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1 Purpose

The Town of Minto (the 'Town') is committed to attracting and retaining a high-performing and engaged workforce by investing in our people, creating a culture that empowers employees to deliver customer service excellence, and foster public trust and confidence.

The Town commits to maintaining a well-structured salary administration program through policies, procedures, and practices that are consistent, fair, transparent and equitable and are aligned to municipal and regional comparators to ensure market competitiveness. The Town targets a leading position in the market.

The purpose of this policy is to outline business guidelines for salary administration decisions, compensation oversight and controls, and reporting mechanisms.

2 Application and Scope

This Policy applies to all permanent and temporary employees of the Town of Minto and is supported by standard operating procedures.

3 Outcomes

The policy is intended to:

- a) Comply with the *Pay Equity Act* and the *Employment Standards Act, 2000*;
- b) Ensure employees are treated equally, fairly, and consistently, to support recruitment and retention of high performing employees;
- c) Facilitate career progression and succession planning within the organization while transferring organizational knowledge and supporting workforce modernization;
- d) Promote consistency and transparency in salary administration;
- e) Promote regular reporting of policy application to the Town's Corporate Leadership Team and Council; and
- f) Recognize external market conditions, including municipal compensation benchmarks, and operate the Town in an open, transparent, and fiscally responsible manner.

4 Guiding Principles

4.1 Equity and Consistency

Salary administration promotes equity and performance-based culture that builds accountability, fairness, and consistency.

4.2 Transparency

Salary administration procedures and practices are communicated in an open, honest, transparent, and clearly articulated manner.

4.3 Market Competitiveness

Prevailing market conditions, comparators, and benchmarks are regularly reviewed. The Town collects relevant information to inform salary administration practices and processes, and to ensure salary structures are, and remain, market competitive.

4.4 Performance Contribution

Employees are actively engaged to support performance and growth through salary administration and total rewards systems that value and recognize their contributions.

4.5 Fiscal Responsibility

Recruitment and retention of valued staff is balanced with fiscal responsibility as a public sector employee.

5. General Provisions

5.1 New Hires

New employees will have a starting salary which reflect the skill, competencies, qualifications, relevant experience and labour market conditions.

- a) The starting salary will be within the salary range of the hired position.
- b) The starting salary will ensure internal equity is maintained in relation to the knowledge, skills, length of service, years of experience, and performance of employees on the same band within the department, based on the nature of the position.
- c) Salary offer approvals will occur as follows:
 - i. Up to 10% above Band Minimum are approved by the hiring manager and in consultation with Human Resources;

- ii. Above 10% of the Band Minimum and up to Midpoint of the salary range are approved by the Department Head, in consultation with Human Resources.

- d) There may be circumstances where the candidate is highly experienced and possesses critical skills, or where the market conditions may necessitate a starting salary greater than the midpoint of the salary range. Salary offers above midpoint of the salary range must be approved by the Department Head, Human Resources, and the CAO based on a comprehensive business case. Please refer to [5.6.1 Critical Attraction](#).

5.2 Acting Appointments and Temporary Reassignments

- 5.2.1 An acting appointment, temporary assignment and a temporary project assignment may occur when there is:

- a. A vacancy due to resignation, termination, reclassification, or the creation of a new position;
- b. An approved leave of absence;
- c. An absence due to illness;
- d. A need for a project that does not require a TFT or a PFT position and is outside of the current scope of one's position.

- 5.2.2 An appointment is deemed 'Acting' when an employee is made specifically accountable to perform the majority of the duties of a higher classification that is not their own. Majority of duties is considered sixty percent (60%) of the duties in the position the employee is taking the 'acting' assignment in.

- 5.2.3 An assignment is deemed 'temporary' when an employee is made specifically accountable to perform the majority of duties in the same or lower classification that is not their own. Majority of duties is considered sixty percent (60%) of the duties in the position the employee is taking the 'temporary' assignment in. OR when an employee is made accountable to perform duties of a higher classification that is not their own however the duties are less than sixty percent (60%) but still performing the duties on a daily basis.

