

University of
Waterloo



Staff Salary Recommendations

Provost's Advisory Committee on Staff Compensation (PACSC)

April 2008

The Committee

PACSC is a University-level committee with the responsibility to recommend staff salary increases.

Membership:

Associate Provost, Human Resources & Student Services (Chair)

Associate Provost, Academic & Student Affairs

Vice-President, Administration & Finance

Director (HR), Staff & Labour Relations

Four members of the Staff Association

Resource:

Manager (HR), Salary Administration



The Challenge

- ▶ To reach a recommendation that is in line with other local and provincial trends in compensation and equitable with the FAUW agreement.
- ▶ The FAUW agreement provides for a scale adjustment of 3% and a market adjustment of \$400 to each faculty member in 2008 and \$425 in 2009 (total cost is approx .35% of the faculty operating budget in each year).
- ▶ Staff settlement is an adjustment of 3% to job values and additional salary range adjustments to reflect an overall average .35% additional increase.
- ▶ Ensure the additional increase reflects either a market adjustment or a merit-based increase.
- ▶ Avoid adversely affecting future salary increases by pushing staff beyond their performance targets and necessitating a claw back in future staff salary increase programs.



Relevant Data

- ▶ The Consumer Price Index (CPI) for 2007 - January over January - was 2.4 %.
- ▶ UW compares job values to the top of the salary grids in other organizations, and are shown to be competitive.
- ▶ The average annual overall increases for local employers was 3% and the range adjustments for comparator universities also averaged 3%.
- ▶ At UW, the range adjustment of 3% plus the merit program results in an overall cost of approximately 4.2%.



What Does .35% Represent ?

- ▶ For faculty, .35% of the faculty operating budget represents \$400 per faculty member (operating budget divided by 900 faculty).
- ▶ Comparable .35% of the staff operating budget represents approximately \$200 per staff member (operating budget divided by 1800 staff)



The Recommendation

Effective April 30, 2008:

Increase the salary ranges by 2% with no consequent adjustment to salaries. This will have the effect of lowering the compa-ratio (an individual's position in the range relative to job value/mid-point) of all staff by approximately 2%.

Effective May 1, 2008:

Increase the salary ranges by a further 3% and run the merit program based on the 3% increase to job value/mid-point.

The overall effect will be to deliver an additional .35% on average to staff salaries.

Effective May 1, 2008, increase the hourly rate for Housekeepers and Janitors by 3%.



The Recommendation

Effective April 30, 2009:

Increase the salary ranges by 1.5% or more with no consequent adjustment to salaries. This figure may need to be increased in order to deliver a similar increase relative to that provided in 2008. The precise amount will not be known until the 2008 salary program is completed.

Effective May 1, 2009:

Increase the salary ranges by a further 3% and run the merit program based on the 3% increase to job value/mid-point.

The overall effect will be to deliver an additional .35% on average to staff salaries.



How Does This Work?

- ▶ Moving the ranges on April 30, 2008 and on April 30, 2009 drops every staff member's position in the range.
- ▶ This lowered compa-ratio (*position in the range relative to job value/mid-point*) provides a higher merit increase to each staff member through the salary increase algorithm.
- ▶ In addition to the normal increases generated by a 3% range adjustment, an additional .35% on average will be delivered to staff salaries.
- ▶ Some will receive more than \$200 some will receive less but the overall cost will be about .35% extra.



What is my Compa-ratio ?

- ▶ A staff member's salary expressed as a percentage of the job value for their USG grade level.
- ▶ Job Values are set based on survey data from other comparable organizations locally and within the university sector.
- ▶ Each USG grade level has a range expressed as follows:

80% = Minimum

100% = Job Value

120% = Maximum

Example: A staff member whose salary is 110% of the job value is earning 10% above the job value.



