

Remuneration and Benefits Procedure - Salary Loadings

Section 1 - Background and Purpose

(1) Salary loadings are sometimes required to be paid in addition to base salaries stipulated under the [Collective Agreement](#) to ensure the University remains competitive in acquiring and maintaining the expertise required to meet organisational needs. They also provide a mechanism for rewarding staff who agree to temporarily take on additional duties of a higher level.

(2) This Procedure provides a framework to assist University managers in determining appropriate salary loadings and direction on the required approval levels.

Section 2 - Scope

(3) This Procedure applies to all fixed term and ongoing University staff receiving, recommending or approving the payment of salary loadings including; attraction, retention, responsibility and market loadings.

(4) This procedure does not apply to higher duties allowance (see [Higher Duties Policy](#)) or Academic allowances detailed in the [Remuneration and Benefits Procedure - Academic Leadership Allowances](#).

Section 3 - Policy Statement

(5) Refer to [Remuneration and Benefits Policy](#).

Section 4 - Procedures

Part A - Roles and Responsibilities

(6) Roles and Responsibilities Table:

Role	Responsibilities
Supervisor / Manager of position	Determine appropriate type and amount of loading guided by this Procedure and, if required, advice from Human Resources. Prepare required documentation for approval, including rationale for the recommendation.
Senior Executive Group (SEG) member reporting to the Vice-Chancellor	Approves salary loadings that are 20% or less than base salary, for employees within their portfolio, that do not report directly to them.
Vice-Chancellor	Approves salary loadings that are more than 20% of base salary for all University employees. Approves salary loadings of senior management employees that report directly to a SEG member. Approves the salary loadings of SEG members reporting to the Vice-Chancellor.

Role	Responsibilities
Human Resources	Provide guidance and assistance to managers in determining and processing salary loadings. Prepare and record required contract variation documentation. Process salary loading payments.

Part B - Steps to Applying Salary Loadings

Step 1: Review Criteria of a Salary Loading

(7) A salary loading is a regular taxable payment that is paid for a fixed period of time or on an ongoing basis, over and above base salary.

(8) Ongoing salary loadings are normally subject to salary increases and superannuation contributions provided under the applicable industrial instrument. Temporary or fixed period salary loadings are normally not subject to salary increases and superannuation contributions provided under the applicable industrial instrument, unless required to meet superannuation legislative conditions. Exceptions to these conditions are otherwise negotiated positions that must be stated in the contract of employment or variation to contract of employment.

(9) Salary loadings are:

- a. specific to a particular position and, unless otherwise negotiated, are not retained if the employee is appointed to another position within the University
- b. paid whilst on approved paid leave
- c. paid on a pro-rata basis for fractional staff

Step 2: Determining the Level and Term of the Salary Loading

(10) The duration of salary loadings are to be determined as follows:

a. Fixed Term

- i. Market Loading – Given that market forces change with time, periodic review is necessary to determine if the case for the loading and the amount of loading has changed. Market loadings will therefore be paid for a limited period, no greater than three years, and must be reviewed at the end of that period. The end date of a market loading period should be set as a date in June, making it shortly after the end of the Career Success cycle. This will therefore allow for consideration of the staff member's performance in determining whether the loading continues for a further period.
- ii. Responsibility Loading
 - Additional responsibilities (other than those detailed in B below) apply on a temporary basis of no greater than six months. Where a new ongoing responsibility occurs this should be incorporated into a revised positions description and re-evaluated; OR
 - Where applicable to Academic leadership positions in addition to, or other than, Head of School or Head of Department allowances (see Remuneration and Benefits Procedure – Academic Leadership Allowances) the allowance will apply for the duration of the appointment.
- iii. Retention and Attraction Loadings – May be negotiated as fixed term loadings where the loading is only required for a specific period.

Ongoing

- i. Retention and Attraction Loadings – May be negotiated as ongoing loadings where the loading is required on a permanent basis to attract/retain a new/existing staff member. Ongoing loadings should only be applied after exhausting the possibility of applying a loading on a fixed term basis.

(11) Salary loadings can be negotiated, calculated and paid on the following basis:

- a. As a percentage of the staff member's base salary. This would normally be the case where it is intended for the loading to increase in line with future salary increases; or
- b. As a set amount (usually negotiated as a "round" figure e.g. \$5,000). This would normally be the case where the loading is a fixed amount for the duration of the period for which the loading is payable, therefore future salary increases would not apply to the loading; or
- c. As a set amount that reduces in line with salary increases. This can be used where it is appropriate that an employee's base salary will "absorb" the loading as it increases with future salary increases, and is normally applied where the University is matching the remuneration of another organisation.

(12) Salary loadings will be no greater than 20% of base salary other than in exceptional circumstances (salary loadings of greater than 20% of base salary require the approval of the Vice-Chancellor). The recommended loading should be considered on a case-by-case basis and should take into account:

- a. How the increased remuneration relates to the level of the position. For example, if a significant loading is being considered for a lower level position, it may be that the position is not correctly classified
- b. Comparison of the proposed remuneration of the position in relation to the hierarchy of positions within the work area
- c. The remuneration of other similar positions within the University
- d. Sector and/or general market benchmark remuneration of comparable job roles (if applicable)
- e. The impact on the University's gender pay gap position (if applicable)

(13) For proposed ongoing salary loadings or new/subsequent fixed period salary loadings for greater than one year, supervisors/managers of the position are required to request a "Remuneration Briefing Report" for consideration in determining the amount of the salary loading. The report provides remuneration benchmark, gender pay gap impact and similar position information to guide and assist in determining the appropriate level of salary loading.

(14) When determining the end date for a fixed period salary loading that may be reviewed and subsequently extended, managers/supervisors should aim to make the end date of the period coincide with the end of the Career Success performance cycle. This will ensure the performance of the individual can be considered when deciding whether to apply a further period of salary loading.

(15) Once the details of the salary loading have been determined, the supervisor/manager then seeks approval for the loading in line with the delegation levels provided above. The process is as follows:

- a. Proposed salary loadings for existing staff
 - i. Complete the Salary Loading Request Form
 - ii. Attach a copy of the Remuneration Briefing Report (if applicable)
 - iii. Submit form for approval and, once approved, send to Human Resources for processing
- b. Proposed salary loadings for staff new to the University
 - i. Determine proposed remuneration, including salary loading, of preferred candidate
 - ii. Send details of the proposed remuneration to delegated approver, including Remuneration Briefing

Report (if applicable)

- iii. Once approved, move forward with contract negotiations with preferred candidate and final recruitment processes

Section 5 - Definitions

(16) For the purpose of this Procedure:

- a. Attraction Loading: An allowance paid to a new staff member for the purpose of attracting them to the University.
- b. Market Loading: Allowance paid to a new or existing employee in order to match the level of remuneration on offer in the market outside the University.
- c. Responsibility Loading: An allowance paid to an existing employee for the purpose of appropriately rewarding them for additional or new responsibilities on a temporary basis. This includes loadings paid to Academic leadership positions in addition to, or other than, Head of School or Head of Department allowances (see Remuneration and Benefits Procedure – Academic Leadership Allowances).
- d. Retention Loading: An allowance paid to an existing staff member for the purpose of retaining them as an employee of the University.

Status and Details

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