- 5.2.4 Compensation for an acting appointment and temporary assignment occurs when an employee is appointed by the Chief Administrative Officer, Department Head or designate for a period of fifteen (15) working days or more. Statutory and observed holidays count as working days for the purposes of this policy.

- 5.2.5 Council must approve Acting Chief Administrative Officer appointments.
- 5.2.6 The Chief Administrative Officer must approve Acting Department Head appointments.
- 5.2.7 The Department Head or designate, in consultation with the Chief Administrative Officer, must approve acting or temporary appointments at all other staff levels.
- 5.2.8 Compensation for duties outlined within this section:

a. Acting Pay

The start rate of the higher position; OR their existing regular salary plus ten percent (10%), whichever is greater for employees in 'acting' assignments that are higher paid positions. Noting the wage cannot exceed the salary range of the higher paying position.

b. Temporary Assignment Pay

Their existing regular salary plus five percent (5%) for employees in 'temporary' assignments that are in the same band.

5.2.9 Pay commences:

- a. On the date the acting appointment begins, where the duration of the appointment is known and will be at least fifteen (15) consecutive working days; or
- b. When the duration of the acting appointment is unknown, upon completing of fifteen (1) consecutive working days, retroactive to the day the acting appointment began.
- c. When an employee is re-appointed to act in a position within one year of the original appointment which qualified for acting pay, the employee will be paid from the date of reappointment.

5.2.10 Conditions

- a. Any acting assignment is authorized at the discretion of the Chief Administrative Officer or Department Head or designate in accordance with the terms of this policy.
- b. Employees should have completed at least one year in their current role prior to being considered for an acting assignment. Employees who are in an acting assignment may not be considered for another acting assignment unless they have completed ninety percent (90%) of the

duration of their current acting assignment.

- c. In selecting employees for temporary assignments, managers are encouraged to consider their employees' developmental needs and the degree to which the assignment opportunity can assist the department to further its employee development. Temporary assignments may be filled in accordance with one of the following processes:
 - i. Direct employee placement.
 - ii. Temporary assignments of more than six (6) months in duration must be filled through a competitive process, posted as a corporate job posting.
*Exception: If the urgency of the operational need does not allow time for a competitive process, the assignment may be filled through a direct placement.
- d. If a temporary assignment subsequently becomes permanent, the department must post the position corporately if it was filled through a direct placement.
- e. Acting or temporary pay for one (1) employee cannot be divided amongst multiple employees.

5.2.11 Employees who revert from an acting appointment or temporary assignment to their former position will receive the salary rate of their former position.

5.2.12 Employees acting in excess of one (1) continuous year will be considered for a step increment in their acting pay grade upon the completion of a satisfactory performance evaluation.

5.2.13 An 'acting' appointment and 'temporary' assignment will not exceed two (2) years. Employees acting in excess of two (2) continuous years will have reaching the end date for the 'acting' appointment.

5.2.14 In special circumstances, the Chief Administrative Officer may approve higher compensation for acting appointments than what is outlined in this policy.

5.2.15 Council may approve higher compensation for an acting Chief Administrative Officer appointment than what is outlined in this policy.

5.3 Permanent Transfer

5.3.1 Promotion (to a higher band)

When a promotion is the result of a competitive recruitment, the increase to be applied to the employee's home base salary can be negotiated as:

- a) The greater of up to ten percent (10%) or Band Minimum, with the approval of the Department Head and in consultation with Human Resources; or
- b) Up to Band Midpoint of the new position. Salary offers greater than ten percent (10%) and up to the midpoint of the salary range are approved by the Department Head, in consultation with the Chief Administrative Officer and Human Resources.

When a promotion is the result of a non-competitive appointment process, the increase to be applied to the employee's home base salary is the greater of:

- a. Up to ten percent (10%) with the approval of the hiring manager and in consultation with Human Resources.
- b. Band minimum.

In either case the employee will not make less than band minimum or more than grade maximum of the new position. The increased salary will take into consideration the skills, qualifications and relevant experience possessed. It will also ensure internal equity is maintained in relation to the knowledge, skills, length of service, performance and experience of employees at the same grade within the department, based on the nature of the position.

