



secteurpublic

Salary relativity

**Guide to the
modifications to be
made to the public
sector salary structure
on April 2, 2019**

CSN's public sector

SALARY RELATIVITIES

INTRODUCTION

This guide is designed to inform public sector workers about the modifications that will be made to the overall public sector salary structure as of April 2, 2019, based upon the 2015-2020 collective agreements.

In 2015, the parties agreed to correct numerous incoherent elements, indeed certain injustices, that characterize this salary structure, which dates back to the 1960s. Currently, the structure incorporates 28 rankings and about 165 different salary scales. In the same ranking, there can be more than ten different scales with varying salaries, while logic would normally dictate that all the employees within the same ranking, having an approximately equivalent value, should be receiving the same remuneration.

In 2019, the average salary increases are 2.4% as a result of the following three stages being put into practice:

1. The establishment of new salary scales based upon the principle of “one ranking, one scale”;
2. A 2.5% increase applied to all these new salary scales;
3. The integration of employees into their new salary scale.

Accordingly, each and every employee constitutes a unique case. Hence a simulation tool was created to indicate what the exact situation is for each one of them. This tool can be viewed and used at the following Web site address:

<https://secteurpublic.quebec/relativite>

But before doing this, it would be worthwhile recalling certain principles that will make it easier for people to understand this exercise, which, when all is said and done, is quite a complex exercise.

The term “salary relativity” can be applied to numerous realities: internal and external relativity, relativity between the public and the private sectors, between the provincial and federal public sectors, etc. Within the context of the 2015-2020 negotiations, the term “salary relativity” has been applied to two very different concepts:

The salary relativity of the mixed job categories

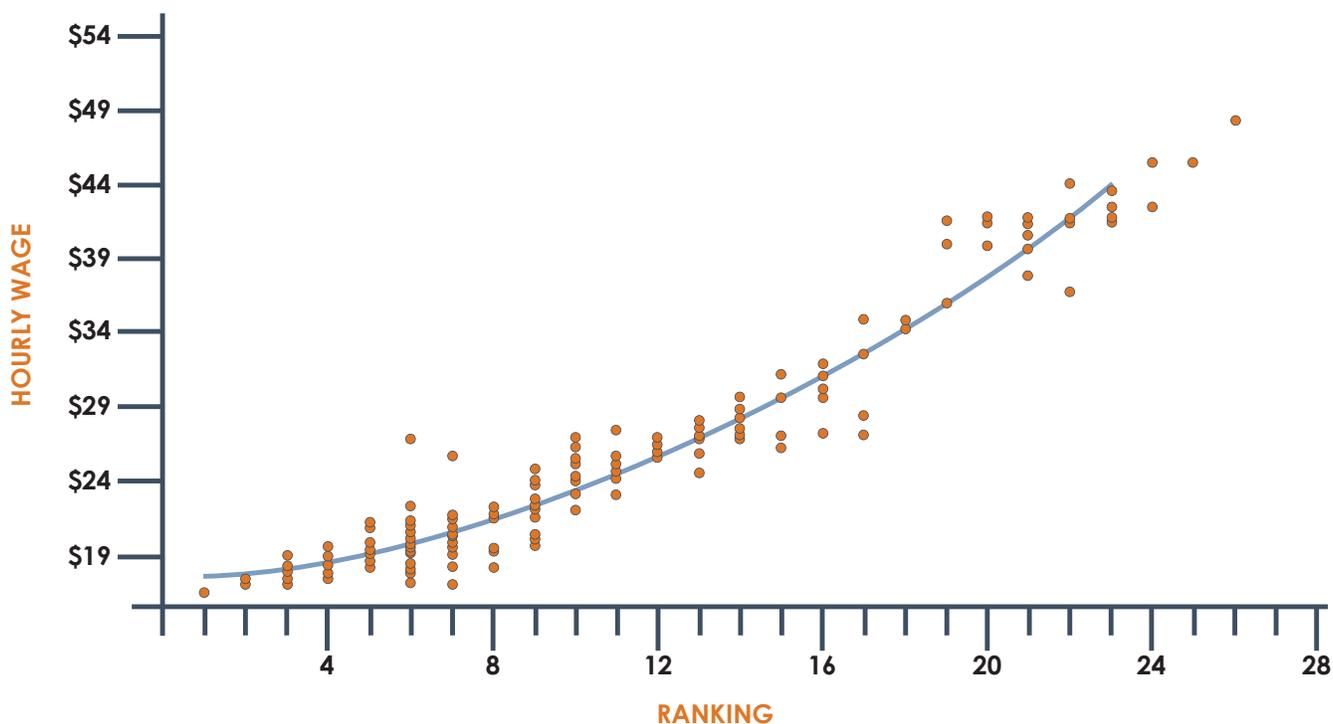
Following the pay equity exercise, only the job categories that were not predominantly male or predominantly female (the so-called “mixed” categories) were not evaluated with regard to the objective criteria that were applied to pay equity. The foregoing category counts some 30,000 employees in the public sector. The latter includes CEGEP teachers, workshop technicians, orthotics-prosthetics technicians and class 2 cooks, amongst others. The Common Front had asked for this exercise to be done and for salary adjustments to be made. For the job classifications where salary adjustments had been made, the foregoing will be integrated into the salary scales as of April 2, 2019, as you can see in the appendix to this document.

