

Update: The Sectoral Exempt Staff Compensation Review Project and the Minister's Direction on the Management Compensation Freeze

Sectoral Exempt Staff Compensation Review Project

Further to *Exempt Staff Issues* bulletin [No. 2015-03](#), work is progressing on the Sectoral Exempt Staff Compensation Review Project. To date, completed Position Information Questionnaires have been submitted by 58 of the 60 school districts; Western Compensation and Benefits Consultants (WCBC) is following up with the remaining two districts.

WCBC is also working to collect and value the compensation data for the external labour market comparator organizations. As you can appreciate, this is a comprehensive market review, which will ensure development of a revised exempt staff salary structure for each school district — on a total compensation basis — consistent with the relevant comparator labour market and the district's internal organizational structure.

At this time, we anticipate being in a position to provide districts, by mid- to late November:

- the total compensation valuations of each district's current compensation package for the benchmark positions
- the total compensation data for matching benchmark positions in the relevant labour market comparator organizations, and
- the first draft, for discussion, of a suggested revised salary structure.

BCPSEA will then proceed to work with each district to finalize its district-based exempt staff salary structure and, subsequently, to develop the district's proposal for allocation of the modest increases permitted for eligible district-based exempt staff positions within the government direction on the compensation freeze for 2015 (retroactive to July 1, 2015) and 2016 (effective January 1, 2016).

It is important to note that government direction in this regard does not pre-suppose across the board increases for all management employees. Further, transition to the revised salary structures, once approved by PSEC, will be a phased process and any proposed compensation increases must be consistent with the government direction on the increases available effective July 1, 2015 and January 1, 2016.

Principal and Vice Principal Positions

While the work of the Sectoral Exempt Staff Compensation Review Project is ongoing, school districts can proceed with the necessary work applicable to the principal and vice principal positions.

SCHOOL DISTRICT ACTION ITEM: Given the regional salary model for principals and vice principals as set out in the report of the BCPSEA Exempt Staff Compensation Working Group, school district senior staff will now want to engage in consultation with representatives of the local principals'/vice principals' association with respect to how the regional salary model will apply in the individual district.

BCPSEA will then review those discussions with district senior staff to articulate the proposed approach for inclusion in the sectoral submission to the Public Sector Employers' Council (PSEC) — (see “The Business Case for Submission to PSEC” below).

SCHOOL DISTRICT ACTION ITEM: The district should then proceed to complete the attached spreadsheet, prepared by PSEC and adapted for the K-12 sector, to set out its proposal for allocation of the modest increases permitted for principals/vice principals within the government direction on the compensation freeze for 2015 (retroactive to July 1, 2015) and 2016 (effective January 1, 2016).

As we have advised in previous bulletins, it is important to note that:

- allocation of the proposed increases must be differentiated on the basis of demonstrated salary compression or inversion and/or recruitment/retention risks (PSEC has clarified that “compression” will be defined as a differential of less than 10% between a supervisory position and the position supervised)
- transition to the regional salary models will be a phased process and any compensation increases must be consistent with the government direction on the increases available effective July 1, 2015 and January 1, 2016
- the compensation increases are not a general wage increase and must be funded from within existing budgets.

The Business Case for Submission to PSEC

Through our work with school districts, BCPSEA will finalize one comprehensive business case for submission to PSEC. The business case will include:

- For district-based exempt positions
 - the proposed revised salary structure
 - a spreadsheet that sets out the district's proposal for allocation of the modest increases permitted in accordance with the parameters established by PSEC
- For principal and vice principal positions
 - the regional salary model applicable to principal/vice principal positions in the district and a statement as to how the school district will apply the regional salary model as set out in the ESCWG report
 - a spreadsheet that sets out the district's proposal for allocation of the modest increases permitted in accordance with the parameters established by PSEC.

Following approval from PSEC, districts will then be able to proceed to process the permitted increases.

Executive Positions

As we have previously advised, compensation increases for executive positions in the broader public sector are not included in this direction on the management compensation freeze. Recognizing that the position of Superintendent is not covered by the compensation freeze (but is covered by the compensation disclosure reporting requirements of *the Public Sector Employers Act*), the compensation freeze continues to apply to the executive positions of Secretary Treasurer and Assistant Superintendent consistent with the broader public sector. We will advise as further information is made available with respect to executive positions.

Questions

Please direct any questions to Deborah Stewart, Senior Human Resources Consultant, at 604 730 4506 or deborahs@bcpsea.bc.ca.

Attachment: Spreadsheet: Proposed allocation of permitted increases for principal/vice principal positions