

## 2026 Annual Compensation Review

### To MPEX Staff and Managers of MPEX Staff

The Annual Compensation Review (ACR) exercise sets the framework and process for the fair and equitable recognition of MPEX employees who make a sustained contribution to the University, while also providing flexibility to recognize employees whose contributions significantly exceed objectives.

The ACR is the opportunity to evaluate whether an employee's salary is appropriately positioned within their compensation grade, in relation to their performance and that of their peers. Individual increases may vary somewhat based on managers' discretion. The guidelines encourage consistent application throughout the university. All submitted ACR entries are subject to a central compensation oversight to ensure alignment with ACR guidelines.

## 2026 BUDGET

To ensure that salaries remain competitive, recommendations for the annual MPEX ACR increase are based on thorough market research, such as surveys of projected salary increase budgets carried out by consulting firms. The recommendations are then presented for approval to the HR Committee of the Board. For the 2026 ACR, the total salary increase budget is 2.9%. Salary increases will be effective June 1, 2026.

## ELIGIBILITY RULES



1. The reference period for this review is January 1, 2025 to December 31, 2025.
2. Employees must have started working in a professional or excluded position by December 31, 2025.
3. In order to receive an increase, eligible employees must be active on the implementation date, June 1, 2026.

## INCREASE GUIDELINES

Each employee's performance will be rated according to one of the five performance categories defined below. Recommended increases vary based on both performance category and the employee's position within their compensation grade. For each performance category, increases are expressed relative to the 2.9% ACR budget (i.e., higher, close, or lower than budget) and are further differentiated by the employee's placement within the compensation zone. Note that the minimum recommended increase for eligible employees is 1.8%.

## RECOMMENDED INCREASES

| PERFORMANCE ASSESSMENT   | COMPENSATION ZONE OF EMPLOYEE |                             |   |
|--|-------------------------------|-----------------------------|---|
|  | ZONE 1<br>ENTRY               | ZONE 2<br>TARGET            | ZONE 3<br>EXCEPTION                     |
| <b>SIGNIFICANTLY EXCEEDS OBJECTIVES</b><br>Employee consistently performs far above the required level in all key areas of responsibility. Their work is exceptional in terms of quality, quantity, and timeliness.                                    | Higher than budget            | Slightly higher than budget | Close to budget                         |
| <b>EXCEEDS OBJECTIVES</b><br>Employee regularly goes beyond the established standards in their role. Performance is notably higher than the average level.   | Slightly higher than budget   | Close to budget             | Slightly lower than budget              |
| <b>CONSISTENTLY MEETS OBJECTIVES</b><br>Employee reliably meets the established standards for their role. Performance is steady, dependable, and aligns with the goals set.  | Close to budget               | Slightly lower than budget  | Lower than budget                       |
| <b>PARTIALLY MEETS OBJECTIVES</b><br>Employee meets some but not all the established standards for their role. There are areas where improvement is needed. Could apply to a recent hire who has yet to be able to fully contribute to the objectives. | Slightly lower than budget    | Lower than budget           | Lower than recommended minimum increase |
| <b>REQUIRES IMPROVEMENT</b><br>Employee does not meet the established standards for their role. Performance is below the required level in many areas.   | None                          | None                        | None                                    |

For the *Not Applicable* category, please refer to the [2026 MPEX ACR FAQ](#).

## SALARY SCALE UPDATE



The [MPEX Salary Scale](#) is organized around three points: the minimum, the midpoint and the maximum, for each of the 12 compensation grades (1A through 11).

There are three zones within each compensation grade: *entry*, *target* and *exception*, defined in relation to the corresponding midpoint. An employee's position within the compensation grade and the corresponding compensation zone is determined using the comp-ratio, calculated by dividing the employee's salary by their compensation grade midpoint.

The midpoint represents the 50th percentile (median) of salaries for comparable roles in the Montreal market.

Based on current market data, the University will raise the overall midpoints by 2.2% effective June 1, 2026. The minimum and maximum of each compensation grade will be recalculated based on the new midpoints.

For further details, background information and answers to frequently asked questions are available in the [2026 Annual Compensation Review FAQ](#). After reviewing the FAQ, if you have further questions, please don't hesitate to speak with your manager or your local HR representative.

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Vice-President, Human Resources

## INTERNAL EQUITY REVIEW

For a limited number of employees, a department's ACR budget may not be sufficient to appropriately position certain employees within their compensation grade, based on performance and years in the role. In these exceptional cases, a special salary adjustment may be required to improve the employee's placement within their compensation grade.



I am pleased to confirm that a limited centrally administered internal equity budget (up to 0.4%) will be available for this reference year to fund salary adjustments to position employees appropriately in their compensation grade.

The salaries of MPEX employees will be reviewed and assessed within each unit and faculty in the fall of 2026, with the guidance of Human Resources. The necessary adjustments will be made in alignment with the Salary Administration Policy and the guidelines for base salary adjustments and will be effective November 29, 2026.

Eligible employees will be notified individually by the end of November if an internal equity adjustment will be applied to their salary.