

AWA HANDBOOK

AWA HANDBOOK

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1. INTRODUCTION

We aim to build on the department's achievements in order to continue working in a high performing professional organisation. The implementation of modern and flexible employment practices will assist us to attract and retain highly effective and professional people. We support an employment culture that rewards high performance and allows for the negotiation of employment arrangements that best meet the needs of both the department and the individual. The benefits of this environment will be felt in all parts of the organisation.

The department's approach to individual employment conditions is defined by three main features. These are that:

- Australian Workplace Agreement's (AWAs) are available to all staff rather than restricted to only Senior Executive Staff (SES) and Executive Level employees, which provides increased opportunities to reward high performers at all levels
- Acceptance of an AWA is a condition of engagement for all new DEWR employees
- AWAs are more flexible than in the past, allowing the individual to tailor employment conditions to suit them.

1.1 Advantages of the AWA approach

There are a number of advantages for you and the department in negotiating an AWA. These include:

- Flexibility AWAs facilitate more flexible employment arrangements. With an AWA you should be more able to achieve a balance between your individual needs and/or circumstances and the department's business needs.
- Reward An AWA can provide a more direct link between your work performance and your remuneration. This is achieved through negotiation of an appropriate rate of annual salary and payment of performance bonuses based on your work outcomes.
- Attraction and retention of high quality staff Giving all staff access to an AWA and the associated flexibilities will help achieve the department's aim of being an 'employer of choice'.

1.2 Purpose of this handbook

The purpose of this handbook is to assist you to understand:

- the flexibilities available under an AWA with DEWR and the typical components of an AWA
- the process for commencing discussions about an AWA
- the resources available to assist you in discussing your AWA.

One of the aims of DEWR in using AWAs is to provide flexibility to employees and managers. This handbook is intended as a guide, not as a prescription of what will appear in your AWA. As such, you and your manager should use this handbook and the template AWAs as a starting point in discussing your AWA and to assist in negotiating the various aspects of remuneration and conditions which might be included in an AWA.

Before entering into any discussions about an AWA you should ensure that you are prepared to provide a sound case for the AWA provisions which you are proposing, whether it be a

remuneration package you are seeking, or some specific working arrangement. This handbook will give you some ideas about where to find a range of useful information.

1.3 What is an AWA?

An AWA is an individual agreement between an employer and an employee that specifies the employee's remuneration and conditions of employment. The use of AWAs in the workplace is provided for under Part VID, Division 3 of the *Workplace Relations Act 1996* (the WR Act).

The WR Act explains that you are able to choose whether you wish to agree to an AWA and this must be free of duress and coercion.

An AWA is not a contract of employment. You are engaged under the *Public Service Act 1999*, and this Act determines the tenure of your employment.

Section 2 of this handbook provides more detail on how AWAs operate and how they are different from CAs.

1.4 Coverage of an AWA

If you and the department reach agreement on an AWA and it is approved, it remains in place until one of the following occurs:

- you leave the department to work for another government agency
- you leave the Australian Public Service (APS)
- your AWA is replaced by a new AWA
- you and the department make a written agreement at any time to terminate the AWA
- the AWA is terminated by the Australian Industrial Relations Commission on the application of either you or the department, if it considers that termination is not contrary to the public interest.

1.5 What are the typical components of a DEWR AWA?

DEWR AWAs have increased flexibility in order to better meet the needs of both individual employees and the department. However, it is important to keep in mind that an AWA is a negotiated outcome. Agreement is only reached where both you and the department are prepared to accept the terms of the AWA.

The components of an AWA are not prescribed, but would typically include the following:

Remuneration

If you agree to the AWA it will define your total remuneration package. The total package will include:

- fixed remuneration such as salary, motor vehicles (for SES), superannuation and other benefits, and
- variable remuneration that includes any performance bonuses or other short or long term bonus payments.

This total remuneration approach provides you with an opportunity to choose the most appropriate mix of benefits that suits both your particular circumstances and the organisational requirements.

