

Pay Equity and Organization Review

Impact on 2025 Administration Budget

Pay Equity

Pay Equity Act, R.S.O. 1990, c. P.7

In 1987, the Ontario government passed the [*Pay Equity Act*](#). The Act describes the minimum requirements for ensuring that an employer's compensation practices provide pay equity for all employees in female job classes. The purpose of this Act is to redress systemic gender discrimination in compensation for work performed by employees in female job classes.

The Q & A Guide to Ontario Pay Equity Act: [2.1 What is Pay Equity? | Pay Equity Office](#)

Employer Obligations

The Act imposes an obligation on every employer to take specific steps to ensure that pay equity exists in their workplace. Employers are responsible for implementing pay equity regardless of whether or not they believe that they have fair compensation or non-discriminatory practices and regardless of whether or not a complaint has been made.

The Q & A Guide to Ontario Pay Equity Act; [Guiding Principles for Interpreting the Pay Equity Act](#) | Pay Equity Office

West Elgin Pay Equity Review

- West Elgin contract ML Consulting to complete a Compensation review in 2024
- The Consultant was retained to conduct a review of the current compensation program [as of January 2023]
 - to assess the competitive pay market to facilitate attraction and retention and develop a revised salary grid for implementation in 2024
 - review of internal equity and that pay practice to ensure compliance with the Pay Equity Act.
 - the outputs of this review ... to enable future growth in organization and job design and provide the foundation to align fair and competitive pay with performance.

Municipality of West Elgin 2024 Compensation Update – Summary Report

Pay Equity Process



The following principles were considered during this Review:

Fairness

- Internal equity is achieved through Job Evaluation and placing similar valued positions in the same Band with a common Job Rate

Compliance

- Pay Equity maintenance is achieved through analysis to ensure there are no pay gaps for female job classes compared to male job classes of similar value

Competitiveness

- Market competitiveness addresses attraction and retention issues; achieved by paying at a competitive percentile relative to the market

Sustainability and Renewal

- Determined by Council taking into account budget implications and projections
- Best practice compensation tools, systems and renewal processes are used to support the compensation program

