



Government of
Saskatchewan

Implementation Guide

Equal Pay for Work
of Equal Value and
Pay Equity

Policy Framework

March, 1999

TABLE OF CONTENTS

A. INTRODUCTION	1
PART ONE: OVERVIEW OF GOVERNMENT POLICY AND DIRECTION	
A. POLICY AUTHORITY	2
B. POLICY GOALS	2
C. UNDERSTANDING EQUAL VALUE OBJECTIVES	3
D. WAGE LINE MEASUREMENT FOR THE ACHIEVEMENT OF EQUAL PAY FOR WORK OF EQUAL VALUE OBJECTIVES	3
E. RELATIONSHIP TO OTHER RELEVANT LEGISLATION AND COLLECTIVE AGREEMENT	4
PART TWO: POLICY STANDARDS	
A. PROCESS REQUIREMENTS	5
1. Coverage and Scope	5
2. Employer Responsibility	5
3. Jointly Negotiated Process	6
4. Integration with Collective Bargaining	8
5. Employees' Right to Representation	8
6. Communications	8
7. Timelines	8
8. Dispute Resolution	9
9. Committee Structures	9
B. METHODOLOGY	10
10. Job Evaluation Methodology	10
11. Developing a Gender Neutral Compensation Structure	10
12. Reasonable Factors in Wage Differences	12
C. REVIEW, MONITORING AND ENFORCEMENT	13
13. Compensation Review Committee	13
14. Acceptance of Existing Plans	13
15. Maintenance	14
16. Monitoring Process and Reporting Requirements	14
17. Enforcement of the Policy	17
D. FUNDING	17
18. Salary Adjustments	17
E. PROHIBITED PRACTICES	17
PART THREE: GLOSSARY OF TERMS	19

INTRODUCTION

The Saskatchewan government is committed to equity, fairness and an investment in people.

This policy framework sets out minimum standards required of employers within Executive government, the Crown sector and the Health sector to meet government's equal pay for work of equal value policy goals as applied to compensation practices. Employers who have or will be undertaking equal pay for work of equal value job evaluation must meet these minimum standards in order to receive approval for the funding of salary adjustments resulting from the equal pay for work of equal value job evaluation process.

The expected outcomes from this process are equitable compensation practices which achieve both pay equity and internal equity.

PART ONE: OVERVIEW OF GOVERNMENT POLICY AND DIRECTION

A. POLICY AUTHORITY

Government is committed to ensuring equity in compensation practices for employees within the public sector. This commitment is based on the principles of equal pay for work of equal value, fiscal responsibility, and democratic decision-making through collective bargaining.

Government is committed to achieving pay equity through collective bargaining, and within the following framework:

- That pay equity be defined as equal pay for work of equal value.
- That a process for implementation include:
 - a job evaluation plan consistent with the principle of equal pay for work of equal value;
 - a joint employer-employee representative committee; and
 - separate funding for salary adjustments resulting from implementation of job evaluation.

B. POLICY GOALS

- To rectify inequities in compensation systems which are influenced by gender based wage discrimination resulting in undervaluation of female-dominated jobs - PAY EQUITY.
- To redress inequities based on the principle of equal pay for work of equal value as it refers to the jobs of men and women - INTERNAL EQUITY.
- To provide a basis for evaluating and comparing the value of jobs in a workplace based on a common understanding of the principle of equal pay for work of equal value, and using a common set of criteria.
- To ensure that the outcome of an equal pay for work of equal value compensation structure is maintained.
- To establish the essential components of a process for implementation.

-
-
- To ensure flexibility of implementation within a workplace while still consistent with government's policy objectives.
 - To provide government with the means to evaluate its policy.

C. UNDERSTANDING EQUAL VALUE OBJECTIVES

Job evaluation in Executive government, the Crown sector and the Health sector is being conducted on the basis of equal pay for work of equal value principles to achieve pay equity and internal equity.

Equal pay for work of equal value is a principle whereby jobs which are of the same value should be paid the same, even if those jobs are much different from one another. All jobs in an organization are measured against a common set of criteria to identify their relative worth in the organization. These criteria are as follows: skill, effort, responsibility and working conditions. Jobs which are deemed to be of equal or comparable value should be paid the same rates of pay, regardless of the job title.

Pay Equity describes a process for achieving and maintaining wage equity in the workplace. It is based on the principle of equal pay for work of equal value, but is focused on ending gender based wage discrimination resulting in the undervaluation of female-dominated jobs. Pay equity is the outcome of strategies designed to facilitate the development of equitable compensation practices, and to operationalize the principle of equal pay for work of equal value.

Internal Equity applies the principle of equal pay for work of equal value to all jobs (both male and female jobs) within an organization. Once the principle of equal pay for work of equal value has been applied to an organization's compensation structure, all jobs are paid fairly as compared to one another, thus achieving the goal of internal equity.

D. WAGE LINE MEASUREMENT FOR THE ACHIEVEMENT OF EQUAL PAY FOR WORK OF EQUAL VALUE OBJECTIVES

Equal pay for work of equal value is deemed to be achieved when the employer adjusts its compensation practices so that all employees are assigned to a schedule of pay with the same maximum hourly rate of pay as other employees performing work of equal or comparable value.

