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Economic increases and retro pay

Training objectives

- ensure you understand the implementation of your new collective agreement and retro payment
- make you feel more comfortable offering help to others

What is implementation?

Implementation is the process of putting the new conditions in your collective agreement into effect.

Two main parts being discussed today:

1. your rate of pay changes
2. you receive retro pay based on the time that has passed since the last contract expired

Background

- there was a well-established process for implementation
- implementation went poorly in the last round (2014-2018) because of Phoenix
- for this contract (2018-2022), we negotiated a process that allows us to work around Phoenix
- full details are described in a Memorandum of Understanding

Highlights of current implementation

- an extended implementation timeline of 180 days
- the employer will face financial penalties in recognition of the extended timeline
 - each member with a new collective agreement is entitled to \$400
 - if implementation of the new agreement is delayed beyond 180 days, you will receive \$50 on day 181. And \$50 every 90 days up to a maximum of \$450.

Highlights of current implementation

- Phoenix will NOT be doing calculations
- implementation may be gradual and staggered
 - not guaranteed to come all at once

Impact of Phoenix

- Phoenix backlog will not be cleared up within 180 days
- the amount of retro owed will be determined by a snapshot of your historical salary record on a specific day, not Phoenix
 - there may be inaccuracies in the historical salary record because of the Phoenix backlog
 - once these inaccuracies are corrected, retro pay will be accounted for and paid to you, but it may not be within 180 days or subject to the additional \$50 penalties
- there is a separate process for recuperating out-of-pocket expenses and damages related Phoenix

Questions about retro pay and pay increases?

FAQs are available on the PIPSC website:

<https://www.pipsc.ca/faqs-retro-pay-and-pay>

Questions?

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Understanding retro payments

Principles

- the retro payment period starts when the old contract expires and ends when your salary is adjusted to reflect the new rates of pay
- you are entitled to a personalized retro payment based on your work history.
 - this includes overtime, acting assignments, etc.

What qualifies for retro?

- compensation linked to your annual salary
 - for example, base salary, overtime, applicable acting assignments, maternity/parental allowance

What pay doesn't qualify for retro?

- compensation based on a fixed amount of money is not subject to retro in most cases
 - for example, shift premiums of a fixed amount per hour
 - allowances that are a lump sum as opposed to a percentage of your salary

The rough estimates

Total Retro Estimate = Period 1 Estimate + Period 2 Estimate

Period 1 Estimate =

Earnings in Year 1 of the new collective agreement x Year 1 total percentage increase

Period 2 Estimate =

Earnings between the first day of Year 2 of the new collective agreement & the day before your salary was adjusted x Year 2 total percentage increase

The rough estimates - an example

- A PC-2 was earning the maximum salary as of September 30, 2018 (\$82,590 before tax and deductions).
- The first day of the SP collective agreement was October 1, 2018.
- Their salary was adjusted based on the new SP collective agreement effective October 3, 2019.
- The individual worked continuously from October 1, 2018 until October 2, 2019.
- They didn't receive any compensation over and above their base salary (no OT, acting etc.)
- Period 1 = October 1, 2018 to September 30, 2019
- Period 2 = October 1, 2019 to October 2, 2019
- Year 1 total percentage increase for SP Group = 2.816%
- Year 2 total percentage increases for SP Group = 5.082%

The rough estimates - Year 1 total percentage increase for SP Group

Effective October 1, 2018

- 2.00% increase with a 0.80% wage adjustment = 2.816% with compounding
- 2.816% will be applied to all payable salary received between October 1, 2018 and September 30, 2019

The percentage increase is determined by each collective agreement. The amounts may be different for different classifications or levels.

The rough estimates - Year 2 total percentage increase for SP Group

Effective October 1, 2019

- 2.816% for Year 1, with another 2.00% increase and a 0.20% wage adjustment = 5.082% with compounding
- 5.082% will be applied to all payable salary received between October 1, 2019 and October 2, 2019

The percentage increase is determined by each collective agreement. The amounts may be different for different classifications or levels.