“Global” salary relativity (or the salary structure in its entirety)

In the 2015-2020 collective agreements, the parties agreed to establish a more equitable salary structure between the different public sector job classifications, regardless of whether they are predominantly-male, predominantly-female or mixed. This exercise was not one of undertaking new job evaluations and giving them, where applicable, new rankings, but rather that of integrating different scales that were in a same ranking into a new common salary scale which would apply to all the job classifications in this ranking. This salary relativity exercise is the subject of the present memory aid.

THE PUBLIC SECTOR

The public sector salary structure counts 28 rankings. The more a job is complex, the more the number of years of schooling that are necessary will be higher, amongst other factors, and the higher the job classification will be ranked. The higher the ranking, the higher the salary will be, and generally speaking, the greater the number of levels in the salary scale.



The salary structure curve

The salary structure curve is determined by calculating the average of the tops of the salary scales of the predominantly-male job categories.

PAY EQUITY

This public sector salary structure was modified significantly in 2006, with the pay equity settlement, which thereby provided a way to "redress differences in compensation due to the systemic gender discrimination suffered by persons who occupy positions in predominantly-female job classes." (Article 1 of the Pay Equity Act).

Pay Equity (continued)

In order to correct these disparities, the predominantly-male job categories and the predominantly-female job categories were evaluated based upon four key factors that were defined by the Pay Equity Act, which were broken down into 17 sub-factors:

1. The qualifications required;
2. The responsibilities that were assumed;
3. The effort required;
4. The conditions under which the work was performed.

For each factor and sub-factor, a corresponding value was given. The salary adjustments for predominantly-female job categories were therefore made based upon the overall value of any given category and the disparity that had existed vis-à-vis the predominantly-male job category curve. This exercise helped improve the salary conditions of numerous public sector workers.

Despite everything, some incoherent elements subsisted. Hence, in any given ranking, one can find several different salary scales today:

- The salary paid in the first level varies;
- The tops of the scales are different;
- The number of levels per scale may also vary.

Once again, logic would normally dictate that the job classifications within the same ranking would be receiving the same remuneration, which is not always the case today.

