



October 15, 2002

Executive Bulletin – Compensation News

Introduction

Please take the time to read this bulletin as carefully as possible. The issues that are addressed will eventually determine the new compensation system and your financial welfare during your career at McGill . If you have any questions contact your MUNASA representative.

Scale Increase November 1, 2002

There will be a one percent scale increase applied to all non-unionized non-academic staff effective November 1, 2002. This increase is the final phase of the two percent 'catch-up' salary scale increase, which was jointly announced by MUNASA and Human Resources in April 2001.

MUNASA had argued that the 'catch-up' scale increase was in line with salary scale catch-up increases occurring in other sectors at McGill and other Quebec universities to address past erosion of salary scales due to inflation. The University accepted MUNASA's argument with the provision that the increase be distributed in three phases: June 1, 2001 0.5% scale increase, June 1, 2002 0.5% scale increase, and a Nov. 1, 2002 1.0% scale increase. Note that these catch-up increases are outside of any salary scale adjustments generally implemented December 1.

New Salary Scales

MUNASA has been meeting with Human Resources on a weekly basis since August concerning the implementation of a new compensation system. Human Resources has been charged by the Senior Administration to implement a replacement for the existing M job descriptions and salary scales by December 1, 2002. The process between MUNASA and Human Resources has introduced changes to every aspect of the original proposal save for the elements that were established through the Pay Equity Study.

Following the Quebec legislated Pay Equity study that concluded November 2001, MUNASA has continued to work with Human Resources towards the development and implementation of a new compensation system for non-unionized non-academic staff. This work began four years ago and was partially suspended during the most intensive period of the Pay Equity study. In January 2002 the Executive Director of Human



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Resources wrote to MUNASA committing “to effecting this change with the Staff Association and to meet the challenge of bringing the project to fruition for the ultimate benefit of management staff at McGill”. From February through July Human Resources worked with consultants to develop a compensation strategy that combined University goals and commitments required under Pay Equity legislation. In August Human Resources resumed talks with MUNASA by presenting new salary scales based upon the Role Profiles and Hay Job Evaluation points established at the McGill Pay Equity Committee.

Robert Stanley, who played a leadership role on the Pay Equity Committee, has led the MUNASA Compensation team (Susan Czarnocki, Anne Sage, and Trevor Garland) in analyzing the implications of the proposed scales, the relationship of the proposed scales to M scales at Quebec universities, salary progression within and across these new scales, and the required changes to personnel policies. There are a great number of factors to consider beyond the cost of implementation of new salary scales. And new salary scales are just one component of the new compensation strategy that MUNASA and Human Resources began working on over four years ago.

The most fundamental issues for MUNASA are:

Equal Pay for Work of Equal Value

Salary scales and salary progression are just one element of Compensation: Training, Career Progression, and Performance Management must all work in harmony with salary scales and salary progression in a coordinated system.

Employees must have the right to an equitable opportunity for Salary and Career Progression.

There have been many changes to the originally proposed salary scales as talks progressed and we hope for further evolution before implementation. At this stage we are still in the process of comparing the proposed new scales to the scales for our sector in other Quebec universities. The broad elements of what is being proposed at this point are as follows:

a) Role Profiles will replace job descriptions. The Job Families and Role Profiles used in the Pay Equity study are to be implemented in the non-unionized non-academic sector.

b) Hay Group Methodology evaluation. The Role Profiles used in the Pay Equity study were assigned job evaluation points. These “Hay points” are being used to map Role Profiles to salary scales. It is important to note that the level number in any role profile, such as ADM2A or IS2A, does not predict to which salary grade the role profile will be assigned. For example, ADM2A and IS2A have significantly different Hay points and will consequently have different salary ranges.

c) Ten Salary Grades instead of twenty-one. Currently there are twenty M grades ranging from M1.0 to M4.5 plus another five between M5.1 and M5.5. The range M5.1 to M5.5 has rarely been used over the past twenty years; persons now in this range will be transferred to E status.

d) One Salary Grade for Excluded C, T, and LA. Clerical, Technical, and Library Assistant positions that are excluded from the MUNACA labour contract will all share a single, eleventh, salary grade.

e) Higher Scale Minimums. The current M scale has the scale minimum set at approximately 70% of the maximum. The new salary scale minimums will progressively move to 75% of the maximums. The plan at this time is to have the minimum set at 71% of the maximum and increase the minima annually until 75% is reached.