The rough estimates

Total Retro Estimate = Period 1 Estimate + Period 2 Estimate

Approximate earnings in Period 1 (1-Oct-2018 & 30-Sep-2019) = 82,590 (this is the full annual salary)

Approximate earnings in Period 2 (1-Oct-2019 & 2-Oct-2019) = 633.16 (this is equal to 2 days pay)

Period 1 Estimate = $82590 \times 2.816\% = 2325.73$

Period 2 Estimate = $633.16 \times 5.082\% = 32.18$

Total Retro Estimate = $2325.73 + 32.18 = \mathbf{2357.91}$ (before tax and deductions)

The rough estimates - helpful definitions

annual salary = defined by the collective agreement based on your personal situation

biweekly salary = annual salary \div 26.088

weekly salary = annual salary \div 52.176

daily salary = weekly salary \div 5

hourly rate = weekly salary \div 37.5

hourly rate = Annual Salary \div 1956.6

Questions?

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Where are the retro payments explained?

Phoenix account or the Compensation Web Application:

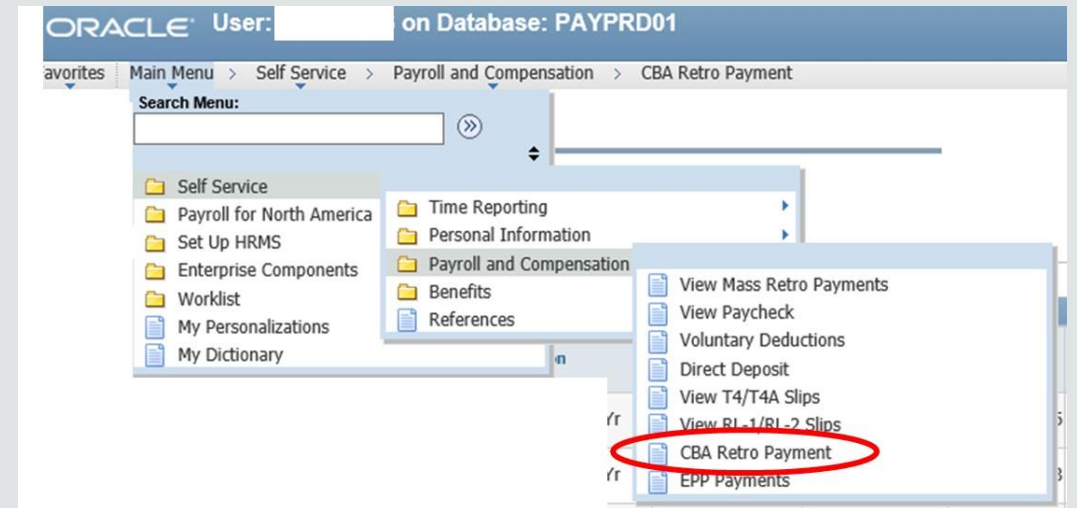
Main Menu

→ Self Service

→ Payroll and Compensation

→ CBA Retro Payment

→ View Retro Data



CBA Retro payment

Paycheck Issue Date: YYYY/DD/MM

Paycheck Number: XXXXXXXXXXXX

Empl Record: XX

Pay Period End Date	Salary Admin. Plan	Salary Grade	Description	Earnings Begin Date	Earnings End Date	Hourly Rate	Payable Days	Payable Salary	Percentage Increase	Retro Payment	Total Amount
2019/10/02	PC	02	Basic Ret Pay-Curr Fiscal Yr	2019/10/01	2019/10/02	42.210978	2	633.16	5.082	32.18	
2019/10/02	PC	02	Basic Ret Pay-Curr Fiscal Yr	2019/04/01	2019/09/30	42.210978	131	41472.29	2.816	1167.86	
											1200.04
2019/10/02	PC	02	Basic Ret Pay-Prev Fiscal Yr	2018/10/01	2019/03/31	42.210978	130	41155.70	2.816	1158.94	
											1158.94
2019/10/02	PC	02	Ret Pay OT Current Fiscal Year	2019/10/01	2019/10/02	42.210978		84.42	5.082	4.29	
2019/10/02	PC	02	Ret Pay OT Current Fiscal Year	2019/04/01	2019/09/30	42.210978		422.11	2.816	11.89	
											16.18
2019/10/02	PC	02	Ret Pay OT Prior Fiscal Year	2018/10/01	2019/03/31	42.210978		844.22	2.816	23.77	
											23.77

