are accredited through Accreditation Canada, CARF, and/or registered with the International Standards Association (ISO).

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Appendix 1

PSW Wage Increase Calculations

Total CCAC hrs - 2011-12		23,349,790		
Estimated Travel Time	30%	7,004,937		
Increase to base		1%	2%	3%
Min Wage	12.50	12.63	12.75	12.88
Benefit Load	20%			
Cost	15.00	15.15	15.30	15.45
Total Cost on hours		\$353,749,319	\$357,251,787	\$360,754,256
Total Cost on travel time		\$106,124,796	\$107,175,536	\$108,226,277
Grand Total		\$459,874,114	\$464,427,323	\$468,980,532

EndNotes

ⁱ McKinley, John. 2006. Implementation of the Personal Support Worker (PSW) Stabilization Strategy. Memo to CCAC Executive Directors

ⁱⁱ Ibid. The investment by the MOHLTC was \$27.4M

ⁱⁱⁱ Retrieved from <http://www.labour.gov.on.ca/info/minimumwage/>

^{iv} Ontario Home Care Association. 2013. Facts About Home Care Staff ... Compensation, Reimbursement & Satisfaction Retrieved from <http://www.homecareontario.ca/public/about/employee-perspective.cfm>

^v Health Professions Regulatory Advisory Council. (2006) Regulation of Health Professions in Ontario: New Directions, p 231

^{vi} Ontario Home Care Association. 2013. Facts About Home Care Staff ... Compensation, Reimbursement & Satisfaction Retrieved from <http://www.homecareontario.ca/public/about/employee-perspective.cfm>

^{vii} Ibid

^{viii} The salary for PSWs depends on the employer and setting. It ranges from approximately \$11.50 per hour to approximately \$18.36 per hour. - <http://www.psno.ca/faqs.html#earn>

^{ix} Georgian College cites entry-level wage rates for PSWs at \$15.00 – \$25.00 per hour

^x Estimation of travel time as a percent of service hours

^{xi} Total Personal/Home Support service hours in 2011-12- 23,349,790. Retrieved from <http://www.homecareontario.ca/public/about/home-care/system/facts-and-figures.cfm>

^{xii} Retrieved from <http://www.homecareontario.ca/public/about/home-care/system/facts-and-figures.cfm>

^{xiii} Retrieved from <http://www.homecareontario.ca/public/about/home-care/system/facts-and-figures.cfm>

^{xiv} Ontario Home Care Association. 2007. The Personal Support Worker in Home & Community Care.

<http://www.homecareontario.ca/public/docs/papers/ohca-position-statement-psw-in-home-and-community-care-2007.pdf>

^{xv} Denton, M., Brookman, C., Zeytinoglu, I., Plenderlieth, J., Ducak. Task Shifting in the Provision of Home and Social Care: Implications for Health Human Resources: Exchange Working Paper Series, Volume 2, Number 1. Winter 2011 University of Ottawa, Ottawa, Canada. Available at rrasp-phirn.ca.