Critical Promotion

There may be circumstances where the internal candidate is highly experienced, possesses critical skills or the role is of significant importance to the Town. The promotion salary may necessitate a higher increase within the salary range, subject to budget approval and in consultation with the Chief Administrative Officer, Finance, and Human Resources. Salary offers which exceed the standard two scenarios above must be approved by the Department Head, Human Resources, and the Chief Administrative Officer based on a comprehensive business case. Please refer to [5.6.3 Critical Promotion](#).

Under-Fill

For employees who are not yet fully qualified, please refer to [5.3.7 Under-Fill](#).

5.3.2 Lateral Transfer (to the same band)

A lateral transfer to the same band does not warrant a salary adjustment.

5.3.3 Voluntary Transfer (to a lower band) and Involuntary Transfers (to a lower band due to performance)

This may apply to either a permanent transfer or a temporary assignment to a lower banded position.

a) Employee's Base Salary is Above Band Minimum

The employee's base salary **will** be decreased to fall between the new band range, subject to internal equity and any applicable notice period.

b) Employee's Base Salary is Within the Range

The employee's salary **may** be decreased, subject to internal equity and any applicable notice period.

5.3.4 Red Circle (due to reclassification or reorganization)

When the employee's base salary is above band maximum of the lower banded position, the employee's base salary will be frozen until such time that their base salary falls within the salary range.

5.3.5 Status Conversion (contract to permanent)

When the employee's status changes from contract (temporary) to permanent, and they remain in the same position or band level, no salary adjustment will be applied. Please refer to [5.3.2 Lateral Transfer](#).

5.3.6 Inversion

Upon realignment, promotion or permanent lateral transfer, when there is a case of a permanent direct report with a base salary higher than the manager, the manager's base salary will be adjusted to match the direct report. Human Resources consultation must be undertaken in all cases on inversion.

Inversion adjustments occur after the Performance Management Program, once a year. All pay increases must be approved by the corresponding Department Head, along with Human Resources in consultation with the Chief Administrative Officer.

5.3.7 Under-Fill

- a) An under-fill occurs when the employee is awarded or appointed to a position on a permanent or temporary basis for which they are not yet fully qualified.

- b) When the employee is not able to perform the key functions of a position, or to assume significant responsibilities of a role, and/or is in the process of fulfilling required qualifications, the salary may be established up to ten percent (10%) below the minimum of the salary range.
- c) The employee's new salary will not be less than their current salary.
- d) The functions, responsibilities and/or qualifications that will and will not be required will be documented in the under-fill plan.
- e) The plan will not exceed eighteen (18) months and at the end of the plan, the employee will be assessed to determine whether the under-fill status should be extended.
- f) Extensions to the original plan must be agreed upon by both the employee and their immediate Supervisor and approved by the Department Head and Human Resources through an updated under-fill plan.
- g) Upon successful completion of the under-fill plan, the employee's salary will be brought to band minimum.

5.4 Pay for Performance

Base salary increases, lump sum payments or a combination thereof will be awarded to employees based on their contributions to the organization through individual assessment of performance on an annual basis. Management will establish an annual economic adjustment and performance percentage increases, subject to the Consumer Price Index and budgetary considerations.

5.5 Job Evaluation

All positions are evaluated according to the Town of Minto Job Evaluation Tool. When a position has undergone change, the magnitude of the change will be assessed by Human Resources. When it is determined that a job evaluation is required, the position will be sent to a third party for evaluation based on the job evaluation tool and placed into the appropriate band within the Town's salary schedule. Such classification is established according to the position competencies, effort, responsibility, working conditions and market conditions. Human Resources must be consulted prior to the commencement of any job evaluation reviews. Salary determinations can only take place once a job has been evaluated.

When job evaluation results in:

- a) A Higher Band: The employee's base salary will increase by the greater of:
 - a. Up to five percent (5%)
 - b. Band minimum.
- b) A Lower Band: No change applies. If the employee's base salary is above band maximum, it will be red-circled. Please refer to [5.3.4 Red Circle](#).