The Additional Recommendations

- ▶ 3% increase to the Staff Training and Development Fund on May 1, 2008 and May 1, 2009.
- ▶ Increased vacation to 4 weeks after four years with interim “extra” days removed until after nine years of service.
- ▶ Effective May 1, 2008, extend the 2% vacation trade-in for pension purposes to April 30, 2014 for retirements on or before May 1, 2017.
- ▶ Effective May 1, 2009, extend the 2% vacation trade-in for pension purposes to April 30, 2015 for retirements on or before May 1, 2018.
- ▶ Review the salary structure for Housekeepers and Janitors with a view to incorporating those positions into the USG scale in 2008.



Some Additional Benefits

- ▶ Overall effect of the two years' range adjustments on April 30th will be to increase the salary ranges by at least 3.5% in addition to the 6%.
- ▶ The additional money distributed to staff will be retained in base pay and will not be subject to a claw back over time, as would be the case with a lump sum.
- ▶ Enhanced salary ranges will benefit the University in attraction and retention of staff.
- ▶ Four weeks vacation after four years is an additional attraction and retention tool.
- ▶ Most staff at performance goals will receive more than the range adjustment for the two-year period.

Examples

Person A	Compa Ratio	Rating	Total % Increase
3% Adjustment May 1	102.2	4.00	3.80
2% April 30 plus 3% range May 1	100.2	4.00	4.11

- ▶ difference .31% more



Examples continued

Person B	Compa Ratio	Rating	Total % Increase
3% Adjustment May 1	95.0	3.75	4.80
2% April 30 plus 3% range May 1	93.1	3.75	5.33

- ▶ difference .53% more



Examples continued

Person C	Compa Ratio	Rating	Total % Increase
3% Adjustment May 1	110.5	4.50	3.44
2% April 30 plus 3% range May 1	108.4	4.50	3.71

- ▶ difference .27% more



Examples continued

Person D	Compa Ratio	Rating	Total % Increase
3% Adjustment May 1	100.0	3.0	3.00
2% April 30 plus 3% range May 1	98.0	3.0	3.41

- ▶ difference .41% more



Vacation Recommendation

3 weeks after 1 year of service

3 weeks after 2 years of service

3 weeks after 3 years of service

4 weeks after 4 years of service

4 weeks after 5 years of service

4 weeks after 6 years of service

4 weeks after 7 years of service

4 weeks after 8 years of service

4 weeks after 9 years of service

4 weeks + 1 day after 10 years of service

4 weeks + 1 day after 11 years of service

4 weeks + 2 days after 12 years of service

4 weeks + 2 days after 13 years of service

4 weeks + 3 days after 14 years of service

4 weeks + 3 days after 15 years of service

4 weeks + 4 days after 16 years of service

4 weeks + 4 days after 17 years of service

5 weeks after 18 years of service

5 weeks + 1 day after 19 years of service

5 weeks + 1 day after 20 years of service

5 weeks + 1 day after 21 years of service

5 weeks + 2 days after 22 years of service

5 weeks + 2 days after 23 years of service

5 weeks + 2 days after 24 years of service

5 weeks + 3 days after 25 years of service

5 weeks + 3 days after 26 years of service

5 weeks + 4 days after 27 years of service

5 weeks + 4 days after 28 years of service

5 weeks + 4 days after 29 years of service

6 weeks after 30 years of service



The Provost's Advisory Committee on Staff Compensation

Catharine Scott	Associate Provost, Human Resources & Student Services (Chair)
Nelson Carrillos	Staff Association
Sue Fraser	Staff Association
Cathy Jardine	Staff Association
Jesse Rodgers	President, Staff Association
Dennis Huber	Vice-President, Administration & Finance
Bruce Mitchell	Associate Provost, Academic & Student Affairs
Neil Murray	Director, Staff & Labour Relations, Human Resources
Alfrieda Swainston	Manager, Salary Administration, Human Resources (Resource)
Erin Windibank	Associate University Secretary, Secretariat (Secretary)



What Questions Do You Have ?



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- ▶ <http://www.adm.uwaterloo.ca/infosec/2008-10details.ppt>

