# **Public Service Commission Policies**

# **Pay Practices for Represented Employees**

# Policy

Rates of pay are negotiated or established for an effective period of time and may be amended during that period subject to certain conditions. An employee is paid a rate of pay in accordance with the position to which the employee is appointed. An employee may not receive additional remuneration beyond what the employee is entitled to receive under the pay plan except with the approval of the Public Service Commission.

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Pay practice principles for the core government employees

The following principles apply to pay practices for core government employees:

- fairness
- consistency
- equity
- merit
- reasonableness

## **Pay Plans**

Pay Plans for represented employees of the Province of Manitoba are established in the following ways:

Pay rates for represented or <u>bargaining unit employees</u> are negotiated through collective bargaining between the Province of Manitoba and the recognized bargaining agent. Component pay plans under the Government Employees' Master Agreement (GEMA) are negotiated with the Manitoba Government and the Manitoba Government and General Employees' Union (MGEU). Similarly, pay rates for professional employees including government-employed doctors, crown attorneys, legal aid lawyers and professional engineers are negotiated with Doctors Manitoba, the Manitoba Association of Crown Attorneys, the Legal Aid Lawyers' Association, and the Manitoba Association of Government Engineers respectively.

The pay plans associated with each collective agreement ultimately must be approved by the Lieutenant Governor in Council.

Pay plans may be amended as the result of the introduction of a new classification or where it is necessary to effect an upward adjustment to a pay range for the purpose of recruitment or retention. For bargaining unit employees covered by a collective agreement, amendments may be made to the pay plan during the term of the collective agreement in accordance with the terms of the applicable collective agreement.

### Increases and decreases to an employee's pay

A represented employee's pay will increase in the following circumstances:

- A general pay increase (GPI) is implemented.
- A <u>special adjustment</u> is implemented for a classification or series.
- An employee is <u>promoted</u> through reclassification or appointment to a position with a higher maximum rate. In this circumstance an employee will be paid, if possible, one full increment more than the rate of pay the employee was being paid in the employee's former position.

- An employee is temporarily assigned to a position with a higher rate of pay through <u>acting status</u> or <u>interim reclassification</u>. In this circumstance when the temporary assignment ends, an employee's pay reverts back to the appropriate pay rate in the pay range for the employee's former position.
- The Deputy Minister authorizes a <u>merit increase</u> on the employee's <u>anniversary</u> <u>date</u>.

A represented employee's pay will decrease in the following circumstances:

- An employee is <u>reassigned</u> to a position with a lower maximum rate as a result of reorganization or organizational need.
- A <u>pay adjustment</u> is implemented as a result of a series review.
- The employee is <u>demoted</u> as a method of corrective discipline.

A represented employee's pay may decrease or stay the same in the following circumstances:

• An employee accepts a position that has a lower maximum rate of pay.

### Pay differs from salary attached to position classification

A represented employee cannot be paid higher than the classification of the position except when the employee is eligible for <u>over-range</u> pay protection. In this case, the employee's pay is maintained at a higher level than the position classification until the approved over-range period expires.

An employee may be paid lower than the classification of the position as an <u>underfill</u>, until criteria required for the full working level are met.

### Promotion and changes to an employee's anniversary date

A represented employee's <u>anniversary date</u> not change upon <u>promotion</u> except where the employee receives a pay increase of two or more steps in the <u>pay range</u>. Where an employee receives two or more steps on promotion the employee's anniversary date is changed to the effective date of the promotion in accordance with the provisions of the applicable collective agreement for bargaining unit employees.

# Situations where pay is lower than the minimum step in pay range for position classification

#### Underfill

A represented employee may be appointed on an <u>underfill</u> basis to a position at a pay step that is less than the minimum pay rate in the range for the position classification where the employee does not meet all the requirements of the position classification. In this situation the employer should prepare a development plan to assist the underfill employee to develop the required qualifications and should provide regular coaching and performance feedback.

An employee appointed to a position on an underfill basis may receive a one-step increase in pay towards the level of the position every six months until the employee reaches the level of the position classification. **Note**: Salary adjustments in underfill situations do not change the employee's <u>anniversary date</u>.

