



Appendix A

Forced Growth Definition

Forced Growth is:

1. Increased costs for the delivery of existing services, resulting from the uncontrollable impacts of realized population growth, demonstrable unit or service cost increases, rate increases or other realized demographic changes to client base.
2. Substantiated with information and detailed calculations that specifically supports why and/or where there has been growth in identified areas.
3. Projected forced growth will be considered in limited situations where services are demand driven, and short-term mitigation is not practical and where a Department can demonstrate and explain the projected increases in terms of trends and other quantifiable analysis. Programs such as employee MTA, is an example. Where projections are used as the basis for approval, Departments will be required to lapse any surpluses, and explain the variance and impact on current year projections.
4. Assessed by departments to identify available mitigation measures that could be implemented to reduce requirements, along with impacts of these measures. This includes programs or services that could be modified to mitigate the impacts of forced growth so long as statutory or government-approved requirements are met.

Forced Growth is not:

1. Increases to service delivery costs resulting from elective changes or enhancements to existing programs.
2. Based on projected or anticipated growth, volume or rate increases or demographic changes except as described above.

It should be noted that person-year increases as part of Forced growth are only supported where a direct linkage to uncontrollable impacts can be clearly demonstrated. To illustrate, increased investments in highway infrastructure leading to increased maintenance crews would not be forced growth. This should be brought forward as part of the initial investment decision.