

A GUIDE TO CALCULATING SALARY INCREASES & RETROACTIVE PAYMENTS

The pay equity / job evaluation process is now complete and on July 1, 2011, the current compensation structure will be replaced by a “new” system which eliminates inequities. Under the “new” system, there will be equal pay for work of equal value for all jobs.

This guide will help you to determine if your current compensation will change under the “new” system and if you are entitled to retroactive payments and/or have gained ‘headroom’ (additional steps in the pay band that you did not have before). If you are entitled to compensation changes or retroactive payments, this guide will also help you to estimate what these figures will be.

STEP 1 – FINDING YOUR CURRENT INFORMATION

Before you begin, you will need to know two things about your current job:

1. Your current (new) **job classification**
2. Your current **salary**

STEP 2 – FINDING THE NEW PAY BAND FOR YOUR JOB CLASSIFICATION

Visit the USW 1998 website (www.usw1998.ca) and download the Excel spreadsheet with the “complete list of positions and job class assignments” (which appears on the main page). This spreadsheet shows the **new pay band** for each job classification. Find your classification and new pay band. For example, if your job classification is “Graduate/Undergraduate Administrator C1”, you could use the Excel “find” function to search for “Graduate/Undergraduate Administrator C1”, then look to the “New Pay Band” column on the far right to see that the new Pay Band is “8”.

STEP 3 – FINDING THE NEW PAY SCALE

The pay scale shows the salary rates for all pay bands and steps. The new pay scale for 2010-2011 appears on page 6 of this document.

For example, continuing with the example “Graduate/Undergraduate Administrator C1”, with the new Pay Band “8” we can see the Hiring rate is now \$46,247 with the highest salary in Step 8 being \$59,142.

STEP 4 – WILL I RECEIVE A SALARY INCREASE?

On July 1, 2011, the new system will be implemented. To determine if you will receive a salary increase under the new system, you must compare your **current salary** with the *range* of

salaries (all steps, including “Hiring”) in your **new pay band** on the **new pay scale** (you may **not** be in the same Step as you were in the old system):

- a) If your current salary falls **below the range** of salaries for your job classification’s new pay band, you will move to the lowest salary (“Hiring” rate) in the new pay band. This will be a **salary increase**. You will then **move up the steps** in the new pay band as you normally would, on your salary adjustment date (determined individually based on when you started in that position).
- b) If your current salary is **within the range** of salaries for your job classification’s new pay band, you will **remain at your current salary**. You will then **move up the steps** in the new pay band as you normally would, on your salary adjustment date (determined individually based on when you started in that position). There will be no retroactive pay. For example, a “Graduate/Undergraduate Administrator C1” with a current salary of \$51,342 at step 4 in their current band would be in Pay Band 8 and land between steps 2 (\$50,021) and 3 (\$52,022) on July 1. The next step increase on their anniversary date would take them to step 3. They would then progress through the remaining Steps annually. While they would not receive retroactive pay, they would benefit from additional headroom – i.e. the maximum pay for their job would increase from \$56,231 to \$59, 142. Another example would be of an Administrative Officer H who has been at the top of her current band at \$65,540 for ten years. While she doesn’t receive retro pay, she does get an additional four steps of headroom in the future for a new maximum salary of \$70,806.)
- c) If your current salary **exceeds the range** of salaries for your job classification’s new pay band, you will **remain at your current salary**. You **cannot move up any more steps**, because your salary already exceeds the range of salaries in the band. However, you will continue to receive any across-the-board increases that are negotiated in future rounds of collective bargaining and those increases will be added to your base salary so that it’s pensionable. There will be no retroactive pay.

Everyone in the bargaining unit will continue to receive across-the-board increases as they are negotiated in future rounds of collective bargaining.

STEP 5 – HOW MUCH OF AN INCREASE WILL I RECEIVE?

If you are entitled to a salary increase (as described in point “a” above), calculating your salary increase is easy. Simply **subtract** your current salary from the lowest salary in the range of the new pay band (which will be your new salary). For example:

$$\text{Current Salary} = \$45,810$$

New Pay Band = 8
Lowest Salary in Range of Band 8 = \$46,247

Increase = Lowest Salary in New Pay Band – Current Salary

Increase = \$46,247 - \$45,810

Increase = \$437

New Salary = \$46,247

STEP 6 – AM I ENTITLED TO A RETROACTIVE PAYMENT?

