

Market Loading Allowance Procedures

Section 1 - Overview

These Procedures provide guidance on the application of the [Market Loading Allowance Policy](#).

Section 2 - Procedures

(1) A market loading allowance must always be considered in the context of the labour market and may be recommended in the following situations:

- a. Attraction — a market loading allowance may be:
 - i. included in the job advertisement and a loading negotiated in the course of an offer of employment;
 - ii. used to attract an applicant to the University where the potential new staff member's skills and experience are deemed essential; and
 - iii. where uncompetitive remuneration is the primary factor influencing the decision of the applicant to accept (or not) the employment offer.
- b. Retention — a market loading allowance may be offered to retain a key staff member where the loss of that staff member due to uncompetitive remuneration would cause considerable hardship for the university.
- c. In other special circumstances approved by the Vice-Chancellor and Chief Executive Officer.

(2) When considering a market loading allowance:

- a. look into other possible recruitment strategies to attract the necessary skills; and
- b. seek advice from the People and Culture to investigate and evaluate an appropriate allowance to ensure that the allowance proposed is equitable. This should include evidence of salary levels from market data (external remunerations surveys, internal benchmarking exercises etc.)

(3) Application and Approval Process

- a. An application for market loading allowance needs to be completed, including a business case developed by the Supervisor or Hiring Manager, to support the payment of the allowance, which must be:
 - i. supported by the Head of Cost Centre;
 - ii. supported by the Director People and Culture or nominee; and
 - iii. approved by the Market Loading Panel.
- b. Approval will be assessed with reference to the merits of the case. The following demonstrates the elements that should be considered, where relevant, when developing the business case:
 - i. demonstrated analysis and diagnosis of the competitive market pressure achievements;
 - ii. the critical skills and experience the staff member (or potential staff member) has to perform the role and why these are critical to the School/Directorate;
 - iii. demonstrate how the inability to attract or retain key staff will directly impact on the desired strategic outcomes of the School/Directorate;

- iv. demonstrated legitimate risk of staff turnover that is directly related to the uncompetitive remuneration;
 - v. demonstrated past attraction and/or retention experience that established the ongoing indications of uncompetitive remuneration and its impact;
 - vi. demonstrated offers of alternative employment; and
 - vii. it is also recognised that personal merit may generate competitive bids by other organisations for an individual staff member or prospective staff member regardless of broader market forces.
- c. A request for payment of a retention allowance to an existing staff member must also include supporting documentation from the annual performance planning review.
 - d. In the case of new appointees, a selection panel may propose an allowance as part of the recruitment process. Where the relevant Chair of the Selection Panel is not the Head of Cost Centre, the request must be made through them.
 - e. Applications can be made at any time however a case will not normally be considered within two (2) years of a previous application.
 - f. There is no process for staff to personally apply for allowances.

(4) Review of Market Loading Allowances

- a. The Head of Cost Centre is responsible for developing and monitoring individual performance related agreements with respect to market loading allowances in their School/Directorate.
- b. People and Culture review the university's market loading allowances annually. As such, the Head of Cost Centre, or delegate, is required to report annually on individual performance related agreements for staff in their School/Directorate.

(5) Process to extend a Market Loading Allowance

- a. The review of a market loading allowance is conducted at the School/Directorate by the Head of Cost Centre, or delegate, to ensure that performance expectations of the incumbent are being met.
- b. Providing the Head of Cost Centre, or delegate, has favourably assessed the incumbent's performance, a request to extend the market loading allowance is forwarded to People and Culture.
- c. The People and Culture will forward the request for an additional period of up to a maximum of two (2) years to the relevant Senior Executive for approval.
- d. The People and Culture may require a current market analysis to ensure the relevant Senior Executive has appropriate advice on salaries and relativities.
- e. Payment of a market loading allowance beyond the extended two (2) year period, requires a new application, including a new business case.

Section 3 - Definitions

(6) Cost Centre means the relevant School, Directorate or other business unit.

(7) Enterprise Agreements means the [UNE Academic and English Language Teaching Staff Enterprise Agreement 2020-2022](#), the [UNE Professional Staff Enterprise Agreement 2019-2022](#), each as extended or varied from time to time, and is taken to include any agreement that replaces or varies one or more of these documents.

(8) Head of Cost Centre normally means the Head of School or Director (as the case may be) of the relevant School or Directorate. Where it is not appropriate for the Head of School or Director to act, or where the circumstances relate to a position reporting directly to a Senior Executive, the Head of Cost Centre will be taken to mean the relevant Senior Executive. Where the matter relates to a Senior Executive, the Head of Cost Centre will be the Vice-Chancellor and Chief Executive Officer.

(9) Market-Based Salary Allowance means a regular taxable payment that is paid for a fixed period of time over and above base salary. A market-based salary allowance is paid in addition to the rate of pay prescribed in the current Enterprise Agreements.

(10) Market Loading Allowance includes market-based salary allowance; recruitment allowance and retention allowance.

(11) Recruitment Allowance means a lump sum paid in addition to the total remuneration package. The lump sum is paid at the end of a specified period, e.g, a lump sum which accrues over a term and is payable if the staff member remains with the University for that term or is otherwise forfeited.

(12) Retention Allowance means a: lump sum periodic payment. The Retention Allowance will apply on and from the date of approval and will accrue on an annual basis or part thereof. The total amount will be payable upon the completion of the term of appointment or approved allowance term.

(13) Senior Executive means the Vice-Chancellor and their direct reports, excluding persons Director level and below.

(14) Superannuable loading means a salary loading where 17% employer superannuation contribution is payable on this allowance. As this loading forms part of the staff member's conditions of employment, the loading is payable while on leave and on termination.

(15) Supervisor means the role to whom a position reports to.

(16) Normally - Where the word 'normally' is used, it means that it is the default position that must be followed unless exceptional circumstances exist that require a departure from the default position, as determined by the Policy Administrator acting reasonably.

Status and Details

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Unit Head	Kirsten Clayton Director People and Culture
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Glossary Terms and Definitions

"School" - Is an organisational unit comprising academic staff in related fields of study who are responsible for teaching and research in those academic fields together with support staff. Each School also has lead management for the design and delivery of the courses within its responsibility.