INCREASES TO THE RATES AND TO THE SCALES APPLICABLE ON APRIL 2, 2019

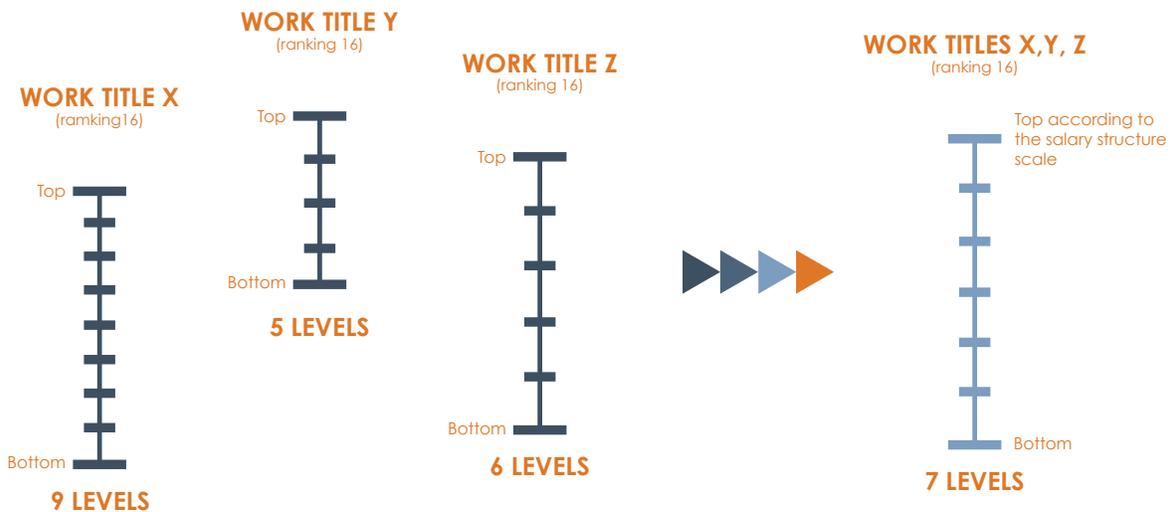
In order to understand the salary increases that will be granted on April 2, 2019 in greater detail, it's important to make the distinction between three distinct stages:

1. The creation of a single scale for each ranking;
2. A 2.5% increase applied to the salary structure curve;
3. The integration of employees into their new salary scale.

*First stage:
one ranking, one scale*

Before April 2, 2019, various jobs in the same ranking could have different salary scales. As of April 2, 2019, all jobs in a single ranking have the same salary range. The top of this scale is based on the wage indicated by the salary structure curve (see page 4).¹

RANKING 16 (totally fictive example)



