

IN THE MATTER OF PAY EQUITY/JOB EVALUATION

B E T W E E N

The University of St. Michael's College
("USMC")

- and -

THE UNITED STEELWORKERS LOCAL, 1998
(The "Union")

MEMORANDUM OF SETTLEMENT

RE: PHASE 2 PAY EQUITY/JOB EVALUATION PROCESS

WHEREAS USMC and the Union signed a Memorandum of Settlement on November 2, 2022, which confirmed the use of the gender-neutral SES/U job evaluation system, the results of the new pay equity plan under Phase 1 and set out a methodology for Pay Equity Implementation and Job Evaluation going forward. (the "**2022 MOS**");

WHEREAS under the **2022 MOS**, USMC and the Union agreed to negotiate through collective bargaining a new Wage Schedule ("**Schedule A**") with bands consistent with the Phase 1 Pay Equity/Job Evaluation exercise. **Schedule A** was in effect as of July 1, 2023;

AND WHEREAS the **2022 MOS** included a job evaluation/pay equity maintenance protocol **Appendix 7** ("**Appendix 7**") where the parties agreed that the purpose is to provide for an open process to maintain pay equity and to maintain a consistent and fair internal job evaluation and classification process in a manner which is compliant with the *Pay Equity Act* and the *Human Rights Code*;

AND WHEREAS **Appendix 7** required the parties to expeditiously complete Phase 2 of the Job Evaluation/Pay Equity Implementation which applied to jobs which existed specifically between July 1, 2018 to November 1, 2022, but had not been rated under Phase 1 or had changed significantly such that a re-evaluation exercise was needed;

AND WHEREAS the Union and USMC have concluded the Phase 2 process of jointly rating and placing Phase 2 positions in the appropriate pay bands according to the methodology for Pay Equity Implementation set out in the **2022 MOS**;

NOW THEREFORE the parties agree as follows (the "**Agreement**");

INTRODUCTION

1. The parties are now agreed, as set out in **Appendix 8**, on seventeen new job classes and positions (with unique position numbers) that comprise these job

classes, along with the agreed upon gender of those job classes (male, female and neutral) and the full ratings and rationales of those job classes on a factor- by-factor basis. In arriving at the final ratings, a process of “sore-thumb” was undertaken to ensure that the results were fair, consistent, and free of gender bias.

2. **Appendix 9** incorporates the Phase II job classes into the pay band structure previously agreed to in Appendix 6 of the **2022 MOS**.

PAY EQUITY IMPLEMENTATION

3. The Pay Equity process was conducted according to the methodology set out in the **2022 MOS**.
4. The Phase 2 pay equity analysis identified new male job classes to be used as Pay Equity comparators for all populated bands, save and except Band 4. The parties agree that all male job classes identified as Pay Equity comparators in the Phase 2 results will continue to be used as Pay Equity comparators in their respective Bands for future maintenance exercises. In the event that a new male job class is identified in a particular Band, it may replace the Phase 2 Pay Equity comparator for that Band if it is deemed to be more appropriate by both parties.
5. A proportional value analysis was applied for Band 4. The parties relied upon the Pay Equity Commission’s PV calculator and the proportional value analysis is attached in **Appendix 10**.
6. This analysis resulted in a \$0.66 adjustment that would need to be applied to the highest step of Band 4 in **Schedule A**. The parties agreed to implement this as a one-time change to **Schedule A** in order to address this discrepancy. There will be a separate Letter of Understanding to outline the changes made as a result.
7. Phase 2 job classes have been migrated to **Schedule A** effective July 1, 2023. The updated **Schedule A** shall be used to maintain pay equity and achieve and maintain internal equity for bargaining unit positions going forward. The parties acknowledge that the **Schedule A** wage grid was updated in the 2024 – 2026 renewal collective agreement and any general wage increases shall be applied to the Phase 2 job classes.

IMPLEMENTATION OF PAY EQUITY ADJUSTMENTS

8. Eligible employees in female-dominated job classes requiring adjustments will be moved to the Wage Schedule, effective July 1, 2023, as follows:
 - a. If the difference of an incumbent’s July 1, 2023, wage rate and the job rate in their new pay band as of July 1, 2023 is 5% or less, they shall be placed at Step 7 of their new pay band.
 - b. If the difference of an incumbent’s July 1, 2023, wage rate and the job rate in their new pay band as of July 1, 2023 is 5.1% or more, they shall be placed at the next step of their new pay band that will give them at least a 3% increase.