Municipality of West Elgin 2024 Compensation Update – Summary Report

Compensation Market Assessment

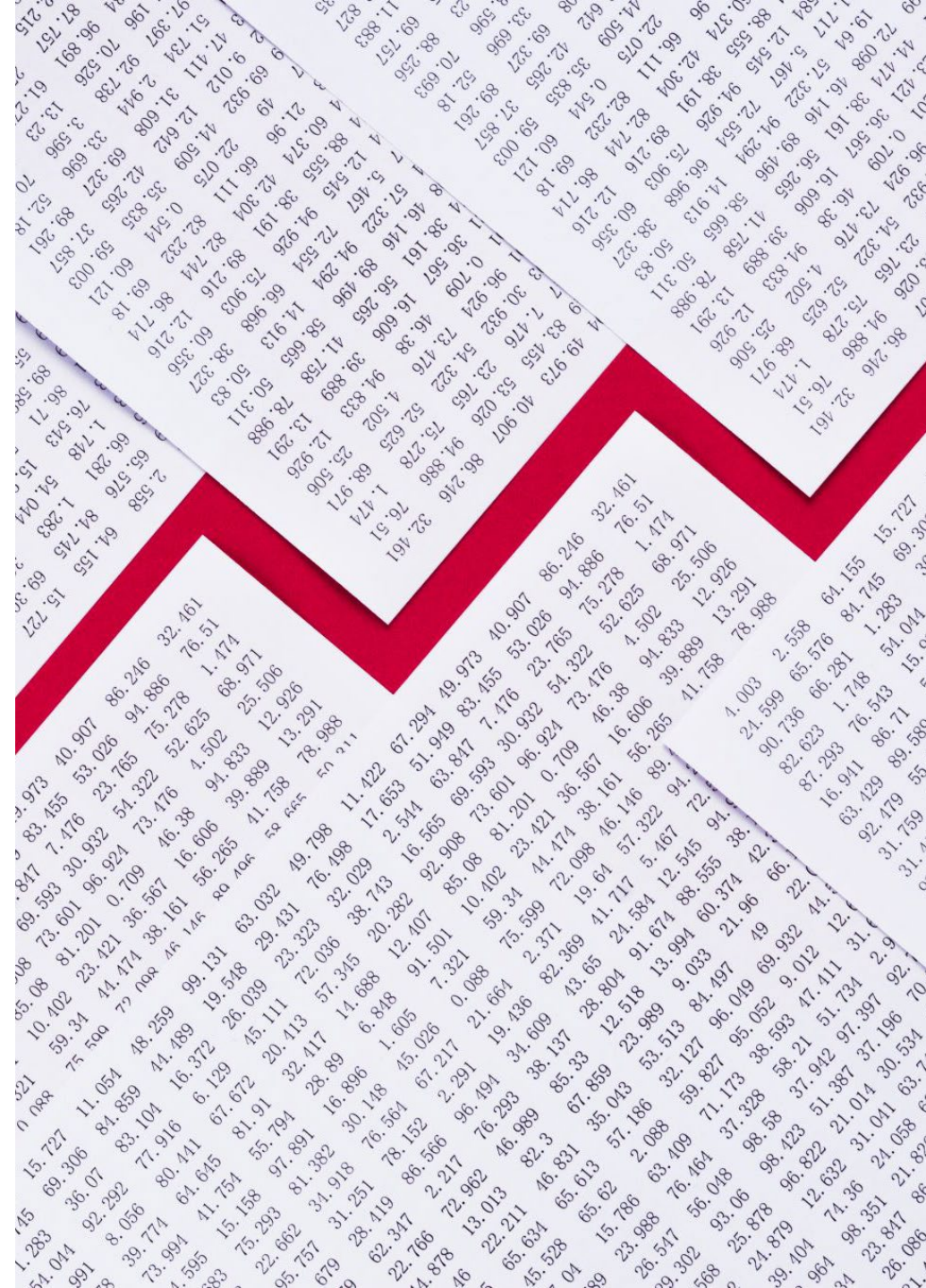
The Market Summary indicates that on aggregate, Job Rates for West Elgin positions are low to the competitive pay market with greater deviation in some positions (i.e., paying below typical salary).

Approximately 90% of the [West Elgin] job rates [as of 2024] are below the 50th percentile pay target.

Contributing factors to market placement:

- Historic economic adjustments have not kept up with the economic adjustments in the sector, for all years.
- Many of the Comparators have completed a salary review in the last 5 years and adjusted their salary grids accordingly.
 - West Elgin: **last pay equity review was conducted in 2015.**
- Some of the Comparators have revisited their compensation policy and adjusted their comparator pool and/or increased the target market percentile above the 50th percentile to achieve competitive job rates.