Pay equity will be achieved by using the male wage line as the rate of pay for female-dominated jobs that are found to be of equal value or comparable value.

Internal equity will be achieved by using the male wage line as the rate of pay for all jobs, whether male- or female-dominated, that are found to be of equal value or comparable value.

Nothing in this policy framework will prevent an employer from having salary ranges for jobs as long as all persons are treated equally within those salary ranges regardless of gender.

Within this policy framework, acceptable compensation differences may be based on such factors as seniority, merit, training or development assignment, and skill shortages as further described in Section 12, Reasonable Factors in Wage Differences.

E. RELATIONSHIP TO OTHER RELEVANT LEGISLATION AND COLLECTIVE AGREEMENTS

This policy framework does not remove any rights under *The Saskatchewan Human Rights Code*, *The Trade Union Act*, *The Labour Standards Act*, or *The Canadian Human Rights Code* as it relates to rights and obligations relevant to collective bargaining and human rights.

PART TWO: POLICY STANDARDS

A. PROCESS REQUIREMENTS

1. Coverage and Scope

All workplaces in Executive government, the Crown sector and the Health sector seeking approval to fund job evaluation plans are required to meet equal pay for work of equal value principles outlined in this document. This includes workplaces that have not yet begun the process, as well as workplaces which are currently engaged in any part of the job evaluation, implementation, or salary adjustment process.

For the purpose of implementing equal pay for work of equal value principles, Executive government is represented by the Public Service Commission, and Crown sector employers are represented by the respective corporations.

The Health sector employers represented by the Saskatchewan Association of Health Organizations may be treated as a single employer, upon compliance with Part Two, Section 11 “Developing a Gender Neutral Compensation Structure”. The terms of the Equal Pay for Work of Equal Value and Pay Equity Policy Framework shall apply in their entirety, including the maintenance provisions, as if there is a single employer.

A single equal pay for work of equal value job evaluation plan may be negotiated with all bargaining units under the jurisdiction of a single employer. It is also acceptable to bargain separate equal pay for work of equal value job evaluation plans with each of the respective bargaining units within the jurisdiction of a single employer.

2. Employer Responsibility

An employer is responsible for demonstrating that an equal pay for work of equal value job evaluation plan meets the criteria stated in this policy framework.

An employer is responsible for demonstrating that the methodology selected employs the principle of equal pay for work of equal value and is gender neutral.

Job evaluation covers unionized employers, and can include union-exempt employees in the process, if both employer and union agree to

such inclusion. If there is no such agreement, the employer may undertake equal pay for work of equal value principles for union-exempt employees.

An employer will disclose information in its possession or control relevant to the implementation of pay equity, or to the development of an equal pay for work of equal value pay plan to the appropriate employee representatives, or when requested by the Compensation Review Committee.

Employers must include provisions for maintenance of their compensation structure resulting from this equal pay for work of equal value process.

Should separate equal pay for work of equal value job evaluation plans be negotiated within the jurisdiction of a single employer, the employer must demonstrate that the separate job evaluation plans reinforce equal pay for work of equal value throughout the organization, and between the job evaluation plans.

Once an equal pay for work of equal value and pay equity plan has been approved and implemented, changes that will affect the slope of the wage line, and any amendments to jobs that are designated as being affected by a “skill shortage internal to the organization that is documented” as described in Section 12, “Reasonable Factors in Wage Differences”, are required to be reported to the Public Sector Compensation Committee of Cabinet through the Personnel Policy Secretariat.

3. Jointly Negotiated Process

The implementation of equal pay for work of equal value job evaluation will be conducted through a joint process between employer and employee representatives.

A joint process will contribute to a better understanding of pay equity among the parties, and should facilitate the employee support necessary to conduct a job evaluation plan.

Employees may be represented by a bargaining agent, bargaining unit or a person selected by non-unionized employees.

Where the employee representative is a certified trade union, it is the responsibility of both parties to ensure the process is consistent with

collective bargaining, and with the terms and conditions of the collective agreement in effect.

The terms of reference for the equal pay for work of equal value job evaluation plan will be developed jointly and outlined in a memorandum of understanding between the parties. The memorandum of understanding will be required to be submitted to the Compensation Review Committee. The memorandum of understanding (or other jointly agreed to documents), will cover the following:

- definition and purpose of job evaluation
- mandate and structure of joint employer-employee representative committee
- inclusion of out-of-scope representative(s)
- time-off provisions and/or payment provision for committee members
- training of committee members
- methodology
- positions that are agreed to be exempt for the purpose of the calculation of salary adjustments
- use and cost of consultants
- timelines
- disclosure of information
- communication plan
- dispute mechanism
- negotiation of funding job evaluation plan outcomes
- maintenance

4. Integration with Collective Bargaining

Agreement to undertake equal pay for work of equal value may be part of the bargaining cycle, but it is preferable that implementation of a job evaluation process occur separate from the main bargaining table. This will allow the parties time to agree on the development of a job evaluation plan and strategy, without the added pressure of bargaining a collective agreement.

