

Institute of Public Administration



Report of Pay and Benefits Research Study for the AHCPS

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Introduction

- ◆ Recent studies by the Economic and Social Research Institute and the Central Statistics Office have shown the pay levels of Principal Officers have fallen significantly behind the private sector
- ◆ This research from the IPA also confirms this point



Context

- ◆ Government and public expectations of the Civil Service continue to grow
- ◆ In 2008, there were approximately 73 public service employees per 000 population. In 2016, the equivalent figure was 63 per 000 population
- ◆ Civil Servants are operating in a increasingly complex environment
- ◆ Government have:
 1. Imposed three pay cuts
 2. Longer working hours
 3. Reduced annual leave and reduced sick leave etc

The logo consists of the word "CONTEXT" in white capital letters on a black rectangular background, with the word "MATTERS" in white capital letters on a red rectangular background directly below it.

CONTEXT
MATTERS

Impact on Recruitment

- ◆ Changes to the environment and within the Civil Service are impacting on the attractiveness of the Civil Service as a place to work for Senior Managers.
- ◆ Some quotes from the Public Appointments Service (PAS) "... there are some roles where PAS is finding it more challenging to source candidates."



Impact on Recruitment

- ◆ *the challenge has been that the remuneration (salary and benefits) the candidates currently earn is at least 30% higher than that on offer in the Civil Service.*
- ◆ *Remunerationhas now become a real disincentive to potential candidates from the private sector who are interested in working in the public service."*



Impact on Recruitment

- ◆ PAS noted that the perceived reputational risk and impact of media scrutiny remains a significant barrier. These issues relate to the changing, more challenging, and complex environment within which senior civil and public servants must operate



Pay and Benefits Analysis

- ◆ Study concludes that pay for our grades is not competitive when compared to Base Pay and Total Pay.
- ◆ Total pay includes base pay and bonus payments in the private sector
- ◆ The salary of **Principal Officer** would need to be increased by 38% to match the equivalent in terms of Base Pay in the private sector. When the value of Total Pay is factored in the 38% rises to 60%.



Pay and Benefits Analysis



- ◆ The salary of Assistant Principal Officer would need to be increased by 18% to match the equivalent in terms of Base Pay in the private sector. When the value of Total Pay is factored in the 18% rises to 30%.

Principal Officer

2008 Figures versus 2017 figures

Year	Average PO Salary	Difference
2008	€95,910	
1 April 2017	€86,266	- 10%*

*This figure does not include a remaining shortfall of 7% of a pension levy

Principal Officer 2008 Figures versus IPA figures

Year	Average PO Salary	Difference
2008	€95,910	
IPA figure	€138,480	+44%

Principal Officer

2008 Figures versus IPA figures including a deduction of 12% for pension

Year	Average PO Salary	Difference
IPA figure	€138,480	
2008	<u>€ 95,910</u>	
Difference	€ 42,570	44%
Deduction of pension value	12%	32%

Assistant Principal Officer 2008 Figures versus 2017 figures

Year	Average PO Salary	Difference
2008	€74,273	
1 April 2017	€67,711	- 9%*

*This figure does not include a remaining shortfall of 6% of a pension levy

Assistant Principal Officer 2008 Figures versus IPA figures

Year	Average PO Salary	Difference
2008	€74,273	
IPA figure	€87,726	+18%

Assistant Principal Officer

2008 Figures versus IPA figures including a deduction of 12% for pension

Year	Average PO Salary	Difference
IPA figure	€87,726	
2008	<u>€74,273</u>	
Difference	€13,453	18%
Deduction of pension value	12%	6%

The Future



- ◆ It should be noted that the data is based on 2016 IBEC figures. These will have increased by a minimum of 2% since last year
- ◆ Pay Restoration has to be a priority
- ◆ Then a properly functioning pay determination model