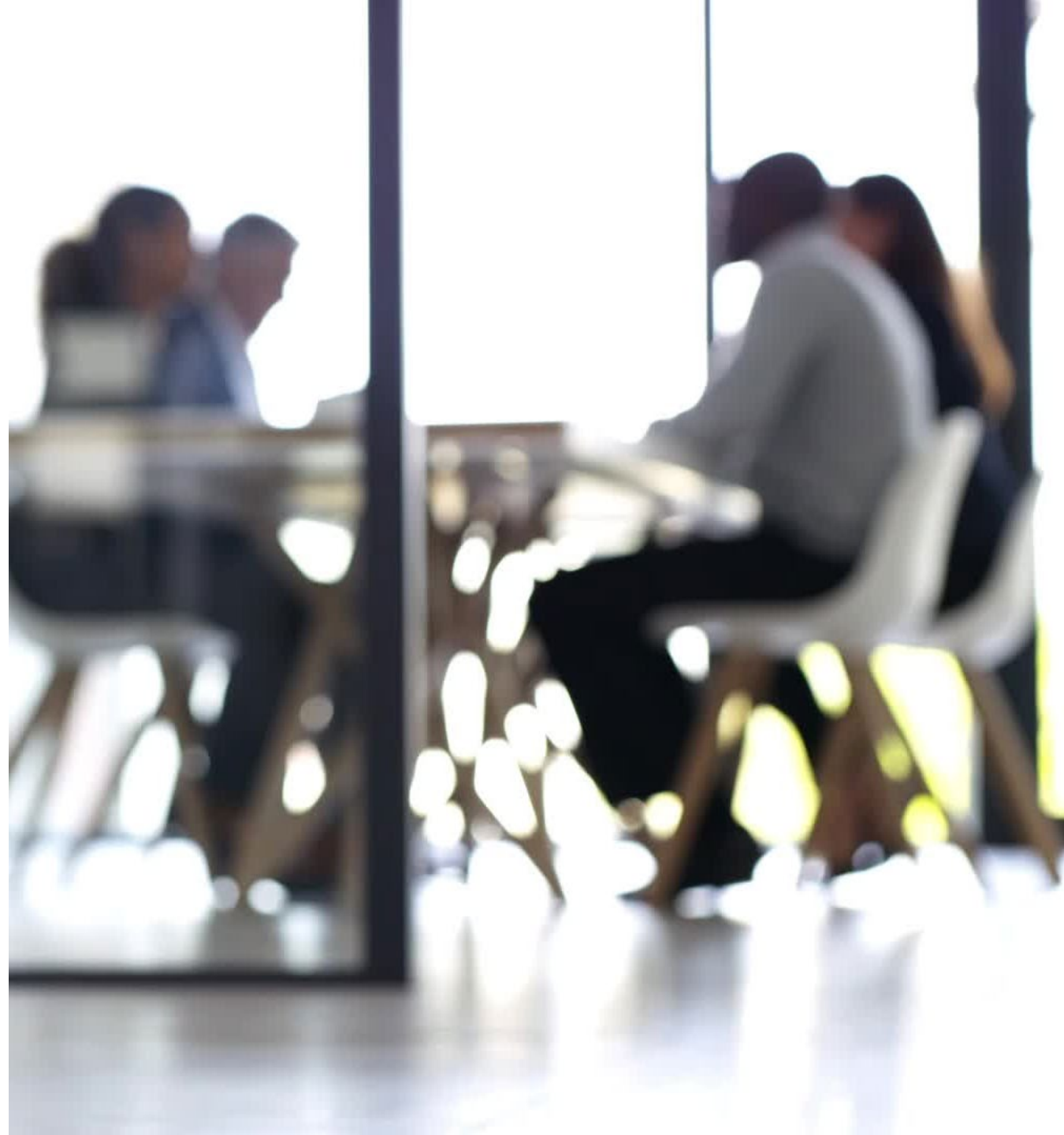
Municipality of West Elgin 2024 Compensation Update – Summary Report



2024 Organization Review

In 2023 the Municipality of West Elgin contracted Linton Consulting Services Inc. to conduct an Organization Review.

- Balance of responsibility to create sustainable role
- Improve Internal & External Customer Service
- Succession Planning (Attraction and Retention of staff)