# Situations where pay is higher than the maximum step in pay range for position classification

#### Over-range pay protection eligibility

A regular represented core employee who is involuntarily <u>re-assigned</u> or reclassified to a position with a lower maximum salary may be eligible for <u>over-range</u> pay protection with the approval of the Director, Total Rewards where the reclassification is the result of:

- organizational change or restructuring
- a classification series review
- inability to meet new requirements of the position related to changes in the department's business or direction
- medically confirmed inability to perform all of the duties and responsibilities of the position due to diminished health or disability

The purpose of over-range pay protection is to allow the employee time to adjust to the financial impact of a decrease in salary and where possible, take steps to mitigate the impact. The effective date of the over-range pay protection is the first of the bi-weekly following the date the employee is notified of the re-assignment or reclassification to a position with a lower maximum salary. Department management is required to notify the employee of reassignment or reclassification as soon as reasonably practicable.

In the case of diminished health or disability where the need for re-assignment to another position or reclassification within position is identified, the effective date of the over-range pay protection is the date the employee was medically deemed unable to perform all the duties and responsibilities of the position due to diminished health or disability. This may include when the employee is no longer able to perform the full scope of their position and modification of duties and responsibilities within their position occurs. The period of over-range pay protection includes when the employee is on a leave of absence, re-assignments on a trial basis, graduated return to work in the same or different position, other measures to support accommodation, and may also include sick leave. The pay protection period will not be extended due to any leaves of absence.

Over-range pay protection may be approved for a period up to two years if the employee has been in the higher <u>pay range</u> for at least two years. If the employee has occupied the position at the higher pay range for less than two years, the period of pay protection will be pro-rated.

An employee's pay rate is "frozen" until the expiry of the over-range period. Frozen means that the employee is not eligible to receive any form of pay increase until the maximum salary of position classification becomes equal to or greater than the employee's over range pay rate. Following expiry of the over range period an employee's salary reverts to the appropriate pay rate for the employee's position classification.

An employee is not eligible for over-range pay protection where the employee's reclassification is the result of:

- <u>demotion</u> as a method of corrective discipline
- workforce adjustment
- voluntary appointment to a position with a lower range
- poor performance where performance issues have been documented and communicated to the employee over a reasonable period of time.

A bargaining unit employee has the right to dispute the application of this policy in accordance with the applicable collective agreement.

The Director of Total Rewards, Public Service Commission has the authority to approve over-range pay protection. A request for over-range pay protection for an employee must be supported in writing by the Deputy Minister of the department.

#### **Professional Fees**

An eligible core employee may be reimbursed for professional fees up to \$500 per year, based on statute, class specification and position requirement.

For the purpose of this section, an eligible employee refers to bargaining unit employees covered under GEMA and applicable represented, term employees as outlined in the Professional Fees guideline. For employees covered by other collective agreements the terms and conditions regarding payment of Professional Fees would be in accordance with the terms of agreement in the applicable collective agreement.

Further information on Professional Fees can be found on the <u>Workforce Relations</u> <u>website</u>.

## Acting status

A represented employee employed in one position may be directed to temporarily perform the full duties and responsibilities of another position having a higher grade of pay. If the employee does so and continues to perform for 10 or more consecutive working days (or the number of days outlined in the applicable collective agreement) the duties and responsibilities of the other position, the employee shall be appointed temporarily to the other position with <u>acting status</u>. The employee shall then be paid at the rate of pay applicable to the other position from the date of taking over the duties and responsibilities of the other position until the temporary appointment is revoked. An employee who is temporarily appointed to another position on an acting basis is not considered to be on probation.

### Administration of merit increases

A Deputy Minister may authorize a <u>merit increase</u> for an eligible represented employee on the employee's <u>anniversary date</u> in accordance with the provisions applicable to the bargaining unit employee concerned under the applicable collective agreement. A merit increase is granted in recognition of satisfactory service and should not be considered automatic.

Where the <u>pay range</u> of an employee's classification permits, an employee is eligible to receive a merit increase on the employee's anniversary date provided the employee has accumulated 1008 regular hours of work during the 12-month period preceding the employee's anniversary date. Where an employee's anniversary date falls during the maternity leave period, the employee is eligible for their applicable merit increase effective on their return to work.

An employee is eligible for a merit increase regardless of whether or not the employee was initially appointed at a rate of pay higher than the minimum of the pay range. An

employee may progress through the pay range for the employee's position classification until the maximum pay rate is reached. An employee must be notified of the granting or denial of a merit increase by the Deputy Minister on or prior to the employee's anniversary date. Where a merit increase has been denied an employee must be provided with the reasons for the denial in writing.

