



## The Corporation of the Town of Tecumseh

Chief Administrative Officer

**To:** Mayor and Members of Council

**From:** Margaret Misek-Evans, Chief Administrative Officer

**Date to Council:** February 14, 2023

**Report Number:** CAO-2023-02

**Subject:** Non-Union and Council Economic Salary Adjustment 2023

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### Recommendations

It is recommended:

**That** CAO-2023-02 entitled “Non-Union and Council Economic Adjustment for 2023,” **be received;**

**And that** an annual economic adjustment for 2023 of 2.0% **be approved**, effective January 1, 2023, for the Management and Non-union Administrative Staff Wage Grid, in accordance with the Compensation and Salary Administration Policy No. 67;

**And further that** an annual economic adjustment for 2023 **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.

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 Wage Grid for the Non-union Management Group was approved by the Personnel Committee on October 12, 2021, based on a compensation review undertaken by an external consultant in that same year. The Wage Grid is comprised of fourteen (14) classification levels, with each of the classifications having five (5) salary steps. The Wage Grid is adjusted annually based on the Council approved economic adjustment.

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 2022 over December 2021 was 6.0%. OMERS announced that pensions will increase by 6.0% in 2023.

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 and ratified in 2021. The terms of the new agreements include a wage adjustment of 2% 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. This agreement has expired and is yet to be renegotiated.

The Employment Agreement for Tecumseh Firefighters' Association (TFA) expired December 31, 2021 and has since been renegotiated. The terms of the new ratified agreement 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, 2023.

## **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 are 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 the Deputy Mayor.”

## Consultations

Chief Administrative Officer  
Financial Services  
OMERS

## Financial Implications

A 2.0% provisional economic adjustment was included in the 2023 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.

Reviewed by:

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

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

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