

2009 TRIENNIAL REMUNERATION REVIEW TERMS OF REFERENCE

The terms of reference for the 2009 Triennial Remuneration Review were to:

- (a) Examine and report on trends in international best practice (including emerging trends) with respect to remuneration policy and practice noting where the participating CROP agencies may differ;
- (b) Provide advice on the impact of these trends and comment on the suitability of the CROP remuneration structure over the longer term;
- (c) Examine the remuneration package currently offered to staff by each of the participating CROP agencies, document the areas of difference and note any impact arising from any such differences;
- (d) Examine the harmonised remuneration package currently offered to staff relative to the reference markets and international best practice and recommend changes, if necessary;
- (e) For professional staff, examine the harmonised remuneration pay-line relative to the reference markets¹ and recommend whether the current bench mark of the average of the three reference markets is considered appropriate² and if not, recommend alternatives;
- (f) For Suva-based support staff, examine the harmonised remuneration pay-line relative to the reference market³ and recommend whether the current benchmark of 10% above the upper quartile is considered appropriate⁴;
- (g) For non-Suva-based⁵ support staff, recommend an approach to determining an appropriate reference market if robust local market surveys are not available.

In completing the terms of reference the following specific issues were to be addressed:

- (a) Examine the current practice of denominating professional staff salaries in SDR⁶ and the associated stabilisation methodology and provide an opinion as to whether or not these are still relevant and if not, provide alternatives;
- (b) Review the implementation of the “six-year rule” across the participating CROP agencies noting any differences where these occur and the impact of these differences;
- (c) Review the current rates of COLDA⁷, advise whether these are still relevant and note any opportunities for harmonisation or refinement;
- (d) Examine whether the agencies have a role in capacity building; consider whether this conflicts with the current practice of recruitment based on merit, and what impact this might have on recruitment and remuneration practices;
- (e) Examine prior recommendations regarding moving to total remuneration and comment on whether this continues to be an appropriate vision for the CROP agencies, and if so, recommend how this approach could be implemented;
- (f) Review the retirement age policy, advise whether this is still appropriate and recommend a harmonised approach; and
- (g) Review and advise on other significant relevant issues.

¹ The reference markets are the Australian and New Zealand public service sector and the Fiji all organisations market.

² The 2007 and 2008 reference market data will be provided.

³ The reference market is the Fiji all organisations market.

⁴ The 2007 and 2008 reference market data will be provided.

⁵ Non-Suva-based locations are to include: Apia, Honiara, Noumea, Phonpei, Port Moresby.

⁶ SDR are “special drawing rights” as determined by the International Monetary Fund.

⁷ The CROP salary scale is set with reference to Fiji as the “base” location. COLDA (a cost of living differential adjustment) is applied to non-Fiji based staff.