ACTPS Classification Review

Discussion Paper

**Introduction**

The ACT Government has approved the conduct of a *Service-Wide Classification Review* (‘the Review’) to consider anomalies identified with the ACTPS classification structure during enterprise bargaining negotiations. The Review will examine the relative work value of identified groups of positions within the ACT Public Service (ACTPS) having the same classification and performing the same function. The provisions to support the conduct of the review are contained at clause D3 of the new enterprise agreements.

**Objective**

The aim of the Review will be to assess the:

* impact of historic percentage-based pay increases on low paid workers;
* efficacy of some shared salary spines;
* changes over time in relative work value of certain classifications;
* market competitiveness (to inform future pay strategies); and
* codification of work levels within Work Level Standards or Descriptors based on work value.

**Background**

A comprehensive review of classification structures in the ACTPS was last undertaken in 2010-12 by consultants Black Circle Pty Ltd.

This arose from the *Hawke Review* in 2010, in particular Recommendation 58 of the *Hawke Report* which proposed “*a simplified employment framework … and a simplified classification structure*” as an integral part of broader restructuring and refocusing of the ACTPS.

The main focus of the 2010-12 review was to:

* + achieve greater consistency across the ACTPS in classifying positions;
  + rationalise and simplify the classification structure for the ACTPS, from the then 236 separate classifications, in order to improve administrative efficiency;
  + improve mobility within the ACTPS by removing structural barriers;
  + facilitate recruitment to the ACTPS by making the competencies, qualifications and remuneration levels for ACTPS vacancies more accessible, and intelligible, to potential applicants; and
  + accommodate the changing needs of a modern public sector workforce, including the consideration of the most effective way of moving to a shared salary spine.

To achieve the above objectives, the review recommended:

* + adoption of a shared salary spine having eleven distinct pay bands and four ‘career clusters’ (vocational streams) comprising: support services, legal services, infrastructure services and people services, forming the basis for structured, strategic and sustainable workforce planning and workforce capability development;
  + appropriate market-based salary levels for each proposed career cluster and transitional arrangements for moving to a shared salary spine; and
  + retention of a more stringent and transparent system of attraction and retention incentives to ensure that the ACTPS is able to overcome difficulties in attraction and retention in times of occupational shortage.

Significant occupational groups were excluded from the review, including: Executives, medical officers, nursing staff, fire brigade officers, ambulance officers, bus drivers and transport officers, school teachers and vocational education and training teachers.

In hindsight, the review’s objectives may have been overly ambitious in terms of the Government’s ability to deliver on the whole reform proposal, particularly from a financial perspective, which mitigated against its implementation.

Nonetheless, the review’s five reports continue to provide a valuable resource, although the market-based appraisal of comparative salary levels are in need of update.

The current review will take a somewhat more conservative and targeted approach, with a focus on yet to be identified priority groups in assessing their comparative work value.

**Review Methodology**

Key steps in the Review process will be to:

* Agree review Terms of Reference and Governance Arrangements.
* Agree an initial approach to assessing and documenting comparative work value, utilising where appropriate information available from the 2010-12 review.
* Undertake any necessary procurement and briefing of consultant(s).
* Identify priority groups, and groups to be excluded from the review. The latter includes groups that have been recently reviewed or re-aligned, or are subject to separate reviews. With regard to the later, ACT Health will be undertaking independent reviews of Health Professionals and Wardspersons which will run in parallel with, and will inform, the Review.
* Agree a timeline and any intermediary milestones.
* Systematically work through the priority groups, starting with those that are agreed as a priority by all the parties. Identify benchmark and comparator positions within priority groups, within the ACTPS and elsewhere, for which position documentation is to be collated and interviews arranged as necessary as the basis for evaluating comparative work value.
* Analyse past pay increases to identify the extent to which this has contributed to greater pay disparity.
* Consider recommendations as they emerge and, where agreed, determine an implementation process.
* Progressively develop, trial and refine work level descriptors.