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f) Salary Adjustments within a Salary Grade. The new Compensation System will allow departments to grant to individuals base salary increases without a job evaluation. This adjustment is intended to address significant additional responsibilities or the development of significant job competencies or ‘market conditions’. Note that such Special Adjustments are separate from annual cost of living scale increases usually distributed in December.

g) Non-Base Market Adjustments. The current compensation system does not allow for one-time salary payments. The new system will allow a single one-time payment of between 3% and 10% of annual salary for market conditions (skills in high demand), special projects, or as a signing bonus for new hires.

h) Term Employees will be paid according to scale. All Term Appointments after December 1, 2002 will be matched to a Role Profile and be paid according to the salary grade for that profile. Remuneration for existing Term employees will not change under their current contract.

i) Starting Salary of Junior Professionals. HR will introduce the possibility to hire junior professionals at a salary that is below the scale minimum.

Your MUNASA representatives do not agree with all of these proposed changes and we have so informed HR. In particular, we feel that the interests of both the staff and the University would be better served if the following changes were made:

i) There should be an appeal process for one’s assignment to a role profile as well as with respect to the content of the role profile. The appeal process should be eligible for binding arbitration under the dispute resolution process.

ii) An automatic salary scale progression should replace the annual merit exercise. The automatic progression should be approximately 2.0% of the salary scale maximum, applied annually. (This would be distinct from scale adjustments for cost-of-living, that would be applied separately.)

iii) Special Salary Adjustments (Point ‘f’ above) must be tracked centrally by HR. A historical data-base of such adjustments should be compiled starting December 1, 2002. HR should publish a summary (no nominative information) on an annual basis to describe the number and types of awards during the previous period. This is required to assure transparency.

iv) Individuals should be able to file a dispute with respect to these Special Salary Adjustments under the Dispute Resolution Policy. At that time, the historical data compiled in the data-base should be made available for comparison purposes. Such disputes should be eligible for binding arbitration.

v) An employee’s right to retroactivity (after a reclassification or promotion, for example) should at no time be limited to six months. The employee should not suffer any prejudice with respect to retroactivity because there are delays in paper work or in resolving a dispute, for which the employee is not responsible.

Furthermore your representatives have asked HR important questions about their present proposal which remain unanswered

a) What is the time frame for filing and resolving an appeal with respect to Job Families and Role Profiles? Who will review the appeal?

b) Exactly what role profiles will be affected by the proposal to hire junior professionals (and managers?) at a salary below the scale minimum? By how much will those salaries be discounted, and for what period of time? What must the employee accomplish in order to have the salary move up to the scale minimum?



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What are the specifics of the criteria for awarding a special salary adjustment within a salary scale? What does ‘significant additional responsibilities’ mean in practice? What does ‘significant job competencies’ mean in practice? What specific guidelines will be provided to local supervisors?

A clear and comprehensive explanation is required of the transition measures needed to move all employees into their new scales on December 1, 2002.

Although there was a commitment for a further review of Role Profiles between Pay Equity and a new Compensation System, Human Resources is now insisting that there will not be such a general review. There will be a process where staff may appeal their placement in a particular role profile. There will also be a process where Role Profiles may be amended for clarity. But Human Resources is adamant that no Role Profile will be re-evaluated for Hay evaluation points.

The implementation plan, at this point, is to:

- Match all regular positions to Role Profiles, which have been matched to salary grades via Hay points
- Respect each employee’s relative position within the salary scale. Compare the current salary with the current M salary range and with the new range and adjust the employee’s salary to achieve at least 33% of the difference in penetration.
- Respect an employee’s existing maximum should the new maximum be lower. **No one will suffer a loss in salary or salary range because of this new Compensation System.**
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There yet remain many issues to be resolved with the Administration. Human Resources has suspended talks on Personnel Policies, which had begun last March. Nevertheless there are very significant changes that must be made to the Salary Administration Policy and the Staffing Policy in order to accommodate this new Compensation Plan.

The MUNASA Executive meets every Thursday at 12:30 at the MUNASA office, 3495 Peel Suite 204 and all members are welcome.

There will be a General Meeting for MUNASA members in early November.