



## The Corporation of the Town of Tecumseh

Chief Administrative Officer - People & Culture

**To:** Mayor and Members of Council

**From:** Michelle Bonnici, Director People & Culture

**Date to Council:** February 22, 2022

**Report Number:** CAO-PC-2022-02

**Subject:** Non Union & Council Economic Adjustment 2022

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### Recommendations

It is recommended:

**That** CAO-PC-2022-02 entitled “Non-Union & Council Economic Adjustment for 2022,” **be received;**

**And that** an annual economic adjustment for 2022 of 2.0% **be approved**, effective January 1, 2022, for the Management and Non-union Administrative Staff Wage Grid, in accordance with Compensation and Salary Administration Policy No. 67 review;

**And further that** an annual economic adjustment for 2022 **be approved** as follows, in accordance with By-Law No. 2006-84, as amended by By-law No. 2019-62, being a by-law to provide for the remuneration of Members of Council:

Mayor	2.0%
Deputy Mayor	0.5%
Councillors	1.0%

## Background

The Compensation and Salary Administration Policy No. 67 (Policy) provides the framework for the annual compensation to be paid to the Management and Non-union Administrative Staff. This policy is currently under review.

The Policy stipulates that an annual economic adjustment will be made upon approval by Town Council and reflected in the Wage Grid.

In each year, an adjustment to the Wage Grid will be made, to be effective January 1st, and in doing so shall be made taking into consideration:

- The annual economic adjustment based on the Consumer Price Index (CPI) year over year
- The OMERS annual increase
- Municipal comparators' general average percentage increase
- The average/median range adjustments for Municipalities/Public Sector employers
- Negotiated increases with the Local Bargaining units
- Compression, and
- Financial capabilities.

## Comments

The 2021 Wage Grid for the Non-union Management Group was approved by the Personnel Committee on October 12, 2021. The Wage Grid was approved based on the Report presented by our consultant, Marianne Love, outlining the Result of a Compensation and Pay Equity Review for Non-union Positions, presented at the October 12, 2021 *in camera* Council Meeting. The Wage Grid is comprised of fourteen (14) classification levels, with each of the classifications having five (5) salary steps.

Section 9.1 of the Policy provides that a salary survey and evaluation will be conducted to review the Management and Non-union Administrative Staff Salary Schedule, every three (3) to five (5) years, relative to market comparators and comparable positions in both the public and private sectors.

## **Economic Adjustment**

According to Statistics Canada, the Ontario Consumer Price Index (CPI) increase for December 2021 over December 2020 was 4.4%. OMERS announced that pensions will increase by 2.74% in 2022.

The Collective Agreements with CUPE Locals 702.1 (Full-time Outside), 702.2 (Full-time Inside) and 702.5 (Part-time Inside) expired December 31, 2020 and were recently renegotiated. The terms of the new agreements were ratified by the CUPE Locals on June 30, 2021, and Tecumseh Council on July 13, 2021, which include a wage increase of 1.5% in the first year (effective January 1, 2021), as well as benefit improvements. A wage adjustment of 2% follows in each of the years 2022 to 2024.

The Collective Bargaining Agreement for CUPE Local 702.13 (Part-time Outside) provided for a 2% increase in 2021 which will be renegotiated in Q1 of 2022.

The Employment Agreement for Tecumseh Firefighters' Association (TFA) expired December 31, 2021 and was recently renegotiated. The terms of the new agreement were ratified by the Tecumseh Firefighters' Association and include a wage increase of 1.5% as well as benefit improvements in each of the years 2022 – 2025.

Considering the above factors in accordance with the Policy for the non-union management group, it is recommended that an economic increase of 2.0% be approved to the Non-Union Group retroactive to January 1, 2022.

## **Grid Advancement Based on Performance**

Evaluations are carried out annually for each Management and Non-Union Administrative Staff on their respective achievement of objectives, recognized job performance and productivity in relation to certain established criteria and organizational objectives.

In the upcoming year, step increases will be recommended by Directors, for their respective management and non-union support staff, and the Chief Administrative Officer, for all Directors, who were not currently at job rate.

## **Council**

By-law No. 2006-84, as amended by By-law No. 2019-62, sets out the annual salary for the Mayor and Members of Council and provides for an annual salary adjustment equal to the economic adjustment awarded to non-union employees of the Corporation and that:

“The economic adjustment for the Mayor, Deputy Mayor and Councillor positions in 2019, and future years, be varied to normalize the base pay for the three positions in order to be more aligned with the comparator

practice and the 65th percentile: 100% of the economic adjustment for the Mayor, 50% for Councillors and 25% for Deputy Mayor.”

## Consultations

Chief Administrative Officer  
Financial Services  
OMERS

## Financial Implications

A 2.0% provisional economic adjustment was included in the 2022 approved budget.

## Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
<input type="checkbox"/>	Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Michelle Bonnici, BA, LL.M  
Director People & Culture

Reviewed by:

Tom Kitsos, CPA, CMA, BComm  
Director Financial Services & Chief Financial Officer

Reviewed by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None