Total Amount:

- these amounts will show up on pay stubs
- these amounts represent a **Retro Payment** or the sum of a group of **Retro Payments**

Factors that explain the Retro Payment

Retro Payment

Information Checklist

- Is my classification correct?
- Do the dates make sense ?
- Do the payable days cover the entire retro period?
- Is the salary correct?
 - if your salary changed during the period, can you see this change?



How do I determine if the hourly rate is correct?

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Paycheck Issue Date: YYYY/DD/MM

Paycheck Number: XXXXXXXXXXXX

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Pay Period	Salary Admin. Plan	Salary Grade	Description	Earnings Begin Date	Earnings End Date	Hourly Rate	Payable Days	Payable Salary	Percentage Increase	Retro Payment	Total Amount
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											23.77

Zoom In

How do I determine if the hourly rate is correct?

Hourly Rate

42.210978

1. Use the hourly rate listed to find the corresponding annual salary:

hourly rate x 37.5 (hours per week) x 52.176 (weeks per year) = annual salary

$$42.210978 \times 37.5 \times 52.176 = 82590$$

1. Find the corresponding annual salary in your old collective agreement:

PC-02 - annual rates of pay (in dollars)

Effective date	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
\$) October 1, 2013	65551	68150	70738	73338	75929	78522
A) October 1, 2014	66370	69002	71622	74255	76878	79504
B) October 1, 2015	67200	69865	72517	75183	77839	80498
X) Restructure effective October 1, 2016	67200	69865	72517	75183	77839	80563
C) October 1, 2016	68040	70738	73423	76123	78812	81570
D) October 1, 2017	68891	71622	74341	77075	79797	82590



How do I use the information provided to verify my retro payment?

How do I use the information provided to verify my retro payment?

Hourly Rate	Payable Days	Payable Salary	Percentage Increase	Retro Payment
42.210978	131	41472.29	2.816	1167.86

Step 1:

Figure out the **payable salary**.

$$\begin{array}{rcccccc} \text{hourly rate} & \times & 7.5 \text{ (hours per day)} & \times & \text{payable days} & = & \text{payable salary} \\ 42.210978 & \times & 7.5 & \times & 131 & = & 41472.29 \end{array}$$

Step 2:

Apply the appropriate **percentage increase** to the **payable salary** to determine the **retro payment**.

$$\begin{array}{rcccccc} \text{payable salary} & \times & \text{percentage increase} & = & \text{retro payment} \\ 41472.29 & \times & 2.816\% & = & 1167.86 \end{array}$$

How do I know if something's missing?

- the dates connected to the payments should cover the entire retro period
 - day 1 of the new contract to the day your salary was changed
- all applicable compensation should be visible
 - for example, base salary, overtime, applicable acting assignments, maternity/parental allowance
- Or if you've been notified

I looked at my salary record and discovered a new problem with my pay

- if this is a new problem, fill out a Phoenix feedback form to have the mistake corrected
 - visit pipsc.ca/phoenix for more information
- when the mistake is corrected, any retroactive amounts owed will be accounted for and paid

I wasn't being paid properly during the retro period and I've already flagged the problem

- within 180 days, the employer owes you retro based on the snapshot of the historical salary record
- if you are not being paid correctly, the historical salary record will be inaccurate
 - when the mistake is corrected in Phoenix, any retroactive amounts owed will be accounted for, but it may not be within 180 days

I received payments, I looked at my CBA Retro Payment page, but I still have questions or concerns?

First, ask the employer:

- pay is one of their primary responsibilities
- use the information available to target your questions
- they have access to relevant information we don't have

If you still have ongoing issues, contact a PIPSC Steward or ERO:

- if you're still concerned after speaking with the employer
- if you don't agree with the explanation you received

Questions?

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Who can you contact?

dobetter@pipsc.ca

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