The new system is being implemented retroactively to July 1, 2007. This means that the same process outlined in Step 5 will be followed for each of the four years since July 1, 2007. You are entitled to a retroactive increase for any period during this time when your salary fell below the salary range for the new pay band.

STEP 7 – HOW DO I CALCULATE MY RETROACTIVE PAYMENT?

Calculating your retroactive payment is more complex than calculating a simple go-forward salary increase. There are many additional things that we need to consider in a retroactive calculation, because retroactivity deals with the past. For instance, we need to use updated versions of the pay scales for these years that reflect the “new” system. You will also need to determine if you have changed jobs during this period, and when you received your step increases. Calculating retroactivity is an exercise in history: you will need to know the salary you were paid for the years in question.

If you were in the **same job throughout the period**, you will calculate your retroactive payment in the same way you calculated your increase in Step 5. However, you will need to go through this process four times: for **each year** going back to July 1, 2007, using the data from each particular year. For example, for the 2008-2009 year, you will use your **salary** from 2008-2009 and you will examine it against the **new pay scale** for 2008-2009 (included at the end of this document). Your **new pay band** will always be the same, but you must be sure to use the **new pay scale** for the appropriate year. The **new pay scale** for 2008-2009 essentially tells us how much you *should* have been paid during that year. This will be compared to how much you *actually* were paid during that year. Once you have all of this information, the process is the same as Step 5. Subtract the salary you actually received from the lowest salary in the range for that band in the appropriate year.

Here is an example of how this would work for the four year period, for an employee whose was placed in band 8 after the job evaluation process and was entitled to an increase:

2010-11 Increase = (Lowest Salary in Band 8 for 2010-11) – (2010-11 Salary)

2009-10 Increase = (Lowest Salary in Band 8 for 2009-10) – (2009-10 Salary)
2008-09 Increase = (Lowest Salary in Band 8 for 2008-09) – (2008-09 Salary)
2007-08 Increase = (Lowest Salary in Band 8 for 2007-08) – (2007-08 Salary)

ADD THESE FOUR ANNUAL FIGURES UP FOR THE TOTAL RETROACTIVE INCREASE

If you were **hired since 2007**, but then worked the **same job** throughout that period, calculate your increases as described in the paragraph above for the time you actually worked. If you worked half a year, simply divide the raise you would have received for the entire year by two.

If you have **changed jobs** during the period from 2007-2011, things are again more complicated. You will need to calculate your increases based on the salary you were receiving and using the relevant band to the job you were working, **at that time**. The following scenario assumes that an employee had been working at a job that has been evaluated to be in band 6, before taking a job that has been evaluated to be in band 8 for the last year. Both jobs were entitled to increases as per step 4.

2010-11 Increase = (Lowest Salary in Band 8 for 2010-11) – (2010-11 Salary)
2009-10 Increase = (Lowest Salary in Band 6 for 2009-10) – (2009-10 Salary)
2008-09 Increase = (Lowest Salary in Band 6 for 2008-09) – (2008-09 Salary)
2007-08 Increase = (Lowest Salary in Band 6 for 2007-08) – (2007-08 Salary)

ADD THESE FOUR ANNUAL FIGURES UP FOR THE TOTAL RETROACTIVE INCREASE

If you changed jobs, it is also possible that one of these jobs is not eligible for an increase. This could mean that you are not currently entitled to an increase going forward, but are eligible for a retroactive increase for a different job you worked since 2007 at the University. It could also mean that you are eligible for an increase going forward, but not for the entire period of time since 2007. The following scenario describes an employee who recently switched into a job that is not eligible for an increase, but worked a **different job** in the past that is now eligible for an increase:

2010-11 Increase = not eligible, current salary exceeds band's range on new pay scale
2009-10 Increase = not eligible, 2009-10 salary exceeds band's range on new pay scale
2008-09 Increase = (Lowest Salary in Band 6 for 2008-2009) – (2008-2009 Salary)
2007-08 Increase = (Lowest Salary in Band 6 for 2007-2008) – (2007-2008 Salary)

ADD THESE FOUR ANNUAL FIGURES UP FOR THE TOTAL RETROACTIVE INCREASE

Calculating retroactivity requires you to evaluate how much of an increase you were cumulatively entitled to since July 1, 2007. This will involve dividing your employment history into years and different jobs and calculating how much you are owed for each of those periods. Remember to always use the **salary** and **pay scale** for the year or period in question.