Salary

Broad salary bands for each classification level under the CA have been provided by the department as a guide for the negotiation of an appropriate salary rate. An AWA allows negotiation of a higher pay level when it is considered appropriate to recognise particular skills, experience and performance of an existing employee or where a higher level of pay is needed to attract and retain quality employees with particular skills.

In considering the most appropriate salary provided for by an AWA, there are number of important factors that both you and your manager need to consider. These factors will include your classification and applicable work level standards, market factors, your skills, ability and performance, budget considerations, and parity within the work group. More detail in relation to how these factors operate and how you should take them into account when discussing salary with your manager is included at Section 3.

Your AWA will include a provision for your salary to be reviewed on at least an annual basis. This review will be undertaken by your manager following discussions with you and would take into account a range of factors including your performance. It is important to understand that your salary review is separate from, your performance review discussion.

Superannuation (employer contribution)

Employer superannuation contributions are an important a component of your total remuneration package. The rate of employer superannuation contributions is determined from time to time by the Department of Finance and Administration.

Performance Bonuses

The department offers performance bonuses as a key component of the remuneration package in your AWA. They are used to recognise and reward the achievement of the individual, the business unit and overall corporate objectives. Performance is assessed through participation in the Performance Agreement Scheme (PAS). Information on the PAS is available on the departmental intranet.

A key principle underpinning the PAS is to provide a common performance management framework which is linked to achievement of the department's business priorities. The department's performance management system provides flexibility in rewarding excellence in individual performance.

Principles

A key benefit of using an AWA is the availability of a performance bonus to reward excellence in your performance. The principles underpinning performance bonus arrangements are:

- flexibility for the employee and manager in designing the arrangements
- agreement and a clear understanding between the employee and the manager of what actions apply, the timeframe for performance and the bonus amount (subject to Remuneration Subcommittee endorsement)

- a written agreement, either as part of the AWA or as a separate document outlining the performance bonus arrangements.

Options for Performance Bonus Arrangements

The following table is a *guide only* to what might be an appropriate amount for performance bonuses.

| Performance Rating | Percentage of maximum bonus amount |
|---------------------------|---|
| Outstanding – upper | above 75% |
| Outstanding – lower | More than 50 and up to 75% |
| Superior – upper | more than 25 and up to 50% |
| Superior – lower | Up to 25% |

You and your manager may negotiate different proportional payments against each of the performance ratings, including a sliding scale for payment.

The above model will be applied unless your AWA makes a different provision. Whenever a different model is agreed between you and your manager it must also be endorsed by the Remuneration Subcommittee as part of your AWA proposal. Typically, the proposed model would be contained in your BIS Online submission in the section, RSC Submission, Variation, Performance Bonus Details. The model may then be included in your AWA as an additional clause or exist in a separate document signed by you and your manager.

These arrangements can be varied or reviewed at the end of the financial year (including the dollar amount payable), through agreement between yourself and your manager and endorsed by the Remuneration Subcommittee.

Additional Information

Some important features of the performance bonus the department offers are that:

- performance bonuses will normally apply if you receive a rating of ‘Outstanding’ (upper or lower) or ‘Superior’ (upper or lower) as defined in the PAS;
- performance bonuses are not considered salary for any purpose, including superannuation;
- a performance bonus will be paid on a pro-rata basis if you voluntarily leave the department before the end of the PAS cycle only where expressly approved by the Secretary;
- a performance bonus will be paid on a pro-rata basis where the AWA commences after the start of the PAS cycle or if you work part time hours (payment will be calculated proportionally to the hours worked) unless otherwise endorsed by the Remuneration Subcommittee; and

- Where an employee has performed TPL you should check the *AWA Temporary Performance Loading Guide* for details on treatment in calculating the performance bonus and the section of this Handbook entitled 'Performance At A Higher Classification'.

You may obtain further information on developing performance bonus models from the HR Branch on 66688.

