

INTERPRETATIONS, POLICIES AND GUIDELINES

Creating groups of job classes

1. Purpose

This Interpretation, Policy and Guideline (IPG) covers the following elements:

- Defining a group of job classes;
- Using the group of job classes' approach;
- Determining the gender predominance of a group of job classes; and,
- Comparing job classes with a group of job classes' approach.

*This document does not replace seeking out expert legal advice. This document is technical in nature and should not be used as a plain language resource. Plain language resources are available at <https://www.payequitychrc.ca/en>.

2. Defining a group of job classes

The Pay Equity Act (the Act) defines a group of job classes as:

- a series of job classes that bear a relationship to each other because of the nature of the work required to be performed within each job class in the series and that are organized in successive levels [ss.3 (1)].

In addition, the Act provides that a group of job classes may be treated as a single predominantly female job class if at least 60% of the positions in the group are occupied by women [ss.38(1)].

Job classes can be grouped if:

- the **nature of the work** to be performed is related;
- the job classes are organized in **successive levels** in terms of effort, qualifications and responsibility; and
- at least **60% of the positions in the group** are occupied by women.

2.1. Nature of the work

To form a group of job classes, the nature of the work to be performed in each job class **must be related**. For example, the nature of work may be related when the work performed in a series of job classes is part of the same professional field (e.g. accounting, information management, information systems, marketing).

2.2. Successive levels

The concept of **successive levels**ⁱ refers to a series of job classes organized in consecutive order and without interruption. To form a group, job classes must be placed in a hierarchical order relative to each other.

2.3. Gender predominance

Job classes may only be combined to form a **female predominant group of job classes**. This means that job classes **may not** be combined to create a male predominant group of job classes.

Example – Group of job class structure

Group of job classes – Administrative support		
Position	Duties and responsibilities	Job classes
Manager	<ul style="list-style-type: none"> ✓ Oversees the provision of all administrative services ✓ Manages human and financial resources for the administrative support team ✓ Works under minimal supervision, reporting to the director 	Administrative supervisors
Senior administrative officer	<ul style="list-style-type: none"> ✓ Provides administrative services for the reception desk and the director ✓ Works with less supervision than administrative officers and reports to the manager 	Senior administrative officers
Administrative officer 2	<ul style="list-style-type: none"> ✓ Provides administrative services to the reception desk ✓ Works under the supervision of the manager 	Administrative officers
Administrative officer 1	<ul style="list-style-type: none"> ✓ Provides administrative services to the reception desk ✓ Works under the supervision of the manager 	
Administrative assistant 2	<ul style="list-style-type: none"> ✓ Provides administrative services to the director ✓ Works under the supervision of the manager 	Administrative assistants

Administrative assistant 1	<ul style="list-style-type: none">✓ Provides administrative services to the director✓ Works under the supervision of the manager
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3. Using the groups of job classes' approach

Once the gender predominance of each job class is determined, job classes may be combined to form groups of job classes. Creating groups of job classes may be relevant for employers and pay equity committees who wish to maintain an organizational structure, job classification and wage system that uses the concept of pay relativity.

Pay relativityⁱⁱ is a comparison between wages or salaries of workers in the same firm, the same industry or between industries. The term “relativity” refers to differences in training, requirements, skill levels and responsibilities.

A group of job classes' approach can:

- Help employers replicate an existing pay structure that promotes fairness during the pay equity exercise;
- Reduce the number of female job classes to evaluate and compare; and,
- Ensure that the pay equity evaluation outcomes apply equally to the female and the other job classes of the same group.

4. Determining the gender predominance of a group of job classes

For a group of job classes to be considered as a single female predominant job class, **60% of the positions in the group** have to be occupied by women. This means that even if some of the job classes within the group are predominantly male or gender neutral, the group can still be considered predominantly female if 60% of the positions in the entire group are occupied by women.

When determining gender predominance of a group, the **historic gender predominance** and the **gender-based stereotyping** criteria are **not applied**. Only the current gender incumbency of the group is considered.

5. Comparing job classes with a group of job classes' approach

When using a group of job classes' approach, a **single job class must be selected as the representative** job class for the group. The representative job class must be:

- The **largest predominantly female job class in the group** (e.g. the predominantly female job class with the greatest number of employees).

Note that while a group may incorporate some predominantly male or neutral job classes, the representative job class has to be predominantly female.

The remaining steps of the pay equity plan (i.e. determining the value of work, calculating compensation, determining whether there are any differences in compensation) will be completed using the representative job class.