**STRUCTURE
BEFORE APRIL 2, 2019**
Three different work titles
may have three different scales
within a same ranking

**STRUCTURE
ON APRIL 2, 2019**
On the basis
"one ranking, one scale"

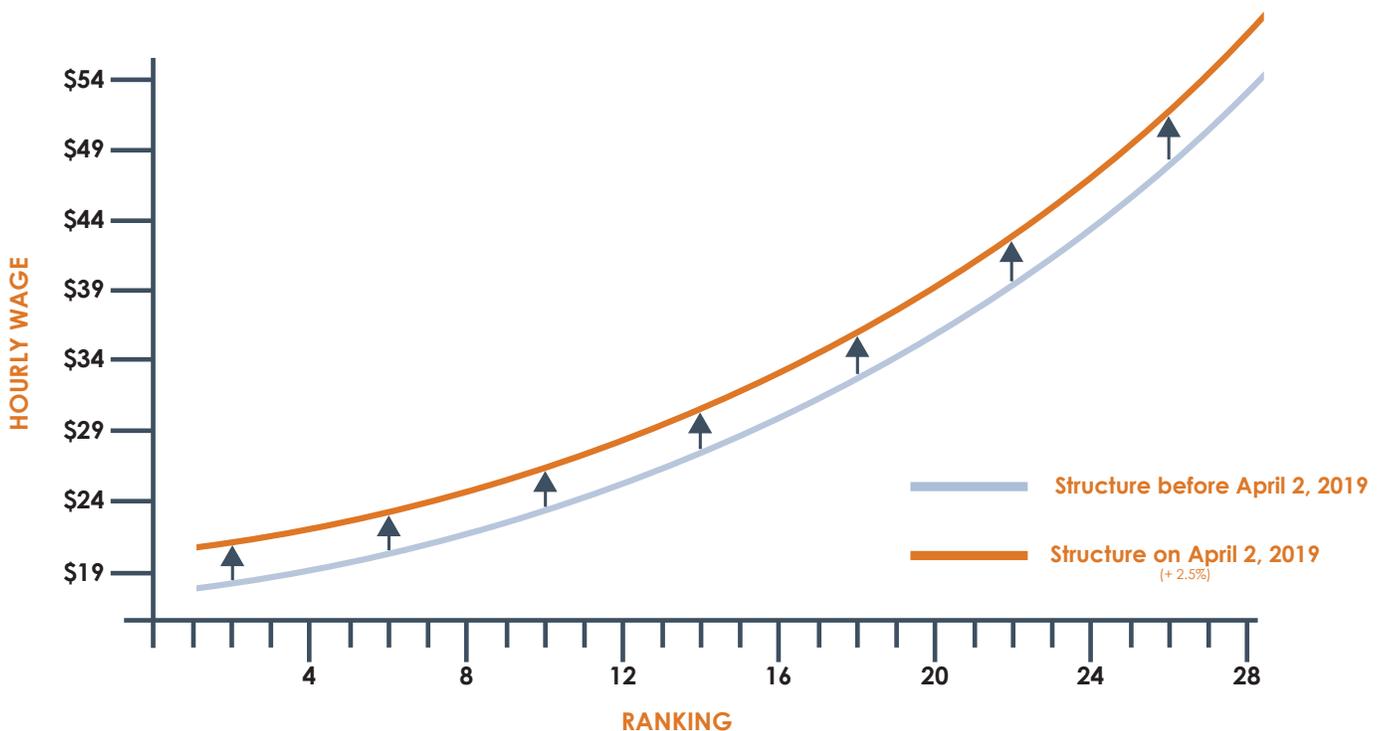
1. There do exist however certain exceptions to the "one ranking, one scale" rule in order to take certain particular situations into account.

SALARY RELATIVITIES

Increases to the Rates and to the Scales Applicable on April 2, 2019 (continued)

*Second stage:
raising the salary structure
by 2.5%*

After negotiating the new structure based upon the principle of “one ranking, one scale”, it was necessary to make significant gains for all public sector workers. That is why the tops of the new salary scales in each ranking will all be increased by 2.5%, thereby generating a general increase in the lower levels as well. The top of the scales of 78% of the job classifications will be given an increase of over 2.5%. Overall, 90% of the job classifications will be granted an increase of over 2%.



*Third stage:
integration into the new
salary scale*

The integration into the new scale will be done on April 2, 2019, based upon the principle of an “equal salary or the salary immediately above it”. Examples are available in the appendix for a better understanding of the integration process. Regardless of the numbers involved: **the integration is done into the level where the salary will be an “equal or immediately higher salary.”** Under no circumstances, a lower level gives rise to a reduction in salary.

Increases to the Rates and to the Scales Applicable on April 2, 2019 (continued)

Protecting the “off rate, off scale” employees

A person is “off rate, off scale” when the salary that she receives exceeds the maximum rate of pay expected at its scale.

Under the 2015-2020 collective agreements, “off rate, off scale” employees as of April 2, 2019 do not incur any salary losses. The applicable “off rate, off scale” rule that prevails in several collective agreements is maintained: **these people receive one-half of the salary increases in their salary parameters and the other half as lump sum payments.** Accordingly, the salary structure will catch up to them over the years, **without them incurring any financial loss.**

As of April 2, 2019, “of rate, off scale” employees represent only 4 % of all public sector employees.

For more details, refer back to example 4 in the appendix.

