

## **Schedule A Remuneration Policy - Unions proposal**

### **About Schedule A**

The City of Melbourne has a two-tiered pay structure in place in which workers employed prior to mid-2017 receive progression payments each year (Schedule AA), but workers employed post mid-2017 receive no progression payments (Schedule A). The progression payments provide workers with a payment, in addition to their yearly pay rise, that recognises their skills, experience, contribution and service in the preceding 12 months.

The ASU opposed the introduction of the Schedule A category at the time of its introduction and continues to fight for its removal. It is a fundamentally unjust system that sees workers on Schedule A who perform the same work as those on Schedule AA, receive thousands of dollars less in pay each year. The City of Melbourne is the only local Council in Victoria to remove progression payments for a group of workers. Progression payments are an industry standard that recognises workers service and experience.

### **Remuneration policy**

As part of negotiations for a new enterprise agreement, CoM management committed to the implementation of a 'Remuneration Policy' that would allow workers employed on 'Schedule A' to receive progression payments. This Policy must be developed in consultation with workers and Unions and be implemented by December 2021.

We are yet to be advised about CoM's intentions regarding consultation and implementation of this policy. However there will be a Staff Consultative Committee meeting in November and the Unions will be raising your views about how the Remuneration Policy should be implemented at that meeting.

### **What should the remuneration policy look like?**

The ASU, ANMF and Professional Australia want to see a remuneration policy that reflects the standards applied to Schedule AA workers. It is only fair that all workers at City of Melbourne are judged against the same standards, and their pay adjusted consistently as a result. The standards that Schedule AA are measured against are set out in the EA and are adopted in the proposed Schedule Remuneration policy set out below.

### **Unions Proposed Remuneration Policy**

#### *Criteria for progression payment*

An Employee employed on Schedule A should increase each year, where as part of the annual review process that Employee has:

- On, on assessment, acquired and satisfactorily used new or enhanced skills as required by Council within the ambit of the class for the Employee's position, or other skills where agreed at the annual review; and
- Contributed to the achievement of work area and corporate performance objectives as determined at the annual review; and
- Given satisfactory performance over the preceding twelve months.

This annual review must be objective and merits based. The current system of performance review does not meet this standard. We understand that People Managers are discouraged from granting

too many ratings of 4s and 5's in the annual review process. This disadvantages individuals who are part of high performing teams. If salary is to be linked to these performance outcomes, it is important that individuals are assessed on their merits and results cannot be standardised or subject to quotas. There also needs to be further clarity and understanding about what is expected in order to achieve these higher performance ratings. Anecdotally, people are told that they need to be doing two jobs in order to receive a rating of 5 in their annual review. Performance ratings need to be objective, clear and achievable if they are to form the basis of progression payments.

*Amount of progression payment*

Where an employee satisfies the requirements in the annual review, the employee should be appointed to a higher pay point, in a clear transparent structure. The structure should be the same one that applies to Schedule AA and is set out below. An opaque structure, without clear pay points, will allow pay inequity to flourish as individual managers, with their own unconscious biases to determine the amount an employee is worthy of receiving each year. It also allows the organisation to unfairly withhold progression payments to save money.

An objective and clear structure will allow for monitoring and reporting to ensure pay equality across the organisation. This is particularly important as City of Melbourne is required under the *Gender Equality Act 2020 (Vic)* is required to submit annual gender equality audits, that require amongst other things to report on gender pay equity, women's progression and advancement and other measures at City of Melbourne. It is also unclear how CoM will accurately complete the workplace gender audits required under the *Gender Equality Act 2020 (Vic)* with the current pay disparity skewing pay data by Band.

*Appeal rights*

An individual and/or their union must have the ability to appeal Annual Review decision through the Enterprise Agreement dispute resolution procedure to ensure decisions are fair. This procedure allows workers to appeal adverse decision to the Fair Work Commission, the independent workplace umpire.

Schedule AA 2021 Salary Scale

	Level A	Level B	Level C	Level D	Level E	Level F
7	\$133,471	\$137,471	\$141,594	\$145,844	\$150,220	
6	\$111,875	\$115,231	\$118,683	\$122,245	\$125,910	
5	\$93,770	\$96,581	\$99,481	\$102,469	\$105,546	
4	\$80,885	\$83,315	\$85,813	\$88,384	\$91,039	
3	\$67,742	\$69,775	\$71,867	\$74,021	\$76,246	\$78,531
2	\$58,438	\$60,185	\$61,996	\$63,852	\$65,767	
1			\$53,476	\$55,082	\$56,726	

If you have any questions or have any feedback on the Unions proposed Remuneration policy please contact your Union organiser:

ASU: Zoe Edwards – [zedwards@asuvictas.com.au](mailto:zedwards@asuvictas.com.au)

ANMF: Tara Hill - [thill@anmfvic.asn.au](mailto:thill@anmfvic.asn.au) and Sandra Oakley [soakley@anmf.vic.asn.au](mailto:soakley@anmf.vic.asn.au)

Professionals Australia: Scott Crawford - [scrawford@professionalsaustralia.org.au](mailto:scrawford@professionalsaustralia.org.au)