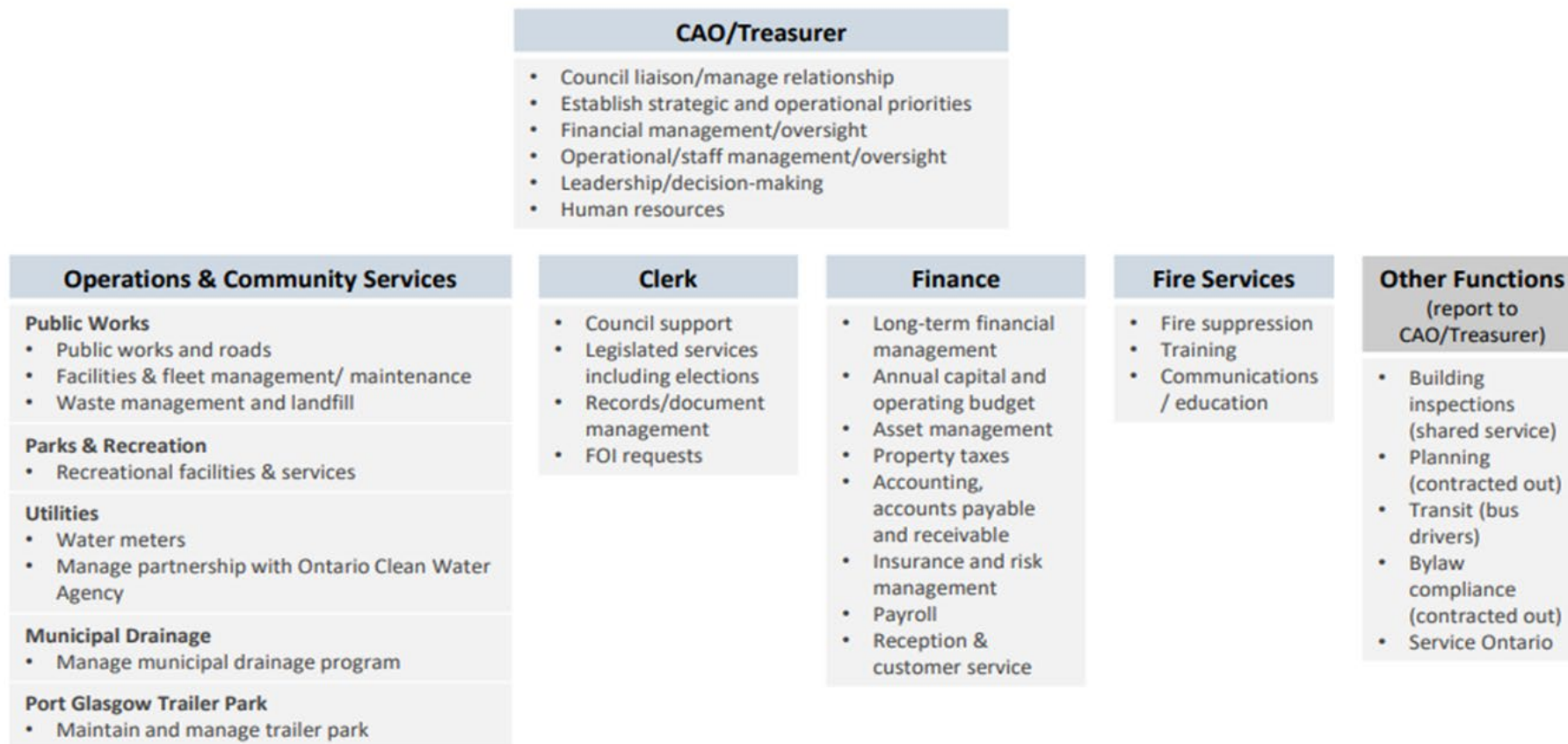


1.2 Current State Functional Model

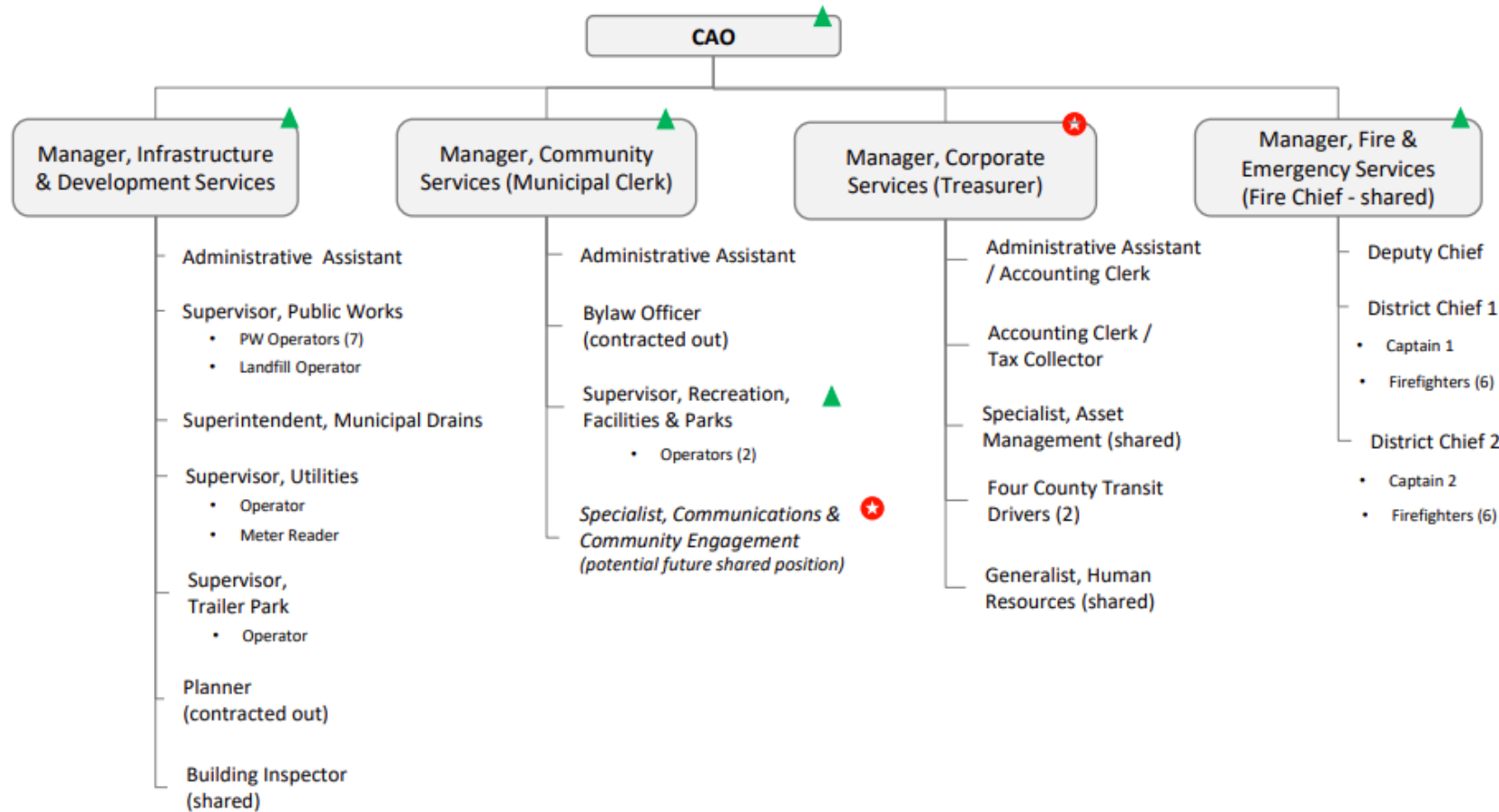
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Starting Point

- ❑ The below Current State Functional Model includes the primary functions by department/business unit.