Subsequently, implementation of salary adjustments, wage schedules and maintenance agreements will be referred back to general collective bargaining for integration into the collective agreement.

5. Employees' Right to Representation

Where employers are represented by a bargaining unit, representatives are selected by processes internal to the bargaining unit.

Where employees are union-exempt and there is agreement by the employer and union to include such job classes within the process, such employees have the right to representation. The employer is responsible for informing employees of this right and for making provisions for representation, as appropriate.

6. Communications

The joint committee must agree on a communications plan to regularly inform employees affected by job evaluation of the status of implementation, and ultimately the result of the process.

The employer will ensure the participating non-unionized employees are informed regularly about the status and results of the job evaluation process.

7. Timelines

The timelines on completion of each stage of implementation will be agreed to by the joint committee during the development of a job evaluation plan. In all cases, implementation must be timely, with a general guideline of 24-month completion deadline from the naming of the Steering Committee to completion of the job evaluation process, including submission of the final proposal to the Compensation Review Committee, Section 16 - Monitoring Process and Reporting Requirements.

8. Dispute Resolution

Each job evaluation plan must include a dispute mechanism(s) for the use of the parties during the plan development, an appeal process for employees wishing to have the outcome of their job evaluation reviewed, and ongoing job evaluation appeals.

A dispute mechanism should include:

- identification of provisions available through collective bargaining and when such provisions apply; agreement to select an alternate dispute resolution mechanism, such as a third party committee of equal pay for work of equal value experts;
- use of mediators with expertise in equal pay for work of equal value principles and practices, and responsibility for cost;
- timelines for resolution of a dispute.

The development of a plan for employees not represented by a bargaining unit must also include a dispute resolution process as well as an appeal process, such as review by a third party with expertise in equal pay for work of equal value principles and practices.

An appeal process may vary between employers. It must be recognized as impartial and fair by both employer and employees.

9. Committee Structures

Wherever possible, joint committees must include representation from a cross-section of job classes deemed by the parties to be representative; have equal representation from employer and employee representatives; and be gender balanced.

Where employees are represented by a bargaining unit, processes internal to that bargaining unit are used to appoint members to the joint committee. Employer representatives will be appointed by management.

If employees are not represented by a bargaining unit, the employer will ensure an appropriate selection process.

To ensure consistency in the implementation of equal pay for work of equal value principles, membership on the job evaluation committee should not vary. If at the outset of the process a committee member resigns, the parties may agree to a replacement. If so, appropriate training must be provided before the process proceeds. If the evaluation of jobs has already started and a committee member resigns, normally the representative is not replaced.

Unless the parties agree otherwise, members of the job evaluation committee are not interchangeable with alternates.

The various joint committees may include, but are not limited to:

- Steering Committee
- Technical Committee (job evaluation)
- Communications Committee
- Dispute Resolution Committee
- Appeals Committee

A. METHODOLOGY

10. Job Evaluation Methodology

Each joint committee will select a methodology which allows for a gender neutral comparison of jobs in the workplace. Job evaluation will determine the value of jobs within the organization, based on a composite of four criteria: skill, effort, responsibility and working conditions.

The job evaluation system will measure the full range, scope and levels of jobs and job classes in the organization, and do so equitably and consistently.

All stages of the process must be gender neutral and fair.

If the parties cannot agree on the methodology, the matter will be referred to the Dispute Resolution Process under Section 8.

11. Developing a Gender Neutral Compensation Structure

Any compensation structure developed from the equal pay for work of equal value job evaluation plan will take into account the historical

effect of systemic discrimination on the wages in female-dominated jobs.

Where a bargaining unit has appropriate male and female comparators, separate wage regression lines must be calculated for male-dominated jobs, in order to identify and redress systemic wage discrimination.

If job evaluation is implemented in a female-dominated bargaining unit where there is a lack of male comparators, it is appropriate to use male comparators from another bargaining unit which negotiates with the same employer for the purpose of developing a benchmark pay line.

The new pay line will be calculated using a female wage line to male wage line methodology.

An employer may use market rates as a reference point in the development of pay plans for male-dominated job classes only.

If there are not enough male comparators within the organization to generate a valid male wage line (benchmark pay line), or if the employer and the employees' representatives believe that the existing male wage line will create an inappropriate compensation line for the organization, after consultations and approval by the Compensation Review Committee, a male wage line can be created by importing or developing a male wage line in the following order:

- from an employer performing similar work, with a similar purpose, within the same sector, funded by the same funder or funders, that has undertaken or will undertake a job evaluation process under the Equal Pay for Work of Equal Value and Pay Equity Policy Framework. If no appropriate male wage line is found, then:
- from an employer with a similar purpose, within the same sector, funded by the same funder or funders, that has undertaken or will undertake a job evaluation process under the Equal Pay for Work of Equal Value and Pay Equity Policy Framework. If no appropriate male wage line is found, then:
- from an employer within the same sector, funded by the same funder or funders that has undertaken or will undertake a job evaluation process under the Equal Pay for Work of Equal Value and Pay Equity Policy Framework.