CONCLUSION

As you can see, determining your entitlement and calculating your salary increase and retroactive payment is a complex process. The process will be different for each individual in the bargaining unit, as each employee has a unique history at the University. This is why neither the University, nor the Union, is able to quickly tell the thousands of members affected what the settlement will mean to each of them, in exact financial terms. Doing so requires a massive administrative effort. This process has begun, but it will take time. Rest assured that the entire bargaining unit will be governed by the same terms of the agreement, and when the process is complete, an equitable compensation system will at last be ours for the years to come. In the meantime, this document has guided you to a meaningful estimate of how much your salary will be increasing and how much your retroactive payment will be, if indeed you are entitled to such increases.

NEW PAY SCALE FOR 2010-2011

Band	Hiring	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	\$30,386	\$31,602	\$32,866	\$34,181	\$35,206	\$36,262	\$37,350	\$38,097	\$38,859
2	\$32,265	\$33,556	\$34,898	\$36,294	\$37,383	\$38,505	\$39,660	\$40,453	\$41,262
3	\$34,261	\$35,632	\$37,057	\$38,539	\$39,695	\$40,886	\$42,113	\$42,955	\$43,814
4	\$36,379	\$37,835	\$39,348	\$40,922	\$42,150	\$43,414	\$44,716	\$45,611	\$46,523
5	\$38,629	\$40,174	\$41,781	\$43,453	\$44,756	\$46,099	\$47,482	\$48,431	\$49,400
6	\$41,018	\$42,659	\$44,365	\$46,140	\$47,524	\$48,950	\$50,418	\$51,426	\$52,455
7	\$43,554	\$45,296	\$47,108	\$48,992	\$50,462	\$51,976	\$53,535	\$54,606	\$55,698
8	\$46,247	\$48,097	\$50,021	\$52,022	\$53,582	\$55,190	\$56,845	\$57,982	\$59,142
9	\$49,107	\$51,071	\$53,114	\$55,238	\$56,896	\$58,602	\$60,360	\$61,568	\$62,799
10	\$52,144	\$54,230	\$56,399	\$58,655	\$60,414	\$62,227	\$64,094	\$65,375	\$66,683
11	\$55,368	\$57,583	\$59,886	\$62,281	\$64,150	\$66,074	\$68,057	\$69,418	\$70,806
12	\$58,792	\$61,144	\$63,590	\$66,133	\$68,117	\$70,161	\$72,265	\$73,711	\$75,185
13	\$62,427	\$64,925	\$67,522	\$70,222	\$72,329	\$74,499	\$76,734	\$78,269	\$79,834
14	\$66,287	\$68,939	\$71,696	\$74,564	\$76,801	\$79,105	\$81,478	\$83,108	\$84,770
15	\$70,386	\$73,202	\$76,130	\$79,175	\$81,550	\$83,997	\$86,517	\$88,247	\$90,012
16	\$74,739	\$77,728	\$80,837	\$84,071	\$86,593	\$89,191	\$91,867	\$93,704	\$95,578
17	\$79,361	\$82,535	\$85,837	\$89,270	\$91,948	\$94,707	\$97,548	\$99,499	\$101,489
18	\$84,268	\$87,639	\$91,144	\$94,790	\$97,634	\$100,563	\$103,579	\$105,651	\$107,764
19	\$89,479	\$93,058	\$96,780	\$100,652	\$103,671	\$106,781	\$109,985	\$112,184	\$114,428
20	\$95,012	\$98,812	\$102,765	\$106,876	\$110,082	\$113,384	\$116,786	\$119,122	\$121,504
		4%	4%	4%	3%	3%	3%	2%	2%

