

Category:	Human Resources
Title:	Salary Administration Policy
Policy Number:	4.1.0
Approved by:	Resolution Number CW341-2017
Administered by:	Human Resources
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1. BACKGROUND

The Corporation of the City of Brampton (the “Corporation”) is committed to building and promoting a high-performing and engaged organization by investing in our people, creating a culture that empowers employees to deliver customer service excellence, and foster public trust and confidence.

The Corporation commits to maintain 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. Salary administration principles will ensure equity and consistency, transparency, market competitiveness, performance contributions, and fiscal responsibility to support the attraction and retention of top talent.

2. PURPOSE

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

3. APPLICATION AND SCOPE

This policy applies to all Non-Union employees or unionized employees working in Non-Union positions.

This policy is supported by standard operating procedures.

4. OUTCOMES

The policy is intended to:

- a. Comply with *Pay Equity Act, Employment Standards Act, 2000, and Municipal Freedom of Information and Protection of Privacy Act*;
- b. Ensure employees are treated fairly, consistently and within policy to support recruitment and retention of high performing employees;
- c. Promote consistency and transparency in Non-Union salary administration;
- d. Promote regular reporting of policy application to the Corporate Leadership Team and Council; and
- e. Recognize external market conditions, while balancing such conditions against the City's need to be fiscally responsible.

5. PRINCIPLES

The Corporation commits to specific salary administration principles. These principles include: equity and consistency; transparency; market competitiveness; performance contributions; and, fiscal accountability.

5.1 Equity and consistency

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

5.2 Transparency

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

5.3 Market competitiveness

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

5.4 Performance contributions

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

5.5 Fiscal responsibility

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

6. POLICY STATEMENTS

The Corporation's Salary Administration Policy shall be applied as follows:

6.1 [New Hires](#)

6.2 [Permanent Transfers](#)

6.2.1 [Promotion](#)

6.2.2 [Lateral Transfer \(grade to grade\)](#)

6.2.3 [Voluntary Transfer \(to a lower grade\)](#)

6.2.4 [Involuntary Transfer \(due to performance\)](#)

6.2.5 [Red Circle \(due to reclassification or reorganization\)](#)

6.2.6 [Status Conversion \(contract to permanent\)](#)

6.2.7 [Inversion](#)

6.2.8 [Under-Fill](#)

6.3 [Temporary Transfers](#)

6.3.1 [Acting Assignment \(previously Temporary Upgrade\)](#)

6.3.2 [Development Assignment \(previously Secondment\)](#)

6.3.3 [Lateral Transfer \(grade to grade\)](#)

6.4 [Pay-for-Performance](#)

6.5 [Job Evaluation](#)

6.6 [Critical Cases](#)

6.6.1 [Critical Attraction](#)

6.6.2 [Critical Retention](#)

6.1 New Hires

New employees will have a starting salary which reflects the skills, competencies, qualifications, relevant experience and labour market conditions. The starting salary will be within the salary range of the hired position.

The starting salary will 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 section or division, based on the nature of position. Salary offers up to midpoint of the salary range are approved by the hiring manager and Human Resources.

There may be circumstances where a candidate is highly experienced and possesses critical skills, or where market conditions may necessitate a salary

greater than the midpoint of the salary range. Salary offers above midpoint of the salary range must be approved by the Department Head, Director of Human Resources and CAO based on a comprehensive business case. Please refer to [6.6.1. Critical Attraction](#).

6.2 Permanent Transfers

6.2.1 [Promotion](#)

a. Non-Union to Non-Union

The maximum increase to be applied to the employee's base salary is up to 10% or grade minimum, whichever is greater.

There may be circumstances where an internal candidate is highly experienced, possesses critical skills or the role is of significant importance to the corporation. Consideration of the promoted salary may necessitate an increase within the salary range subject to budget approval.

Salary offers greater than up to 10% or grade minimum must be approved by the Department Head, Director of Human Resources and CAO based on a comprehensive promotion business case.

The employee may make less than grade minimum or more than grade maximum of the new position. For employees who are not yet fully qualified, *please refer to [6.2.8 Under-Fill](#)*.

The increase amount will take into consideration the skills, qualifications and relevant experience possessed.

The promotion salary will 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 section or division, based on the nature of position.

b. Union to Non-Union

The maximum increase to be applied to the employee's base salary is up to 10% or grade minimum, whichever is greater.

There may be circumstances where an internal candidate is highly experienced, possesses critical skills or the role is of significant importance to the corporation. Consideration of the promoted salary may necessitate an increase within the salary range subject to budget approval.

Salary offers greater than up to 10% or grade minimum must be approved by the Department Head, Director of Human Resources and CAO based on a comprehensive business case. *Please refer to [6.6.2. Critical Retention](#).*

The employee may make less than grade minimum or more than grade maximum of the new position. For employees who are not yet fully qualified, *please refer to [6.2.8 Under-Fill](#).*

The increase amount will take into consideration the skills, qualifications and relevant experience possessed.

The promotion salary will 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 section or division, based on the nature of position.