Upon approval by the Compensation Review Committee, the terms of the Equal Pay for Work of Equal Value and Pay Equity Policy Framework shall apply in their entirety, including the maintenance provisions, as if there was a single employer.

For the purposes of importing a male wage line:

“similar work”, relates to a similar range of job functions...i.e. Legal Aid Commission and the Human Rights Commission, or the regional colleges.

“similar purpose” relates to services being provided...i.e. post secondary education, legal advocacy, health care.

“same sector” relates to a) CIC Crowns, b) Treasury Board Agencies, Boards or Commissions, c) Public Service, d) SIAST, e) regional colleges or f) Health.

“same funder of funders” - the largest single source or sources of funding or revenue must be the same.

12. Reasonable Factors in Wage Differences

After job evaluation has determined the comparative value of a job and/or job class within an organization to be of equal value, acceptable compensation differences may be shown to be the result of:

- merit system based on a formal performance appraisal;
- seniority system based on years of service;
- red-circling, where a position has been downgraded and the wages are either fixed or ceiled, or where an existing collective agreement provides for other mechanisms;
- training or development assignment, where wages are higher than the value of the job during the period an employee is being retrained, or recovering from illness or injury;
- skill shortage internal to the organization that is documented;

-
-
- regional rates of wages where difference rates of pay for the same job, or living allowances apply to jobs located in different geographic areas;
 - changes to job assignment.

If either the employer, the employee or the employees' representative is claiming that the compensation difference is a result of one of the above factors, that party must prove that the factor that they are relying upon operates in a gender neutral fashion within the workplace. Both the employer and the employees' representative must agree that the factor does operate in a gender neutral fashion.

C. REVIEW, MONITORING AND ENFORCEMENT

13. Compensation Review Committee

A Compensation Review Committee will consist of a representative from each of the Personnel Policy Secretariat, Crown Investments Corporation and the Status of Women Office. This Committee receives its authority to monitor this policy as delegated by the Public Sector Bargaining and Compensation Committee of Cabinet, and will be chaired by the Personnel Policy Secretariat representative.

The Compensation Review Committee will oversee the development and implementation of equal pay for work of equal value and pay equity in Executive government, and other agencies to which this policy applies.

The Committee will receive and evaluate the job evaluation reports from employers for compliance with this policy, as outlined in Section 16 - Monitoring Process and Reporting Requirements. If a job evaluation process has not complied with guidelines identified in this policy, the Committee will identify areas for compliance to the employer before the job evaluation report is signed-off by the Committee. At the conclusion of the job evaluation process, the final recommendations and a request for funding will be submitted by the Compensation Review Committee to the Public Sector Compensation Committee of Cabinet.

14. Acceptance of Existing Plans

All employers engaged in, or having completed equal pay for work of equal value job evaluation, will file a status report according to Section 16, Monitoring Process and Reporting Requirements, of this document.

The salary adjustments identified through equal pay for work of equal value job evaluation will be funded by government under this policy if such job evaluation plans meet required criteria.

If the negotiated methodology does not meet the criteria identified in this policy, the Compensation Review Committee will request compliance before a funding recommendation is processed.

15. Maintenance

To ensure that equal pay for work of equal value wage adjustments are not eroded, job evaluation plans must include provision for maintenance of the equitable compensation practices and equitable wage relationships.

Future bargaining proposals must be analyzed for their possible impact on equal pay for work of equal value. Negotiated wage settlements which undermine positive change to the wage gap in the workplace following equal pay for work of equal value job evaluation are unacceptable.

Maintenance plans may outline future human resource initiatives which address systemic changes in the work culture, such as employment equity programs, strategies to ensure the neutrality of merit, and promotion practices or other initiatives which address systemic discrimination

16. Monitoring Process and Reporting Requirements

Employers are required to submit a report to the Compensation Review Committee for review:

- Where an employer and employee representative are negotiating or have negotiated an equal pay for work of equal value job evaluation, the employer will submit the necessary report(s) (depending on the stage of the negotiations), within 120 days of the approval of this policy. Thereafter, the employer will submit the required report 30 days after the completion of the following stages of negotiations:

STAGE ONE: Once the employer and employees' representatives have reached agreement as outlined in Section 3 - Jointly Negotiated Process - the following information will be submitted to the Compensation Review Committee for review, prior to proceeding with the job evaluation process:

-
-
- name of employer and contact person.
 - name of union local or employee representatives.
 - bargaining unit or work unit covered.
 - number of jobs (as defined in the glossary) covered by the plan, and number of employees covered by the plan.
 - if jobs have been evaluated by this point, existing male and female wage line, if not, average male and female salary.
 - estimated value of 1% of payroll of the affected group (including benefits) as of date the report submitted.
 - copy of job evaluation plan, including factors, factor degrees and weighting (if they have been agreed to at this point).
 - brief summary of efforts to ensure a gender neutral plan.
 - copy of the memorandum of understanding negotiated under Section 3 - Jointly Negotiated Process, or any negotiated documents used to accomplish the purposes contained in Section 3.

