

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Department of the Prime Minister and Cabinet

Budget Estimates Hearings 2005-2006, 23 and 24 May 2005

Question: PM 78

Outcome 1

Topic: Performance Pay

Direct on Notice:

Senator Carr asked:

1. Is performance pay available under your department/agencies certified agreement?
2. If so how many staff in your Department/Agency are eligible for performance based pay?
3. Please provide a breakdown of performance pay awarded for this financial year to date including the following details:
 - (a) How many staff have received performance pay?
 - (b) What levels are those staff at?
 - (c) What gender, a breakdown please?
 - (d) How much has each staff member received?
 - (e) When did they receive it?
 - (f) What was the rationale for the awarding of performance pay in each instance?
 - (g) Did the Department/Agency head receive performance pay?
 - (h) How much?
 - (i) When?
 - (j) On what grounds?

Answer:

1. No, performance pay is not available under PM&C's Certified Agreement. Access to performance pay is only available to staff employed under Australian Workplace Agreements.

2 – 3(a) to 3(d).

The performance assessment year for staff in the Department of the Prime Minister and Cabinet runs from 1 October to 30 September. The following answers therefore relate to performance payments made during the 2004-05 for performance during part of the 2003-04 financial year and part of the 2004-05 financial year.

Level	Staff Eligible	Staff Paid Male/Female		Amount Paid (\$)	Average (\$)	Range (\$)
EL1	66	27	34	234,647	3,994	\$660 – \$9,604
EL2	70	30	35	331,132	5,094	\$894 – \$10,967
SES Band 1	28	13	15	223,144	7,969	\$1,792 – \$16,500
SES Band 2	8	4	4	104,246	13,031	\$6,980 – \$19,800
SES Band 3	4	2	2	93,883	23,471	Not disclosed
Total	176	76	90	987,052		

3(e) Performance bonuses were paid to all eligible staff by early December 2004.

3(f) All performance pay decisions are based on achievement against agreed performance criteria.

3(g) to 3(j)

The Secretary of the Department of the Prime Minister and Cabinet has provided the following response on behalf of all secretaries of departments to which the question was addressed.

The performance assessment period for secretaries runs from 1 July to 30 June each year. Any performance pay which a secretary might have received in 2004-05 would therefore have related to performance during the 2003-04 financial year. Under the Prime Minister's determination of secretaries' remuneration and other conditions (which is made following advice from the Remuneration Tribunal), a secretary is eligible each year for performance pay of either 10% of total remuneration for superior performance or 15% for outstanding performance. However, it has been the practice not to provide detailed/individual information on performance ratings and performance bonuses relating to secretaries. Such information has only been disclosed in aggregate form.

For the financial year 2003-04, performance bonuses paid to secretaries, as determined by the Prime Minister on the advice of the Secretary of the Department of the Prime Minister and Cabinet and the Australian Public Service Commissioner, came to a total of approximately \$690,000.

Based on experience in systems overseas and the Commonwealth's particular legislative framework including the APS Values, the following broad areas form the basis of assessment of the performance of secretaries over the performance cycle.

- (i) Meet government objectives for the agency in a whole-of-government context (taking into account the Minister's Charter Letter, the Portfolio Budget Statements, and any specific areas identified by the Minister).
- (ii) Provide strategic, high quality, frank and timely advice to Ministers.
- (iii) Implement government decisions effectively (include major initiatives in recent years affecting the portfolio).
- (iv) Manage the department in a way that ensures efficient, effective and ethical use of Commonwealth resources, and that maintains or enhances its future capacity including in the area of succession planning.
- (v) Provide leadership to the department: set a vision and strategic focus and motivate others; articulate a clear direction; and cultivate productive relationships between the department and external stakeholders.
- (vi) Maintain a high standard of professional and personal integrity; implement and promote the APS Values and the Code of Conduct. "