Union job rate and Non-Union salary range are compared. If the employee is moving from a job that has an annualized job rate that places within the Non-Union salary grade, the movement is considered lateral and no increase will be applied. *Please refer to [6.2.2. Lateral Transfer](#).*

6.2.2 [Lateral Transfer \(grade to grade\)](#)

a. Non-Union to Non-Union

A lateral transfer within the same grade does not warrant a salary adjustment.

b. Union to Non-Union

If a Union employee transfers from a Union job that has an annualized job rate which places within the Non-Union grade, the transfer is considered lateral and no increase will be applied.

6.2.3 [Voluntary Transfer \(to a lower grade\)](#)

When the employee's base salary is above grade maximum of the lower graded position, the employee's base salary will be decreased to grade maximum.

6.2.4 [Involuntary Transfer \(due to performance\)](#)

When the employee's base salary is above grade maximum of the lower graded position, the employee's base salary will be decreased to grade maximum.

6.2.5 [Red Circle \(due to reclassification or reorganization\)](#)

When the employee's base salary is above grade maximum of the lower graded position, the employee's base salary will be red circled until such time that their base salary places within the salary range.

6.2.6 [Status Conversion \(contract to permanent\)](#)

When the employee's status changes from contract (temporary) to permanent, and they remain in the same position and/or grade level, no salary adjustment will be applied. *Please refer to [6.2.2. Lateral Transfer](#).*

6.2.7 [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 of inversion.

6.2.8 [Under-Fill](#)

When an employee is permanently placed in a position for which they are not yet fully qualified, the salary may be established below the minimum start rate of the salary range. The specified time period to fully develop into the role cannot exceed 12 to 18 months. In under-fill situations, the employee may make less than the grade minimum.

6.3 Temporary Transfers

6.3.1 [Acting Assignment \(previously Temporary Upgrade\)](#)

The maximum increase to be applied to the employee's base salary is up to 10% or grade minimum, whichever is greater. The employee will not make less than grade minimum or more than grade maximum of the new position. In cases where the employee is in the same salary range, no salary increase will occur. *Please refer to [6.3.3 Lateral Transfer](#).*

The increase amount will take into consideration the skills, qualifications and relevant experience possessed.

The Acting Assignment salary will 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 section or division, based on the nature of position.

The minimum duration of an Acting Assignment will be one month or greater, and will not exceed 24 months.

6.3.2 **Development Assignment (previously Secondment)**

The maximum increase to be applied to the employee's base salary is up to 10% or grade minimum, whichever is greater. The employee will not make less than grade minimum or more than grade maximum of the new position.

A lateral transfer within the same grade does not warrant a salary adjustment. *Please refer to [6.3.3 Lateral Transfer](#).*

The increase amount will take into consideration the skills, qualifications and relevant experience possessed.

The Development Assignment salary will 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 section or division, based on the nature of position.

The minimum duration of a Development Assignment will be 6 consecutive months and will not exceed 24 months.

6.3.3 **Lateral Transfer (grade to grade)**

a. Non-Union to Non-Union

A lateral transfer within the same grade does not warrant a salary adjustment.

b. Union to Non-Union

If a Union employee temporarily transfers from a Union job that has an annualized job rate which places within the Non-Union grade, the transfer is considered lateral and no increase will be applied.

6.4 **Pay-for-Performance**

Base salary increases, lump sum payments or a combination thereof, will be applied to Non-Union employees based on their contributions to the organization through individual performance on an annual basis. Management will establish annual performance percentage increases, subject to budgetary considerations.

Please refer to [Pay-for-Performance SOP](#).

6.5 Job Evaluation

All positions are evaluated according to the Job Evaluation Standard Operating Procedure and classified into the appropriate pay range of the Salary Schedule. Such classification is established according to the position competencies, effort, responsibility, working conditions and market conditions.

When the employee's base salary is:

- a. below grade minimum of the new salary range, the employee's base salary will increase to grade minimum.
- b. within the grade of the new salary range, no salary adjustment will be applied.
- c. above grade maximum of the new salary range, the employee's base salary will be red circled until such time that their base salary places within the salary range.

When a position has undergone change, the magnitude will be assessed by Human Resources. When job evaluation is required, Human Resources will evaluate the position using the Corporation's job evaluation program and place the position and incumbent(s) into the appropriate grade within the Corporation's Salary Schedule. Human Resources must be consulted for all job evaluation reviews.

Please refer to [Job Evaluation SOP](#).

6.6 Critical Cases

The Corporation recognizes there may be circumstances which require special consideration for the attraction and retention of top talent.

A comprehensive business case must be provided for consideration by the Department Head, Director of Human Resources, and CAO. Approval is subject to confirmation that costs are within approved budget.

In cases where the business case is submitted by the CAO, sign off by the Director of Human Resources and the City Treasurer is required.

In all cases of critical attraction and retention, all compensation decisions must be within the approved salary range.

6.6.1 Critical Attraction

When there is a bona fide 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 a candidate with high potential in achieving organizational priorities, which support the City's Strategic Plan; and/or
- b. An inability to attract candidates in the labour market with the specific skill(s) required for the critical position due to market conditions.