- c. If an incumbent's wage rate on July 1, 2023 is already at Step 7 of their new pay band as of July 1, 2023, they will be placed in Step 7.
- d. If an incumbent's wage rate on July 1, 2023, is higher than Step 7 of their new pay band as of July 1, 2023, they will be "green-circled." They will stay at their current rate of pay and will continue to get ATB increases as negotiated in collective bargaining.

RETROACTIVE PAY EQUITY PAYMENTS

- 9. USMC will process retroactive payments to all eligible employees in female-dominated job classes that have been identified by the parties as requiring a Pay Equity Adjustment. The payment will be based on all regular hours of work paid on or after July 1, 2018. For clarity, dates for each position will be based on the creation of the Phase 2 position or the date that significant change(s) took effect to the Phase 1 positions.
- 10. Retroactive payments for female-dominated job classes will be calculated using the wage gap identified in the Pay Equity job evaluation process. The wage gap shall be calculated utilizing July 1, 2023 job rates. Then the total hours for each employee in a position receiving a pay equity adjustment shall be calculated for the period agreed upon for retroactivity. The total hours per employee shall be multiplied by the wage gap to determine the amount owed to each employee. The total retroactive amount shall be the sum of the amounts owing to all affected employees.
- 11. Any and all pay equity adjustments shall be applied to the female-dominated job classes no later than 90 days from the signing of this Memorandum of Settlement.
- 12. Eligible employees will be all employees employed from July 1, 2018 forward in eligible female-dominated job classes who are entitled to pay equity adjustments including employees who are no longer employed. The employer will make a reasonable, good-faith effort to contact such individuals who are no longer in the employ of USMC. Where the employer is unable to contact such individuals, it will advise the Union and the parties shall jointly undertake best efforts to contact the individuals.
- 13. USMC will provide the Union with its schedule of the retroactive pay equity adjustments with supporting information and will work with the Union to ensure it is accurate.

IMPLEMENTATION OF INTERNAL EQUITY ADJUSTMENTS

- 14. All other Phase 2 positions requiring adjustments will be moved to the Wage Schedule, effective July 1, 2023 as follows:

- a. If the difference of an incumbent's July 1, 2023, wage rate and the job rate in their new pay band as of July 1, 2023 is 5% or less, they shall be placed at Step 7 of their new pay band.
- b. If the difference of an incumbent's July 1, 2023, wage rate and the job rate in their new pay band as of July 1, 2023 is 5.1% or more, they shall be placed at the next step of their new pay band that will give them at least a 3% increase.
 - c. If an incumbent's wage rate on July 1, 2023 is already at Step 7 of their new pay band as of July 1, 2023, they will be placed in Step 7.
- d. If an incumbent's wage rate on July 1, 2023, is higher than Step 7 of their new pay band as of July 1, 2023, they will be "green-circled." They will stay at their current rate of pay and will continue to get ATB increases as negotiated in collective bargaining.
- e. Any and all internal equity adjustments shall be applied to the male-dominated job classes no later than 90 days from the signing of this Memorandum of Settlement.
- f. For clarity, retroactive internal equity payments for Phase 2 positions will only be provided to employees who are actively employed by USMC.

MAINTENANCE

15. The parties will continue to maintain pay equity and internal equity in accordance with the Maintenance Protocol in **Appendix 7**, which will govern the ongoing maintenance of the job evaluation/pay equity process.
16. The parties will monitor the ongoing maintenance process set out in **Appendix 7** to ensure that no adverse gender impacts arise after the signing of this Agreement in the maintenance process, and the parties agree to correct any such impacts.

RELEASE AND WITHDRAWAL OF PROCEEDINGS

17. This Agreement fully resolves all Pay Equity matters up to and including November 1, 2022. The parties have negotiated a job evaluation/pay equity maintenance protocol (**Appendix 7**) to deal with all pay equity matters going forward.
18. The parties agree that this Agreement is pursuant to section 25.1 of the Ontario Pay Equity Act and that both the Employer and the Union shall jointly defend this settlement should it be challenged to the Pay Equity Office or Pay Equity Hearings Tribunals

MISCELLANEOUS

19. All payments referred to throughout this Agreement are subject to the required statutory deductions.

UNIVERSITY OF ST. MICHAEL'S COLLEGE this 5 DAY OF September '25

FOR THE UNION

 Sept 15/25
Signature Date

 September 8, 2025.
Signature Date

 Sept 5.25
Signature Date

FOR THE UNIVERSITY


Signature Date



