



## Staff Report

---

**Report To:** Council Meeting  
**From:** Magda Badura, CAO/Treasurer  
**Date:** 2024-06-27  
**Subject:** 2024 Compensation Update Report

---

### **Recommendation:**

That West Elgin Council hereby receives the report from M. Badura, CAO/Treasurer re: 2024 Compensation Update Report and; That West Elgin council approves proposed 2024 Employee remuneration schedule as presented in Schedule A.

### **Purpose:**

The purpose of this report is to summarize the comprehensive compensation review conducted by ML Consulting and to request approval for the new 2024 employee remuneration schedule, as outlined in Schedule A of this report.

### **Background:**

In January 2024, ML Consulting was engaged to review the current compensation program. The objectives were to assess the competitive pay market to improve attraction and retention, develop a revised salary grid for implementation in 2024, and review internal equity and pay practices to ensure compliance with the Pay Equity Act.

A critical component of the review involved the thorough examination and updating of job descriptions. Followed by a new job evaluation system designed to assess internal equity and compliance with pay equity regulations and ensure that the compensation structure was fair and legally compliant. In addition, a custom market study was conducted, involving nine comparator organizations. These comparators were based on historical relevance, geographic proximity, and similarities in service scope and size.

The Pay Equity Act mandates that employers demonstrate pay equity for all female job classes and maintain this equity over time. The last such review for West Elgin had been conducted in 2015. Recognizing the importance of compliance, the Consultant's review in January 2024 included a thorough assessment of the competitive pay market and a reevaluation of internal equity. This resulted in a revised salary grid for 2024 that addressed both attraction and retention challenges while ensuring compliance with the Pay Equity Act.

The recommendations from this review are designed to support future organizational growth and refine job design processes, laying a foundation for fair and competitive pay aligned with performance. The proposed 50th percentile pay target was deemed reasonable, considering the scope, size, and composition of the comparator group, as well as the Municipality's current challenges in attracting and retaining talent. It was noted that, on average, West Elgin's pay rates fell below the 50th percentile target of the comparator group, with significant deviations in some

positions. Based on the findings, the Consultant provided several recommendations for Council's approval:

1. **Approve 2024 Salary Grid:** Adopt the proposed salary grid with job rates reflecting the 50th percentile pay target, effective January 1, 2024.
2. **Communicate Results:** The CAO should communicate the results of the Compensation Review to all stakeholders.
3. **Maintain Internal Equity:** Evaluate new and changed positions and test Pay Equity annually.
4. **Process Salary Grid Adjustments:** Adjust the salary grid annually based on projected adjustments from comparator groups, published survey projections, and the Municipality's financial capacity.
5. **Monitor Job Rates:** Regularly monitor job rates for senior management and market-sensitive positions to ensure competitiveness and support succession planning.
6. **Conduct Market Reviews:** Conduct market reviews every 3 to 4 years to inform necessary adjustments, thereby avoiding large market adjustments in any single year.
7. **Review Market Comparators:** Periodically review the comparator group and consider adjusting the target market percentile in future years.
8. **Update Salary Administration Policy:** Address the recommended changes in the policy and prepare a Pay Equity Plan for documentation and compliance.

This comprehensive review, along with the above recommendations, will position our organization as a competitive employer committed to fair and equitable compensation practices. This approach will foster an environment conducive to growth, retention, and high performance. A full summary of the wage review is attached for additional information and review.

It is recommended that the council approves the 2024 Employee Remuneration Schedule as presented in Schedule A and authorizes the retroactive processing of employee pay adjustments effective from January 1, 2024.

**Financial Implications:**

There are no financial implications as Pay Equity Adjustment was included in 2024 Operating Budget.

**Policies/Legislation:**

Pay Equity Act

**Alignment with Strategic Priorities:**

<b>Infrastructure Improvement</b>	<b>Recreation</b>	<b>Economic Development</b>	<b>Community Engagement</b>
<input type="checkbox"/> To improve West Elgin's infrastructure to support long-term growth.	<input type="checkbox"/> To provide recreation and leisure activities to attract and retain residents.	<input type="checkbox"/> To ensure a strong economy that supports growth and maintains a lower cost of living.	<input checked="" type="checkbox"/> To enhance communication with residents.

Respectfully submitted by,

## Report Approval Details

Document Title:	Pay Equity Review - 2024-22-Administration Finance.docx
Attachments:	- West Elgin 2024 Salary Grid - Schedule A.pdf
Final Approval Date:	Jun 25, 2024

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

Terri Towstiuć