

Pay Equity Settlement

Overview



Sequence of Events

- February 2022
 - Pay Equity MOU
- August 2022
 - MRFA develops Pay Equity Principles
 - Charges Negotiating Committee with discussions.
- Today: Settlement agreement to be implemented immediately.

THE BOARD OF GOVERNORS OF MOUNT ROYAL UNIVERSITY
(“The Board”)

And

THE MOUNT ROYAL FACULTY ASSOCIATION
(“The Association”)

Re. Pay Equity Review Implementation

In 2021, a Pay Equity Review identified compensation inequities among full-time faculty based on gender.

The Board is committed to implementing required action deriving from the Pay Equity Review and to consulting with affected Employees regarding how to structure any adjustments deriving from the action required.



Main participants in discussions

MRFA

- Breda Eubank
- Pearl Herscovitch
- Brenda Lang
- Brent Oliver
- Kirk Niergarth

Board

- Elizabeth Evans (Interim Provost)
- Arleen Gallo, AVP HR
- Evan Cortens, Director,
Institutional Research and
Planning



Three part agreement

- Schedule A
 - Lump sum payment for women FT faculty members likely to have been inequitably paid according to predictive models based on the consultant's report.
 - Differential and proportional
- Schedule B
 - Salary Anomaly Review Process
 - Joint committee, review comparable files.
- Schedule C
 - Regularized Pay Equity Analyses (beginning in 2027/28)



Schedule A -- \$504,716

- Lump sum payment divided between full time women faculty indicated to have been inequitably paid using methodology aligned with the Pay Equity Report (2020).
- Methodology of the Predictive Models to calculate lump sum payment offers jointly agreed between MRFA and Board.
- Members are eligible for *only one* lump sum payment (through the Schedule A or Schedule B process, but not both).



Results

- **77 female faculty** were identified to have a duration-weighted salary differential (DWSD) resulting in a lump sum payment greater than \$500
 - Calculated DWSD payments lower than \$500 minimum redistributed across the 77 recipients
- **Average payment: \$6,526**
- Range: \$521 to \$20,888



Schedule B

- Form to apply for Salary Anomaly Review must be submitted before 31 March 2023 and 1 February in subsequent years.
- HR file to be reviewed by Joint MRFA/Board Committee (2 and 2) that will recommend remedy. Potential remedies include:
 - For those not at top of grid, salary adjustment (grid steps).
 - For those at top of grid, lump sum payment if evidence of inequity is established and a Schedule A lump sum payment has not been accepted.
- Provost makes decision on remedy with reference to report of the Joint Committee.
- Board has committed up to \$183,533 for remedies through the Schedule B process.
 - In addition, for 2023/24 only, Schedule A funds declined will be available for remedies in Schedule B



Schedule C

- Pay equity reviews shall be conducted internally at least every five years, starting in the academic year of 2027/2028, using a methodology agreed upon by representatives of the parties using all available data relevant to possible vectors of discrimination as detailed in Article 22.1.1. The results shall be shared with the Mount Royal community.



Schedule A Lump Sum Payment Methodology

- Predictive Model
 - Improvements over consultant's approach
- Duration Factor
- Share Calculation

What it is good for...

Identifying overall patterns

What it is not good for...

Understanding individual cases and factors not included in the model.

Why use it?

The lump sum should be distributed to those *most likely* to have been inequitably paid and in proportion to the scale of that probable inequity.