5.1. Determining the value of work

The employer or pay equity committee must value the work performed for the representative job class in a group of job classes.

5.2. Calculating compensation

Once the employer or the pay equity committee has determined the value of work, they must compare the total compensation of the representative job class in the group with that of the predominantly male job classes of equal value to determine if there are differences in total compensation and determine the amount of the increase in compensation (if any) owed [s.47].

5.3. Differences in compensation

Should there be any differences found between the compensation of the representative job class of the group and the predominantly male job class of equal value, adjustments in compensation must be applied. Any adjustments to compensation have to be applied to the **representative job class and all other job classes in the group** regardless of their gender predominance (i.e. gender neutral, predominantly male or female).

Adjustments to compensation to all the job classes in the group of job classes help avoid discrepancies and maintain pay relativity. If each of the job classes were evaluated separately, one job class might receive a higher adjustment than another, therefore changing the existing sequence.

Example – Calculating increases using a group of job classes’ approach

Before Pay Equity				
Job class	Gender predominance	Number of employees	Pre-pay equity salary rate	Difference between levels (\$)
Administrative assistant	F	6	\$16.38/hr	
Administrative officer	F	9	\$17.72/hr	+1.34
Senior administrative officer	F	5	\$19.38/hr	+1.66
Administrative supervisor	M	3	\$21.36/hr	+2.25

To treat this set of job classes as a group of job classes, the administrative officer job class is to be used as the representative group since it is the predominantly female job class with the **largest number of employees**.

In this example, it is assumed that the **predominantly male job class comparator for this group of job classes** makes \$17.86/hr. The difference in pay between the male comparator job class and the representative administrative officer job class is \$0.14/hr:

$$\mathbf{\$17.86 - \$17.72 = \$0.14.}$$

The \$0.14/hr adjustment must be applied to all job classes in the group. After achieving pay equity, the hourly salary rates for the four job classes are:

After Pay Equity					
Job class	Gender predominance	Number of employees	Pay equity adjustment (\$)	New pay equity rate	Difference between levels (\$)
Administrative assistants	F	6	0.14	\$16.52/hr	
Administrative officers	F	9	0.14	\$17.86/hr	+1.34
Senior administrative officers	F	5	0.14	\$19.52/hr	+1.66
Administrative supervisors	M	3	0.14	\$21.77/hr	+2.25

Employers may choose to calculate adjustments on a percentage basis. The table above provides an example of a dollar-based adjustment. However, the Act allows employers to choose their preferred approach to calculating adjustments.

6. Referenced Pay Equity Act Provisions

3 (1) *group of job classes* means a series of job classes that bear a relationship to each other because of the nature of the work required to be performed within each job class in the series and that are organized in successive levels. (*groupe de catégories d'emplois*)

Group of job classes

38 (1) An employer — or, if a pay equity committee has been established, that committee — may treat a group of job classes as a single predominantly female job class if at least 60% of the positions in the group are occupied by women.

Interpretation

(2) If an employer or pay equity committee, as the case may be, treats a group of job classes as a single predominantly female job class, this Act applies in respect of the group of job classes as if it were a single predominantly female job class, unless the context otherwise requires.

Group of job classes

41 (3) If an employer or pay equity committee, as the case may be, treats a group of job classes as a predominantly female job class in accordance with section 38, the value of the work performed in that job class is considered to be the value of the work performed in the individual predominantly female job class within the group that has the greatest number of employees.

Group of job classes

44 (2) If an employer or pay equity committee, as the case may be, treats a group of job classes as a predominantly female job class in accordance with section 38, the compensation associated with that job class is considered to be the compensation associated with the individual predominantly female job class within the group that has the greatest number of employees.

Comparison

47 An employer — or, if a pay equity committee has been established, that committee — that has calculated under section 44 the compensation associated with each job class must, using the compensation so calculated, compare, in accordance with sections 48 to 50, the compensation associated with the predominantly female job classes with the compensation associated with the predominantly male job classes, for

the purpose of determining whether there is any difference in compensation between those job classes.

ⁱ Successive. (n.d.) *Merriam-Webster Dictionary*. Retrieved July 6 2021 from <https://www.merriam-webster.com/dictionary/successive>

ⁱⁱ Relativities. (n.d.) *Collins Dictionary of Business, 3rd ed.*. (2002, 2005). Retrieved July 6 2021 from <https://financial-dictionary.thefreedictionary.com/relativities>