

# COUNCIL COMPENSATION REVIEW TASK FORCE (CCRTF)

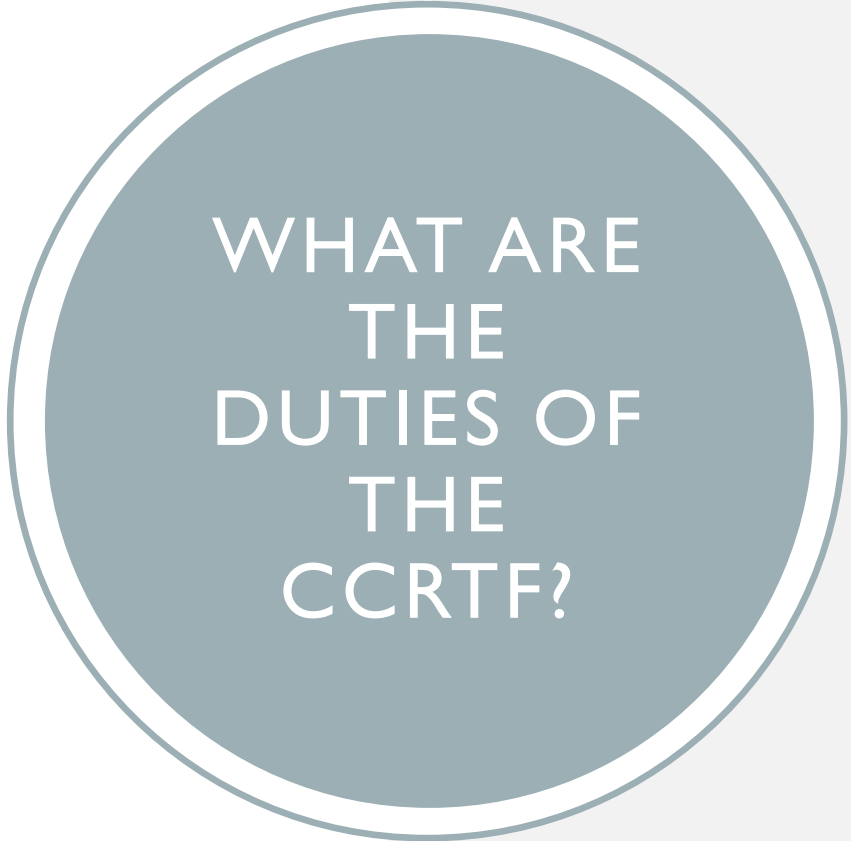
PUBLIC PARTICIPATION MEETING

MARCH 9, 2022 AT 10:00 AM

Reports to Council through Strategic Priorities and Policy Committee

The Task Force is responsible for reviewing and providing recommendations on Councillors' compensation, including:

- a) the review of the most recent median full time employment income data for Londoners;
- b) review, consider and continue work on the recommendations of any previous Council Compensation Review Task Force that the Task Force feels are relevant;
- c) making recommendations regarding implementation of any changes in compensation, which may include phasing in and indexing.



WHAT ARE  
THE  
DUTIES OF  
THE  
CCRTF?

## **GUIDING PRINCIPLES**

### **COUNCIL COMPENSATION REVIEW TASK FORCE**

1. No Councillor should seek to serve in public office solely for financial gain. The key motivation should be to serve and improve the well-being of the citizens of London.
2. The system of remuneration must be transparent, open and easily understandable.
3. Remuneration needs to be sensitive to local market conditions, recognizing that the role of Councillor is neither a full-time nor part-time role, but rather a unique role.
4. Fair compensation that is reflective of the legislative responsibilities and day-to-day duties undertaken to fulfil the role of a municipal Councillor.



# CURRENT COUNCIL COMPENSATION

- Stipends for elected officials and appointed citizen members of local boards and commissions are to be adjusted annually retroactively to January 1st by the percentage increase reflected in the Labour Index<sup>1</sup>, on the understanding that:
  - if such an index reflects a negative percentage, the annual adjustment to the salaries of the elected officials and appointed citizen members will be 0%;
  - on the further understanding that if the Labour Index has increased by a percentage greater than the Consumer Price Index, Ontario, the annual percentage increase in the salaries and honorariums of the elected officials and appointed citizen members will be no greater than the increase in the Consumer Price Index, Ontario; and
  - the escalator for annual adjustment purposes shall not be applied in those years where the non-union staff wages are frozen.

