



THE TOWN OF CARLETON PLACE

SALARY ADMINISTRATION POLICY

DRAFTED: JANUARY 2021

1.0 Purpose

The purpose of this policy is to detail how the Town's compensation program is managed and how salaries are administered.

2.0 Scope

This policy applies to all employees.

3.0 Objectives

To provide reasonable compensation that meets legislative requirements and supports the attraction and retention of highly skilled staff that can serve the growing needs of the community.

4.0 Policy

4.1 Job Descriptions

Job descriptions are to be reviewed and updated every year as part of the annual performance appraisal process, and whenever there are substantive changes to a job, and/or whenever a new position is created.

4.2 Job Evaluation/Pay Equity

Job Evaluation is a process that provides a consistent measure of job value by determining and maintaining the value of a job within the organization, relative to all other jobs within the organization.

The following principles will guide the Job Evaluation process:

- Positions shall be evaluated by a Job Evaluation Committee comprised of the CAO, Treasurer and HR Coordinator.
- Positions shall be evaluated when they are new or have undergone a change that has resulted in a substantive change to the position's accountability and responsibilities.

Positions are evaluated using a point factor job evaluation system based on the relative level of skill, effort, responsibility and working conditions under which the work is performed. The Town's Job Evaluation Plan meets the requirements of the *Pay Equity Act*.

A position shall be evaluated when it is newly created or when there is a substantive change to the responsibilities of the position. A substantive change is defined as a change to the job content that affects the overall value of the job class in terms of skill, effort, responsibility or working conditions. An employee may request a review of their position if they feel there has been a substantial change.

All positions shall be described, evaluated and assigned grade levels. This is an ongoing process to ensure that Pay Equity is maintained and that both new and existing positions maintain an equitable relationship to each other.

4.3 Wage Grids

A wage grid shall be established for each classification level. Each classification level shall encompass jobs of similar value. Each level is comprised of steps.

Employees are eligible for an annual incremental step increase up to the maximum step level, at job rate, established for the employees' position upon completion of a satisfactory performance review.

At the discretion of Council, cost of living adjustments (COLA) may be provided and if so, are effective January 1 of each year.

5.0 Procedure

5.1 Job Descriptions

All new and revised job descriptions must be approved by the Department Head and forwarded to the CAO for approval.

5.2 Job Evaluation / Pay Equity

The Department Head makes a request to the CAO for a new or revised position to be evaluated. Upon approval, a Position Information Questionnaire shall be completed by the incumbent and/or the supervisor and approved by the Department Head. The Position Information Questionnaire is then reviewed by the HR Coordinator to ensure completeness and consistency and then forwarded to the Job Evaluation Committee for evaluation.

The incumbent employee may appeal the evaluation results. Such request for appeal must be made in writing and submitted to the CAO no later than 2 weeks from the date of notification to the employee of the evaluation results.

The Job Evaluation Committee will meet with the employee to discuss the appeal. Following further review of the position, taking into consideration the employee's input, the Job Evaluation Committee shall either confirm the original evaluation results or determine a new evaluation outcome and communicate same to the employee. The decision shall then become final.

5.3 Placement on the Wage Grid/Salary Bands

a) Placement at the Time of Hiring

A new employee shall generally start at step 1 (minimum for management) of the wage grid or salary band for their position. However, when necessary to acquire well qualified staff, the Town may recognize and take into consideration, at the time of hire, an individual's past experience where such experience is directly related to the work to be performed and may place them at a higher level than step 1 on the respective pay scale.

The Department Head may request that a new employee start at a higher step/salary, within available resources, if the employee possesses additional competence attained through previous applicable education, experience and training beyond the minimum qualifications for the position. The hiring manager shall propose a starting salary for the new employee. The starting salary must be approved by the CAO prior to a verbal offer being given.

b) Placement on Movement to a Vacant Position

If an individual obtains a vacant position with a higher classification, the employee will receive a salary increase of no less than 5% of his/her base salary, subject to the following conditions:

- the salary increase shall be sufficient to ensure that the employee's new salary is at or above the minimum of the new level or band; and
- the salary increase shall not place the employee at a salary above the maximum of the new level or band.

If an individual obtains a vacant position with a lower classification, the individual's salary may be reduced subject to the following conditions:

- the salary reduction shall be sufficient to ensure that the new salary is not greater than the maximum of the new level or band; and
- the salary reduction shall not result in a new salary that is less than the minimum of the band.

If an individual obtains a vacant position in the same classification, their salary shall remain the same and the anniversary date for a step increase remains the same.

Note: An employee's compensation may be grandfathered under special circumstances, as approved by the Treasurer and CAO.

5.4 Progression on the Salary Grid

Progression on the salary grid is based on the employee's performance and length of service with the Town. Employees who do not have satisfactory performance shall not move to the next step on the grid. Performance appraisals shall be completed before progression on the wage grid takes place.

When new wage grids are implemented, current employees will move onto the new grid effective January 1 and will move up a step each January 1 based on a satisfactory performance review until they reach job rate.

Employees hired after the implementation of a new wage grid shall move up a step at their anniversary date of hire based on a satisfactory performance review until they reach job rate.

Current employees who are promoted to a new position where they are placed on a probationary period, shall move up a step at their anniversary date of hire rate based on a satisfactory performance until they reach job rate.

5.5 Pay Rates Above the Salary Grids

A result of the internal / pay equity process is that some employees' current rate of pay may be greater than the maximum rate of the salary grid. When this occurs, the employee will be permitted to proceed on their current grid until they reach job rate and the current grid will receive COLA increases.

Any new employees hired into the respective position, will be placed on the most current salary grid for the position.

5.6 Market Supplements and Market Driven Extraordinary Salary Increases

In demonstrated circumstances of special recruitment and retention difficulties, the CAO may approve payment at an Above Market Rate which shall remain in effect as long as the market conditions warrant it.