An eligible employee that has 20 or more years of calendar service on the employee's anniversary date and has been at the maximum step in their pay range for a minimum of 12 consecutive months, may receive the long service step identified in the pay plan for each classification. An eligible employee that has 25 or more years of calendar service on the employee's anniversary date and has been at the maximum of the 20 year long service step for a minimum of 12 consecutive months, may receive the 25 long service step identified in the pay plan for each classification. For the purpose of this part, an eligible employee refers to bargaining unit employees covered under GEMA. More information on long service step can be found on the <u>Workforce Relations</u> website.

Merit increases become effective the first day of the bi-weekly pay period that includes the day on which the employee becomes eligible for the increase.

#### Merit increases while in acting status

A represented employee who has been appointed temporarily to a position with <u>acting</u> <u>status</u> is eligible to receive a <u>merit increase</u> in the acting position pay range on the employee's <u>anniversary date</u>. Upon revoking or expiry of the acting status, an employee will return to the appropriate rate of pay in the pay range for the position to which the employee was assigned prior to the acting status appointment.

Where an employee is appointed temporarily to a position with acting status the employee's anniversary date is established as if the employee were permanently appointed to the position. In this circumstance the employee's anniversary date does not change except where the employee receives a pay increase of two (2) or more steps in the pay range. Where an employee receives two (2) or more steps the employee's anniversary date is changed to the effective date of the promotion in accordance with the provisions applicable to the bargaining unit employee concerned under the applicable collective agreement.

If the employee is subsequently permanently appointed to the position the employee's anniversary date will not change (i.e. the employee is simply confirmed in the acting position with no change in salary.)

#### Withholding a merit increase

A decision to withhold a represented employee's <u>merit increase</u> must be based on a formal assessment of an employee's performance that is documented and communicated to the employee. The Deputy Minister must notify the employee that a merit increase is being withheld on or before the employee's <u>anniversary date</u>. Where a merit increase has been withheld and the employee remedies the performance issues, the Deputy Minister may grant the merit increase on a subsequent monthly anniversary date in accordance with the applicable collective agreement for bargaining unit employees. Where a merit increase has been withheld the employee must be provided with the reasons for withholding the merit increase in writing. An employee who has had a merit increase withheld is eligible to be considered for a merit increase in subsequent years on the employee's anniversary date.

**Redress**. A bargaining unit employee who has been denied a merit increase has the right to file a grievance at Step 1 of the grievance procedure in accordance with the provisions of the applicable collective agreement.

# Additional remuneration for public servant being appointed to a government board, commission or agency

A core public servant appointed to a government funded board, commission or agency, for which there is a payment of a stipend from government funds, may be entitled to receive the stipend under specified conditions.

Specific circumstances under which payment of additional remuneration to a public servant may be considered are as follows:

- Where an employee has been appointed in other than the employee's official capacity; and
- Where the additional remuneration requested is for attendance at a board meeting(s); and
- Where the employee is not receiving any salary or other remuneration for the

period of time during which the employee attends the board meeting(s).

A core public servant appointed to a board, commission or agency is expected to negotiate a suitable arrangement with the employee's home department that satisfies the limitations expressed by this policy. Where necessary, guidance can be obtained from the <u>Workforce Relations Division</u>, Public Service Commission.

The Public Service Commissioner may approve additional remuneration for public servants appointed to government boards, commissions or agencies, in accordance with this policy.

Where approval of the payment of additional remuneration to a public servant appointed to a board, commission or agency is being requested, it is the responsibility of the sponsoring department (the department responsible for the board appointment) to submit the request on behalf of the public servant. Submissions including all relevant information pertaining to the request should be submitted to the Director, Total Rewards, Public Service Commission.

# Additional special compensation in recognition of exceptional performance

When a situation of exceptional performance on the part of an employee comes to the attention of management it should be encouraged by some form of recognition. Recognition may include:

- verbal commendation or a letter of commendation
- face to face meeting with the Minister
- recognition in a newsletter or other publication
- plaque, certificate or other memento of recognition
- special training and development opportunity

For the purpose of this policy, exceptional performance means performance by an employee which can be demonstrated to be at a level beyond the normal standards and expectations of the employee's regular assigned job requirements and for which the employee has not and cannot otherwise be recognized by way of a tangible form of reward or other appropriate means applicable to the situation.

Careful consideration of any request for additional special compensation in these circumstances is required to ensure that such recommendations are truly justified and based on exceptional performance. Requests for additional special compensation should be considered on the basis of internal relativity within the public service; assessing how the employee's performance relates to other employees performing similar functions in the same department or same classification across core government.

Where exceptional performance is related to the handling of additional duties and responsibilities or the completion of a special project/assignment, the use of an <u>interim</u> <u>reclassification</u> or <u>acting status</u> should be considered before requesting a <u>special merit</u> <u>increase</u> or <u>lump sum payment</u>.