NOTE: (1) Labour Index is defined as Stats Canada Table: 14-010-0213-01 “Fixed weighted index of average hourly earnings for all employees by industry, monthly”

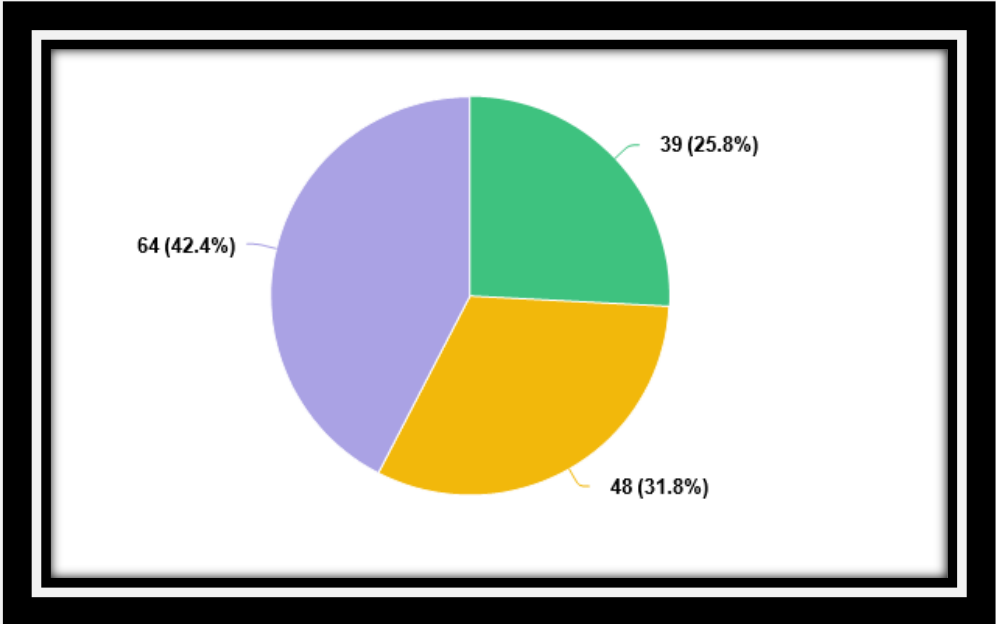
# PUBLIC SURVEY RESPONSE

**Councillors' current compensation rate is \$52,725 annually**

**Do you feel Councillors are currently?**

- Overpaid – 39 (25.8%)
- Paid Appropriately – 48 (31.8%)
- Underpaid – 64 (42.4%)

- *Source: Council Compensation Survey from Get Involved*
- *150 responses, 4 skipped*



## CURRENT COUNCIL TERM COMPENSATION

- Total Increase from 2018 to 2021 \$1,544
- Average yearly increase over three years \$514.67
- Average 1% increase each year
  
- *Note for 2022: Statistics Canada had not released the Labour Index numbers at time of preparing this presentation.*

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 52,358	2.30 %	\$ 1,177
2020	\$ 52,358	0.00 %	\$ 0
2021	\$ 52,725	0.70 %	\$ 367
<b>Total</b>			<b>\$ 1,544</b>

## PROPOSED COUNCIL COMPENSATION

- a. to continue annual compensation for Councillors based on the most recent median full time employment income for Londoners determined from census data published by Statistics Canada with annual compensation adjustments thereafter to be based on the average annual variation in median full time employment income over the most recent census period as opposed to the Labour Index or CPI
- b. that the annual adjustment in Councillor compensation be automatic and administered by Civic Administration

# PROPOSED COUNCIL COMPENSATION

## BASED ON VARIATIONS TO THE MEDIAN EMPLOYMENT INCOME

### **2011 Census Data**

- Median employment income in 2010 for full-year full-time workers
  - \$ 47,805

### **2016 Census Data**

- Median employment income in 2015 for full-year full-time workers
  - \$ 51,181
- Average of 1.374% increase or \$675 each year between 2011 and 2016



PROPOSED COUNCIL  
COMPENSATION  
BASED ON PREVIOUS  
CENSUS PERIOD  
(2011-2016)

- Total Increase from 2018 to 2021 \$2,139 based on variations to the median rather than cost of living
- Average yearly increase over three years \$713.
- 1.374% increase each year

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 51,884	1.374 %	\$ 703
2020	\$ 52,597	1.374 %	\$ 713
2021	\$ 53,320	1.374 %	\$ 723
<b>Total</b>			<b>\$ 2,139</b>

# COMPARISON BETWEEN CURRENT AND PROPOSED METHODS

## CURRENT METHOD

LABOUR INDEX / CPI

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 52,358	2.30 %	\$ 1,117
2020	\$ 52,358	0.00 %	\$ 0
2021	\$ 52,725	0.70 %	\$ 367
<b>Total</b>			<b>\$ 1,544</b>

## PROPOSED METHOD

VARIATIONS TO THE MEDIAN

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 51,884	1.374 %	\$ 713
2020	\$ 52,597	1.374 %	\$ 713
2021	\$ 53,320	1.374 %	\$ 723
<b>Total</b>			<b>\$ 2,149</b>

# PROPOSED COUNCIL COMPENSATION CONSIDERATIONS

- the most recent median full time employment income for Londoners from the 2021 Census will be available **July 13, 2022**
  - **This data would start the new rate on remuneration for elected officials January 1, 2023**
- update to Council Policy – Remuneration for Elected Officials and Appointed Citizen Members Policy would be required

## NEXT STEPS



The CCRTF will hold Public Participation Meeting on **March 9, 2022, at 10:00 AM**



The CCRTF review all public comments/input and provide direction on Final Report at its meeting **March 25, 2022, at 2:00 PM**



The CCRTF will submit their Final Report Strategic Priorities and Policy Committee on **April 5, 2022, at 4:00 PM**



FEEDBACK / COMMENT