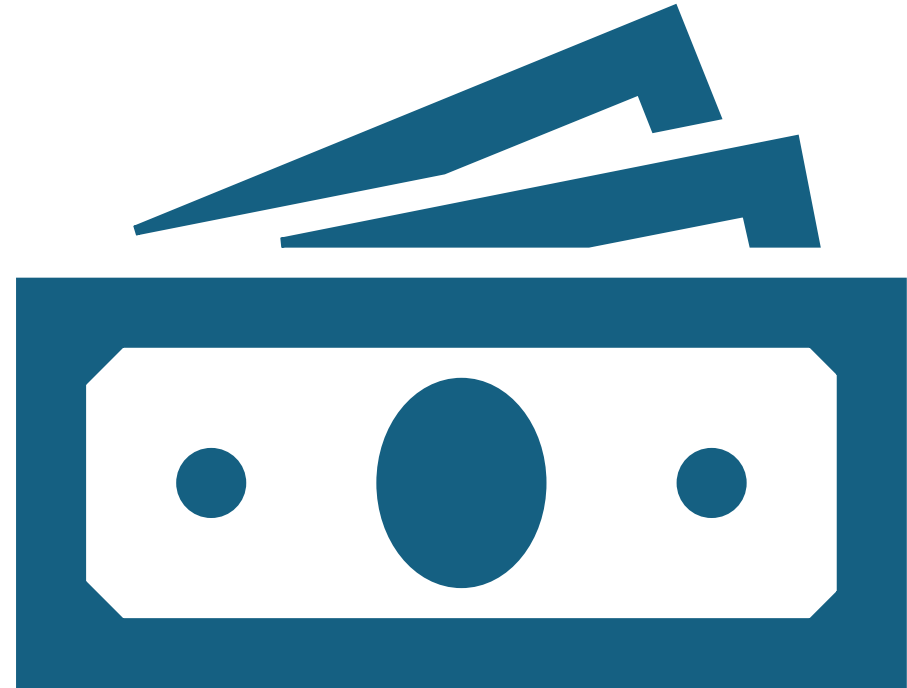
2.3 Future State Organizational Chart



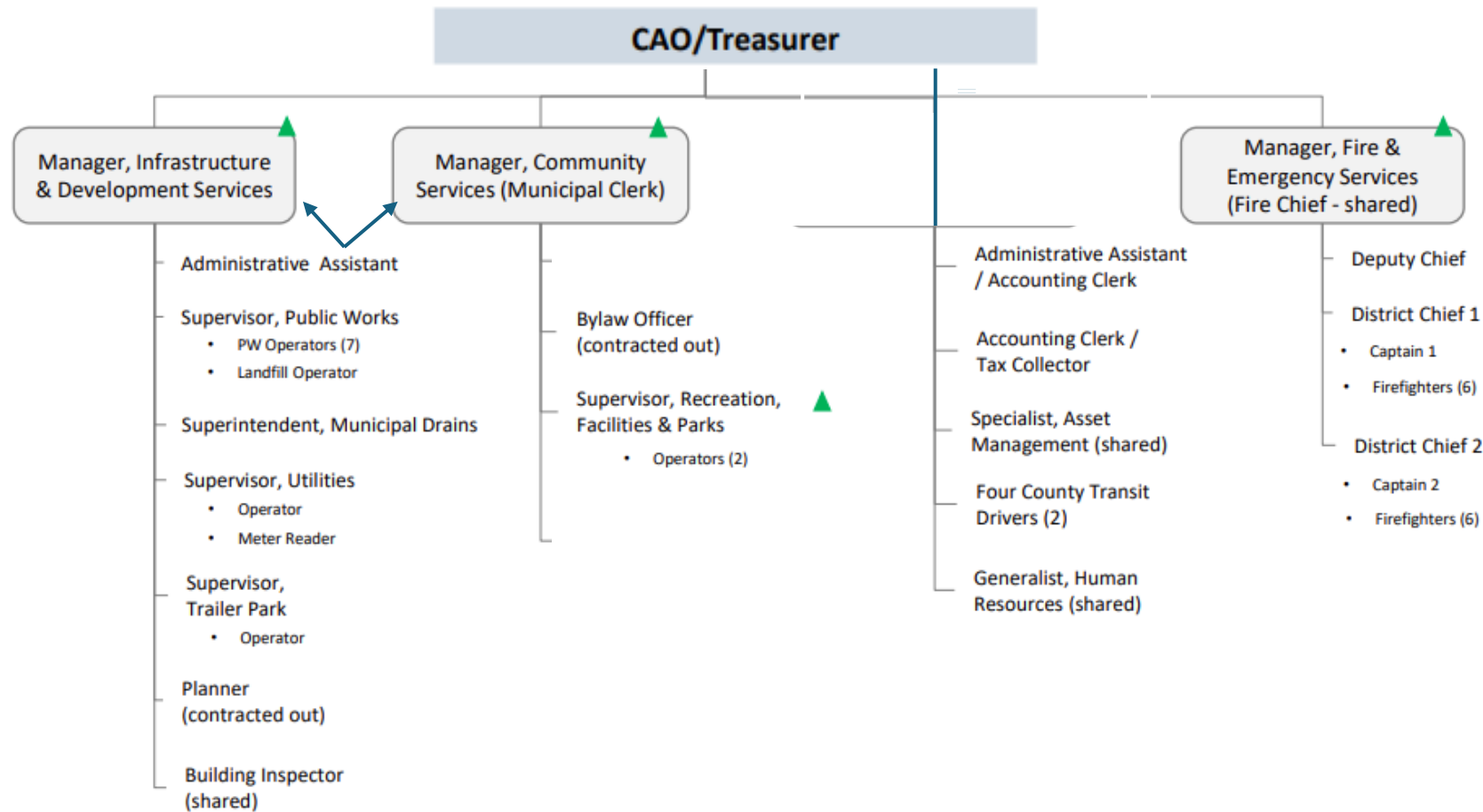
- ★ Proposed new position
- ▲ Proposed revision to position

