# PAY EQUITY FOR SMALL EMPLOYERS

## **FACT SHEET**

## COMPARING AND VALUING JOBS

The "value" of a job is defined by its relative worth to the organization. Salary ranges should reflect the importance of a job to an organization. Using the example below, a female office manager makes a complaint that she is paid less for the same hours of work when compared to both the water plant superintendant position and a foreman/mechanic positions. She alleges her work is at least of equal value to the organization as these two male dominated positions.

Using the guidelines and method suggested by Dr. Weiner,<sup>1</sup> the Nova Scotia Human Rights Commission suggests a five-step process which will then allow a valuing of one job over another. **See Appendix A.** 

## Step 1

Assess the gender of each job class. This step is fairly straight forward since only women have occupied office administrative position and it is also historically associated with women's work. Similarly, the jobs for foreman/mechanic, plant water superintendent are positions historically dominated by men. Those currently occupying these positions with the Town are also mostly men. It is irrelevant; however, if the person currently holding the position is female or male as long as the job class, itself, is "gendered." A pay equity analysis cannot be done unless the job classes being compared are (historically) gendered.

### Step 2

## Assess the job description of each job.

Job descriptions for the time period in question should be used. It is irrelevant who the actual incumbent is in the job and how they perform the job. The job could be vacant and the analysis can still be done (p.6.) The formal job description for the office manager and the comparator male positions sometimes have to be expanded upon if they do not accurately or fully capture the job duties. Full descriptions are needed to analyse the jobs as shown in steps 3 and 4, below.

## Step 3

#### Establish the measurement criteria.

Completely different jobs descriptions can be compared if neutral criteria are established to evaluate them. The general criteria are: skill, effort, responsibility and working conditions. CUPE (the male employees' union) provides in their job evaluation plan a helpful breakdown of how these four terms can be defined:<sup>2</sup>

*Skill* is defined as knowledge (schooling), experience and judgment.

*Effort* is defined as mental concentration, physical effort and dexterity.

<sup>&</sup>lt;sup>1</sup> The Nova Scotia Human Rights Commission commissioned a report (2008) by Dr. Nan Weiner which outlines how to compare and value jobs within small (less than 10 employees in a unit) organizations.

<sup>&</sup>lt;sup>2</sup> CUPE website: <a href="http://cupe.ca/updir/Gender-Neutral JE Plan.pdf">http://cupe.ca/updir/Gender-Neutral JE Plan.pdf</a>.

Responsibility is defined as accountability, safety of others, supervision of others, contacts.

Working conditions are defined as the severity and frequency of disagreeable or hazardous conditions done throughout the year.

## Step 4

## Weight the criteria in terms of their value to the organization.

Each of these criteria is weighted (valued) in relation to the purpose and mission of the organization.<sup>3</sup> How the criteria were weighted by small businesses within the service industry (as opposed to manufacturing) is documented in a paper written by Louise Boivin (see Appendix **B/voir Annexe B)** entitled "Implementing Pay Equity in Small-to-Medium Sized Enterprises." The author had examined 20 small-to-medium sized enterprises and assisted them in applying Quebec's pay equity legislation. From this pool of data, (statistically significant) trends were found in how businesses typically weight these four criteria.

The Commission proposes the four criteria should be weighted similarly to how they were weighted by employers in Boivin's study. Therefore, in whole numbers (totalling 100), each criterion would be allocated the following "points": Skill: 30, Effort: 24, Responsibility: 35 and Working Conditions 12. Sub-criteria points equal the total points allocated to the main criteria.<sup>5</sup>

Skill: 30 pts

Knowledge: 10 Experience: 10 Judgment: 10

*Effort:* 24 pts

Mental: 8 Physical: 8 Dexterity: 8

**Responsibility:** 34 pts

Accountability: 8 Safety of others: 8 Supervision of others: 9

Contact: 9

**Working conditions:** 12 pts

## Step 5

<sup>&</sup>lt;sup>3</sup> Weiner, p.8.