NEW PAY SCALE FOR 2009-2010

Band	Hiring	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	\$29,502	\$30,682	\$31,909	\$33,186	\$34,181	\$35,207	\$36,263	\$36,988	\$37,728
2	\$31,326	\$32,579	\$33,883	\$35,238	\$36,295	\$37,384	\$38,505	\$39,275	\$40,061
3	\$33,263	\$34,594	\$35,978	\$37,417	\$38,539	\$39,695	\$40,886	\$41,704	\$42,538
4	\$35,320	\$36,733	\$38,202	\$39,730	\$40,922	\$42,150	\$43,414	\$44,282	\$45,168
5	\$37,504	\$39,004	\$40,564	\$42,187	\$43,452	\$44,756	\$46,099	\$47,021	\$47,961
6	\$39,823	\$41,416	\$43,073	\$44,796	\$46,140	\$47,524	\$48,949	\$49,928	\$50,927
7	\$42,286	\$43,977	\$45,736	\$47,566	\$48,993	\$50,462	\$51,976	\$53,016	\$54,076
8	\$44,900	\$46,697	\$48,564	\$50,507	\$52,022	\$53,583	\$55,190	\$56,294	\$57,420
9	\$47,677	\$49,584	\$51,568	\$53,630	\$55,239	\$56,897	\$58,603	\$59,775	\$60,971
10	\$50,625	\$52,650	\$54,756	\$56,947	\$58,655	\$60,415	\$62,227	\$63,472	\$64,741
11	\$53,756	\$55,907	\$58,143	\$60,468	\$62,283	\$64,151	\$66,076	\$67,397	\$68,745
12	\$57,080	\$59,364	\$61,738	\$64,208	\$66,134	\$68,118	\$70,161	\$71,565	\$72,996
13	\$60,609	\$63,034	\$65,555	\$68,177	\$70,223	\$72,329	\$74,499	\$75,989	\$77,509
14	\$64,357	\$66,932	\$69,609	\$72,393	\$74,565	\$76,802	\$79,106	\$80,688	\$82,302
15	\$68,338	\$71,071	\$73,914	\$76,870	\$79,177	\$81,552	\$83,998	\$85,678	\$87,392
16	\$72,563	\$75,466	\$78,485	\$81,624	\$84,073	\$86,595	\$89,193	\$90,976	\$92,796
17	\$77,050	\$80,132	\$83,338	\$86,671	\$89,271	\$91,949	\$94,708	\$96,602	\$98,534
18	\$81,815	\$85,087	\$88,491	\$92,030	\$94,791	\$97,635	\$100,564	\$102,575	\$104,627
19	\$86,873	\$90,348	\$93,962	\$97,721	\$100,652	\$103,672	\$106,782	\$108,918	\$111,096
20	\$92,245	\$95,935	\$99,773	\$103,764	\$106,876	\$110,083	\$113,385	\$115,653	\$117,966
		4%	4%	4%	3%	3%	3%	2%	2%

NEW PAY SCALE FOR 2008-2009

Band	Hiring	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	\$28,500	\$29,640	\$30,825	\$32,058	\$33,020	\$34,010	\$35,031	\$35,731	\$36,446
2	\$30,262	\$31,473	\$32,731	\$34,041	\$35,062	\$36,114	\$37,197	\$37,941	\$38,700
3	\$32,133	\$33,419	\$34,755	\$36,146	\$37,230	\$38,347	\$39,497	\$40,287	\$41,093
4	\$34,120	\$35,485	\$36,905	\$38,381	\$39,532	\$40,718	\$41,940	\$42,778	\$43,634
5	\$36,230	\$37,679	\$39,186	\$40,754	\$41,977	\$43,236	\$44,533	\$45,424	\$46,332
6	\$38,470	\$40,009	\$41,610	\$43,274	\$44,572	\$45,909	\$47,287	\$48,232	\$49,197
7	\$40,850	\$42,484	\$44,183	\$45,951	\$47,329	\$48,749	\$50,211	\$51,216	\$52,240
8	\$43,376	\$45,111	\$46,915	\$48,792	\$50,255	\$51,763	\$53,316	\$54,382	\$55,470
9	\$46,058	\$47,900	\$49,816	\$51,809	\$53,363	\$54,964	\$56,613	\$57,745	\$58,900
10	\$48,906	\$50,862	\$52,896	\$55,012	\$56,663	\$58,363	\$60,113	\$61,316	\$62,542
11	\$51,930	\$54,008	\$56,168	\$58,415	\$60,167	\$61,972	\$63,831	\$65,108	\$66,410
12	\$55,141	\$57,347	\$59,641	\$62,026	\$63,887	\$65,804	\$67,778	\$69,133	\$70,516
13	\$58,551	\$60,893	\$63,329	\$65,862	\$67,838	\$69,873	\$71,969	\$73,409	\$74,877
14	\$62,172	\$64,659	\$67,245	\$69,935	\$72,033	\$74,194	\$76,420	\$77,948	\$79,507
15	\$66,016	\$68,657	\$71,403	\$74,259	\$76,487	\$78,781	\$81,145	\$82,768	\$84,423
16	\$70,099	\$72,903	\$75,819	\$78,851	\$81,217	\$83,653	\$86,163	\$87,886	\$89,644
17	\$74,433	\$77,410	\$80,507	\$83,727	\$86,239	\$88,826	\$91,491	\$93,321	\$95,187
18	\$79,036	\$82,197	\$85,485	\$88,904	\$91,572	\$94,319	\$97,148	\$99,091	\$101,073
19	\$83,923	\$87,280	\$90,771	\$94,402	\$97,234	\$100,151	\$103,156	\$105,219	\$107,323
20	\$89,112	\$92,677	\$96,384	\$100,239	\$103,246	\$106,344	\$109,534	\$111,725	\$113,959
		4%	4%	4%	3%	3%	3%	2%	2%