The unique case of “flat rate” employees

Certain job classifications in the public sector do not have a salary scale: they are paid at a flat rate. The majority of them are predominantly-male job classifications. The parties agreed to maintain this situation, since the establishment of a scale for these job classifications would have given rise to the creation of lower levels.

In order to preserve the equity between a job classification paid at a flat rate and job classifications having the same ranking that have a salary scale (accordingly, with levels that are lower than this flat rate), it has been agreed to maintain the following calculation method for determining the remuneration rate, based upon an average career length spanning 33 years. Example of a ranking where the salary scale has five levels:

$$\frac{\text{Flat rate 1} + \text{Flat rate 2} + \text{Flat rate 3} + \text{Flat rate 4} + (29 \times \text{Flat rate 5})}{33} = \text{FLAT RATE}$$

For more details, refer back to example 5 in the appendix.

IN THE APPENDIX

- Three examples of integration in the new salary scales. **See examples 1 to 3.**
- An example of how it works when you are an “off rate, off scale” employee and how you will not experience any reduction in your salary. **See example 4.**
- An example of the calculation method for the new flat rates. **See example 5.**
- The complete new salary scale on April 2, 2019, including the 28 rankings, the corresponding levels and the new flat rates.
- A simulation tool is also available online:

<https://secteurpublic.quebec/relative>

EXAMPLES OF INTEGRATION INTO THE NEW SALARY SCALES

The rule governing integration into the levels is as follows: the employee is integrated into the level where their salary will be equal to or immediately above the basic salary that was in effect for the employee on the day preceding their integration.

In the left-hand column, we see the salary scale with the basic hourly wage rates for fictitious job 1, as of April 1, 2019.

In the right-hand column, we see the salary scale with the basic hourly rates for fictitious job 1, as of April 2, 2019.

In accordance with the integration rule, here is how the different levels in the left-hand column would be integrated into the right-hand column.

Example 1 Same number of levels

SCALE ON APRIL 1, 2019		SCALE ON APRIL 2, 2019	
Level	Hourly rate	Level	Hourly rate
4	\$20.33	4	\$20.84
3	\$19.86	3	\$20.55
2	\$19.43	2	\$20.25
1	\$18.96	1	\$19.98

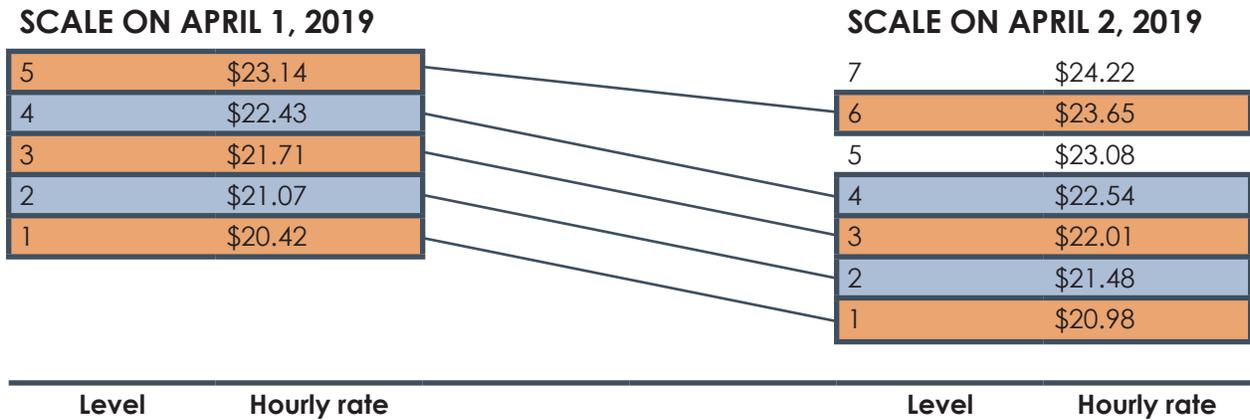
Increase
at the top of the scale: **2.51%**¹

