

4.2 Salary Determination Policy for Excluded Employees

Policy Statement

This policy is designed to ensure fairness and consistency in application of the *Civil Service Act* and Regulations that provide for determination of an employee's pay rate. This policy describes how an employee's pay rate is determined upon appointment, promotion, demotion, reclassification, temporary assignment, or lateral transfer within the civil service.

Definitions

ACTING PAY

A rate of pay up to 10% higher than an employee's base pay rate not to exceed the maximum rate of pay for the position in which the employee is acting.

APPOINTMENT

A person first reports for duty to the civil service.

BASE PAY

The regular bi-weekly pay rate for an employee's position exclusive of any pay adjustments or variable payments.

CLASSIFICATION

The Public Service Commission classifies positions in the civil service according to the character and importance of the work and the duties and responsibilities of the position.

COMPA-RATIO

An employee's base pay rate taken as a percentage of the job rate.

DEMOTION

An employee moves to a position which has a lower pay range maximum than the employee's immediate position.

DEPARTMENT

Any department, office, or public service entity established by the Government of Nova Scotia as identified in Appendix A of the Civil Service General Regulations.

DEPUTY HEAD

The deputy of the member of the Executive Council presiding over a department and all others whom the Governor in Council from time to time designates as having the status of deputy head.

EMPLOYEE

A person employed in a managerial or confidential capacity who is excluded from collective bargaining.

JOB RATE

100% compa-ratio for the pay range.

LATERAL TRANSFER

An employee moves from one position to another which has an equivalent pay range maximum.

PRESENT INCUMBENT ONLY (PIO)

A form of salary protection where an employee retains their existing pay range after being placed or reclassified in a position with a lower pay range maximum. The employee continues to be eligible to receive all salary revisions and increment adjustments to which they would be entitled prior to the demotion.

PROMOTION

An employee moves to a position with a higher pay range maximum than the employee's immediate position.

RECLASSIFICATION

A position which an employee occupies is evaluated by the Public Service Commission resulting in a change in classification.

RED-CIRCLE

A form of salary protection where an employee is placed or reclassified in a position with a lower pay range maximum and where their former pay rate is frozen until the maximum of the new pay range meets or exceeds their frozen rate.

TEMPORARY RECLASSIFICATION

An employee is assigned a classification with a higher pay range maximum for a temporary period in accordance with the Temporary Assignment for Excluded Classifications Policy.

Policy Objectives

- To establish and document a framework for setting individual employee pay rates.
- To promote fairness and consistency of compensation practices.
- To clarify roles and responsibilities in salary determination.

Application

This policy applies to all non-bargaining unit civil servants whose terms and conditions of employment are set out in accordance with the *Civil Service Act* and regulations in so far as it does not conflict with any other existing policies governing salary determination.

Crown Attorneys pay rate upon appointment and promotion is determined in accordance with the Agreement between the Nova Scotia Public Service Commission and the Nova Scotia Crown Attorneys' Association.

Policy Directives

Determination of a person's pay rate shall be in accordance with the Civil Service General Regulations and this policy.

Departments are required to document all criteria used to determine salary on the form attached as Appendix 4-B. This documentation along with any required Public Service Commission approval, is to be maintained in the Employee's Personnel file.

APPOINTMENT & PROMOTION

The pay rate for a person appointed to the Civil Service is the minimum rate prescribed for the position to which they are appointed.

An employee's pay rate on promotion to a position in a classification that has a higher pay range maximum shall be at the next higher rate or the minimum of the new classification, whichever is greater, than that received by the employee before the promotion.

If it is determined that a higher rate is necessary to effect the appointment or promotion than the minimum pay rate prescribed for the position, the following factors should be considered in determining the pay rate:

- previous salary of the person as it relates to the position to which they are being appointed or promoted;
- qualifications of the person in relation to those required by the position;
- salary relationship to subordinates, peers, and supervisor; and
- market conditions, i.e., difficult to recruit and/or retain.

For positions in the MCP Pay Plan, use the "Guide for Salary Determination for MCP Employees" attached as Appendix 4-A.

The pay rate will not exceed the maximum pay rate assigned to the position.

For positions in the MCP Pay Plan, the pay rate will normally not exceed 100% compa-ratio. A pay rate that exceeds 100% compa-ratio requires the prior approval of the Public Service Commission, Compensation Division, on the form attached as Appendix 4-C.

DEMOTION

If demotion is a result of inadequate performance or voluntary request, the pay rate of an employee on demotion to a position in a classification that has a lower pay range maximum shall be at the next lowest pay rate within the new classification pay range.

The Public Service Commission, in its discretion, and for such time as it considers appropriate, may maintain the classification and pay rate of a position on a present incumbent only basis (PIO), or may require that the pay rate of the employee in the position be frozen (red-circled), in one of the following circumstances:

- the employee is assigned the duties of a position that has a pay range maximum lower than the pay rate being received by the employee at the time of the assignment;
- the employee's position is reclassified to a classification that has a pay range maximum lower than the pay rate in effect being received by the employee immediately before the reclassification.

The Public Service Commission, Compensation Division, shall determine eligibility and the amount of salary protection.

RECLASSIFICATION

When a position is re-evaluated resulting in a higher classification, the employee's pay rate will be determined in accordance with the appointment and promotion directive of this policy.

When a position is re-evaluated resulting in a lower classification, the employee's pay rate will be determined in accordance with the demotion directive of this policy.

