



# COUNTY OF WELLINGTON

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## COMMITTEE REPORT

**To:** Chair and Members of the Administration, Finance and Human Resources Committee  
**From:** Susan Farrelly – Director of Human Resources  
**Date:** September 21, 2021  
**Subject:** 2021 Non-union Compensation Review

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### Background

On October 26, 2016, a report was presented to AF&HR Committee and approved by County Council to adopt the results of the Non-union Compensation Study. This included the Compensation Grid competitive to the 65<sup>th</sup> percentile of market, approved Municipal Market Comparators for the County of Wellington, Pay Equity adjustments for female dominant Part-time positions and the implementation of the McDowall Universal Job Evaluation Plan. The effective date of implementation was January 1, 2017 with a cost of approximately \$334,000. At that time, it was agreed that there would be a market review every five years to ensure that the County is best positioned to attract and retain our top performers.

Marianne Love with ML Consulting conducted this project for the County of Wellington in 2016. Marianne specializes in developing, implementing, and supporting job evaluation and Pay Equity compliant compensation systems for employers with Non-union and Union employees. Marianne has worked with many Municipalities to develop fair and Pay Equity compliant compensation systems, including the Town of Erin, Township of Puslinch, Township of Centre Wellington, Town of Caledon, City of Barrie, District of Muskoka and Counties of Oxford, Dufferin, Bruce, Simcoe, Brant, Grey, Perth, Middlesex and Haliburton. Marianne has also worked with the County of Wellington previously to develop a new Job Evaluation Plan and to review Pay Equity/Internal Equity for our Union Compensation Grid.

### 2021 Non-union Compensation Review

Marianne Love was asked to conduct this Non-union Compensation Review for the County of Wellington again in 2021 to align with the five-year cycle of the full market review. Work on the Non-union Compensation Review has included the following steps:

- Updating all Non-union Position Descriptions representing approximately 200 positions; shared with Marianne Love.
- Ensuring the positions are placed appropriately on the pay bands based on job value and ensuring internal equity is maintained.
- Reviewing Pay Equity compliance for female dominant positions.
- Reviewing Market competitiveness by using the approved municipal market comparators selected based on defined criteria (i.e., size, geographic placement, organization design and scope of service).
- Ensuring alignment of the targeted 65<sup>th</sup> percentile of the competitive pay market for County of Wellington Non-union positions.
- Updating the Non-union Compensation Grid having regard to the 65<sup>th</sup> percentile, Pay Equity compliance and competitive placement with the external pay market.



## Results

As a result of this review, the following Pay Grades of the 20-Grade Non-union Compensation Grid are identified to be increased in order to meet the 65<sup>th</sup> percentile: Pay Grades 2, 4, 7, 8, 9, 10, 11, 12, 13, 15. There are no changes to the grid rates recommended for the remaining Pay Grades. As well, three positions are recommended to move to a higher pay grade based on job duties and market sensitivity. Pay Equity has been maintained and there are no additional Pay Equity adjustments identified.

The anticipated gains from adopting the 2021 Non-union Compensation Review results include ensuring that Positions are fair, reasonable and competitive to market throughout the entire Non-union Compensation Grid. This has a direct and positive impact on our ability to attract and retain staff, both immediately and into the future. Adopting the study results also ensures that we are meeting our current pay policy of targeting the 65<sup>th</sup> percentile of the competitive pay market. It is important to note that annual economic adjustments of the grid, HR's regular and ongoing Job Evaluation maintenance of new and changed positions, as well as regular review of Pay Equity has been key to ensuring the ongoing competitiveness of the grid.

## Financial Impact

Staff have worked diligently to decrease the overall budget impact by reviewing implementation options and recommending that step placement for impacted positions when the revised Grid is implemented be based on the next highest step rather than step-to-step methodology.

The approximate budget impact to implement the Grid is \$459,000, which includes resulting benefits and pension impacts. This is based on the Non-union Compensation Grid with Job Rates targeting the 65<sup>th</sup> percentile of the select market comparators with 2021 wage rates. It is felt that this target percentile is in-line with ensuring competitiveness in the recruitment and retention of our employees.

Furthermore, in order to smooth costing impacts in future years as a result of the Non-union Compensation Review, it is recommended that the interval frequency of the Non-union Compensation Review be changed from a five-year review to a three-year review frequency moving forward. This is in keeping with evolving municipal pay practice and will ensure that fluctuations in the market will be captured sooner on a three-year cycle.

## Recommendation

**“THAT** the County of Wellington adopt the results of the 2021 Non-union Compensation Review with an implementation date of January 1, 2022; and”

**“THAT** the Non-union Compensation Review be conducted by a third party consultant every three years.”

Respectfully submitted,



Susan Farrelly  
Director of Human Resources