

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 2 June 2005)

Outcome 2

Topic: Performance Pay

Written Question: Supp C10

Senator Carr asked:

- a) Is performance pay available under your department/agencies certified agreement?

Answer:

For **General** level employees (below EL2), no performance pay is available.

For **EL2** level employees - Clause 12.10 of the 2004 EL2 Agency Agreement states that employees at the Executive Level 2 classification will be considered for performance pay of 5, 7.5, 10, 12.5 or 15 per cent of their base rate of pay, payable in a lump sum at the end of each financial year.

For **SES** level employees - all SES employees are eligible for performance pay under the conditions of their individual AWA.

- b) If so how many staff in your Department/Agency are eligible for performance based pay?

Answer

211 SES officers out of a possible 217 received performance pay for 2003-04, paid in 2004-05 year.

1,468 EL2 officers out of a possible 1,535 received performance pay for the 2003-04 year, paid in 2004-05 year

- c) Please provide a breakdown of performance pay awarded for this financial year to date including the following details:
- i) How many staff have received performance pay?
 - ii) What levels are those staff at?
 - iii) What gender, a breakdown please?
 - iv) How much has each staff member received?
 - v) When did they receive it?

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 2 June 2005)

- vi) What was the rationale for the awarding of performance pay in each instance?
- vii) Did the Department/Agency head receive performance pay?
- viii) How much?
- ix) When?
- x) On what grounds?

Answer:

c)(i-iv)

For EL2 and SES: Performance Assessment leading to Performance Pay

SES 1 Staff – Performance Pay (2003-04)

Gender	No. of staff eligible for performance pay	No. of staff receiving 5% performance pay	No. of staff receiving 10% performance pay
Male	146	62	81
Female	46	19	24
All Staff	192	81	105

SES 2 Staff – Performance Pay (2003-04)

Gender	No. of staff eligible for performance pay	No. of staff receiving \$5,000 performance pay	No. of staff receiving \$10,000 performance pay
Male	21	9	12
Female	4	1	3
All Staff	25	10	15

A gender breakdown of the EL2 performance pay awarded for this financial year is not available at this time.

Level	Percentage rate	Number Receiving
Executive Level 2	0	67
	5	694
	7.5	426
	10	328
	12.5	20
	15	0

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 2 June 2005)

Answer:

c) (v-vi):

Performance pay was paid to Executive Level 2 and SES Band 1 employees on 18 November 2004. SES Band 2 performance pay was paid on 16 December 2004.

SES and EL2 employees are eligible to be considered for performance pay where, in the opinion of the Commissioner, there has been fully effective achievement of their business outcomes for the relevant period and where the Commissioner has rated them as fully effective against their leadership role.

The first 5% of performance pay represents salary 'at risk' for SES Band 1 and EL2 officers. For SES Band 2 officers, the first \$5,000 represents salary 'at risk'. That is, even though it is not paid fortnightly, it is part of the total salary an EL2 or SES officer is entitled to if they perform their job effectively.

Answer:

c) (vii-x):

The Commissioner of Taxation is not eligible for performance pay. As a statutory office holder he is paid an adjustment in lieu of performance pay and is entitled to an amount of 7% of total remuneration in recognition that he is not eligible for performance bonuses. The adjustment is made in an annualised lump sum payment. The last payment was paid on 23 September 2004.