Of Pies and Slices: Determining *share* not *amount*

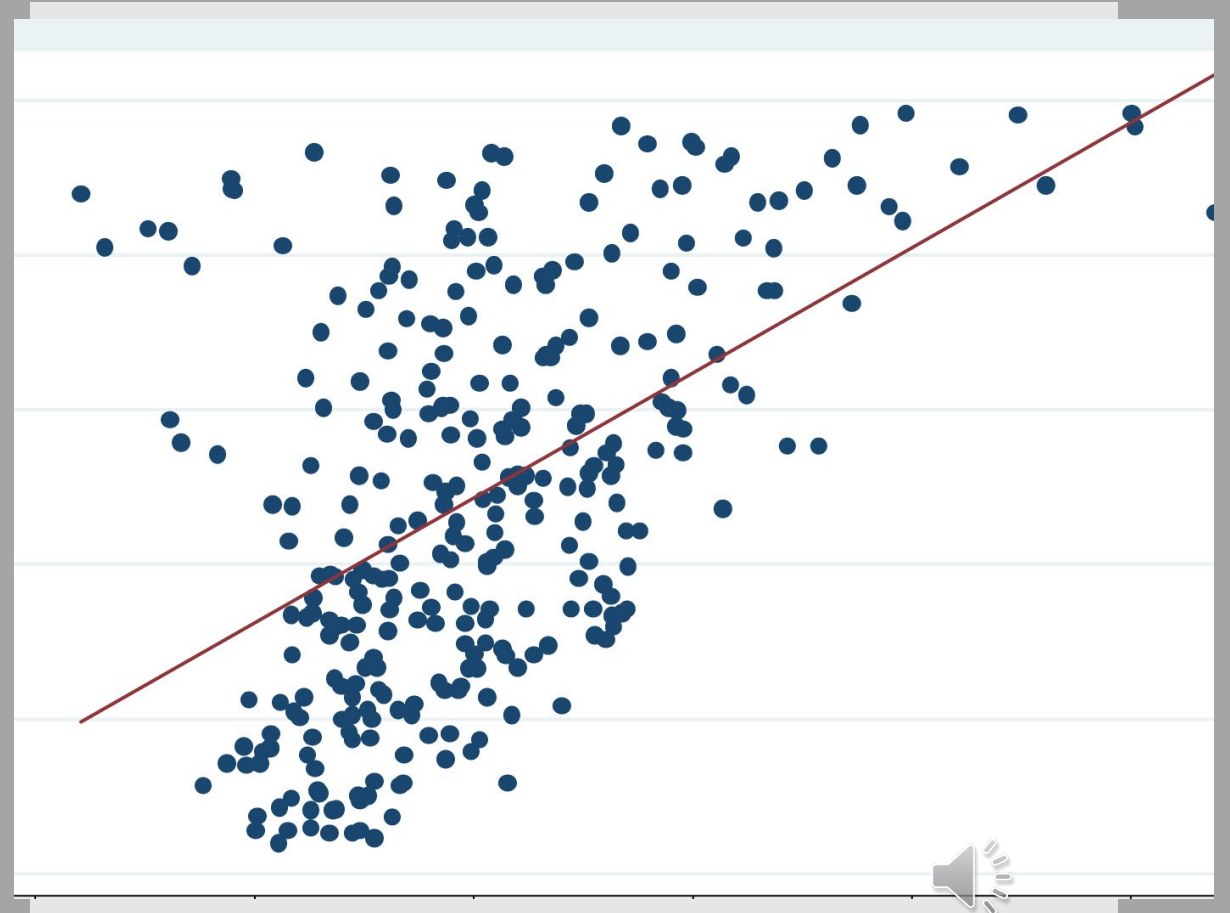


