# Salary Progression Policy (Merit Increase)

## POLICY STATEMENT
An employee’s salary may be increased through a Progressive Merit Increase based on an employee’s performance. This policy defines the approval mechanism for progressive merit increases.

## PURPOSE
The purpose of this policy is to outline the approval mechanism for progressive merit increases.

Progressive merit increases within salary bands are awarded to recognize:
- progressive attainment of the competencies required to achieve job mastery; job mastery occurs at the final salary step (i.e. the job rate)
- employee contributions, both as individuals and as members of teams, to the mission, vision, and strategic directions of the City of Hamilton
- achievement of annual performance objectives and expectations
- behaviours that reflect the corporate values

## SCOPE
This policy applies to all permanent, temporary, full-time and part-time employees of the City of Hamilton who have successfully completed their probationary period. This policy excludes unionized employees. Contract employees are not entitled to a progressive merit increase unless stipulated in their contract.

## DEFINITIONS
The following terms referenced in this Policy are defined as:

**Merit Increase**
An increase in salary to recognize the employee’s performance and is based on completion of a positive performance appraisal rating on the Performance Accountability & Development (PAD) tool. A 3.2% merit increase is applied, unless a lower amount is required to reach the maximum of the pay range.

## PRINCIPLES
The following principles apply to this Policy:
1. To ensure a consistent and accountable approach to the awarding of progressive merit increases.
2. A performance appraisal (PAD) must be completed to assess the employee’s performance over a calendar year, while actively at work.

## TERMS & CONDITIONS
The following terms and conditions apply to this Policy:

Progressive merit increases are:
- based on performance documented through the appropriate performance assessment (PAD) which serves as the basis for supervisors recommending an increase
- applied to the base salary effective on January 1st each year to align with the Performance Accountability & Development (PAD) process

To ensure a consistent and accountable approach to the awarding of progressive merit increases:
- Performance appraisals (PAD) must be signed off by the employee’s second-removed supervisor and submitted to Human Resources before a progressive merit increase is awarded
- Employees must have a positive performance appraisal (PAD) rating expectations to progress through the salary range
### Part Time
Part-time employees are eligible for placement in the salary grade on the same basis as full-time employees. Merit increases are granted on the same basis as for full-time positions, provided that an equivalent number of full time hours have been worked.

### RESPONSIBILITIES
The following positions and/or departments are responsible for fulfilling the responsibilities detailed in this Policy as follows:

Supervisors must ensure that Performance Appraisals are completed to ensure timely application of the Salary Progression Policy.

### COMPLIANCE
Failure to comply with this Policy and its associated Procedures will result in inconsistent application of progressive step increases.