

**LEGISLATIVE ASSEMBLY OF BRITISH COLUMBIA
POLICY MANUAL**

SECTION	Human Resources
POLICY	4300 – Salary Administration

Objective To ensure salary administration decisions are applied consistently and transparently across the Legislative Assembly Administration.

Application This policy applies to all employees of the Legislative Assembly appointed under section 39 of the *Constitution Act* (R.S.B.C. 1996, c. 66).

Authority Legislative Assembly operational policies are approved by the Clerk of the Legislative Assembly, as per *Policy 1000 – Legislative Assembly Policy Framework*.

Key Definitions “**cost of living adjustment**” or “**COLA**” means a pay adjustment based on a cost of living increase;

“**internal equity**” means employees with similar positions and levels of responsibility receive similar compensation;

“**pay grade**” means the salary range, within the compensation framework, assigned to a position classification;

“**principal duties**” means the typical recurring tasks or functions to carry out the purpose of the position, which may evolve over time;

“**salary**” means the base rate of pay, whether paid hourly or salaried;

“**salary compression**” means a situation where an employee’s base salary is close to, or exceeds, that of their direct supervisor.

1. General .01 The Legislative Assembly is committed to providing an internally equitable and externally competitive compensation framework that is fair, accountable, transparent, and supports a living wage.

.02 To maintain internal equity and avoid salary compression, salary administration decisions will consider, as applicable:

- a) related work experience;
- b) salary placement of existing employees performing same or similar work within the same pay grade;
- c) salary placement of the position’s direct supervisor; and
- d) salary placement of positions the position directly supervises.

.03 Salary administration decisions are approved by the authority designated in Appendix A in consultation with Human Resources.

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- .04 Annual salary is calculated using the hours of work identified in *Policy 4030 – Hours of Work*.
- .05 Any salary decision and change shall be communicated in writing to the employee to whom it applies.
- .06 Any exceptions to this policy must be documented and approved in writing by the Chief Human Resources Officer or their designate.

2. Salary Placement

- .01 Except for substitution pay, salary placement percentages referenced throughout this policy are applied against the maximum value of the respective pay grade.
- .02 Salary placement within the appropriate pay grade is determined, in accordance with section 2.03, in the following situations:
 - a) initial hire;
 - b) re-hire;
 - c) lateral transfer to a position within the same pay grade;
 - d) reclassification to higher pay grade;
 - e) appointment to a higher pay grade following a recruitment;
 - f) acting assignment to a higher pay grade with responsibility pay;
 - g) temporary assignment; or
 - h) voluntary demotion.
- .03 Salary placement within the appropriate pay grade is determined as follows:

Percent	Consideration
82%	Meets the minimum qualifications outlined in the position description and is typically assigned to those moving from a lower pay grade, are developing skills, or minimal experience directly related to the role or responsibilities of the position.
86%	Meets the minimum qualifications outlined in the position description and possesses a few years of experience or subject matter expertise related to the role or responsibilities of the position.
90%	Exceeds the minimum qualifications outlined in the position description and possesses multiple years of experience and subject matter expertise to perform the full responsibilities of the position.

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- .04 A salary placement above 90% may be considered and requires documented rationale for the consideration and approval by the Director, Human Resource Operations or their designate.

3. Substitution Pay

- .01 An employee who is asked to temporarily perform the principal duties of a non-management position in a higher pay grade will receive substitution pay of 8% of the employee’s current salary.
- .02 Details of the substitution and associated substitution pay must be approved by the authority designated in Appendix A and communicated to Payroll for processing.
- .03 Substitution is to be used only after departmental management, in consultation with Human Resources, has determined that the action is necessary to meet operational requirements and that no other more efficient or effective option is available. The appropriateness of designating a substitute for a particular time frame will depend on the nature of the function or position being performed and on whether the principal duties need to be assumed. Each situation is to be assessed on its own merit.
- .04 Substitution pay is only applied for a period of at least one workday and up to three consecutive weeks. Temporary assignments are arranged in writing for longer periods of substitution.
- .05 Substitution pay is not payable when the employee’s position normally requires periodic substitution in a higher position as set out in their position description.
- .06 The selection of a designated substitute is based on:
 - a) the requirements of the position; and
 - b) an assessment of whether the employee is qualified and capable of performing the responsibilities.

4. Responsibility Pay

- .01 An employee who is asked to temporarily perform the principal duties and responsibilities of a management position in a higher pay grade will receive responsibility pay in accordance with section 2.03.
- .02 Details of the assignment and associated responsibility pay must be approved by the authority designated in Appendix A and the Director, Human Resource Operations or their designate and communicated to the employee in writing.