5.6 Critical Cases

The Town recognizes there may be circumstances which require special consideration for the attraction, retention and promotion of top talent on both a permanent and temporary basis. A comprehensive business case must be provided for consideration by the Department Head, Human Resources, and the Chief Administrative Officer. In cases where the business case is submitted by the Chief Administrative Officer, consultation is required from Human Resources and Finance. Approval is subject to confirmation that financial impact is within the approved budget. **In all critical cases, compensation decisions must be within the approved salary range.**

5.6.1 Critical Attraction

When there is a valid case to bring a new employee on board with a starting salary above midpoint of the salary range, approval may be awarded upon review and confirmation that there is:

- a) Demonstrated value in hiring the candidate due to high potential or a unique skillset, which is anticipated to bring achievement toward organization priorities, which support the Strategic Priorities; and/or
- b) An inability to attract candidates in the labour market with the specific skill(s) required for the position due to market conditions.

5.6.2 Critical Retention

When there is a valid case to retain a key employee, a base salary increase within the salary range may be awarded upon review and confirmation that:

- a) The potential loss of the employee could result in the loss of unique skills or subject matter expertise, reputational harm or could compromise the delivery of the Strategic Priorities; and/or
- b) A negative impact to essential services for the Town and/or community is likely.

In cases when the employee is a band maximum, a one-time payment of up to five percent (5%) may be considered, subject to business case and budget approval.

5.6.3 Critical Promotion

When there is a valid case to promote a key employee, a base salary increase within the salary range but above the range midpoint may be awarded upon review and confirmation that:

- a) The internal candidate demonstrated high potential in achieving priorities which support the Strategic Priorities; and/or
- b) There is an inability to attract candidates in the labour market with the specific skill(s) required for the position due to the market conditions.

The approved promotion salary is subject budgetary, Department Head and Human Resources approval.

5.7 Part-Time Wage Administration

5.7.1 Part-Time Jobs Matched to Full Time Roles

Part-Time Jobs that are an exact match to an existing full-time job will be compensated at a rate associated with the full-time salary schedule.

Employees working in part-time jobs that are linked to full-time salary schedules will receive associated increases per approved full-time wage schedule adjustments.

6 Roles and Responsibilities

6.1 Human Resources

Human Resources is responsible for:

- a) The establishment, administration, governance and maintenance of the Town's Salary Administration Program in accordance with the principles and procedures provided herein, as well as in compliance with legislated requirements.
- b) Providing professional guidance and advice on salary administration matters.
- c) Facilitating the job evaluation process and liaising with consultants on job evaluation reviews.

- d) Reviewing and providing advice on salary considerations.
- e) Reporting to the Senior Management Team with general information on the application of this Policy.
- f) Reporting annually to Council with general information on the application of the Policy.

6.2 Supervisors

Supervisors are responsible for:

- a) Ensuring that compensation policies and procedures are adhered to at all times.
- b) Consulting with Human Resources on salary administration policies and procedures.
- c) Ensuring salary changes have been approved through Human Resources as per policy to support the principles of equity and transparency.
- d) Ensuring recommendations for salary changes are supported and approved by Department Heads.
- e) Prompt submittal of information in order to not delay salary adjustments to employees.
- f) Treating all employees fairly, consistently, and equitably under this Policy.
- g) Providing business case proposals and securing budget approval where required.
- h) Adhering to approval processes and obtaining required approval levels for consideration.

7 Monitoring and Compliance

Human Resources will conduct period audits to verify compliance with this policy and report annually to Council on the application of the Policy.

Failure to follow this Policy may result in a review of the circumstances by Human Resources and the Chief Administrative Officer. If a failure is validated, it will result in disciplinary action.

