



POLICY

Employee Compensation and Review	
Policy Number 130-011	Supersedes Policy Number 6-10
Effective Date 2008-10-20	Approved by Council (Meeting Date) 2008-10-20

1.0 Purpose

It is the policy of the Town of Wolfville to ensure that employees are provided with information on salaries, wages and benefits offered by the Town of Wolfville and that they are adequately remunerated for the work they undertake for the Town of Wolfville.

2.0 Scope

This Policy is applicable to all employees of the Town of Wolfville.

3.0 References

- 3.1 Employee Compensation and Review SOP 130-808.

4.0 Definitions

- 4.1 **Consumer Price Index (CPI):** A measure of the rate of price change for goods and services bought by Canadian consumers. It is the most widely used indicator of price changes in Canada.
- 4.2 **Promotion:** The movement of an employee to a position in a class or level with a higher maximum salary or wage and an increased level of duties/ responsibilities.
- 4.3 **Demotion:** The movement of an employee to a position in a class or level with a lower maximum salary or wage and a decreased level of duties/ responsibilities.
- 4.4 **Transfer:** The movement of an employee from one position to another position of equal value within the pay-range system.
- 4.5 **Re-evaluation:** The examination of a position's duties and responsibilities to determine whether a position should be reclassified to another level and salary range.



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- 4.6 **Reclassification:** A reclassification is based upon a change in the duties and responsibilities assigned to a position either on an identifiable date or gradually over a period of time. The change in duties may result in the position being moved to a pay range with either a higher or lower maximum salary or wage. The position may remain in the same pay range or level if the change in duties or responsibilities is not significant enough to warrant movement.
- 4.7 **Pay Range:** A range of pay for a level of duties with a minimum and a maximum and one or more rates of pay in between. The level of pay will be established in accordance with performance and, in some cases, seniority.
- 4.8 **Step:** A salary rate within a pay range established for a position. Wages will be specified in the collective agreement for union employees.
- 4.9 **Increment:** The difference between one salary rate and the next higher salary rate within a pay range established for a position.
- 4.10 **Base Rate:** The rate or range established for a position, not including any premiums for non-standard hours, shifts or service pay.
- 4.11 **Area of Comparability:** Reflects the necessity of hiring and retaining staff in particular professions and skill groups. For most jobs in the Town of Wolfville, the areas of comparability will be other municipal units of similar size and complexity in the province or region. For senior employees, or for employees whose job is relatively rare, the area of comparability might cover a larger area or include other organizations in the MUSH (Municipalities, Universities, Schools, and Hospitals) sector.
- 4.12 **Total Compensation:** For purposes of this policy, the Town of Wolfville recognizes that total compensation is comprised of:
- direct remuneration: primarily salaries and overtime compensation
 - indirect remuneration: vacation benefits, group insurance, pension contributions, and sick leave (if not included in primary salary)
- 4.13 **Levels of Compensation:** The objective will be to provide equivalent levels of compensation to employees based upon levels of duties and responsibilities performed. The Town of Wolfville will not attempt to follow precisely the details and changes in detail of compensation packages of other Town of Wolfville employers in the region. The Town of Wolfville will maintain total direct and indirect remuneration, or total compensation, at levels relative to the designated comparable employers.



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4.14 Relativities:

- **external relativities:** the relation of the levels of total compensation paid by this Town of Wolfville relative to comparable employers, i.e. other municipal units and/or organizations will be reviewed independently every four (4) years
- **internal relativities:** the relation of all employees within the organization. For the purposes of this policy, the objective will be to provide an internal system of total compensation that remunerates employees fairly with reference to their job duties and responsibilities. This will be reviewed every two (2) years..

5.0 Policy

5.1 Specific Objectives

The objectives of this Policy are to:

- a) impart a better understanding of the principles of salary administration;
- b) maintain and monitor, through periodic reviews and surveys, salary levels and benefits to ensure consistency with those of the local area and those of other municipal units in the province or region;
- c) provide a means to regularly review each individual's progress in a position, recognizing achievements and suggesting areas for possible improvement;
- d) determine a uniform structure of relationships which will adequately compensate each employee for work performed and provide opportunities for advancement and promotion;
- e) encourage consistency and equity with respect to salaries and benefits and further to ensure that job/position hierarchy is properly developed and reflective of the organizational structure;
- f) develop and implement a system of total compensation so that all members of the Town of Wolfville staff will be remunerated fairly with reference to their specific duties, responsibilities and job requirements, as well as their level of total compensation relative to other employees of the Town of Wolfville; and
- g) provide incentives, through the proper administration of salaries and other means of compensation, for each individual to put forth his/her best effort on the job.



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5.2 Responsibilities

5.2.1 The Council will:

- a) review, amend, and adopt changes to the Employee Compensation Policy;
- b) authorize any changes in the overall compensation and benefits provided to the Chief Administrative Officer; and
- c) approve or amend employee compensation plans as provided by the Chief Administrative Officer.

5.3 Salary Administration for Employees not Covered by Collective Agreements

Each employee will automatically receive an increase representative of the current CPI rate subject to budgetary consideration and approval by the Chief Administrative Officer.

Once salary scales have been established, they will be increased annually by the increase in the cost of living (increase of the Consumer Price Index) in order to recognize the decrease in the purchasing power of money and in order to maintain the standard of salary scales established by policy. The CPI factor used for this calculation will be the average CPI for Nova Scotia as reported by Statistics Canada for the twelve month period – March of the prior year to February of the current year. This factor will be used as a guide. Council will attempt to match non-union increases to union agreements. CPI increases will be effective as of the first of each fiscal year – April 1st.

CAO

2015-12-15

Date