

HUMAN RESOURCES POLICIES AND PROCEDURES	<b>Creation Date:</b> February 26, 2004
<b>NON-UNION SALARY ADMINISTRATION POLICY</b>	<b>Revision Date:</b> April 1, 2025
<b>Approved By:</b>  <div> Chief Administrative Officer <div>Date: April 1, 2025</div> </div>	

## 1.0 POLICY STATEMENT

The City of Greater Sudbury (CGS) aims to be an employer of choice by maintaining a transparent and consistent compensation program. It focuses on attracting, retaining, promoting and rewarding a qualified and skilled workforce, placing the right employees in the right roles to meet organizational needs.

## 2.0 PURPOSE/SCOPE

The purpose of this policy is to establish a framework for administering non-union employee salaries that ensures CGS has equitable, objective, consistent and transparent salary administration practices, while supporting Council's Strategic Plan. This policy achieves that through four compensation goals:

1. Internal Equity: Ensure that employees are compensated fairly in relation to their colleagues within the organization and is the comparison of employee positions using a gender-neutral job evaluation system, considering factors such as skills, effort, responsibilities and working conditions.
2. External Equity: Maintain competitive salary levels by benchmarking against similar positions in the relevant labour market to attract and retain talent.
3. Employee Compensation: Provide a comprehensive compensation package that includes base salary, benefits, and other incentives to reward and motivate employees.
4. Ability to Pay: Align salary administration with the organization's financial capacity and long-term financial plans. This involves balancing competitive compensation with the need to ensure sustainability and fiscal responsibility.

This policy applies to all management and/or non-unionized employees.

## 3.0 DEFINITIONS

**Internal equity**: The comparison of employee positions in the organization to ensure fair pay.

**Market comparators**: The group of municipalities used for external comparison purposes that have similar characteristics such as size and population; geographic location; budget and revenue; have a similar municipal service scope; and also, organizations that the municipality recruits from and loses employees to.

**External competitiveness:** The pay rates of an organization's jobs in relation to its relevant labour market/competitors' pay rates.

**Job evaluation system:** The gender-neutral system used to evaluate positions within the organization. Positions are evaluated based on the following factors: skills, effort, responsibilities and working conditions.

**Compensation grid:** The list of positions and their groupings based on the job evaluation system that ensures positions which score relatively equal are compensated at the same rate. This grid has a set number of pay groups. Each pay group is separated by a spread determined by market competitiveness assigned to the structure. This represents the financial structure of the pay grades.

**Pay group:** The salary range for each section on the salary grid. This is also known as the pay band. Each pay group has 5 compensation levels that differ by approximately 4% between each level.

**Job rate:** The top salary of the pay group (Level 5).

**Compression:** The happens when the difference in pay rates as a result of job evaluation do not maintain the required pay differences. Specifically, when the pay gap between non-union supervisors and the non-union employees they supervise is less than 10% or when the pay gap between non-union supervisors and the unionized employees they supervise is less than 20% percent.

**General wage increase (GWI):** The annual rate increase approved by Council provided to staff to account for economic factors, including inflation.

**Pay equity:** Equal pay for work of equal value. The *Pay Equity Act* requires employers to compensate female job classes at least equally to work done by comparable male job classes. The gender-neutral job evaluation system is used to evaluate all jobs in an unbiased manner.

## 4.0 WORKPLACE RESPONSIBILITIES

### 4.1 Employer

CGS shall support the purpose of this policy by compensating jobs, such that internal and external equity are achieved.

### 4.2 Supervisor

n/a

### 4.3 Employee

n/a

## 5.0 PAY PHILOSOPHY

### 5.1 Internal Equity and Job Evaluation

CGS shall maintain a job evaluation system that meets all legislative requirements to address gender discrimination in the compensation of employees employed in female job classes and provides internal equity for all job classes across the organization.

Regular review and maintenance as well as an appeal process shall be available for all non-union employees to ensure internal equity is maintained.

## 5.2 Market Competitiveness

To meet the objective of attracting and retaining talent, CGS has a target to set the pay rates overall at the 50th percentile of the market comparators for pay groups 1 to 18 and a target to set the pay rates at the 65<sup>th</sup> percentile for the General Managers and Chief Administrative Officer roles. A variance with the external market means a market discrepancy greater than five percent (5%).

The relevant market comparators consist of the following municipalities:

Barrie	Brantford	Cambridge	Chatham-Kent
Durham - Region	Guelph	Hamilton	Kingston
London	Niagara - Region	Oakville	Richmond Hill
Simcoe County	Thunder Bay	Waterloo - Region	Windsor

The above list of comparators has been selected based on similar characteristics such as size and population; geographic location; budget and revenue; service scope; and ability to match roles. Given the size and scope of services provided by CGS, the above list of comparators may need to be amended to obtain sufficient data to meet a specific and unique set of circumstances.

A comprehensive market review will be undertaken by a third-party consultant once per Council term or every four (4) years to ensure the goals of this policy are maintained. The outcome of the review and any required adjustment shall be approved by Council.

The criteria for market adjustments due to temporary market pressure are outlined in the Non-Union Market Adjustment Criteria Policy.

The compensation grid is adjusted annually based on the Council-approved general wage adjustment.

## 5.3 Compensation

- Positions are classified on the compensation grid based on the factors evaluated as part of the job evaluation system.
- Positions are placed on the compensation grid based on the job evaluation rating.
- Each pay grade within the compensation grid consists of 5 pay levels.
- Existing employees move through the pay grade based on a successful annual performance evaluation.
- New employees are placed on the compensation grid at a step negotiated based upon experience and market competitiveness.
- Red-circling occurs when a job is re-evaluated and the new pay range is lower than the incumbent's current salary. The incumbent's salary dollars (rate) is then held constant (frozen and ineligible for a step or GWI increase). This will continue until such time as the revised pay rate for the position meets the employee's rate of pay.
- Compression that may arise between supervisory positions and the staff they supervise will be reviewed on an annual basis.

**5.4 Review and Adaptation**

This policy will be reviewed and updated as needed to reflect changes in the City's Long Term Financial Plan, economic conditions, labour market trends or organizational priorities. Any changes to the policy will be approved by Council in open session.

**6.0 TRAINING**

n/a

**7.0 REFERENCED DOCUMENTATION**

Non-Union Market Adjustment Criteria Policy

**8.0 REVISION TABLE**

Revision date	Revised section	Former language	Revised language