Consultation on Changes to AWA arrangements

Performance bonus arrangements may be reviewed at the end of the financial year and variations made to the arrangements by agreement between yourself and your manager.

For general policy changes to the PAS, AWA guides and Handbook the following consultation process will normally apply:

- Advice will be provided on the intranet of substantive changes and a timeframe to respond to changes will be given. Some changes will not require comments (for example, updates to the Handbook which are for information purposes only and have no affect on existing AWAs).
- Written notification will be given to Group and State Managers so that senior managers can keep their staff informed and consult.
- Notification of changes will be posted via the Intranet News facility.

Other negotiated benefits

Some other benefits that may be negotiated as part of your AWA could include airport lounge membership, membership of professional organisations, subscriptions to professional publications etc. However, some items attract Fringe Benefits Tax which will be taken into account as part of your remuneration package.

There is also a provision for participation in a Long Term Incentive Payment scheme by invitation only. The purpose of this scheme is to assist in the retention of key employees and to reward them for sustained high performance. The Secretary will select participants and will issue a written invitation. The invitation is to be accepted in writing with agreement to the rules of the scheme. Generally, the nature of the plan is that the participant will remain employed by the department for at least three years, and the bonus will be paid at the conclusion of each of the third, fourth and fifth performance cycle.

Private plated Commonwealth vehicles (for SES)

SES employees are provided with a private plated Commonwealth vehicle, or a cash in lieu amount under the Senior Manager Vehicle Scheme. More information about the scheme is provided in the *Senior Manager Vehicle Scheme Guide* which is available on the Intranet.

In recognition that the provision of an SES vehicle is accompanied by a parking space, the total remuneration arrangements will include the cost to the department (including Fringe Benefits Tax) of providing parking. Information about this is included in the *Senior Manager Vehicle Scheme Guide*.

Other components of the AWA

Leave

The following leave provisions proposed for inclusion in an AWA are the same as in the DEWR Certified Agreement 2002-2004A:

- 20 working days per annum annual leave, with a cap on more than 60 days of accrued annual leave
- 18 days personal leave accrued on the employee's anniversary date in the APS
- access to paid or unpaid leave subject to approval by the relevant delegate
- paid time off for the half day on the working day immediately before Christmas Day and two days paid leave between Christmas and New Year, and
- access to up to four weeks purchased leave.

All leave provisions are covered in the *Annual Leave Guide*; *Personal Leave Guide*; *Long Service Leave Guide* and the *Other Leave Guide*.

Working Arrangements

Working arrangements such as hours of work, flextime, overtime, and public holidays are covered in the *Working Arrangements and Public Holidays Guide*.

Redeployment and redundancy

The department has streamlined redeployment and redundancy provisions in AWAs for non-SES staff. The streamlining includes a common retention period for all staff of seven months. The AWA template provides details on the way severance payments are calculated. The *Public Service Act 1999* has different provisions for SES employees.

Salary packaging

Apart from the specific items covered above, you are able to elect to remodel your total remuneration package into a combination of cash and non-cash benefits by participating in the department's salary packaging scheme. Examples of salary packaged items include utilising a novated vehicle lease and contribution to private superannuation. This can result in a higher net remuneration at no cost to the department. More information about salary packaging is provided in the *Remuneration Packaging Guide* which is available on the Intranet.

Travel

The department has a single travel scheme included in AWAs, whereby you are provided with a travel account card which is used to cover all reasonable travel expenses. More information on the travel scheme is contained in the department's *Travel Guide* on the Intranet.

Other Conditions

Your AWA can provide for relocation assistance if you are required to move your work location in accordance with the *Relocation Assistance Guide*. AWAs for non-SES staff also provide for remote localities assistance, loss and damage reimbursement, and a first aid allowance. You may elect to roll your remote localities assistance allowance into salary.

Your manager may also wish to discuss with you the inclusion of a provision about building and using your skills, particularly if you are working in an area that requires contract management or financial management skills. The relevant AWA clause might read “ensure your participation in skilling and training programs as identified by management”.