STAGE TWO: Upon completion of the job evaluation process, but prior to paying out any salary adjustments, the employer will submit the following report to the Compensation Review Committee for review:

- name of employer and contact person.
- name of union local or employee representatives.
- bargaining unit or work unit covered.
- Proposed new compensation structure, including pay grids, and jobs within each pay grid. Please indicate whether job is female- or male-dominated, or gender neutral. Jobs that were determined to be excluded under Section 12 Reasonable Factors in Wage Differences should also be indicated.

-
-
- copy of job evaluation plan, including factors, factor degrees and weighting that has not already been submitted to the monitoring committee.
 - brief summary of efforts to ensure a gender neutral plan that have not already been submitted to the monitoring committee.
 - brief summary of issues that were referred to a dispute resolution mechanism, or a copy of the decision by the third party.
 - male and female wage line prior to adjustments.
 - male and female wage line after proposed compensation adjustments.
 - wage adjustments costs as a percentage of payroll, including how costing was calculated.
 - proposals for paying out salary adjustments, including to which jobs, amounts and time frame.
 - maintenance provisions, including periodic review, relationship to collective bargaining, and review of exemptions (permissible differences).

STAGE THREE: On the anniversary date of the first salary adjustments being paid out, and annually thereafter until all salary adjustments funded under this framework have been paid out, the employer must submit the following report:

- maintenance provisions, including periodic review, relationship to collective bargaining, and review of exemptions (permissible differences).
- copies of any revised or new jointly negotiated memoranda of understanding, collective agreements, or tabled proposals to amend the collective agreement.

The report forms will be developed by the Compensation Review Committee.

17. Enforcement of the Policy

This policy is enforced by the Public Sector Bargaining and Compensation Committee, which is a standing committee of the Cabinet.

D. FUNDING

18. Salary Adjustments

The salary adjustments to be approved by government under this policy are those identified by equal pay for work of equal value job evaluation.

Such salary adjustments are not general increases, and shall be separate from the monetary mandate for collective bargaining.

Salary adjustments will apply to wages and benefits that are calculated as a percentage of payroll of the affected group.

A schedule for the implementation of salary adjustments will be guided by government's fiscal framework. Such funding adjustments should average at least 1% of payroll for the affected group (including wages and benefits), per fiscal year, during the phase-in period.

Salary adjustments will be made once the job evaluation plan and corresponding costs have been agreed to by all parties. A recommended strategy for implementing salary adjustments is part of the final report provided to the Compensation Review Committee.

The salary adjustments resulting from equal pay for work of equal value job evaluation will not begin until April 1, 1997.

A funding schedule may include prioritizing salary adjustments for female-dominated job classes and the lowest paid employees first, followed by salary adjustments for other employees second.

E. PROHIBITED PRACTICES

19. Prohibited Practices

The employer and the bargaining unit should ensure that no initiatives are undertaken which serve to widen the gender based wage gap that is the result of the undervaluation of a job class, and which has been the object of redress under the job evaluation plan.

The salary rate of an employee will not be reduced in order to achieve equal pay for work of equal value.

An employee will not be placed in a lower step of a schedule or pay grid, which has been adjusted upward in order to achieve equal pay for work of equal value.

No employee will suffer intimidation, coercion or discrimination for participating, exercising rights or disclosing information pursuant to their rights and obligations under this framework.

PART THREE: GLOSSARY OF TERMS

The Glossary of Terms was excerpted from the following documents:

Prince Edward Island Pay Equity Bureau, Pay Equity: Job Analysis, Stage I, The Pay Equity Bureau, Department of Labour, 31 Gordon Drive, Charlotttoun, P.E.I.

Weiner, Nan and Morley Gunderson, Pay Equity: Issues, Options and Experiences, Butterworth Canada, Markham, Ontario, 1990.

Canadian Human Rights Commission, Glossary of Terms (Draft), February 1996.

Adjustments (Salary or Wage)

- The amount of money required to eliminate a wage differential to jobs of equal value.

Bargaining Agent

- The organization that is the exclusive representative of a group of workers or employees in the process of collective bargaining; a person certified by a government labour agency (e.g. Saskatchewan Labour Relations Board) to represent the employees in an appropriate bargaining unit, and to be the exclusive bargaining agent for those employees in the process of collective bargaining.

Bargaining Unit

- A group of employees in a firm, plant or industry that has been recognized by the employer and certified by a labour relations board as appropriate to be represented by a union for purposes of collective bargaining. In a craft union, it could be all members of a trade, such as all tool and die makers of a plant; in an industrial union, the bargaining unit may include all production workers in a plant or all plants in a company.

Classification (Job Classification)

- A hierarchial structure of jobs, usually arranged into levels of pay grades according to some form of job evaluation.

Classification Method of Job Evaluation

- A method which compares jobs on a whole-job basis. Pre-defined class descriptions are established for a series of job classes and a job is placed in whichever classification best describes it. This method is not acceptable for pay equity purposes.

