



TO: Chair and Members of the Board of Health
FROM: Bryna Warshawsky, Acting Medical Officer of Health
DATE: 2013 January 17

ONA PAY EQUITY MAINTENANCE

Recommendation

It is recommended that Report No. 011-13 re “ONA Pay Equity Maintenance” be received for information

Key Points

- Representatives from the Ontario Nurses Association (ONA) recently requested a meeting to discuss the development of Terms of Reference to conduct job evaluations and negotiate a new pay equity plan for all nursing positions.
- Pay Equity was initially negotiated with ONA in the mid-1990s and pay equity adjustments were made at that time.
- Steps have been taken to start the process of hiring a consultant with expertise in pay equity to assist management to negotiate and settle the pay equity issues between ONA and the Health Unit.

Background about Pay Equity

Pay equity is the concept whereby equal pay is granted for work of equal value. Pay equity programs are designed to ensure that work that is traditionally done by women is paid equally to work of equal value that is traditionally done by men. The parties are required by law to assess job content in a gender neutral way. The process involves applying the four factors of skill, responsibility, working conditions and physical and mental demands, to compare each female job with male jobs and determine their relative value. Adjustments to wages are then made to ensure that female jobs are paid the same wage as a male job of equal value.

Pay Equity and the Ontario Nurses Association

Ontario Nurses Association (ONA) members comprise the largest job class (approximately 100 full-time and part-time employees) at the Health Unit. The Health Unit negotiated pay equity with ONA in the 1990s. At that time, pay equity adjustments were made in order for the job rate for Public Health Nurses (PHN) to be 84% of the job rate of the chosen male comparator, the position of Health Unit Epidemiologist (a non-union position). There is little documentation available as to how this result was negotiated, but it is clear that this is what was agreed to.

Once pay equity is achieved, if all employees within an organization receive the same percentage increases to their salaries annually and no other changes are made to the salary structure that would affect

the job rates, pay equity is maintained. At the Health Unit, several events took place which may have affected pay equity maintenance. For example, the position of Epidemiologist changed and is no longer a male comparator, as all Epidemiologists hired since the male incumbent resigned have been females. Several other positions occupied by males, that may have been used as male comparators in the mid-1990s, no longer exist at the Health Unit due to organizational restructuring.

A new male comparator or male wage line needs to be established in order to demonstrate that pay equity has been maintained. A proposal was made to ONA in 2009 to adopt the Canadian Union of Public Employee (CUPE) job evaluation plan and use the results of CUPE job evaluation for male jobs as a starting point for negotiating pay equity maintenance; however, this has not been pursued by ONA. The Health Unit was advised that ONA Central was developing a provincial strategy for pay equity, and had identified a need to develop expertise within their own staff before proceeding. ONA has also taken the position in subsequent collective bargaining sessions that negotiation of pay equity must be separate from the negotiation of renewals or changes to the collective agreement.

Pay Equity Negotiations with ONA

Representatives from ONA recently requested a meeting with the Director of Human Resources & Labour Relations to discuss the development of Terms of Reference to conduct job evaluations and negotiate a new pay equity plan for all nursing positions at the Health Unit. Obtaining the advice of an external consultant for the Health Unit is necessary as legislation provides little guidance regarding the processes for maintaining pay equity. As well, since there is no documentation that explains the comparison of Public Health Nurses to the Epidemiologist in the 1990s, it appears that the way to maintain pay equity is to start the job evaluation and pay equity process again from the beginning.

There are multiple decision points in the process of negotiating pay equity, such as the selection of a job evaluation plan, assigning weights to sub-factors to create a point-factor system, identifying male comparators to be evaluated, and selecting the method for creating a male wage line, if there is no agreement on a direct job-to-job comparison. The use of external expertise will protect the interests of the Board during pay equity negotiations with ONA. Even a small adjustment in wages, if retroactive, would create a significant unfunded liability for the Board of Health. The Board may wish to consider setting up a reserve fund in order to mitigate any potential future obligations.

As stipulated under the Health Unit's Procurement Policy, the Health Unit will be undertaking a Request for Proposal process for an external consultant to assist in its pay equity negotiations with ONA. The funding for the external consultant will come from the general consulting budget line. In the 2013 budget, this line was reduced by \$145,000 to achieve a 0% municipal tax increase, leaving \$108,356 remaining as a source of funds for this project.

This report was prepared by Ms. Louise Tyler, Director, Human Resources & Labour Relations, and Mr. John Millson, Director, Finance & Operations. Ms. Tyler will be present at the meeting to speak to this report and answer questions from the Board of Health regarding job evaluation and pay equity maintenance.



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Acting Medical Officer of Health

This report addresses the requirement(s) of the Pay Equity Act, R.S.O. 1990, c. P7 and Policy # 4 – 025, Procurement, as outlined in the MLHU Administration Policy Manual.