



Staff Report

Administration – Human Resources

Report To: Committee of the Whole
Meeting Date: June 15, 2021
Report Number: FAF.21.104
Title: Compensation and Pay Equity Review Project Update
Prepared by: Sarah Traynor, Manager of Human Resources

A. Recommendations

THAT Council receive Staff Report FAF.21.104, entitled "Compensation and Pay Equity Review Project Update";

AND THAT Council acknowledge Gallagher Benefit Services Group (Canada) Inc. as the successful proponent to undertake a Compensation and Pay Equity review of the Town's non-union salary grid.

B. Overview

This staff report is providing an update to Council on the awarding of the contract to Gallagher Benefit Services Group (Canada) Inc. ("Gallagher") to undertake a Compensation and Pay Equity Review for Non-Union Staff to ensure the Town's Compensation Program remains competitive with the external market, that internal equity is achieved and that pay equity maintenance obligations under the Pay Equity Act are met.

C. Background

There are 105 different non-union positions on the Town's salary grid (100 full-time non-union employees, 12 part-time, 17 contract, and 21 seasonal employees). The wages and salaries for these positions are set and managed through a Council approved Compensation Program. Each position is placed within a pay range or salary band on the salary grid.

The program is intended to ensure reasonable, consistently applied, internally equitable and externally competitive pay practices that will attract, retain, reward, and motivate quality employees. Being a preferred employer is integral when competing for talent. It is necessary for both attracting new hires to the organization and retaining the talent that the organization currently employs.

Competitive pay is determined by surveying comparable municipal organizations and assessing general trends within the labour market. In accordance with the Town's Compensation Administration Policy POL.COR.20.05, a market review of the non-union salary grid is

undertaken every 4 years to ensure that it remains relevant and competitive. The Town's last comprehensive compensation review was completed in 2017 by ML Consulting.

As part of the 2021 budget, Council approved \$55,000 for staff to undertake a Compensation and Pay Equity review of the Town's non-union salary grid.

D. Analysis

A Request for Proposals for a Compensation and Pay Equity Review was issued on March 24, 2021 with a closing date of April 8, 2021. Four (4) proposals were received and evaluated. The consolidated average scoring for the four (4) submissions supported Gallagher as the preferred consulting firm.

Gallagher is a well-established firm that has an extensive track record in providing consulting services in all areas of compensation and pay equity for public sector organizations across Ontario, including several municipalities in our region.

To ensure the Town is effectively positioned to attract and retain skilled employees, confirm internal equity is met and demonstrate pay equity compliance, the Compensation and Pay Equity Review project will have three objectives:

1. Perform an audit of the Town's current job evaluation system:
 - Review the necessary documentation to gain an understanding of the Town and its current compensation program.
 - Review the job evaluation tool ensuring appropriate rating factors are used and the associated weights are suitable to achieve unbiased and defensible results.
 - Ensure internal equity has been achieved and meets the criteria of the Pay Equity Act.
2. Conduct a market review of the non-union, non-management and management positions to assess market competitiveness.
3. Using information gained from the market comparison, assess all elements of the current total compensation policy, and make recommendations on a compensation strategy that balances fairness, compliance, external competitiveness, and fiscal responsibility.

Accompanying this report, Gallagher will be presenting an overview of the Compensation and Pay Equity project objectives, approach and workplan at the June 15, 2021 Committee of the Whole meeting.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

N/A

G. Financial Impacts

Gallagher quoted a fixed cost of \$51,953 to complete the project. This project was budgeted under the Corporate Administration - 2021 Studies & Plans in the amount of \$55,000.

A final report, including recommendations related to internal equity, pay equity compliance, market competitiveness and the associated budget implications will be provided to Council for consideration.

H. In Consultation With

Ruth Prince, Director of Finance and IT Services/Treasurer

Jenn Whyte, Benefits and Compensation Administrator

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Sarah Traynor, Manager of Human Resources hr@thebluemountains.ca.

J. Attached

1. Gallagher Non-Union Compensation Review Presentation

Respectfully submitted,

Sarah Traynor
Manager of Human Resources

Shawn Everitt
Chief Administrative Officer

For more information, please contact:
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Report Approval Details

Document Title:	Compensation and Pay Equity Review FAF.21.104 .docx
Attachments:	- Attachment-1-Gallagher-Non-Union-Compensation-Review-Presentation.pdf
Final Approval Date:	Jun 3, 2021

This report and all of its attachments were approved and signed as outlined below:

Sarah Traynor - Jun 1, 2021 - 10:25 AM

Shawn Everitt - Jun 3, 2021 - 1:29 PM