Collective Agreement

- An agreement in writing between an employer and the union representing that employer's employees, which contains provisions respecting conditions of employment, rates of pay, hours of work, and the rights and obligations of the parties to the agreement. Ordinarily, the agreement is for a definite period such as one, two or three years, usually not less than twelve months. Under some conditions, amendments are made to agreements by mutual consent during the term of the agreement in order to deal with special circumstances.

Collective Bargaining

- A method of determining wages, hours and other conditions of employment through direct negotiations between the union and the employer. The result of collective bargaining is normally a written contract that covers all employees in the bargaining unit, both union members and non-members, for a specified period of time. More recently, the term's definition has been broadened to include the day-to-day activities involved in giving effect to or carrying out the terms of a collective agreement. Bargaining in good faith refers to the requirement that the two parties meet and confer at reasonable times, with minds open to persuasion, and a view to reaching agreement on new contract terms. Good faith bargaining does not imply that either party is required to reach agreement on any proposal.

Comparable Value

- Comparable Value is a term that is often used in gender neutral plans. This allows the ability to agree as to a range of points that will be considered as "equal value" when designing compensation structures.

Comparable Worth

- The principle that jobs can be compared even though they may be dissimilar in nature but equal or equivalent in terms of skill, effort, responsibility and working conditions. This term is often used in the United States and is synonymous with equal pay for work of equal value in Canada.

Compensable Criteria

- Criteria for determining the value of the job.
- Any criteria used to provide a basis for judging job value in a job evaluation

scheme. The most commonly employed compensable criteria are skill, effort, responsibility and working conditions:

- skill includes intellectual and physical attributes gained by experience, training, education or natural ability;
- effort includes intellectual and physical effort;
- responsibility includes responsibility for technical, financial and human resources;
- working conditions include physical and psychological work environments, such as noise, temperature, isolation, physical danger, health hazards, and stress.

Discrimination, Systemic

- Gender-biased compensation practices and procedures that have an impact on wages of employees. Discrimination built into employment systems (including pay) that have an unintentional adverse impact on some groups and not on others.

Employee Representative

- A generic term referring to an individual selected to represent a group of employees who are not unionized, or a bargaining agent, or a bargaining unit.

Equal Pay for Equal Work

- Under Saskatchewan's *Labour Standards Act*, male and female employees must be paid the same wage for performing the same or similar work in the same establishment.

Equal Pay for Work of Equal Value (Pay Equity)

- Jobs done by men and those done by women, in the same establishment, receive the same pay when the jobs are

determined to be of equal in value. Equal value is determined by evaluating the composite of the skill, effort and responsibility required in the performance of such work and the conditions under which the work is performed.

Evaluation

- The process by which the value of jobs is determined through the use of a job evaluation plan.

Exemptions or Exclusions

- Equal pay for work of equal value or pay equity methodologies attempt to eliminate bias in the wage determination process that is due to gender. Salary differences based on other factors such as seniority, shift differential and merit can be appropriate exclusions when calculating the wage adjustment caused by the undervaluation of a job class.

External Equity

- The relationship of a particular job or jobs within an organization and the going rate in the market for those jobs. Exists when an employer pays a salary or wages that correspond to the rates prevailing in other organizations for comparable jobs. Depending on the type of work (specialized jobs are easier to get accurate information on than generalized jobs) and the scope of the market (narrow markets where there are only a few firms requiring the work are easier to work with than a general market) the information may be more or less precise.
- When comparing to other firms to determine the going rate for particular jobs, it is essential to make sure sufficient information is being exchanged regarding the job requirements involved and certainly

not merely a job title. The range of pay being offered may reflect the range of expectations more than any difference in the degree of generosity between firms.

- The market rate for a job may reflect the effect of systemic discrimination on its wage rate.

Factor

- A sub-unit of one of the four criteria of skill, effort, responsibility or working conditions. The criteria are usually defined by such factors as communication skills, mental effort, financial responsibility or physical environment.

Factor Comparison Method

- An analytical method that evaluates the key factors of the job and allocates parts of each job's wage rate to these factors, according to their relative importance.

Factor Weight

- A value indicating the relative importance of a factor in a job evaluation system. In a point factor system, the factor weight is predetermined as a policy issue; for example, in a company that values communication skill twice as much as dexterity, the factor 'Communication' might have a maximum value of 300 points, while the maximum value for 'Dexterity' might be 150 points.

Female-Dominated Occupational Group

- An occupational group within an employee unit or bargaining unit in which 60 percent or more of the members are female, or a job class within an employee unit or bargaining unit that is a female job occupational group based on historical incumbency or gender stereotype.

Gender Dominance

- A job class which is occupied predominantly by women, or predominantly by men, defined as 60% or more. If neither gender is dominant, the job class is neutral.

Gender Neutral

- Any practice or program that does not discriminate between men and women.

Gender or Sex Bias

- A prejudice towards individuals based solely on their sex. Any factor or behaviour which, even unintentionally, unfairly favours one sex over the other. In the context of pay equity studies, gender or sex bias can effect both the design of job evaluation plans and their application. Pay equity aims to minimize, if not eliminate, gender bias within organizations.