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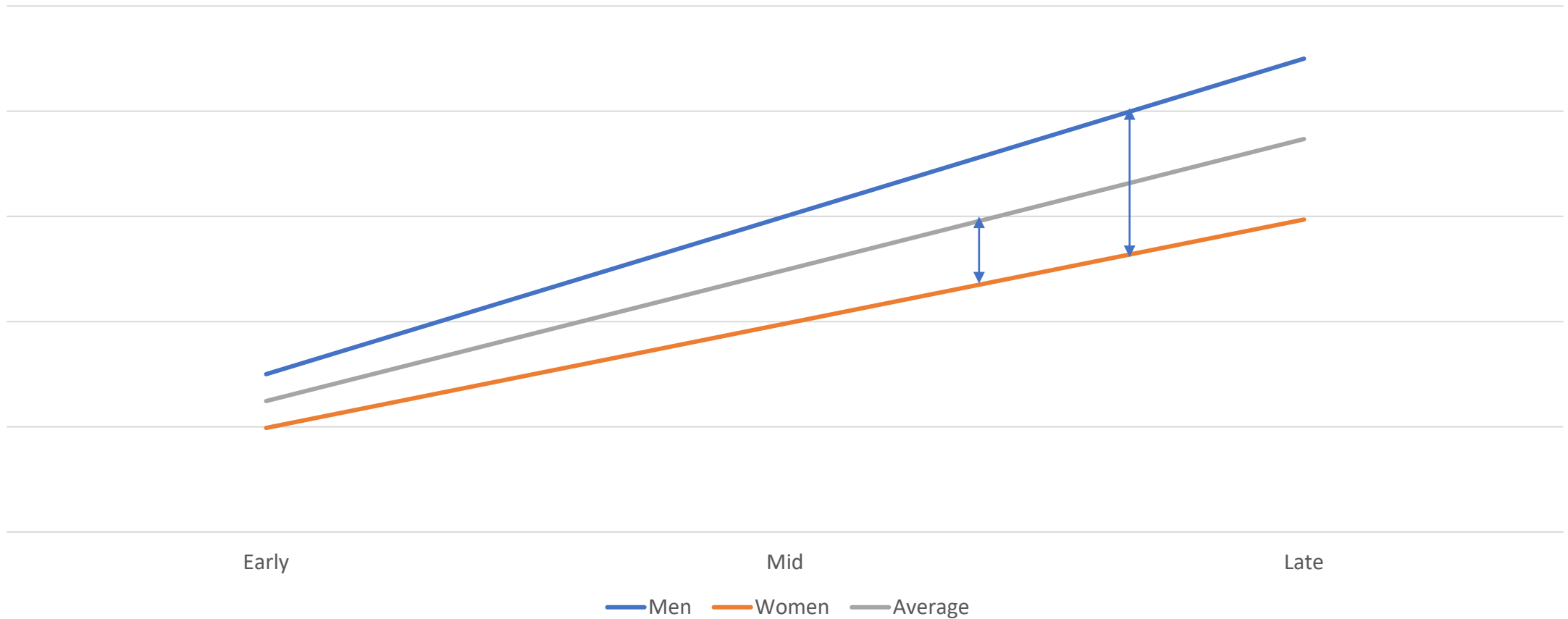
Predictive Model