¹ This percentage increase only applies to the last level of the new salary scale. The percentage increase for the lower levels may differ. **There will never be a reduction in someone's salary.**

Examples of Integration Into the New Salary Scales (continued)

Example 2

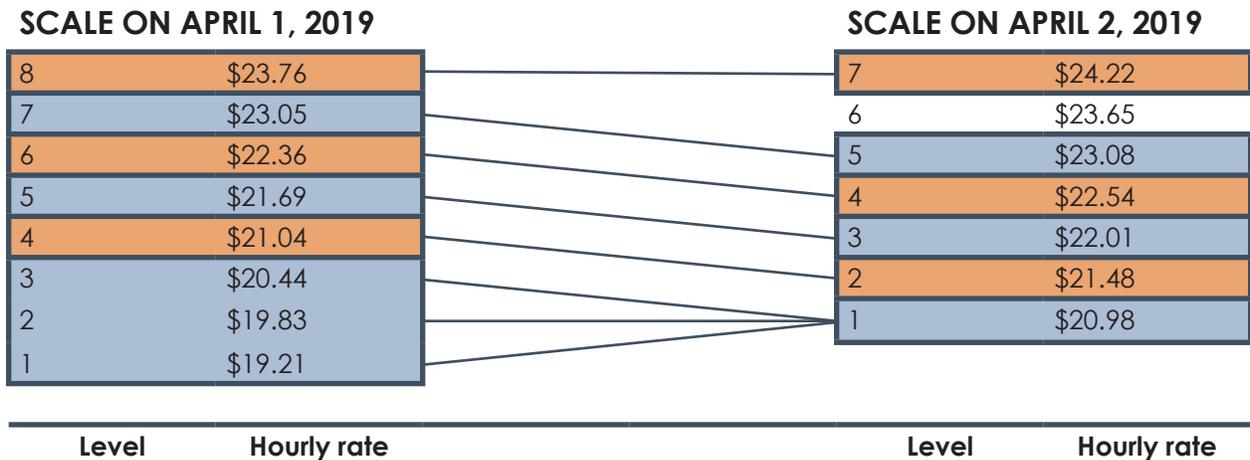
New scale including more levels



Increase at the top of the scale: **4.67%**

Example 3

New scale including fewer levels



Increase at the top of the scale: **2.47%**

Examples of Integration Into the New Salary Scales (continued)

Example 4 Off rate, off scale

For certain job classifications (that account for some 4% of all the employees in the public sector), the top of the new salary scale will be lower than the top or last levels in the scale in force on April 1, 2019. The employees who would be in such a situation would then be considered as being “off rate, off scale.” These people will not experience any reduction in their salary, when they are integrated into the new salary scale: they will keep the salary that they were earning since April 1, 2019.

Thereafter, the “off rate, off scale” mechanism that has existed in our collective agreements for many years now will apply: these employees will then receive one-half of the future increases that apply to the salary parameters and the other half as a lump sum payment, and this, until the top of the new salary scale catches up to them.

In this fictitious example with 12 levels, the hourly rate at level 12 is higher on April 1, 2018 than the highest hourly rate in the salary scale on April 2, 2019 (also level 12):

SCALE ON APRIL 1, 2019

12	\$31.10
11	\$30.00
10	\$29.25
...	...
...	...

Level Hourly rate

SCALE ON APRIL 2, 2019

12	\$30.46
11	\$29.77
10	\$29.09
...	...
...	...

Level Hourly rate

For illustrative purposes, let's apply a hypothetical salary increase of 2% per year as of April 1, 2020. In such a situation, these people would remain off rate, off scale until April 1, 2022. As of this date, they would no longer be considered off rate, off scale.