NEW PAY SCALE FOR 2007-2008

Band	Hiring	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	\$27,532	\$28,634	\$29,779	\$30,970	\$31,899	\$32,856	\$33,842	\$34,519	\$35,209
2	\$29,235	\$30,404	\$31,620	\$32,885	\$33,871	\$34,888	\$35,934	\$36,653	\$37,386
3	\$31,042	\$32,284	\$33,576	\$34,919	\$35,966	\$37,045	\$38,156	\$38,920	\$39,698
4	\$32,962	\$34,281	\$35,652	\$37,078	\$38,190	\$39,336	\$40,516	\$41,326	\$42,153
5	\$35,001	\$36,401	\$37,857	\$39,371	\$40,552	\$41,769	\$43,022	\$43,882	\$44,760
6	\$37,165	\$38,651	\$40,197	\$41,805	\$43,059	\$44,351	\$45,681	\$46,595	\$47,527
7	\$39,463	\$41,041	\$42,683	\$44,390	\$45,722	\$47,094	\$48,506	\$49,476	\$50,466
8	\$41,903	\$43,579	\$45,323	\$47,135	\$48,549	\$50,006	\$51,506	\$52,536	\$53,587
9	\$44,495	\$46,274	\$48,125	\$50,050	\$51,552	\$53,099	\$54,691	\$55,785	\$56,901
10	\$47,246	\$49,135	\$51,101	\$53,145	\$54,739	\$56,381	\$58,073	\$59,234	\$60,419
11	\$50,167	\$52,174	\$54,261	\$56,431	\$58,124	\$59,868	\$61,664	\$62,897	\$64,155
12	\$53,270	\$55,401	\$57,617	\$59,921	\$61,719	\$63,571	\$65,478	\$66,787	\$68,123
13	\$56,564	\$58,826	\$61,179	\$63,626	\$65,535	\$67,501	\$69,526	\$70,917	\$72,335
14	\$60,061	\$62,464	\$64,962	\$67,561	\$69,588	\$71,675	\$73,825	\$75,302	\$76,808
15	\$63,775	\$66,326	\$68,979	\$71,738	\$73,890	\$76,107	\$78,390	\$79,958	\$81,557
16	\$67,719	\$70,428	\$73,245	\$76,175	\$78,460	\$80,814	\$83,238	\$84,903	\$86,601
17	\$71,906	\$74,783	\$77,774	\$80,885	\$83,312	\$85,811	\$88,385	\$90,153	\$91,956
18	\$76,353	\$79,407	\$82,583	\$85,886	\$88,463	\$91,117	\$93,850	\$95,727	\$97,642
19	\$81,074	\$84,317	\$87,690	\$91,198	\$93,933	\$96,751	\$99,654	\$101,647	\$103,680
20	\$86,087	\$89,531	\$93,112	\$96,837	\$99,742	\$102,734	\$105,816	\$107,932	\$110,091
		4%	4%	4%	3%	3%	3%	2%	2%