Dispute resolution

Should any dispute arise between you and the department under your AWA we will attempt to resolve it through the model dispute resolution provision contained in the *Workplace Relations Regulations*.

The procedure is aimed at solving disputes at the workplace before involving external parties.

The Office of the Employment Advocate (OEA) website also provides information on why the department has used this schedule.

Anti-discrimination provisions

The AWA provides that both parties will observe the model anti-discrimination clause contained in the *Workplace Relations Regulations*.

The provision means that you have a legal right not to be discriminated against in your workplace on the basis of race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin. The OEA website provides further information on this matter.

1.6 What are the key steps in developing a new AWA?

Your AWA will be developed between you and your manager. This means it will be a more individual arrangement that is able to best suit the needs of you and your workplace. You should talk to your team leader or SES officer to find out who is considered to be your manager for the purposes of discussing an AWA. You should then let your manager know that you are interested in discussing an AWA. Your manager may approach you first to enquire if you would be interested in an AWA.

In developing your AWA, there are a number of key steps. These are:

1. ***Preparation Before*** having any discussions with your manager about your AWA you should consider what benefits or flexibilities you would like to have included.

In considering the remuneration package you would like included in your AWA, you need to understand your current remuneration package, that is, your salary, superannuation and other benefits. If you are seeking changes to any of these elements you need to take into account the issues that are set out in Section 3 of this handbook. You should consider the current salary bands in the CA, the department's work level

standards, the skills, knowledge and responsibilities of your position, trends across the public service, relevant aspects of the broader labour market and any recent performance feedback that you have received.

When you have gathered this information you must complete a draft AWA submission through BIS Online.

2. **Discussion** Once you are able to present a logical, well-supported argument for your proposed AWA provisions, you should then discuss these with your manager. In negotiating your AWA with you, your manager will take into account issues such as the business priorities of the workplace, the experience, skills and knowledge that you bring, your past performance, budget considerations and parity across the work group.

You can have someone assist you or represent you in these discussions if you like, for example a friend or relative, solicitor, union delegate or any other person whose advice you can rely on. You may choose to appoint that person as a 'bargaining agent'. If you do decide to use a bargaining agent, you must appoint them in writing and give a copy of this appointment to your manager. Your manager will then be required to recognise your appointed bargaining agent. If there are any costs associated with appointing a bargaining agent this cost must be borne by you, the employee.

3. **Submission to the Remuneration Subcommittee.** When you and your manager reach agreement on the terms of your AWA you should forward your BIS Online submission to your manager. You will receive email advice when the Remuneration Subcommittee has approved your submission or you can follow the progress of your submission in the Status line of the BIS Online system.
4. **Consideration by the Remuneration Subcommittee** The Remuneration Subcommittee will consider your submission at their next meeting. The Subcommittee will consider it in light of emerging patterns and trends in remuneration, conditions in the department and conditions more broadly in the community. If the Remuneration Subcommittee does not support the submission, it will be returned to you and your manager for further discussion. The Remuneration Subcommittee may chose to amend your submission and make you an AWA offer that differs from your original submission. You may reject this offer by not signing your AWA offer and then recommence the negotiation process.

Details of membership of the Remuneration Subcommittee and its Terms of Reference are available on the Intranet.

5. **Signing the AWA** If the submission is supported by the Remuneration Subcommittee, then you will be sent a formal letter of offer by your Group or State Manager along with the AWA and an information statement from the OEA. Under the WR Act, you must not sign the AWA until at least 14 days have passed since you received the formal offer (5 days for new employees who have not yet commenced with the department). You should ensure that you read the AWA through before signing it. If you accept the AWA you must sign it after the 14 days have elapsed and forward it to your manager. He or she will arrange for the Group or State Manager to sign the AWA for and on behalf of the Secretary. The HR Branch will then arrange for the AWA to be forwarded to the OEA.

NOTE: The processes in 3 -5 generally do not apply to non-ongoing employees being engaged by DEWR. The Human Resources Branch handles submission, consideration and signing of most AWAs for non-ongoing engagements.