8 Definitions

- 8.1 **Acting Assignment** means an internal opportunity where an employee is temporarily assigned to an existing position in an 'acting' capacity, for a minimum duration of two (2) weeks. The employee may or may not be required to continue to perform responsibilities of their home position.
- 8.2 **Band** means a fixed framework of a salary range represented by a minimum and maximum salary amount.
- 8.3 **Band Maximum** means the upper limit of the salary range, or the maximum salary amount and is considered 'Job Rate'
- 8.4 **Band Midpoint** means the halfway point of the salary range.
- 8.5 **Band Minimum** means the lower limit of the salary range, or the minimum salary amount.
- 8.6 **Base Salary** means an employee's salary for their home position.
- 8.7 **Competitive Recruitment** means a hiring process whereby a vacancy is advertised; internal and external applications are received for consideration and selection of the successful candidate.
- 8.8 **Critical Attraction** means a critical hire for leading strategic deliverables. There is an inability to attract candidates in the labour market at or below midpoint of the salary range of the position. This position is essential to support Council directives/initiatives.
- 8.9 **Critical Promotion** means a critical promotion for leading strategic deliverables. There is an inability to attract candidates in the labour market at or below the midpoint of the salary range of this position. This position is essential to support Council directive/initiatives.
- 8.10 **Critical Retention** means a critical retention to mitigate potential loss of a critical skill that could result in financial, legal, or political consequences. Loss may negatively impact essential services to the Corporation and/or community. The employee possesses and exhibits the characteristics most valuable to the Corporation.
- 8.11 **Department Head** means the Director or head of an Operating Department.
- 8.12 **Internal Equity** means the comparison of employee salaries at the same band in relation to knowledge, skills, years of service, performance, and experience within

the department, based on the nature of the position.

- 8.13 **Involuntary Transfer** means a movement to a different position classified in a lower grade, as a result of poor performance.
- 8.14 **Job Evaluation** means a systematic process for determining the relative value of jobs in an organization.
- 8.15 **Job Rate** means the highest step within a wage schedule.
- 8.16 **Lateral Transfer** means the movement from one position to another within the same band level.
- 8.17 **Market Adjustment** means a percentage increase applied to a salary range to reflect economic conditions.
- 8.18 **Non-Competitive Recruitment** means a hiring process whereby a vacancy is filled by the appointment of a candidate without an advertisement and through the approval of the Chief Administrative Officer. This is done in consultation with Human Resources.
- 8.19 **Pay for Performance** means a program where employees may be awarded a base salary increase, lump sum payment or a combination thereof for their performance contributions.
- 8.20 **Promotion** means a permanent position change to a higher grade.
- 8.21 **Red Circle** occurs when an employee's salary exceeds the band maximum of the position. In these cases, the employee's salary remains the same until such time that their base salary falls within the salary range.
- 8.22 **Re-Organizations** occurs when any of the following takes place:
- a. Movement of a department to another department. This includes the creation of a new unit or the dissolution of a unit.
 - b. A restructuring of how work is done – i.e. a portfolio of work has been reassigned within or across sections, divisions, or departments.
 - c. A corporate-wide realignment where all changes associated with the initiative are deemed part of the reorg and become effective on the same date.
- 8.23 **Salary Range** means the range of pay established for each band.
- 8.24 **Salary Schedule** means the listing of all bands represented by the band minimum, band midpoint, and band maximum salaries.

8.25 **Start Rate** means the rate of pay provided to a successful candidates which reflects their level of skill, competencies, qualifications, and relevant experience upon hire.

8.26 **Status Conversion** means the change of an employee’s status from contract (temporary) to permanent.

8.27 **Under-Fill** occurs when an employee is not fully qualified to perform all duties and responsibilities of the position but demonstrates potential to grow into the position within a specified time period. The salary may commence below the minimum start rate of the salary range.

8.28 **Voluntary Transfer** occurs when an employee applies for a lower graded position and is successful in obtaining the position.

8.29 **Wage Grid** means the schedule used for determining a rate of pay by job grade and/or length of service, where step progression applies.

9 Reference and Resources

This Policy should be read and applied in conjunction with the following references and resources as updated from time to time. Please note that some of the following documents may not be publicly available

9.1 External References

Employment Standards Act, 2000

Pay Equity Act

Municipal Freedom of Information and Protection of Privacy Act

9.2 References to related Bylaws, Policies, and Administrative Directives

None

9.3 Related Corporate-Wide Procedures, Forms and Resources

Salary Ranges

Revision History

Date	Description
TBD	Approved
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