<sup>&</sup>lt;sup>4</sup> Boivin, Louise, "Implementing Pay Equity in Small-to-Medium Sized Enterprises." The federal government's Pay Equity Task Force (2004) commissioned this paper which is available as a CD with the Task Force report.

<sup>&</sup>lt;sup>5</sup> Creating subcategories is suggested by Weiner, p.9.

### Rank each job.

Using the weighted criteria, above, allocate the points of each criteria between the two jobs being compared. Then, the criteria points for each of the two jobs are totalled. These total points of each job are then compared, providing a comparative value for each job.

## THE PAY EQUITY ANALYSIS

The complainant submits that her position of office manager is most closely equal to the position of plant superintendant, and her position is superior to that of foreman/mechanic. The analyses of the positions are as follows:

Step 1: The positions for the above job classes are gendered, as discussed above, both historically and currently.

**Step 2**: The job descriptions for all three positions have been properly documented.

Step 3: The four criteria are as noted above and their full meanings, or definitions, are taken from the CUPE "Gender-Neutral Job Evaluation Plan." See Appendix C.

**Step 4:** This step requires a detailed comparative analysis which is provided in the two tables below. The Commission has suggested a specific allocation of points between these female and male jobs, although this allocation should be done independently by the Board as part of its decision on whether there was pay inequity.

The Commission suggests the complainant's position as office manager compares to plant superintendant as follows:

CRITERIA	POINT VALUE	OFFICE MANAGER	WATER PLANT SUPER. CLASS I
Skill:	Knowledge: 10	5	5
(30 pts. total)	Experience: 10	8	2
	Judgment: 10	5	5
Effort: (24 pts. Total)	Mental: 8	4	4
	Physical: 8	3	5
	Dexterity: 8	6	2
Responsibility: (34 pts. Total)	Accountability: 8	4	4
	Safety of others: 8	1	7
	Supervision of others: 9	3	6
	Contact: 9	5	4
Working	Disagreeable or	6	6
conditions: 12	Hazardous 12		
<b>Total Value</b>		50	50

<sup>&</sup>lt;sup>6</sup> Weiner, p. 9 and 10.

<sup>&</sup>lt;sup>7</sup> CUPE Website: <a href="http://cupe.ca/updir/Gender-Neutral IE Plan.pdf">http://cupe.ca/updir/Gender-Neutral IE Plan.pdf</a>.

The Commission suggests the complainant's position as office manager compares to foreman/mechanic as follows:

CRITERIA	POINT VALUE	OFFICE MANAGER	FOREMAN/MECHANIC
Skill:	Knowledge: 10	6	4
(30 pts. total)	Experience: 10	10	0
	Judgment: 10	8	2
Effort:	Mental: 8	6	2
(24 pts. Total)	Physical: 8	2	6
	Dexterity: 8	4	4
Responsibility:	Accountability: 8	6	2
(34 pts. Total)	Safety of others: 8	1	7
	Supervision of others: 9	5	4
	Contact: 9	6	3
Working conditions:	Disagreeable or	4	8
12	Hazardous 12		
Total Value		58	42

If the complainant can show her job class is undervalued-- that there was pay inequity-- the onus then shifts to employer to show that discrimination did not occur or that the distinction is justified on the basis that it is a BFOR.

Within the context of human rights law, however, market conditions (i.e., certain positions command more money in the open marketplace) do not create a BFOR nor do they justify discrimination:.

First, the guidelines [the Pay Equity Guidelines attached to the Federal *Human Rights Act*] do not include "market forces" as a reasonable explanation of a wage differential, no doubt for the very good reason that the market is not itself free from discriminatory tendencies.<sup>8</sup>

The fact that a traditional male job may demand a higher salary does not create a BFOR, as the market demand for the position may be related to the fact that it is a male-oriented position, rather than any intrinsic value attached to the position itself.

<sup>&</sup>lt;sup>8</sup> Canada (Attorney General) v. PSAC, para.153.