6.6.2 Critical Retention

When there is a bona fide case to retain a key employee, a base salary increase within the salary range and subject to budget may be awarded upon review and confirmation that the potential loss could result in financial, legal or political consequences and/or may negatively impact essential services to the Corporation and/or community.

In cases where the employee is at grade maximum, a one-time payment of up to 5% may be considered, subject to business case and budget approval.

7. ROLES AND RESPONSIBILITIES

7.1 Human Resources Division is responsible for:

- a. The establishment, administration, governance and maintenance of the Corporation's Non-Union 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 providing consultation for job evaluation reviews.
- d. Reviewing and providing advice on salary considerations.
- e. Reporting to the Corporate Leadership Team with general information on the application of this Policy.
- f. Reporting annually to Council with general information on the application of this Policy.

7.2 Management is 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 values 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 the Salary Administration Policy.
- g. Providing business case proposals and securing budget approval, where required.
- h. Adhering to approval process and obtaining required approval levels for considerations.

7.3 Monitoring and Compliance

Human Resources will conduct periodic audits to verify compliance with this policy and report annually to Council on the application of the Policy. Failure to adhere to the provisions in this policy will result in a review of the circumstances by Human Resources and Corporate Leadership and, if a failure is validated, will result in disciplinary action.

8. DEFINITIONS

8.1 Acting Assignment (previously Temporary Upgrade)

An internal opportunity where an employee is temporarily assigned to an existing position in an “acting” capacity. The employee may or may not be required to continue to perform responsibilities of their home position.

8.2 Base Salary

An employee’s salary for their home position.

8.3 Critical Attraction

A critical hire for leading strategic deliverables. Inability to attract candidates in the labour market at or below the midpoint of the salary range of the critical position. This key position is essential to support Council directives/initiatives.

8.4 Critical Retention

The potential loss of a critical skill that could result in financial, legal or political consequences. May negatively impact essential services to the Corporation

and/or community. An employee who possesses and exhibits the characteristics most valuable to the Corporation.

8.5 Department Head

Department Head means the Commissioner or head of an Operating Department.

8.6 Development Assignment (*previously Secondment*)

An internal opportunity where an employee assumes a project based or developmental position. The employee is no longer performing the duties and responsibilities of their home position.

8.7 Grade

A fixed framework of a salary range represented by a minimum and maximum salary amount.

8.8 Grade Maximum

The upper limit of the salary range, or the maximum salary amount.

8.9 Grade Midpoint

The middle point of the salary range.

8.10 Grade Minimum

The lower limit of the salary range, or the minimum salary amount.

8.11 Internal Equity

The comparison of employee salaries at the same grade in relation to knowledge, skills, years of service, performance and experience within the section or division, based on the nature of the position.

8.12 Inversion

This occurs when the salary of a permanent direct report is greater than the salary of the manager based on organizational structure.

8.13 Involuntary Transfer

A movement to a different position classified in a lower grade.

8.14 Job Evaluation

A systematic process for determining the relative value of jobs in an organization.

8.15 Job Rate

The highest step within a Unionized wage schedule.

8.16 Lateral Transfer

The movement from one position to another that is deemed to be the same grade level.

8.17 Market Adjustment

A percentage increase applied to the salary range to reflect economic conditions.

8.18 Pay-for-Performance

A program where employees may be awarded a base salary increase, lump sum payment or a combination thereof, for their performance contributions.

8.19 Pay Philosophy

The Corporation targets a 75th percentile position with our comparator group to ensure a leading position in the market.

8.20 Promotion

A permanent position change to a higher grade.

8.21 Red Circle

This occurs when an employee's salary exceeds the grade maximum of the position. In these cases, the employee's salary remains the same until such time that their base salary places within the salary range.

8.22 Salary Range

The range of pay established for each grade.

8.23 Salary Schedule

The listing of all grades represented by the grade minimum, grade midpoint and grade maximum salaries.

8.24 Start Rate

The rate of pay provided to a successful candidate which reflects their level of skill, competencies, qualifications and relevant experience upon hire.

8.25 Status Conversion

The change of an employee's status from contract (temporary) to permanent.

8.26 Under-fill

This occurs when an employee is not fully qualified to perform all duties and responsibilities of the position. The salary may commence below the minimum start rate of the salary range.

8.27 Voluntary Transfer (to a lower grade)

This occurs when an employee applies for a lower graded position and is successful in obtaining the position.

9. REFERENCES AND RESOURCES

The following related documents are referenced in this Policy:

- Standard Operating Procedures
 - New Hires
 - Permanent Transfers
 - Temporary Transfers
 - Pay-for-Performance
 - Job Evaluation
 - Critical Cases (attraction and retention)

Please note that some of the items listed may not be publicly available.

REVISION HISTORY

Date	Description
January 1, 2021	Next Scheduled Review
January 1, 2018	Replaces the following policies: <ul style="list-style-type: none">• 4.4.0 Temporary Upgrade of Non-Union Employees• 4.5.0 Temporary Upgrade of Union to Non-Union• 6.2.0 Job Evaluation