

City of Mississauga Compensation Program

February 2012



Background

- MIRANET request to freeze staff salaries
- Mayor request that information be provided on the City's Compensation programs

Union Staff Compensation

- Union staff in 7 bargaining units make up 53% of the City's full-time workforce
- Union staff compensation governed by collective agreement and determined through negotiations or arbitration
- City's union settlements ratified to date are in line with the municipal sector for similar union groups

Non-Union Staff Compensation

- Non-union staff make up 47% of the City's full-time workforce
- Compensation is governed by City's compensation program and philosophy
- City Compensation Program Design:
 - Based on compensation management best practices
 - Designed to ensure internal equity and external competitiveness
 - Designed to attract and retain talent needed to deliver programs and services and assist in achieving the City's vision and long-term goals
 - Designed to adhere to "Pay Equity" Legislation

Mississauga's Non-Union Compensation Philosophy

- Philosophy: “To neither lead nor lag the market”
- Maintain internal equity and external competitiveness, with individual compensation determined on performance
- Strive to maintain “total compensation” equality between the City's various employee groups
- Employee in-range salary movement driven by performance
- Salary exceptions made due to recruitment challenges and labour market factors

Non-Union Staff Compensation Benchmarking Process

- Use annual Ontario Municipal Human Resources Association (OMHRA) Salary Survey conducted by Mercer
- Use group of Ontario cities, regions and towns as market comparators
- Ensure close alignment with Region of Peel and City of Brampton
- Closely monitor other municipal sector “economic adjustments” and union settlements
- Conduct own in-house comparisons on specific positions or job areas of concern

Toronto, Ontario and Canada CPI

	2011
Toronto	3.2%
Ontario	3.2%
Canada	2.7%

- Budgeted 2012 economic adjustment for non-union employees is 2%
- Similar adjustment approved in Region of Peel and Brampton budgets

Sunshine List Limitations

- Established in 1996, not adjusted for CPI
- Sunshine list has many anomalies (e.g. # of pay periods in a year, partial year's payments, one-time payouts of bonus or severance, etc. which limit its usefulness as a salary review tool)
- City does not use the Sunshine List to set salaries
- Employees on the list are in line with employees having similar positions in other municipal comparators

Risks Associated with Salary Freeze

- No evidence of non-union staff wage freeze by our market comparators
- Ability to attract and retain required talent will be diminished if not competitive with the marketplace
- A non-union staff wage freeze would compromise internal equity and increase risks associated with further unionization
- Increased costs associated with more challenging recruitment efforts and higher turnover; ultimately impacts ability to deliver services and programs to the community