6. **Consideration by the OEA** If the OEA decides that your AWA meets the no-disadvantage test and that statutory timeframes, filing and approval requirements have been met, it will approve the AWA. You will be sent a letter by the OEA asking you if you have any concerns. If you do not reply to this letter, the OEA will assume that you have no concerns. This process will usually take around 3 weeks in total, at the end of which you will receive a copy of the approval notice by the OEA and a copy of your approved AWA.

Attachment A is a flowchart which shows an outline of the steps in developing an AWA. Attachment B is a flowchart showing the steps for varying your AWA.

1.7 How do the AWA templates operate?

There are three AWA templates, one for SES and State Managers, one for Graduates and the other for all other employees. The template provides a framework within which you can negotiate your remuneration and conditions. Your AWA template operates together with a series of AWA guides that provide details about certain aspects of remuneration and conditions. These guides and templates are available on the Intranet. You need to check on the AWA guidelines for conditions relating to those on AWAs. If no specific AWA guide has been developed, the equivalent CA guide should be followed.

1.8 AWAs for Graduate APS employees

A separate AWA template has been developed for Graduate APS employees (GAPS) in recognition of the unique arrangements that apply while GAPS are completing the Graduate APS Programme. If you are a GAPS and would like to find out more about AWAs, you can access the Graduate APS AWA template on the Intranet or contact the HR Branch on 66688.

1.9 Varying your AWA

Once your AWA has been approved by the OEA then you are governed by the conditions of the AWA. Should you subsequently wish to vary any aspect of the AWA, such as the salary or other conditions, then you will need to make a new submission to the Remuneration Subcommittee following the same process as for your original submission. Once approved by the Remuneration Subcommittee, a new offer relating only to the revised conditions will be made to you.

If you have only sought a salary and performance bonus review the new offer will be made in an email from your Group or State Manager. To accept the variation, reply to your Group or State Manager by email with a cc copy to Personnel. Once Personnel have received your email then payroll action will be taken.

If your variation relates to other conditions, in your email your Group or State Manager will provide you a formal Letter of Offer outlining the new conditions. You must consider this offer for at least 14 days before you accept the offer by signing it. This Letter of Offer will then be forwarded to the OEA to follow the same process as your original AWA.

These procedures may be changed from time to time as new technology allows more flexible arrangements to be incorporated into the process. Advice will be provided on the Intranet of any changes to the procedures.

1.10 Where can I go for help?

There is a range of information and resources which can assist you to understand how AWAs operate and to help you prepare for your AWA discussion.

- You can call the HR Branch on 66688
- There is current information about DEWR's AWAs on the Intranet. This includes copies of the AWA templates, an up to date version of this handbook, frequently asked questions, and information about remuneration market rates and trends.
- The Office of the Employment Advocate has detailed information for employees about AWAs on their [website](#) or you can call the OEA on 1300 366 632 between 8.30 am and 7.00 pm Monday to Friday.

2. MORE INFORMATION ABOUT AWAs

An AWA is an individual agreement between an employer and an employee about the employee's wages and conditions of employment.

AWAs are provided for by Part VID, Division 3 of the WR Act. They were introduced to give employers and employees flexibility in setting wages and conditions. Parties to an AWA are able to agree on arrangements that suit their both the workplace and an individual's preferences.

There are two main differences between an AWA and a CA.

- An AWA is an individual agreement, whereas a CA is a collective agreement
- An AWA is assessed and approved by the Employment Advocate, whereas a CA is considered and certified by the Australian Industrial Relations Commission.

2.1 AWAs and your contract of employment

AWAs in the APS cannot be used to change the tenure of employment for APS employees. APS employees are engaged under the *Public Service Act 1999* and the provisions of that Act govern their tenure. An AWA simply provides an alternative voluntary mechanism for setting pay and relevant conditions of employment for APS employees for the period of operation of the AWA.