The Review Agreement Clause and Reference Group Arrangements are included at Appendix 1.

**Appendix 1**

**Classification Review Agreement Clause**

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## D3 - Classification/Work Value Review

D3.1 An employee, or a group of employees, or the union(s) or other employee representatives (“the applicant”), may present a case to request the head of service to undertake a classification/work value review of a position or group of positions.

D3.2 The head of service will undertake the review in consultation with the employee(s) and/or the union(s) or other employee representatives.

D3.3 If the head of service determines that the case presented under subclause D3.1 is frivolous or vexatious, the head of service will refuse to undertake the review.

D3.4 If the head of service determines that the case presented under subclause D3.1 does not contain enough information for the head of service to make an assessment on whether the review is warranted, the head of service will provide the applicant an opportunity to make further submissions. If, following such further submissions, or if no such submissions are made, the head of service still does not have enough information to make an assessment on whether or not the review is warranted, the head of service may refuse to undertake the review.

D3.5 Any classification/work value review will take into account the relevant work level standards, position descriptions, market and other relevant comparators, including comparators that are considered pertinent to the skills, competencies and general responsibilities required of the position(s).

D3.6 These provisions do not affect the right of the head of service to undertake a classification/

work value review at the initiative of the head of service.

D3.7 Where agreement cannot be reached on the need to conduct the review then the disagreement may be resolved in accordance with the dispute resolution procedure.

**Reference Group Arrangements**

Reference Group

ACTPS Classification Review

The ACT Government has approved the conduct of a *Service-Wide Classification Review* (Review) to consider anomalies identified with the ACTPS classification structure during enterprise bargaining negotiations. The Review will examine and make recommendations on the relative work value of identified groups of positions within the ACT Public Service (ACTPS) having the same classification and function with a view to the better alignment of pay structures, where work value or market competitiveness may have changed, or where pay relativities may have been eroded or distorted, over time.

The review will draw on, and update, work carried out by Black Circle Pty Ltd as part of the 2010-12 review where relevant. This includes developing work level descriptors for priority groups that either, currently do not have them, or to replace or update those that are out of date.

The Review will be supported and guided by a Reference Group that includes both union and directorate representation.

## Reference Group

A Reference Group will be established to guide the Review.

The role of the Reference Group is to:

1. Agree the review Terms of Reference and Governance Arrangements for the conduct of the Review.
2. Suggest priority groups for inclusion in the review.

Agree an approach to assessing and documenting comparative work value.

1. Agree a timeline and any intermediary milestones.

Suggest benchmark and comparator positions within priority groups, within the ACTPS and elsewhere.

1. Consider recommendations as they emerge and agree an implementation process.
2. Consider and comment on work level descriptors.

## Membership

The membership of the Reference Group will be:

* + representatives from relevant ACTPS unions and
  + representatives from relevant ACTPS Directorates.

Other representatives as required where they can assist the Reference Group.

## Chair/Convenor

Reference Group meetings will be convened and chaired by a representative from Public Sector Workplace Relations.

## Frequency of meetings

The Reference Group will meet as required, or requested.

## Resourcing

Public Sector Workplace Relations will provide a resource to manage and support the Review, including any secretariat support for the Reference Group in the form of agenda, minutes and papers.

## Reporting

Reports will be provided as necessary to the Head of Service and ACTPS unions, and where relevant to the responsible minister and to Government.

## Timeframes

It is envisaged the Review will be completed within 12 months of commencement, and will identify ongoing bodies of work within that timeframe.

The first meeting of the Reference Group will be convened no later than four weeks after these Reference Group Arrangements have been finalised.

Prior to the first meeting of the Reference Group, ACTPS unions and ACTPS Directorates will be asked to identify priority areas for the Review, from which the initial membership of the Reference Group will be identified. As additional areas are identified, the membership of the Reference Group may change accordingly.