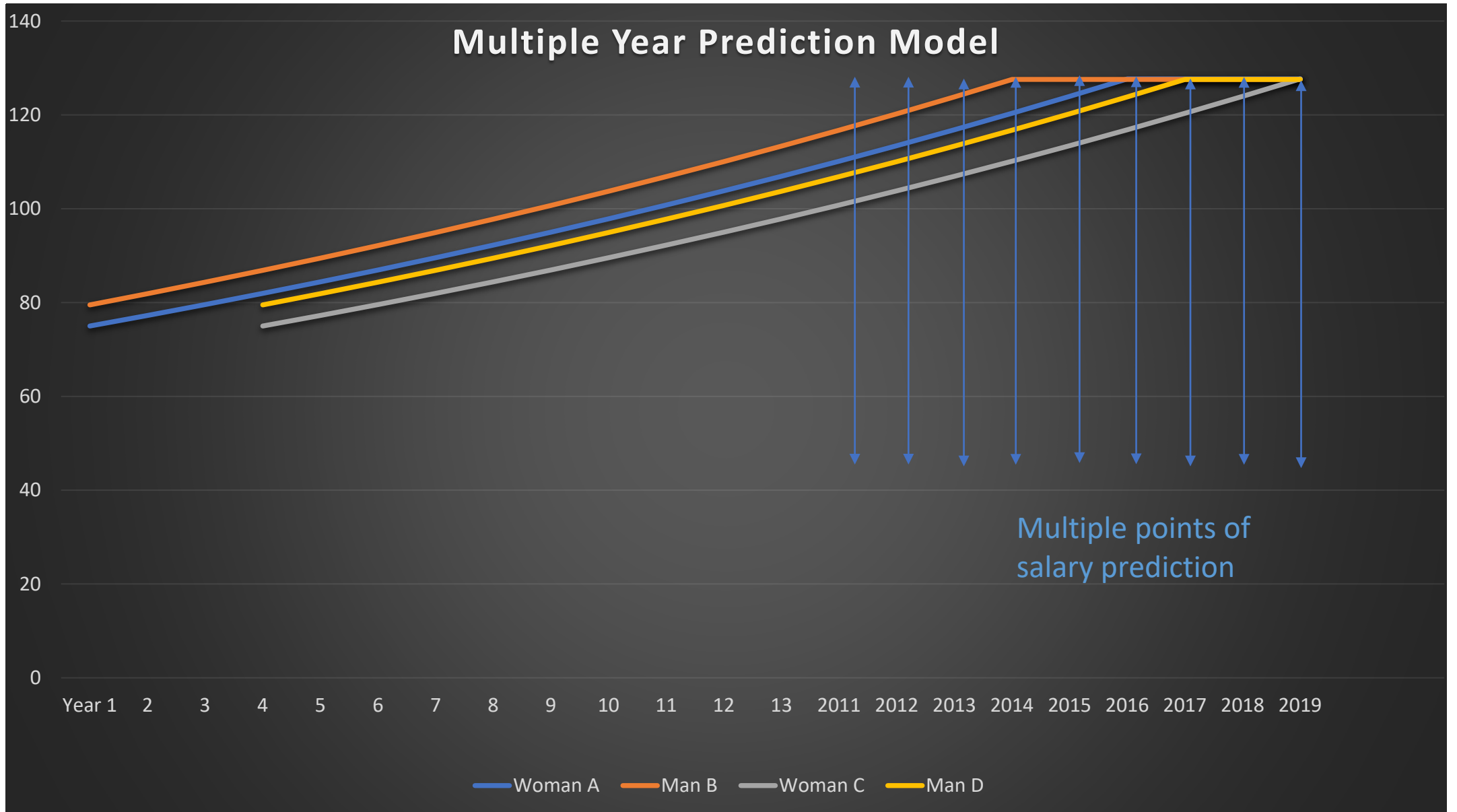
- Variables
 - Binary gender (M/F)
 - Age
 - Credential
 - Years of service
 - Rank
 - Stream (TS/TSS)
- Usable data available prior to consultant's report
 - 2011-2019



Improvements over Consultant's Report

Predictive model: Versus average or versus men?