Neither a special merit increase nor a lump sum payment can be considered in the following situations:

- if the employee has already been compensated through interim reclassification, acting status
- if filling in for a position at a higher pay level is built into the specifications for the position classification
- if the employee assumes duties at a higher pay level in the absence of another employee without the employer's approval

#### **Special Merit Increase**

A special merit increase may be considered following the completion of the special circumstances during which a represented employee's performance was demonstrated to be exceptional.

With the approval of the Deputy Minister of the department concerned, an employee may be granted a special merit increase equivalent to one step in the pay range of the employee's position on the employee's anniversary date or any other monthly <u>anniversary date</u> deemed appropriate.

#### Lump Sum Payment

A <u>lump sum payment</u> may be considered following the completion of the special circumstances during which a represented employee's performance was demonstrated to be exceptional. With the approval of the Public Service Commissioner an employee

may be granted a lump sum payment calculated as the difference between the employee's normal pay rate and an appropriate higher pay rate applied to the specific period during which an employee's performance was demonstrated to be exceptional.

Submissions including all relevant information pertaining to the request should be submitted to the Director, Total Rewards, Public Service Commission.

For additional information on employee recognition please refer to Employee Recognition in the <u>General Manual of Administration</u>.

#### Definitions

**Acting Status** – The temporary assignment of an employee to the full duties of another position with a higher maximum rate of pay. When acting status is revoked, the employee returns to his/her original position and rate of pay.

**Anniversary date** – An employee's **anniversary date** is the first of the month which follows the date on which the employee is employed in a position in the public service.

**Bargaining unit employees** – Employees to whom the terms and conditions of a collective agreement apply. Conditions of employment for bargaining unit employees are as set out in the applicable collective agreement.

**Demotion** – **Demotion** means reducing an employee's level of pay or classification as a method of corrective discipline. Decisions related to demotion should be discussed with the Workforce Relations Division, Public Service Commission.

Development Plan – Link to Performance Development Policy

**Exceptional performance** – Performance by an employee which can be demonstrated to be at a level beyond the normal standards and expectations of the employee's regular assigned job requirements and for which the employee has not and cannot otherwise be recognized by way of a tangible form of reward or other appropriate means applicable to the situation.

**General Pay Increase** – **General pay increase** refers to an across the board increase in pay afforded to all employees in the core public service.

**Interim reclassification** – **Interim reclassification** means reclassifying a position for a limited and specific duration of time. Requests for interim reclassification are handled in the same manner as other classification reviews.

**Long Service Step (20 and 25 year)** – **Long service step** in relation to an employee means the long service step identified in the pay plan for the employee's classification. Specific criteria must be met for both the 20 year long service step and the 25 year long service step.

**Merit Increase** – **Merit increase** means a one step increase in the pay range of an employee's position in recognition of satisfactory service.

**Over-range** – **Over-range** means that an employee's pay rate is higher than the maximum rate of pay for the position classification.

**Pay range** - A **pay range** is a series of rates of remuneration for a class that provides for a minimum rate, a maximum rate, and such intermediate rates as may be considered necessary to permit periodic increases in remuneration.

**Promotion** – **Promotion** means a change of employment from one position to another having a higher maximum salary. A promotion can result from direct or competitive appointment, or reclassification.

**Re-assignment** – **Re-assignment** means appointing an employee to a position with the same pay range or a lower pay range. It is non-disciplinary and can be voluntary or involuntary.

**Special Merit Increase** – A **special merit increase** is an increase equivalent to one step in an employee's pay range which may be granted in addition to an annual merit increase. This can only be applied where an employee has not yet reached the maximum of their pay range. An employee may receive only one special merit increase in a 12-month period. The Deputy Minister of a department has the authority to approve a special merit increase.

**Lump Sum Payment** – A **lump sum payment** is a payment made to an employee in recognition of exceptional performance. Authority to approve a lump sum payment rests with the Public Service Commissioner.

**Special Pay Adjustment** – A **special pay adjustment** is a pay increase granted to selected classifications, usually to address an internal or market pay inequity.

**Underfill** – **Underfill** means an employee is appointed to a position at a pay step that is less than the minimum pay rate for the classification.

## Authority

- <u>The Public Service Act (gov.mb.ca)</u>
- Public Service Regulation, M.R. 11/2022 (gov.mb.ca)
- Civil Service Superannuation Act Manitoba Laws (gov.mb.ca)
- <u>Collective Agreements</u>

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