2024 Administration Budget

- Accounted for Pay Equity adjustment to positions prior to 2024 Organization Review.
- Vacancy in the Administrative Assistant – Records Management role
- Vacancy in Treasurer position
- Attrition throughout the organization
- Delay in implementing the Organization Review Structural Recommendations



2.3 Future State Organizational Chart

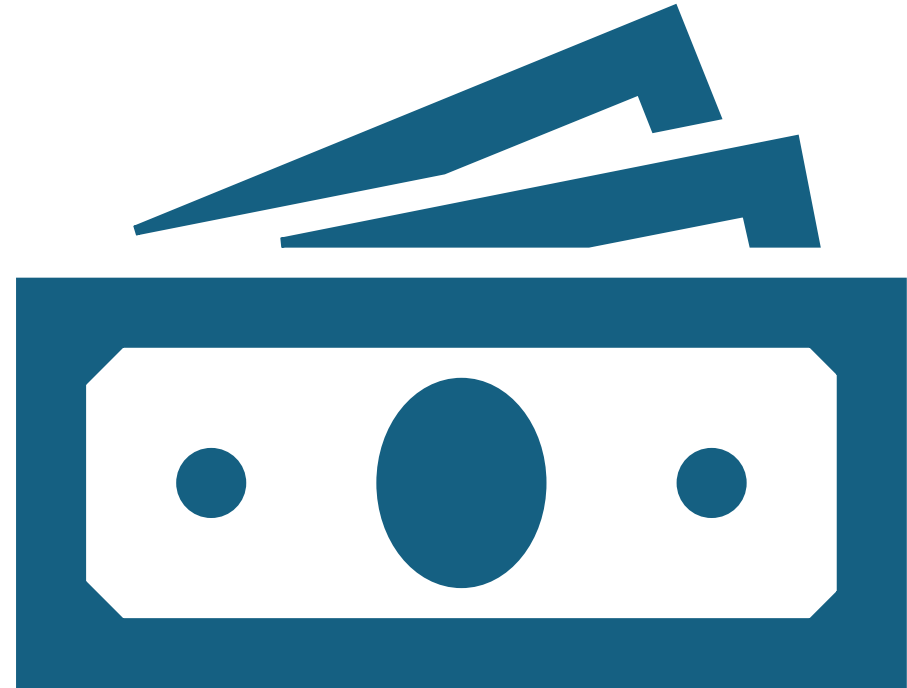


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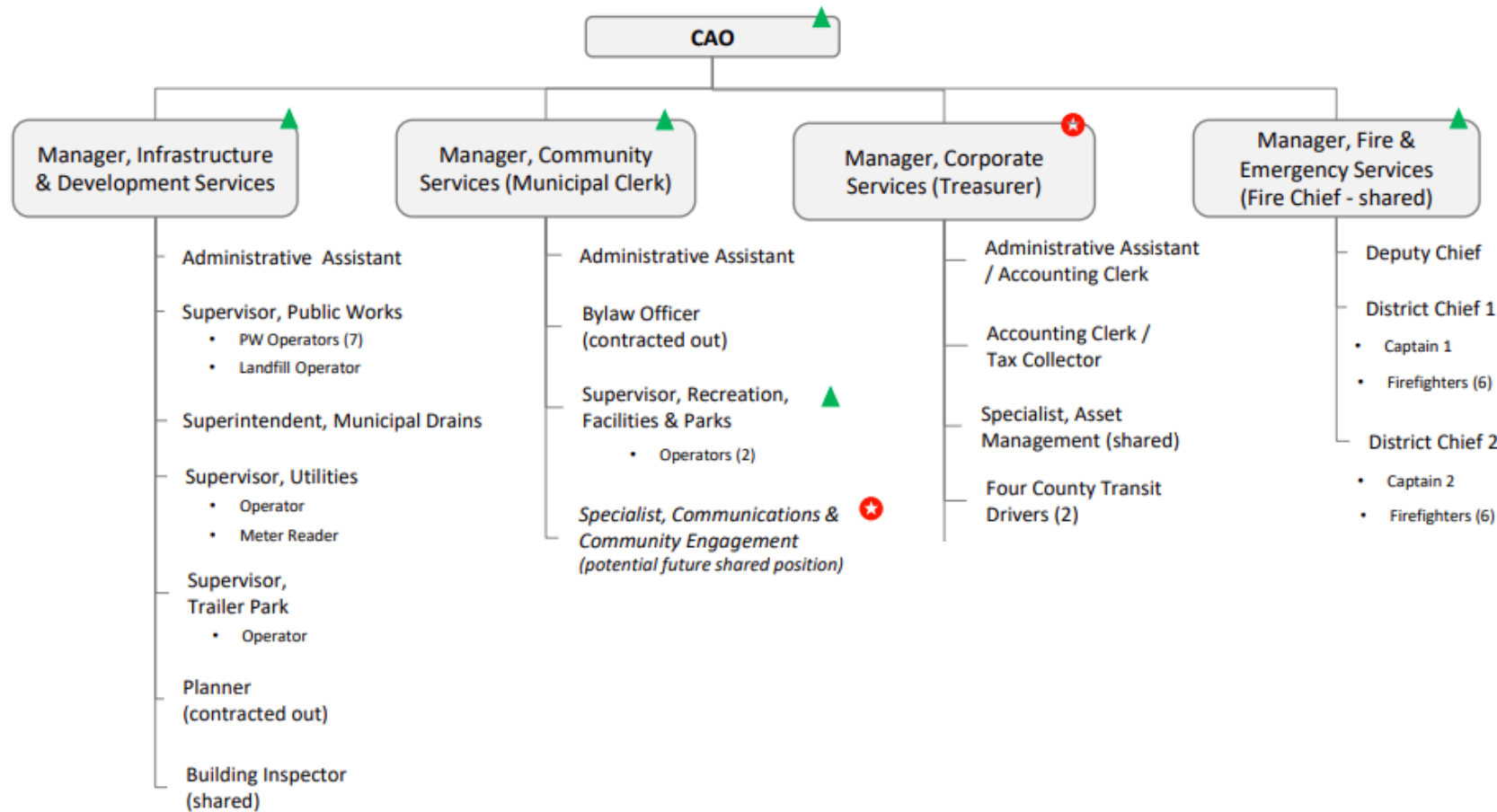
2025 Administration Budget

Implementation of the Organization Review Structural Recommendations

- Separate CAO and Treasurer Role
 - Council approve wage band adjustment to Treasure Role
 - Council approve wage rate for CAO
- Manager Community Service / Clerk
 - Pay Equity Adjustment to account for role responsibilities
- Reinstate Admin Assistant – Records Management
- Consideration of Communications/Community Engagement



2.3 Future State Organizational Chart



- ★ Proposed new position
- ▲ Proposed revision to position

Additional Budget Impacts

Annual Step increases

- West Elgin has 6-year step process to reach job rate

Annual wage adjustments

- 2% adjustments as approved by Council, to maintain competitive rates



Questions