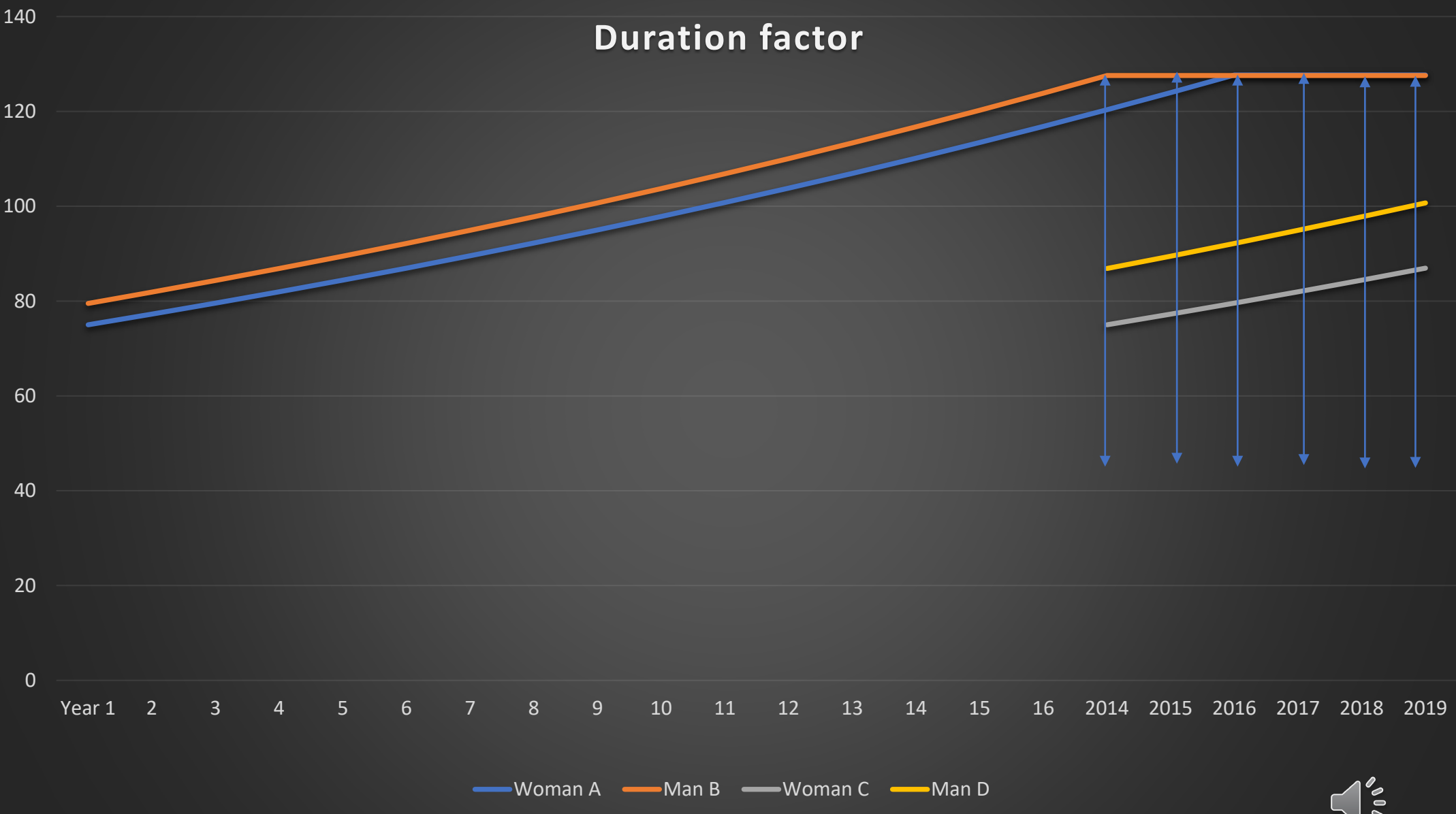




The mean difference between predicted and actual salary multiplied by the “duration factor” will be used to calculate Schedule A settlements for FT women faculty



Duration factor



— Woman A — Man B — Woman C — Man D



Illustrative Examples of Calculation of Schedule A Lump Sum

Woman Faculty Member	% Mean salary differential	Duration Factor	Duration weighted salary differential	Share of Total Inequity Factor	% of Schedule A Lump Sum
A	3%	7	21	21/50	42%
B	0.5%	18	9	9/50	18%
C	5%	2	10	10/50	20%
D	1%	10	10	10/50	20%
Total			50		



Dividing \$504,716

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Scorecard

MRFA August 2020 Principles

- Individuals who can be determined to have been inequitably paid at MRU should be progressed on the grid on a permanent basis along with any back pay owing. A one-time cash payout should be made to those at the top of their grids reflective of their time at MRU.

Settlement

- The lump sum does not equal “back pay”
- It is “reflective of time at MRU”.
- Salary anomaly review process for grid progress



Scorecard

MRFA August 2020 Principles

- Settlements should include all affected faculty currently employed full-time at MRU—there should be no arbitrary start date for a salary review (eg. 2008, 2012, etc) for the settlements.

Settlement

- Schedule A only applies to those included in Pay Equity Consultant's report (2019).
- Schedule B process open to all.



Scorecard

MRFA August 2020 Principles

- Settlements for those faculty at the top of the grid should be included in pensionable earnings for the year in which the funds are paid.
- Accepting a settlement does not bar any individual from asking for a salary review to take account of other factors than binary gender, age, and years of service.

Settlement

- Yes and yes.



Scorecard

MRFA August 2020 Principles

- The Association believes a transparent, EDI-focussed salary review process at the institutional level should occur annually. The process should be clear about how any anomalies that are found to exist will be addressed.

Settlement

- Schedule C review scheduled for 2027/28.
- Depends on data collection.



