

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

THE DEVELOPMENT OF THE SENIOR EXECUTIVE SERVICE
PERFORMANCE BASED PAY

SENATE STANDING COMMITTEE ON FINANCE
AND PUBLIC ADMINISTRATION

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RECOMMENDATIONS

The Committee recommends that performance based pay not be introduced for the SES until a formal study of the costs and benefits of the proposal has been undertaken and it has been established that significant net benefits are likely. (Paragraph 40)

The Committee recommends that action be expedited on other initiatives to improve SES conditions, particularly the introduction of the SES specialist stream. (Paragraph 41)

The Committee recommends that, if performance based pay is introduced, a task force with membership drawn from both coordinating and line agencies be established to manage its implementation. (Paragraph 45)

The Committee recommends that, if performance based pay is introduced, the implementation task force report to the Public Service Commissioner. (Paragraph 46)

The Committee recommends that performance based pay, if introduced, be implemented first in agencies in which effective staff appraisal systems have operated for at least one year and have been independently evaluated. The system should not be extended to other agencies until their appraisal systems have also operated for at least a year and have been independently evaluated. (Paragraph 48)

The Committee recommends that agencies be permitted to develop their own appraisal systems to Public Service Commission guidelines as currently proposed but that no agency be permitted to implement performance based pay until its appraisal system is independently certified to be effective. (Paragraph 52)

The Committee recommends that the proposed implementation task force devise certification procedures which include surveys that establish staff acceptance of the fairness, validity and reliability of the appraisal system. (Paragraph 52)

The Committee recommends that the full results of the evaluation of the appraisal process be made public. (Paragraph 52)

The Committee recommends that, if performance based pay is introduced, it be introduced for the SES and the feeder groups at the same time and under the same system in each agency. (Paragraph 56)

The Committee recommends that, if performance based pay is introduced, details of any payments be made public. (Paragraph 66)

The Committee recommends that, if performance based pay is introduced, it be paid largely or wholly in the form of bonus payments rather than as a supplement to regular salary payments so that it not be factored into an officer's regular living expenses. (Paragraph 69)

The Committee recommends that, if performance based pay is introduced, the implementation task force devise a continuing system for monitoring the pay scheme to ensure reasonable consistency in performance pay policies across the Service. (Paragraph 72)