

Ministry of Health  
and Long-Term Care

Office of the Deputy Minister

Hepburn Block, 10<sup>th</sup> Floor  
80 Grosvenor Street  
Toronto ON M7A 1R3  
Tel.: 416 327-4300  
Fax: 416 326-1570

Ministère de la Santé  
et Soins de longue durée

Bureau du sous-ministre

Édifice Hepburn, 10<sup>e</sup> étage  
80, rue Grosvenor  
Toronto ON M7A 1R3  
Tél. : 416 327-4300  
Télééc. : 416 326-1570



HLTC3966IT-2010-106

APR 22 2010

**MEMORANDUM TO:** Chief Executive Officers/Senior Administrators  
Transfer Payment Agencies

**FROM:** Saäd Rafi  
Deputy Minister  
Ministry of Health and Long-Term Care

**RE:** ***Public Sector Compensation Restraint to Protect Public Services Act, 2010***

---

On March 25, 2010, the Ontario government introduced the *Public Sector Compensation Restraint to Protect Public Services Act, 2010*. The legislation, if passed, would freeze compensation plans for all non-bargaining employees.

The objective of the legislation is to control costs in one of the government's largest spending lines – compensation of public sector employees. This will help redirect up to \$750 million toward sustaining schools, hospitals and other public services.

For employees represented by a bargaining agent, the government will respect all current collective agreements. When these agreements expire and new ones are negotiated, the government will work with transfer payment partners and bargaining agents to seek agreements of at least two years duration that do not include net compensation increases.

The government's fiscal plan provides no funding for compensation increases for future collective agreements.

Ontarians value and appreciate those who deliver their public services, and they also expect those who are paid by tax dollars to do their part to help protect public services.

As a recipient of public funds, your organization has an obligation to ensure that the public funds provide value for money and are spent prudently, in a manner that is consistent with the program mandate and funding agreement with the Province.

To ensure your organization is prepared, I ask you to please share this letter with the appropriate staff in your organization. More information on the government's compensation restraint can be found at [Ontario.ca/compensation](http://Ontario.ca/compensation) in English or [Ontario.ca/remuneration](http://Ontario.ca/remuneration) for French.

Your leadership is essential to assist the province in demonstrating a prudent and balanced approach in the management of public funds.



Saäd Rafi

c: Chairs of Transfer Payment Agencies