Scorecard

MRFA August 2020 Principles

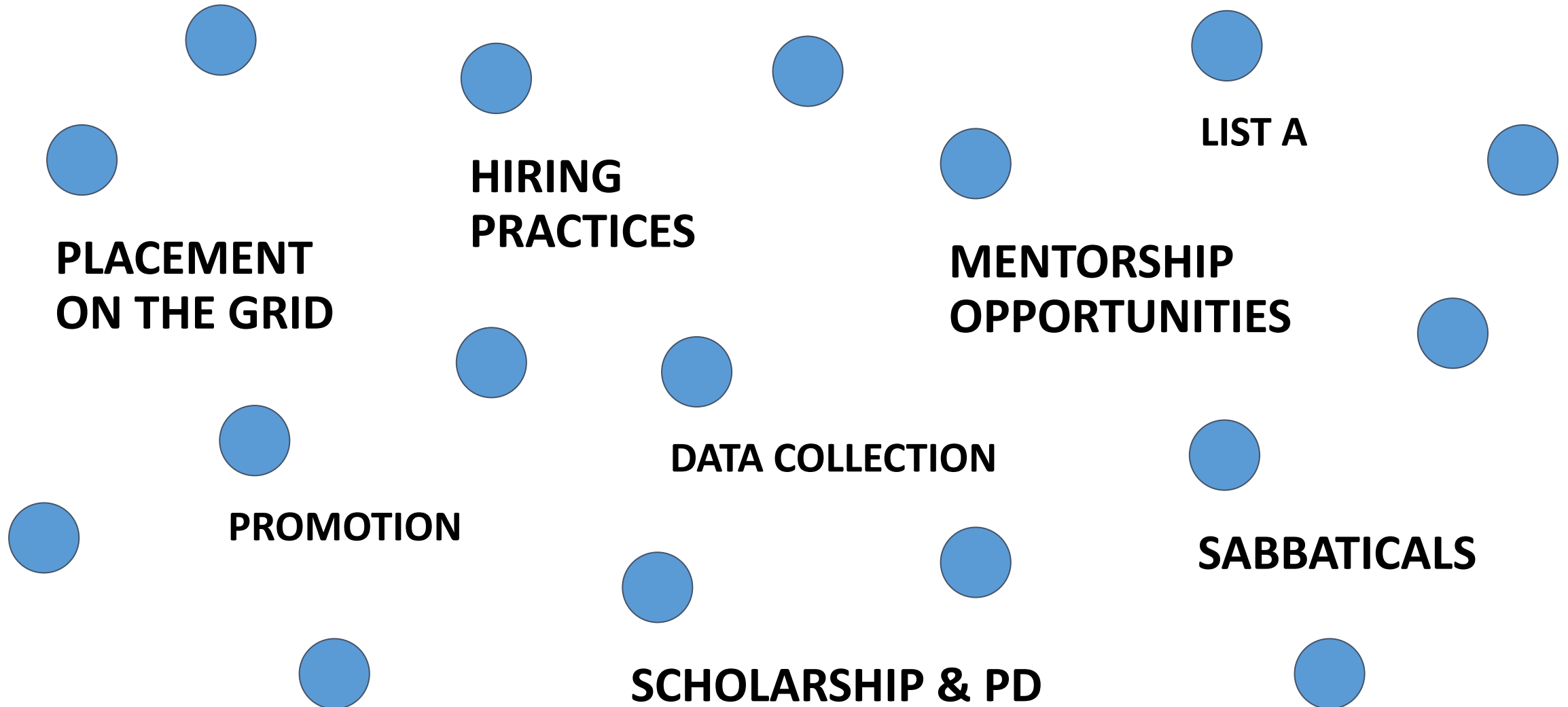
- The consultant's report on pay equity identified challenges that women face with promotion processes. Therefore, the Association supports a thorough review of all parts of the hiring and promotion (Chair, Associate Dean, Director) process to identify entrance points for inequity, bias, and discrimination and recommendations on to address these points.

Settlement

- Not part of this settlement.



Only one piece of the equity puzzle



SCHOLARSHIP & PD