TEMPORARY RECLASSIFICATION

When an employee is assigned to a higher classification for a temporary period in accordance with the Temporary Assignment for Excluded Classifications Policy, the employee's pay rate will be determined in accordance with the appointment and promotion directive of this policy.

All salary-related benefits, including pension, and contributions during the temporary assignment will be based on the employee's revised pay rate.

The employee's pay will be readjusted at the end of the temporary reclassification to the pay the employee would have received if the assignment had not occurred.

ACTING PAY

Acting pay will be calculated on the basis of up to 10% of the employee's base pay. In no case shall the adjusted pay rate exceed the maximum rate of the higher-paying position.

For guidance in determining the percentage of acting pay for employees in the MCP Pay Plan, refer to the "Guide for Salary Determination for MCP Employees" attached as Appendix 4-A.

All salary-related benefits and contributions during the acting pay period will be based on the employee's base pay except as provided for in the *Public Service Superannuation Act*, Section 2(j)(ii)(A) and (B).

The employee's pay will be readjusted at the end of the acting pay period to the pay the employee would have received if the assignment had not occurred.

LATERAL TRANSFER

When an employee is transferred to a position or a classification with the same pay range maximum, the employee will continue to be paid at the same pay rate.

If an employee is transferred to a position that requires a different skill set than their current position, the employee's pay rate may be determined in accordance with the appointment and promotion directive of this policy.

Guidelines

"Guide for Salary Determination for MCP Employees" attached as Appendix 4-A.

Accountability

DEPUTY HEADS

Deputy Heads are responsible for ensuring compliance with requirements for determining the pay rate of an employee as established by this policy.

DEPARTMENT MANAGERS

Departmental Managers are responsible for being familiar with this policy.

HUMAN RESOURCE CORPORATE SERVICES UNITS

Human Resource Corporate Services Units are responsible for:

- determining an employee's pay rate in accordance with this policy;
- consistent administration and application of this policy;
- obtaining Public Service Commission approval as required by this policy;
- maintaining in the Employee's Personnel file all necessary documentation used in determining an employee's salary.

PUBLIC SERVICE COMMISSION

Public Service Commission is responsible for:

- acting in an advisory capacity to departments on issues of salary determination;
- approving a pay rate adjustment that is in excess of established policy directives;
- approving demotions that result in present incumbent only and red-circle situations;
- evaluating the effectiveness of this policy and make any changes as necessary.

Monitoring

The Public Service Commission shall coordinate periodic reviews and audits to ensure departmental compliance with this policy. Departments shall provide all documentation deemed necessary to conduct any reviews of this policy.

References

Civil Service Act

Civil Service General Regulations

Temporary Assignment for Excluded Classifications Policy

Public Sector Superannuation Act

Enquiries

Public Service Commission

Compensation Division

Phone: 424-8387

Appendices

Appendix 4-A: Guide for Salary Determination for MCP Employees

Appendix 4-B: Salary Rating Rationale Form

Appendix 4-C: Pay Rate in Excess of 100% Compa-ratio Approval Form

Approval date: March 20, 2008

Manual release date: April 4, 2008

Approved by: Executive Council

Most recent review:

Appendix 4-A

Guide for Salary Determination for MCP Employees

	<i>Description</i>	<i>Compa Ratio Range</i>
1	Meets the minimum qualifications in relation to those required by the position, i.e., experience, education, certification	80 - 84%
2	Same as (1), with an additional over 1 year and up to 3 years of experience directly related to the position	85 - 89%
3	Same as (1), with an additional over 3 years and up to 5 years of experience directly related to the position	90 - 94%
4	Same as (1), with an additional over 5 years of experience directly related to the position	95 - 100%
5	Requires approval of the PSC.	over 100%

Other factors considered in determining pay rate:

- salary relationship to subordinates, peers, and supervisor
- previous salary of the person as it relates to the position to which they are being appointed or promoted
- qualifications of the person in excess of those required by the position
- market conditions, i.e., difficult to recruit and/or retain

Appendix 4-B

Salary Rating Rationale Form

Competition #:

Applicant's Name:

Position Title & Classification:

Required Minimum Qualifications:

Pay Rate Determination:

- a) Relevant Education for which credit has been given:

- b) Relevant Experience for which credit has been given:

- c) Acceptable Equivalences for which credit has been given:

- d) Education and/or Experience for which credit has not been given:

- e) Other Factors considered:
 - salary relationship to subordinates, peers, and supervisor:

 - previous salary as it relates to this position:

 - difficult to recruit and/or retain (provide evidence):

Pay Level: _____	Effective Date: _____
Pay Rate: _____	

Rated by:

Human Resource Consultant
Attach Job Posting

Date

Appendix 4-C

Pay Rate in Excess of 100% Compa-ratio

Approval Form

TO: Compensation Division
Public Service Commission
FROM: Manager, HR CSU
DATE:
RE: Request Approval to Provide a Pay Rate in Excess 100% Compa-ratio

Type of Transaction:

- Appointment
- Promotion
- Reclassification
- Temporary Reclassification

Employee's Name:

Current Classification: *(if current employee)*

Pay Level: *(if current employee)*

Current Pay Rate:

New Classification:

Pay Level:

Requested Pay Rate:

Calculated Percentage Increase:

Rationale for request and any additional information: *(Attach completed Salary Rating Rationale Form)*

Public Service Commission Approval

Approved pay rate:

Approved by:

Date: