

# Human Resources Policy 07 – Pay, Benefits and Leave

Last updated: August 17, 2018

This policy statement covers pay, benefits and leave for both excluded and bargaining unit employees appointed under the [Public Service Act](#). The policy statement supports the core policy objective of ensuring that “government is supported by a professional public service that has the knowledge, skills and abilities to achieve current and future objectives.” This policy statement is an adjunct to the applicable collective agreement or Terms and Conditions of Employment, and provides additional direction on issues not covered by these documents. If there is a conflict, the collective agreement or Terms and Conditions of Employment will take precedence over this policy statement.

## Pay

### Salary on Appointment

#### Excluded Employees

Organizations must ensure that the necessary funds are available and that compensation decisions represent an appropriate expenditure of funds. Organizations must balance mitigating compensation costs with meeting their human resources needs. Organizations are responsible for:

- Ensuring work assignments are excluded from the bargaining unit, where appropriate;
- Documenting compensation decisions, including authority, the rationale for the compensation decision, and the effective date;
- Obtaining approval from the Agency Head to exceed the maximum salary of the “Band 6” for exceptional circumstances that supports a critical business need; and
- Ensuring that no pattern of systemic discrimination emerges.

#### Bargaining Unit and Schedule “A” Employees

New employees who are appointed to a position with a step salary range are placed at Step 1 of the range unless there is a compelling need to attract that particular person and the salary placement complies with the collective agreement or Terms and Conditions of Employment.

### **Auxiliary Employees going to a Regular Established Position**

On promotion, an auxiliary employee who moves without a break in service to a regular position will receive the rate for the position which is the closest step to 8% above their previous rate, or the minimum of the new range, whichever is greater, but not more than the top of the new salary range. If a single rate applies to the position, the employee shall receive it. The term "without a break in service" means that the employee moves from the auxiliary position to the regular position on the next available working day taking into account shift changes, days of rest, statutory holidays or other approved scheduled time off, but does not include a recall. Other auxiliary moves to regular positions will be treated as new appointments.

On a demotion, an auxiliary who has in-service status prior to the closing date of the competition, shall receive a maximum reduction which is the closest step to 8%, but where the difference between the employee's salary before demotion and the maximum salary of the new position is greater than 8%, the new salary shall be the maximum of the new position. If a single rate applies to the position the employee shall receive it. In the event a Ministry requests a salary that is less than an 8% reduction, this may be granted provided it is reasonable and fair in all of the circumstances. This does not apply to an auxiliary employee who is being concurrently hired into a regular position. Salary assignment for a concurrent hire is the same as that for a new hire.

### **Completion of Probationary Period**

Employees in a step salary range follow the established increment process (see Salary Increments below) and are not eligible for a salary step increase upon completion of their probationary period.

### **Salary Increments**

All excluded and bargaining unit employees, except legal counsel, who are on a step salary range, are eligible for salary increments.

### **Regular Full-Time Employees**

Salary increments are effective the first day of the pay period following the anniversary date of their appointment, promotion, or reclassification to their current position. Increments for regular, fulltime nurses are effective 18 months from their date of appointment, promotion or reclassification. Effective September 3, 2017, salary increments for nurses will occur every 12 months, with the first increment effective the

first day of the pay period 12 months after their initial date of appointment, promotion, reclassification or increment. Existing employees as of September 3, 2017 must complete the current 18-month period between increments before moving to the 12-month schedule.

### **Part-Time and Auxiliary Employees**

Increments are effective the first day of the pay period following the date employees accumulate 1,827 straight-time hours paid from the date of appointment, promotion or reclassification to their current position. The next increment is effective following accumulation of the next 1,827 straight-time hours and so on. For auxiliary employees, the qualifying straight time hours must be:

- At the same classification level; and
- There must be no loss of seniority as outlined by the provisions of the applicable collective agreement or contract of employment.

Part-time or auxiliary nurses need to accumulate 2,614.5 regular working hours for the next increment to be effective. Statutory holidays and overtime are not included. Effective September 3, 2017, nurses who are appointed, promoted or reclassified on or after this date must work 1,743 straight-time hours to earn an increment. Members of the Professional Employees Association (PEA) must accumulate 1,743 regular working hours. Statutory holidays and overtime are not included.

### **Promotion or Upward Reclassification within Three Months of an Increment**

Where employees are promoted or reclassified upward within three months of an upcoming increment, their new pay will be calculated based on their salary on the upcoming increment date. The date of the reclassification or promotion becomes their new anniversary date for increment purposes if they have not yet attained the maximum step of their new salary grid.

### **Increments on Demotion or Downward Reclassification**

Employees who are demoted or reclassified to a lower classification normally retain their current anniversary date or accumulated hours for increment purposes. Only where employees are demoted from a position with a single salary to a position with a salary range, and they are not at the maximum of the new salary range, will the date of their demotion or reclassification be used as the increment anniversary date.

### **Increments on Lateral Transfer**

Regular employees who are laterally transferred will retain their anniversary date for increment purposes.

### **Increments During Periods of Substitution**

Employees who are designated to substitute will have the time period of the substitution credited towards their next increment, if applicable, in their base position. On receipt of an increment in the base position, the employee's substitution pay is recalculated pursuant to the provisions of the collective agreements or the employee's terms and conditions of employment.

### **Increments During Periods of Temporary Appointment/Reclassification**

Salary increments for regular employees who have been temporarily appointed / reclassified are based on the applicable section of this policy statement relating to promotions, demotions, or lateral transfers.

When employees return to their permanent position at the end of a temporary appointment/reclassification, the time period of the temporary appointment / reclassification is credited towards their next increment, if applicable, in their permanent position (they return to the salary and increment date that would apply if the temporary appointment/reclassification had not occurred).

Salary changes in the permanent base position that take effect during the temporary appointment do not affect the salary/step placement of their temporary appointment (for example, if the base position is reclassified during the temporary appointment, their temporary appointment pay is not recalculated).

Where, during a temporary appointment, employees are appointed to another position or another temporary appointment/reclassification occurs, their pay on appointment and salary increments are based on their original permanent position/classification.

Where employees are permanently appointed to the position in which they are currently temporarily appointed, they keep the anniversary date of the temporary appointment. The hours worked in a previous temporary appointment cannot be accumulated and applied to a new temporary appointment even if the temporary appointment is to the same position.

Where employees are permanently reclassified to the level in which they are currently temporarily reclassified, they keep the anniversary date of the temporary reclassification. The hours worked in a previous temporary reclassification cannot be accumulated and applied to a new temporary reclassification even if the temporary reclassification is to the same classification.

### **Changing Status – Auxiliary to Regular (Same Classification)**

Auxiliary employees who are appointed to regular positions at the same classification with no break in service have the time worked towards receiving an increment as an auxiliary credited towards their next increment. For the purposes of this policy statement, "no break in service" means that the employee moves from the present position to the new position on the next available working day, taking into account shift changes, weekends, statutory holidays, and any other approved scheduled time off.

### **Changing Status – Auxiliary to Regular (Different Classification)**

The increment date for auxiliary employees who are appointed to a regular position that is not at the same classification is the date of appointment to the new position.

### **Changing Status – Regular to Auxiliary**

Regular employees who accept auxiliary employment are considered to be new hires. Their increment date is the date that would apply to new auxiliary employees.

### **Increment Deferrals – Leave of Absence**

Employees who take a leave of absence without pay, except for union (nurses only), maternity, adoption, parental, or education leave, that lasts for more than 30 consecutive calendar days (where at least 30 days of the leave are taken prior to the increment date) will have their increment date deferred by the period of the leave of absence. The deferred date becomes the employee's new anniversary date for increment purposes.

### **Increment Deferrals – Recall from Layoff**

Regular employees recalled from layoff will have their increment anniversary date deferred by the period of the layoff. The deferred date becomes the employee's new anniversary date for increment purposes.

## **Salary Protection**

### **Excluded Employees**

Salary protection will apply when a salary rate reduction is caused other than by the employee. For employees who are classified under the Management Classification and Compensation Framework (MCCF):

- Deputy ministers will determine their compensation using the same considerations they would use for other compensation decisions;
- If a decision is made to reduce an employee's salary, the deputy minister will provide written notice to the employee confirming that the salary rate will be maintained for the first 12 months (no wage increases during this period) and explain the process and time frame for any subsequent salary reduction;
- If the employee initiates a move to another position, the salary will be negotiated between the employee and the employer; and
- If the employer initiates a move to another position or salary rate, and the employee's current protected salary is greater than the new rate, the protected salary is reduced starting on the anniversary of the placement or new salary rate.

For employees who are classified as senior executive assistant, executive administrative assistant, judicial administrative assistant, bargaining unit equivalent (for example, Schedule "A" and Category B), and Sub-Levels of Management Level 1:

- Their salary rate will be maintained until the job rate of the new position or classification exceeds their protected salary (for example, they do not receive any general salary increases until the protected salary has been exceeded);
- For subsequent employee or employer-initiated promotions, if the job rate of the new position or classification is below the employee's protected salary, the protected salary is maintained until the job rate exceeds the protected salary; and
- For subsequent employee or employer initiated lateral transfers, employees will continue to receive their protected salary.

### **Bargaining Unit Employees**

Bargaining unit employees are entitled to only those allowances that apply to the position they have been placed or reclassified into. Premium payments, such as overtime, are calculated against the protected salary.

When bargaining unit employees are promoted:

- Any salary increase is calculated in accordance with the collective agreement and based on the employee's protected salary. The new salary will not exceed the maximum salary of the new position, except where the protected salary before promotion exceeds the maximum salary level of the new position (see below);
- Employees should not receive less salary than their protected salary prior to the promotion. Where the protected salary before promotion exceeds the maximum salary level of the new position, the employee will continue to receive the protected salary with the add-to-pay adjusted accordingly; and
- If the new position is classified at the salary level on which their salary protection is based, the salary assigned will be the same as it would have been had they not been reclassified or placed in a lower position.

Where employees receiving a protected salary are laterally transferred by the employer, they will continue to receive the protected salary in the new position.

Salary protection is not applied where employees are demoted to or they apply for and receive a lateral transfer to a position with the same or lower maximum salary. The new salary is calculated in accordance with the applicable collective agreements based on the salary they were receiving prior to the demotion or voluntary transfer, but will not exceed the maximum of the new salary range.

Regular employees who are temporarily appointed to a position that is reclassified downward are eligible to receive salary protection for the original term of the temporary appointment. However, any subsequent extensions or future temporary appointments to the position are made at the correct job rate. If employees receiving salary protection as a result of this provision win a competition for the position they are temporarily appointed to, they lose the salary protection and are paid at the correct salary rate for the position.

The employer may place employees who are receiving salary protection in another position classified at the employee's former salary level.

## **Leave Without Pay**

During a period of leave without pay, employees are not entitled to receive salary increases that commence during the period of leave. Maternity and parental leave allowances will be recalculated to reflect general wage increases to an employee's basic pay that occur while on maternity or parental leave.

## **Temporary Work Assignment**

All temporary work assignments (substitution pay, temporary appointment, or temporary reclassification) must have a current approved classification before a salary can be offered.

## **Movement from One Employee Group to Another**

All employees who move from one employee category to another (including to or from a bargaining unit), with no break in service, will be governed by the terms and conditions of employment of the group into which they are moving, with the exception of the salary protection rules.

Where employees have in-service status, years of continuous service credited to date will be carried forward to the new category. Any benefits that are based on service will also be carried forward if they apply in the new category.

## **Overpayment**

If employees are found to have been overpaid, the organization is required to recover the overpayment unless authority to write off or extinguish the debt has been obtained under the [Financial Administration Act](#). Recovery is required regardless of the cause of the overpayment. Overpayment recovery applies to wages, allowances, and reimbursable expenses.