Internal Equity

- Refers to the relationship between jobs within an organization. Equity refers to the relationship between the pay and the value for each job being balanced. It exists when the employer has determined the relative value of each job within the organization and pays accordingly. It is more comprehensive than pay equity, because it strives to have all jobs compensated according to value, regardless of sex distinctions.
- It does not refer to how much jobs are paid compared to jobs outside the organization. An organization can be high paying, low paying or average compared to other firms, but if there is internal equity, all jobs are treated according to the same rules in relation to each other. Organizations may be surprised to discover they have pay problems if there are paying more than the “going rate” for many jobs. Pay problems can be related to internal

relationships and have little to do with outside comparisons.

Internal Relative Value

- The hierarchy of jobs according to their value within the organization.

Job

- A collection of duties and responsibilities. One or more employees performing the same or similar duties with similar responsibilities and working under similar conditions are doing the same job.

Job Class

- Means a group of positions of an employer that have similar duties and responsibilities; require similar skills and qualifications; are filled by similar recruiting procedures; and have the same compensation schedule, wage grade or range of wage rates.

Job Evaluation

- A systematic procedure for determining the relative worth or value of jobs within an organization (i.e. internal equity).
- Jobs are usually evaluated according to such comparable factors as the skill, effort, responsibility and working conditions associated with the job.

Job Evaluation Committee

- A committee set up to evaluate jobs within an organization, often having a membership representing a cross-section of employees within the organization. It may be charged with selecting a job evaluation system and carrying out or at least supervising the process of job evaluation.

Joint (Union-Management) Job Evaluation Committee

- The committee responsible for the implementation of the job evaluation plan, made up of representatives from union(s) and management.

Key Jobs

- Sample jobs used in wage surveys or in job evaluation. Key jobs are used for making benchmark comparisons with other jobs.

Labour Market

- A concept used in labour economics to indicate the relationship or interplay between the supply and demand for labour in a particular area.

Maintenance

- Ongoing reviews of pay equity results to ensure that they keep up with changes in the organization. Organizations may change in a number of ways and these changes may impact on job value or value relationships; for example, if the work itself changes; if departments are reorganized, eliminating some jobs and expanding others; if new businesses are acquired or merged; or if jobs grow to accomplish larger responsibilities.

Male-Dominated Occupational Group

- An occupational group within an employee unit or bargaining unit in which 60 percent or more of the members are male, or a job class within an employee unit or bargaining unit that is a male job class based on historical incumbency or gender stereotype. The “occupational group” is used for the purpose of determining male or female dominance for establishing a wage line. The same “occupational group” should not be used for establishing appropriate pay

adjustments for individuals or groups unless warranted by the results of the job evaluation process.

Market Pricing

- A wage- and salary-setting policy that sets the rates to be paid for a job at the organization’s best estimate of the going rate in the marketplace. The job’s worth is defined solely by the market rate.

Market Rates

- An employer’s best estimate of the wage rates in the external labour market for a given job or occupation.

Merit Pay

- A voluntary pay increase to an individual because of quality of work or efficiency. Also called performance pay.

Multiple Regression

- A statistical technique that uses several independent variables to predict or forecast future events.

Non-Traditional Jobs

- Jobs now being done by women that were considered appropriate only for men in the past. There are many more women applying for jobs such as construction worker, bus driver and skilled tradesperson than ever before. This in itself will start to have a very big impact on how gender affects employment.

Occupational Group

- An occupational family or group of jobs, which may comprise several levels. The group may be homogenous, distinguishing jobs only by their degree of difficulty, or it may be heterogenous or multi-occupational, with job content

differing both in kind and in degree. A group may also be a collection of largely dissimilar positions that are treated as a unit for compensation purposes. Examples of occupational groups are clerical, social science, maintenance or personnel.

- Several criteria may be used in determining what constitutes an occupational group. The jobs in a group will:
 - be characterized by similar work;
 - probably have the same basic qualifications;
 - be characterized by similar career patterns and interchangeability of personnel; and
 - perhaps already be grouped together for administrative purposes, have similar wage scales, and have common representatives in collective bargaining.
- Occupational group classifications are the basis on which gender or sex predominance is determined. Where doubt exists with respect to the delineation of occupational groups, it is generally preferable to opt for smaller units. It is better to err toward specificity than to artificially combine jobs into one group that perform different work and are possibly dominated by a different gender.

Organizational Context

- An organization's particular mandate, goals, missions, needs and range of work required. The organizational context is an important element when testing for gender bias because it provides the framework for issues of inclusivity, work visibility and fairness. Although most job evaluation plans require that organizations value jobs according to skill, effort, responsibility and working conditions, it is up to each organization to define those criteria to

capture what is actually required of its jobs and employees. The organizational context provides a test to determine the aspects that need to be covered by job evaluation: if the job requires an element of work, that element must be valued.

Pay

- See 'Wages'.

Pay Equity Audit

- The use of a gender neutral job evaluation system to identify pay inequities. As a result of an audit, changes to an organization's salary structure may be required. It is recommended that audits be conducted every three to five years, and that an organization review its job evaluation system and its compensation policies and practices at the same time.