	Off rate, off scale employee			Advancement to level 12	
	Hourly rate on april 2, 2019: \$31.10			Hourly rate on april 2, 2019: \$30.46	
	Paramètre (1%)	Forfaitaire (1%)	Nouveau taux horaire	Paramètre (2%)	Nouveau taux horaire
April 1, 2020 (2%)	\$0.31	\$0.31	\$31.41	\$0.61	\$31.07
April 1, 2021 (2%)	\$0.31	\$0.31	\$31.72	\$0.62	\$31.69
April 1, 2022 (2%)	\$0.60 ¹	\$0.03 ¹	\$32.32 ¹	\$0.63	\$32.32
April 1, 2023 (2%)	In the present case, the employee was integrated into their scale in 2022. The following increases would apply in a normal fashion.			\$0.65	\$32.97

1. In this situation, the off rate, off scale employee's scale would have attained that of the global scale on April 1, 2022.

Examples of Integration Into the New Salary Scales (continued)

Example 5

Flat rate

(fictitious example in ranking 9)

The calculation method for determining the salary rate for employees earning a flat rate seeks to preserve the equity between the latter and people who occupy job classifications in the same ranking who have a salary scale (accordingly, with a certain number of levels that are below this flat rate). The calculation is based upon an average career that would last 33 years. Here is an example for a flat rate at ranking 9:

Rates of the levels in ranking 9

$$\frac{\$20.98 + \$21.48 + \$22.0 + \$22.54 + \$23.08 + \$23.65 + (27 \times \$24.22)}{33} = \$23.87 \text{ (New flat rate)}$$

SCALE ON APRIL 1, 2019

1 \$23.28

SCALE ON APRIL 2, 2019

1 \$23.87

Level	Hourly rate	Level	Hourly rate
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Increase in the rate: **2.53%**

SALARY STRUCTURE ON APRIL 2, 2019

LEVEL	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
18																			39.00	40.98	43.06	45.22	47.48	49.82	52.26	54.78	57.40	60.12
17																			38.05	39.89	41.83	43.85	45.95	48.15	50.41	52.77	55.22	57.70
16																			37.11	38.84	40.64	42.51	44.45	46.56	48.65	50.84	53.11	55.39
15																			36.18	37.80	39.48	41.22	43.02	45.01	46.92	48.97	51.09	53.18
14																			35.30	36.80	38.35	39.96	41.63	43.50	45.27	47.18	49.14	51.06
13																			34.43	35.82	37.26	38.75	40.27	42.04	43.69	45.44	47.26	49.02
12																			33.42	34.69	36.02	37.40	38.79	40.46	41.93	43.57	45.24	46.82
11																			32.43	33.61	34.83	36.07	37.34	38.91	40.26	41.77	43.31	44.74
10																			31.49	32.55	33.67	34.81	35.97	37.45	38.66	40.06	41.46	42.73
9																			30.55	31.54	32.55	33.59	34.63	36.02	37.13	38.39	39.69	40.84
8																			29.66	30.55	31.48	32.41	33.35	34.65	35.65	36.81	38.01	39.01
7																			28.78	29.60	30.43	31.27	32.12	33.34	34.21	35.29	36.39	37.27
6																			27.94	28.67	29.42	30.19	30.93	32.07	32.86	33.84	34.82	35.61
5																			27.13	27.78	28.45	29.12	29.79	30.86	31.55	32.43	33.33	34.02
4																			26.32	26.90	27.50	28.10	28.69	29.68	30.29	31.09	31.92	32.50
3																			25.56	26.07	26.60	27.12	27.62	28.57	29.08	29.81	30.53	31.06
2																			24.79	25.25	25.71	26.16	26.61	27.48	27.92	28.59	29.25	29.68
1	19.01	19.37	19.51	19.73	19.98	20.20	20.55	20.76	20.98	21.28	21.62	21.90	22.23	22.59	22.74	23.12	23.53	23.70	24.08	24.46	24.87	25.25	25.63	26.43	26.80	27.40	28.00	28.55

FLAT RATE 19.01 19.37 19.69 20.19 20.79 21.44 22.20 23.00 23.87 24.76 25.77 26.83 27.92 29.05 30.30