The employee's consent is required before any recovery action is taken. If the employee does not agree to pay back the debt, a grievance (bargaining unit) or legal action (excluded) must be commenced.

## **Severance Packages**

If an employee is re-employed or contracted by the BC Public Service within the period of time following separation which is equivalent to the length of time used in the calculation of their severance pay, they are required to reimburse any payment equivalent to the time

remaining in that period. For example, an employee who received the equivalent of three months pay for severance, and was re-employed after one month, would repay the equivalent of two months pay.

### **Honouraria**

Employees are not eligible to receive honouraria from government. An honorarium is a nominal lump sum payment for a service or action. If the employer needs to compensate employees for work that is outside of their job duties (such as speaking engagements or making special presentations) and is not covered by their regular salary, a contract should be established with them for the additional service or action.

### **Benefits**

The employer and employee share accountability for an effective benefits program and for controlling overall costs:

- The employer provides a safe and healthy work environment and an appropriate benefits program; and
- Employees must attend work on a regular basis and access benefits to which they are eligible only when legitimately required.

### **Leave**

#### **Leave Management**

Supervisors, as leave sign-off authorities with expense authority, and employees each have accountability for effective leave management. Supervisors, with expense authority, must:

- review employee leave requests and approve recorded leave on a timely basis,
- confirm leave banks before approving leave and/or authorizing leave banks to be paid out, and
- ensure sufficient funds exist within their respective budgets to provide for costs associated with leave.

Employees must ensure that:

- leave is authorized,
- leave taken is recorded on a timely basis,
- leave balance records are correct, and
- leave banks are not exceeded.

### **Paid Absence Prior to Retirement**

Once an employee commences the use of earned, purchased or accumulated time immediately prior to retirement, the normal employment relationship is considered to be modified in that the employee is no longer committed to return to work and, likewise, the employer is no longer committed to provide work.

During Paid Absence Prior to Retirement the individual continues as an employee for the purpose of pensionable service and contribution to the Public Service Pension Plan, if applicable, and continues to be covered by the Group Life, Extended Health Care, Dental and Medical plans.

Upon commencement of Paid Absence Prior to Retirement, no further adjustments are to be made to the length of leave for reasons of illness or other circumstances, other than death. In the event of death, all remaining leave entitlement will be paid to the employee's appointee's spouse or estate.

Exceptions to this rule include Pre-1978 50% Sick Bank Entitlement and Salaried Physician Pre-retirement leave which is forfeited in the event of death.

All hourly leave/time banks are expended on the basis of a seven-hour shift, 35-hour work week. The Pre-1978 50% Sick Bank and the Retirement Allowance (and severance, if applicable), if used as Paid Absence Prior to Retirement, will be the last leaves utilized after all other leaves have been concluded, and cannot be used to increase any prior leave entitlement or bridge any individual to the next calendar year for purposes of vacation entitlement. Where an employee/appointee is on Paid Absence Prior to Retirement, and the paid absence carries over from the year the employee/appointee was last actively at work to the next calendar year, they shall earn and be granted a full year's vacation entitlement in that next calendar year. When the paid absence extends into more than one subsequent calendar year the employee/appointee will not earn or be granted any further vacation benefits. General salary increases or increments that become effective

during Paid Absence Prior to Retirement will be applied to the employee/appointees salary with the exception of employees with salary protection.

### **Leave for Athletic Events**

Regular employees who have been selected to represent British Columbia or Canada in designated international or nation multi-sport athletic events as an athlete, coach or judging official may be eligible for athletic leave.

Designated athletic events are: the Olympic Games, the Commonwealth Games, the Pan-American Games, the Canada Games, the Paralympic Games and the North American Indigenous Games.

The employer will match with paid leave each day of leave contributed by the employee up to a maximum contribution by the employer of 8 days (56 hours) in any twelve-month period.

All leave approvals will be based on operational requirements and leave may be considered for training purposes in preparation for the event.

The employee must provide the employer an official letter or document from the sponsoring athletic event that indicates an employee's participation in the athletic event.