

Policy Statement

1. The City is committed to fair and transparent compensation practices that support the achievement of our corporate goals. A comprehensive Salary Administration Policy assists in attracting, retaining, motivating, and rewarding qualified employees through an internally equitable and externally competitive pay program while remaining aware of the City's fiscal responsibility to its citizens.

Purpose

2. The purpose of this policy is to ensure that:
 - a. applicable Pay Equity and Employment Standards statutes that promote the concept of equal pay for work of equal value are complied with;
 - b. pay bands are established and maintained;
 - c. step movements and annual adjustments are applied consistently;
 - d. job evaluation processes are implemented consistently; and
 - e. guidelines for ongoing compensation administration are provided.

Scope

1. This policy applies to all Non-Union Employees. All unionized employees are governed by the appropriate Collective Agreement.

Definitions

3. For the purposes of this policy,

"Benefits" means plans or programs which are indirect remuneration for work performed (i.e. group health benefits, EAP program, pension plan participation, etc.);

"City" means the City of Owen Sound, and a reference to the City is a reference to the geographical area or The Corporation of the City of Owen Sound as the context requires;

"Compensation" means any form of direct monetary remuneration made to an individual for services rendered in the employee/employer relationship (i.e. base pay, overtime, etc.);

“Compression” occurs when there is minimal difference in pay between a leader and their direct report;

“Director” means the City Manager, the Director of Community Services, the Director of Corporate Services, the Director of Public Works & Engineering, the Fire Chief, the Chief Curator, or any one of the above, and any designates thereof;

“Employee” means City of Owen Sound full-time employees, part-time employees, and students;

“Job Rate” represents a salary that is appropriate for fully experienced competent individuals in the job and is the highest rate attainable within that salary band.

“Manager” means an employee who is responsible for a City division and includes employees who supervise and manage other employees;

Pay Policy

4. The City will review the non-union pay band structure and compare it to the “market” consisting of similar-sized organizations and direct comparators for staff to ensure that the municipality is paying employees competitively and achieving external pay equity.
5. The pay policy is set at the 55th percentile of the City’s market comparators.
6. No employee’s pay will be reduced due to this exercise, but an individual's pay may be frozen until the pay band for their position is consistent with their current pay.
7. Market reviews shall be completed approximately every five (5) years.
8. Council shall approve the results of the market review prior to the implementation of any adjustments.

Pay Band System

9. The City shall maintain a gender-neutral job evaluation tool to unbiasedly evaluate all non-union positions for insertion into the pay bands. The Manager of Human Resources will maintain the job evaluation tool.
10. Each pay band will have six (6) steps.
11. New staff will be hired at Step 1. If the new hire has experience and qualifications in the position, the person can be hired at a higher step subject to the City Manager’s approval. All staff shall be hired at a step that is within the pay band.

12. With the support of Human Resources staff, the manager and director will develop a job information questionnaire and a job description for new positions and those that have changed or are proposed to change significantly.
13. Job evaluation will be conducted by Human Resources staff, with assistance as needed from an independent consultant and approval by the City Manager.
14. Job descriptions will be reviewed annually during the performance review process.

Annual Pay Band Adjustments

15. Each year, effective January 1, the entire pay band grid may move up by uniform percentages as approved by Council.
16. If an annual adjustment is approved, all staff with at least satisfactory performance will have their pay increase by the amount of the increase in their step.

Step Movements

17. Staff are eligible for step movements based on a satisfactory performance review. The first step increase is after six months and the conclusion of the probationary period. The second step increase occurs after an additional six months. Further increases in step occur annually thereafter until the employee is at the job rate (Step 6).
18. Step increases occur based on the employee's start date and are conditional upon satisfactory performance.
19. Once an employee has achieved the job rate, they shall only be eligible for the annual pay band adjustments.

Pay Equity

20. Annually, Human Resources staff are responsible for reviewing and ensuring compliance with the *Pay Equity Act* .

Promotions and Demotions

21. Employees promoted to a different position that is in a higher pay band than their present job, will move to a step that reflects their degree of proficiency for the new position.
22. The employee's new pay will be at least five per cent (5%) more than their current pay rate and be at a step within the salary band of the new job.

23. Human Resources staff will review each change in pay for internal equity and compression with other positions within the department.
24. Employees demoted to a different position will move to the step in the new band closest to their current pay rate. Prior to implementation, notice of any reduction in pay must be provided to the employee.

Temporary/Acting Appointments

25. An employee temporarily assigned to work in a job at a higher pay band than their regular job, will be paid at the start rate of the higher pay band or be placed at the nearest step that results in a 5% increase, whichever is better for the employee.
26. At the conclusion of the temporary assignment/acting appointment, the employee will be placed at the step of the pay band that they would have been at had the acting appointment not occurred.

Policy review

27. The Manager of Human Resources will review this policy:
 - a. every five (5) years to ensure effectiveness and compliance with current business processes; or
 - a. sooner, if required, based on legislative changes.
28. The Manager of Human Resources is authorized to make such administrative changes to this policy as appropriate to keep the policy current. Any revision to the policy's intent must be presented to Council for consideration.

Related Information and Resources

Internal

29. Job Evaluation process and system
30. Pay Bands
31. Gallagher Market Review report

External

32. Employment Standards Act
33. Pay Equity Act

Appendices

34. N/A

Revision History

Authority	Date	Approval	Description of Amendment
Choose an item.	Click or tap to enter a date.	Choose an item.	
Choose an item.	Click or tap to enter a date.	Choose an item.	
Choose an item.	Click or tap to enter a date.	Choose an item.	