

STAFF REPORT

REPORT FROM THE MANAGER OF HUMAN RESOURCES

Re: Management Job Evaluation & Pay Equity Exercise

OBJECTIVE

To provide Council with information regarding the current status of the management wage grid, and for Council to provide direction to Staff on selecting a third party to administer a job evaluation and pay equity exercise.

RECOMMENDATION

THAT the report of the Manager of Human Resources be received;

AND THAT Council direct Staff to engage with Gallagher Benefit Services (Canada) Group Inc to complete the management job evaluation and pay equity exercise.

BACKGROUND

In order to ensure compliance under the Pay Equity Act, the City of Elliot Lake is preparing to complete a job evaluation and pay equity exercise for all management employees. Under the Pay Equity Act, employers must update their pay equity plan every 5 years.

This exercise will include reviewing all management job descriptions, and ensure that we have a properly designed wage scale. The management wage scale expired in 2022; and was approved by council for one year extension; expiring December 2023. It is important to complete this work prior to budget preparations for 2024.

ANALYSIS

Pay Equity is defined as “equal pay for equal work”. In 1987, the Ontario government passed the Pay Equity Act, which describes the minimum requirement for ensuring that employer’s compensation practices provide pay equity for all employees in female job classes. The act requires employers to identify and correct the gender discrimination that may be present in their pay practices and to adjust wages of female job classes to ensure they are equal to wages of employees in male job classes. Pay equity is both a fundamental human right, and a regulatory labour standards and blends aspects of compensation practices, employment law, labour relations and human rights.

If an employer is found to not be complaint with the Act they may be fined up to \$5,000 in the case of an individual, or \$50,000 in any other cases in addition to receiving an order to comply with the Act.

FINANCIAL IMPACT

The cost of this analysis will be expensed under contracted services. The City of Elliot Lake has obtained three quotes from experts in Pay Equity to assist us in completing this work.

- a. Olivia Batt Consulting - \$26,400 + HST
- b. Steven Potter Associates - \$17,250 + HST and cost of accommodation
- c. Gallagher Benefit Services (Canada) Group Inc. - \$6,500-\$7,500 + 7% administrative and technical fees + HST

We recommend engaging with Gallagher Benefit Services to complete this work. We are confident that Gallagher can provide us with a market competitive grid aligned closely to our current grid, and ensuring pay equity. Gallagher has also committed to training staff to maintain job evaluations moving forward, or alternatively they can support the City with job evaluations for new or changing jobs. We currently use Gallagher for adhoc HR consulting advice.

Once the pay equity exercise is complete, there may be further budgetary affects should we find that any job is not pay equity complaint and requires an increase. We will not know this impact until such time that we complete this work.

LINKS TO STRATEGIC PLAN

Strong municipal corporate administration and governance.

SUMMARY

It is recommended that Council direct staff to engage with Gallagher Benefit Services (Canada) Group Inc. for the purpose of completing the Management Job Evaluation and Pay Equity Exercise.