2.2 AWAs and their relationship to awards and the Certified Agreement

An AWA completely displaces any federal or state award or state agreement that would otherwise cover you. As APS employees, the relevant award that will be displaced is the *Australian Public Service Award 1998*. This award, however, will be used by the OEA to assess your AWA in the no-disadvantage test.

All of the department's AWAs will operate to the exclusion of the CA.

2.3 AWAs and the no-disadvantage test

For an AWA to be approved by the OEA it must meet the no-disadvantage test, as set out in Part VII of the WR Act. This means that an AWA must not result in a reduction in employees' overall terms and conditions of employment when compared with the *Australian Public Service Award 1998* and relevant Commonwealth legislation. This same no disadvantage test is applied to certified agreements.

The no disadvantage test is a global test. This means that parties to an agreement would be able to include provisions that are different to the particular terms and conditions set out in the relevant award (whether above, below, or removing a specific term), provided that there is no disadvantage with respect to the overall package. For example, many APS agencies have altered leave, flextime and allowance arrangements and provided for salary increases as part of an overall package that does not disadvantage an employee.

2.4 The Office of the Employment Advocate

The Office of the Employment Advocate (OEA) has a number of roles as set out under the WR Act. The OEA:

- provides advice and assistance to employers and employees about their rights and obligations under the WR Act
- files and approves AWAs

- handles alleged breaches of AWAs and the AWA provisions of the WR Act and assists the parties in pursuing breaches where appropriate.

3. SALARY

The salary bands provided in DEWR's Certified Agreement are a good starting point for you and your manager to consider in negotiating an appropriate salary level. These bands may change from time to time and you should refer to the Intranet version of the CA for the current bands.

3.1 Salary movement

Under the AWA remuneration arrangements there are no salary advancement points within each of the salary bands. Any increases in salary will be negotiated between you and your manager on at least an annual basis.

The salary bands allow for flexibility in negotiating a reasonable salary for the employee during the term of the AWA. However, there may be certain circumstances that warrant an adjustment of salary above the top point of the salary within that classification level, such as a requirement to undertake work at a higher classification on a long-term basis, or if market factors or other considerations warrant payment above the band.

The salary figure that is specified in your AWA is the minimum salary that will be payable to you while that AWA is in operation. Your actual pay level will need to be reviewed on at least an annual basis. There are a wide range of factors that will be taken into account in reviewing your salary including your own performance, the available budget, parity within the work group and market factors.

If work being undertaken is representative of a higher classification and that work will be ongoing, managers must advertise the position for ongoing filling. If you are successful in an application for that higher level position you will be able to review your AWA with your manager.

It is important that you consider the value of your total remuneration package when discussing your salary review with your manager.

3.2 Discussing salary

a) When should I discuss salary with my manager?

You and your manager will need to discuss salary:

- if you are a current DEWR employee and are considering an AWA;
- as part of discussions about engagement in DEWR and transfer or promotion from outside DEWR;
- if you are already on an AWA and are promoted or transferred to a new position;
- if the nature of your job has changed significantly and new skills, knowledge and responsibilities are required
- if your skills, knowledge, experience and responsibility have increased significantly;
- if market factors change;
- at the annual review of salary.

Reviews of salary should normally occur on an annual basis, preferably not at the same time as the assessment of performance in June. The outcomes of salary reviews will be referred to the Remuneration Subcommittee for approval using the BIS Online submission form.

b) Factors to consider when discussing salary

When discussing salary, either at your initial AWA discussion or at the annual review of salary, there are a number of factors which you and your manager will need to consider:

Classification and Work Level Standards

The department's work level standards are a useful tool for you and your manager to use when discussing your salary. These describe the work typically required of the employee and the skills and capabilities required at each classification. This should be the starting point for any discussion about salary. Payment of salary must be consistent with the applicable classification and the work level standard.

In negotiating a salary above the base, you and your manager can use the work level standards to assess the skills and abilities required and those which you have demonstrated. You should also consider the functions and tasks required for performance of the job, and the level of judgement, discretion, supervision and decision-making exercised and required by the position.