Pay Line

- The compensation rate, expressed in relation to the evaluation values and plotted on a graph.

Pay Plan

- A schedule of pay rates or ranges, and a list showing which class of jobs fits each rate or range.

Performance Pay

- An increase in pay directly in proportion to the formally rated performance of an employee on the job. (See also 'Merit Pay')

Point

- The numerical expression assigned to each degree within each factor.

Point Rating or Point Factor Method

- A job evaluation strategy that assigns point values to previously determined compensable factors, and adds them in order to arrive at a total score used to determine wage levels.

Proportional Value Comparison

- A way of indirectly comparing female and male job classes. It looks at the relationship between the value of the work done and the pay received by a male job class, and ensures that the same relationship applies to female job classes. It allows all female job classes in an organization to be compared with male job classes, even if the number of male job classes is relatively small.

Public Sector

- Means all employers referred to by definition and regulations under *The Public Service Act*.

Reasonable Factor

- A reason that justifies a difference in the wages of male and female employees who are performing work of equal value in an establishment. A reasonable factor could be a performance appraisal, seniority, reassignment of the position to a lower level, a rehabilitation assignment, a demotion or gradual reduction in wages, a temporary training position, an internal labour shortage in a particular job class, a reclassification or regional rates.
- In general, these reasonable factors will be applied strictly so as not to limit the effect of the policy, and will require the burden of proof to be on the respondent in a complaint situation. These reasonable factors must be viewed as exceptions rather than regular, and they require evidence. For example, if an organization wanted to use the

market shortage reasonable factor, the investigator will ask for evidence to support this claim, such as, what has been the organization's actual and relative experience with retaining and hiring people; data from employment centres indicating job opportunities that have been unfilled in the occupation in question; and Employment and Immigration data indicating a labour shortage in the specific occupational area.

Red Circled

- An individual wage rate that is higher than the newly established wage rate.

Regional Rates

- Usually found when an employer has operations in various locations, and used to take account of economic variances between the locations. Also known as regional compensation rates.

Regression Line (Regression Analysis)

- Uses known information to predict unknown information. Through regression analysis, a wage line can be produced showing how wages relate to job value, enabling the user to calculate relationships that were not previously evident. Thus, the job value and compensation for male-dominated jobs can be used to calculate what the compensation for female-dominated jobs of a given value should be.
- For example, suppose an organization has three male-dominated jobs, one valued at 300 points, the next at 400, and the third at 800; these jobs are paid \$300, \$425 and \$785, respectively. A wage line drawn on a graph will show the precise relationship between compensation and job value. If this same organization has female-dominated jobs whose values are found to be 345 points, 500 points and 750 points, and whose wages are \$290,

\$450 and \$635 respectively, a wage line can also be drawn for these jobs. Clearly, they are underpaid; however, as they have no directly comparable male jobs (no male-dominated jobs exactly equal to them in value or points), their appropriate compensation can be indirectly determined using regression analysis.

- Regression analysis is simply a more precise method than a hand-drawn line of expressing the compensation pattern. It allows an organization to statistically determine where wages are inadequate, and to determine the fairness of wages for a female-dominated job at any point value.
- The number of male jobs necessary to plot the wage line will vary, depending on the simplicity or complexity of the resulting pattern. In the example above, the relationship between the male jobs seems to fall on a straight line, so three jobs may be sufficient. Other situations would demand more jobs before the line would become clear.

Salary

- An amount of money paid to an employee for a period of time worked, usually on a monthly, semi-monthly or weekly basis.

Sore Thumbing

- Reviewing the job evaluation rating assigned to each job for each factor, looking for inconsistencies that “stick out like a sore thumb”. For example, a job evaluation committee may say that Job A involves occasional lifting, and Job Z requires constant lifting; later, when reviewing or “sore thumbing” the ratings, the committee may realize that in fact the two jobs involve constant lifting, and should therefore have the same score on that factor. Or, perhaps the committee will decide, after looking

carefully at the jobs, that the different ratings are appropriate.

Wage Differentials

- Variations in wage rates due to such factors as job content, geographic location, skill, industry and company.

Wage Discrimination

- For purposes of equal pay, differential treatment in people’s wages on the basis of their sex.

Wage Gap

- The difference in average earnings between men and women in the labour force working full-time for a full-year. The wage gap is also explained by occupational segregation, experience, education, rates of unionization, differences in hours worked and pay equity. This is not to be confused with a wage line, or differences in wage lines.

Wages

- Any form of remuneration payable for work performed by an individual, including salaries, commissions, vacation pay, dismissal wages, bonuses, reasonable value for board, rent, housing, lodging, payment in kind, employer contributions to pension funds or plans, all forms of health insurance plans, and any other advantage received directly or indirectly from an individual’s employer.

Working Conditions

- The physical or psychological work environment, including noise, temperature, isolation, physical danger, health hazards and stress conditions under which the work is performed.

Work Visibility

- Bringing work requirements to people's attention so they may be measured and given a value.

Workplace

- For the purposes of this document, workplace or workplaces include all employees of the employer who have agreed to participate in the job evaluation process, and is not limited to individual work locations.