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- .03 Responsibility pay may be approved for short-term durations of at least two weeks to a maximum of seven months.
- .04 After the responsibility pay ends, the employee will return to their base position and previous salary placement.

5. Salary Protection

- .01 An employee who is involuntarily demoted (e.g., reassigned to a position with a lower pay grade due to organizational change, reclassification, or unsatisfactory performance) will not have their salary placement reduced. The employee’s salary will be maintained at its existing level, with no further increases, including COLA, until the maximum of the new pay grade exceeds the salary they are receiving.

6. Salary Increase

- .01 Annual salary increases for all employees are dependent on available budget, subject to the approvals identified in Appendix A, and are applied as follows:

Current Salary Placement Within Pay Grade	Increase Within Pay Grade
Less than 90%	4%, plus COLA
Greater than or equal to 90%	2%, plus COLA
100%	COLA only

Example: An employee currently placed at 90% is eligible for a 2% annual salary increase to 92% of their respective pay grade’s maximum.

- .02 Annual increases are effective the first day of the pay period closest to the anniversary date of an employee’s appointment to their position. Any change to the salary increase date will be provided in writing to the employee.
- .03 An employee on an approved paid leave of absence (e.g., maternity, parental, or STIIP leave) is eligible for annual salary increases and COLA.
- .04 An employee on long-term disability leave is not eligible for annual salary increase but will receive COLA.
- .05 An employee on an unpaid leave of absence over 30 calendar days is not eligible for annual salary increases or COLA while on leave. When the employee returns to work,

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- a) their eligible date for a salary increase will change to ensure the employee has worked for 12 months since their last annual salary increase, and
- b) any COLA increases that occurred while the employee was on leave will be applied effective their first day back at work.

Example: If an employee’s eligible date for an annual salary increase is in January, and the employee takes an unpaid leave of absence for the months of July and August, the employee’s new eligible date for a salary increase will be in March.

7. Cost of Living Adjustment (COLA)

.01 COLA increases are subject to approval by the Legislative Assembly Management Committee.

8. Special Compensation Adjustment for Management Positions

- .01 Permanent salary adjustments for management positions, up to 4% of an employee’s existing salary placement, may be applied in exceptional circumstances, including addressing salary compression, or recognizing the assignment of significant additional program responsibilities or a new project or initiative of significant size and scope outside of the normal scope of duties of their position.
- .02 An adjustment cannot result in an employee being paid above the position’s pay grade maximum and cannot be made retroactive beyond six months.
- .03 A special compensation adjustment must be approved by the authority designated in Appendix A.

9. Allowances and Premiums

- .01 Allowances and premiums are types of additional compensation available to an employee in select positions or based on employment status (i.e., auxiliary). Allowances and premiums are separate from an employee’s regular salary.
- .02 Rates for allowances and premiums are reviewed annually and may be updated by Human Resources. Any rate adjustments will begin at the start of a fiscal year.
- .03 Any new allowances or premiums must be approved by the Clerk’s Leadership Group.

Contact Questions regarding this policy may be directed to Human Resources at Human.Resources@leg.bc.ca.

Procedures *Allowances and Premiums*

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References

Policy 4030 – Hours of Work

Kate Ryan-Lloyd

Approved and authorized by
Kate Ryan-Lloyd, Clerk of the Legislative Assembly

June 19, 2023

Date

POLICY HISTORY

Version 1	March 29, 2000
Version 2	September 12, 2005
Version 3	June 19, 2023

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**APPENDIX A
APPROVAL AUTHORITY MATRIX**

Employee	Salary Placement	Substitution or Responsibility Pay	Annual Salary Increase	Special Compensation Adjustment for Management Positions	COLA
Employee	<p>Equal to or less than 90% of the pay grade: Department Director</p> <p>Over 90% of the pay grade: Department Director and Director, Human Resource Operations (or designate)</p>	<p>Substitution Pay: Manager</p> <p>Responsibility Pay: Department Director and Director, Human Resource Operations (or designate)</p>	Department Director	Respective Clerk's Leadership Group Member and Chief Human Resources Officer	LAMC
Director	<p>Equal to or less than 90% of the pay grade: Respective Clerk's Leadership Group Member</p> <p>Over 90% of the pay grade: Respective Clerk's Leadership Group Member and Director, Human Resource Operations (or designate)</p>	Respective Clerk's Leadership Group Member and Director, Human Resource Operations (or designate)	Respective Clerk's Leadership Group Member	Respective Clerk's Leadership Group Member and Chief Human Resources Officer	LAMC
CLG Member	Clerk of the Legislative Assembly	Clerk of the Legislative Assembly	Clerk of the Legislative Assembly	Clerk of the Legislative Assembly	LAMC
Clerk of the Legislative Assembly	N/A	N/A	N/A	N/A	LAMC