You and your manager need to identify the key characteristics and functions of your position and assess those against the work level standards. Many positions require employees to undertake work that can be classified across a range of levels, and the most important and highest function regularly performed determines the classification.

It is not expected that employees will demonstrate or attain all of the skills and abilities established in the standards; however competence across a reasonable range of skills and abilities is expected.

Skills and Responsibilities

The requisite experience, skills and knowledge required to undertake a job is a critical factor that must be taken into account when you and your manager are discussing salary, as well as the level of responsibility required for your job. There are two elements to this, what is required to do your job effectively and what you bring to the job.

Jobs that have a high technical or knowledge content requirement (for example IT, legal and policy jobs) or jobs that require high skills and responsibility content (for example, management/leadership, contract management and programme management) would require consideration of a commensurate salary, even though you may still be developing those knowledge and/or skills requirements.

Labour Market Factors

For the department to position itself as an employer of choice consideration of competitiveness in remuneration with other APS agencies and the public sector is required. An advantage of AWAs and the subsequent ability to negotiate on salary is that you and your manager can take into account trends in pay and key areas of labour market demand or areas where higher salaries are paid in the private or public sector (such as lawyers,

economists, specialist IT professionals). Offering flexible remuneration packages, including salary, can also help attract quality applicants for leadership and management positions.

In discussing salary, you and your manager should take these factors into account. A range of information on labour market factors is available to you and your manager through the Intranet.

Adjustments of salary to reflect market factors may result be an upward or downward adjustment. If your salary has previously been adjusted to reflect that sector of the labour market and there have been significant changes since, you may require a salary review.

Performance Factors

Salary reviews should consider performance. Sustained superior or fully effective performance can be recognised in negotiating a higher salary; however performance is also rewarded through performance bonuses.

Performance should not be the main determinant of a salary increase, only one factor to take into account in negotiating salary.

Budgetary Considerations

In considering your salary your manager will take into account the budget available for salary increases. Managers are required to expend funds within their allocated budget for that financial year. Your manager will need to undertake salary forecasts to ascertain the level and number of salaries to be reviewed and adjusted in that financial year. He or she must also include the cost of any potential performance bonuses, employer contributions to superannuation and other payable benefits in forecasting expenditure. The challenge for your manager will be to make sure they negotiate remuneration packages that deliver value for money. This will often involve agreeing to a higher remuneration package where an employee's particular skills and attributes are likely to add significant value to the work group's outcomes. This approach encourages a focus on attracting and retaining quality people that will deliver on outcomes.

Parity

A review of salary should normally occur annually unless there are circumstances such as underperformance that warrant an early review. Your manager will need to consider the overall distribution of salaries over their Group/State, Branch and Teams. AWAs provide flexibility in differentiating salaries; however large disparities in salaries across the work area will need to be examined. There may be some circumstances that warrant large disparities in salaries at the same classification level within a work area but these will need to be justifiable and carefully managed.

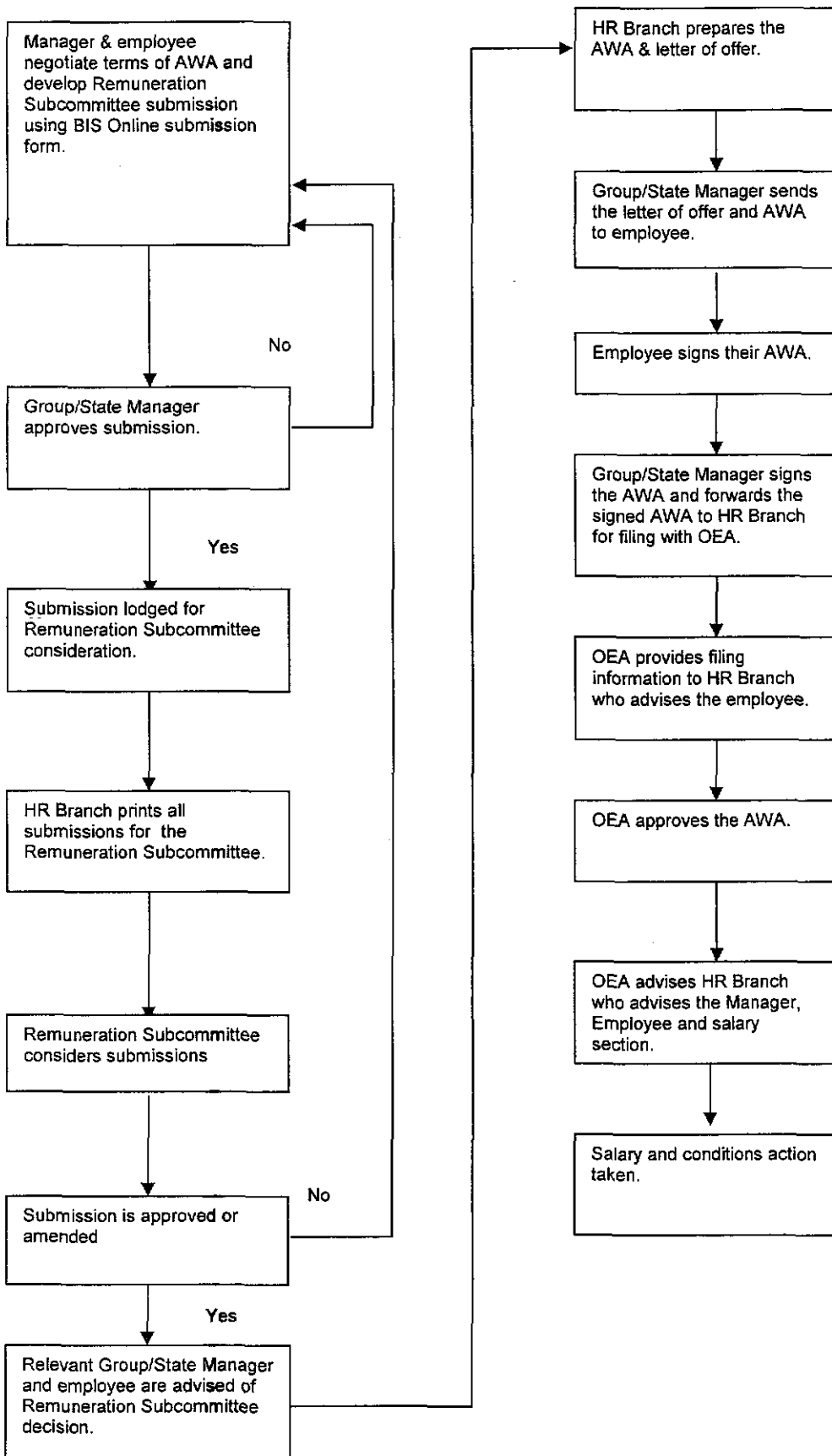
Performance at a higher classification

Details governing TPL may be found in the *Temporary Performance Loading Guide*. If you are required to work at higher classification level for more than four months consecutively it is recommended a review of your salary be undertaken to account for the increase in classification. The salary increase can either be within the existing salary band or to the next salary band. You will need to seek Remuneration Subcommittee approval of the salary increase through the normal variation process, using the BIS Online submission form.

For periods of less than four continuous months, you and your managers can negotiate recognition of this additional work through the performance bonus provision.

If you perform TPL at the same classification level for the full performance cycle (1 July to 30 June the following year) then you should be assessed at the TPL level and your performance bonus calculated accordingly. If the period of performance is less than the full year then you should be assessed at your substantive level and your manager may adjust your bonus to take into account your period of TPL performance. In such a case your recommended bonus amount may be higher than the indicative bands contained in the recommended guide for performance bonuses.

ATTACHMENT A: AWA PROCESS



ATTACHMENT B PROCESS FOR VARYING AN AWA

