



Experts Meeting on

Compensation of Public Employees

OECD Conference Centre – Paris

AGENDA

Friday 9 September 2011

9:00 - 9:10

Welcome to Participants and Introduction

Mario Marcel - *chair*

Deputy Director, Public Governance and Territorial Development Directorate,
OECD Secretariat

9:10 – 9:30

**Tour de Table
Participants introduction**

Participants Introduction

OECD Country Delegates

9:30 – 10:45

Session 1: OECD preliminary findings and conclusions on compensation of public employees

Compensation of employees in OECD countries is a crucial issue to enhance the productivity of government employees. The compensation of employees represents a significant percentage of public expenditure, but it is also a core component of HRM policies to attract, retain, and motivate competent employees. The aim of this session is to discuss the preliminary findings and conclusions of the OECD report on Compensation of Public Employees and explore new trends in the compensation of public servants in the framework of achieving governments' fiscal consolidation plans.

Presentation by Secretariat
Questions and Discussion

Howard Risher
Pay and Performance Consultant

OECD Country Delegates

10:45 – 11:00

Coffee break

11:00 – 12:30

Session 2: How are compensation systems in OECD countries evolving to ensure capacity?

Adjusting the size of compensation of government employees to meet fiscal targets and return to balanced budgets without jeopardising government's capacity and employees morale and commitment, is one of the challenges facing OECD countries nowadays. Countries are interested in more flexible models of compensation enabling a managerial approach to pay setting.

This session will focus on discussing some country experiences in:

- salary and operating budget freezes
- the establishment of maximum rates for wage increases
- how countries are ensuring competitive salaries in relation to the private sector

Presentations from member countries
Questions and Discussion

OECD Country Delegates
David R. Livingstone (United Kingdom)
Georgia Valatsou (Greece)
Leonello Tronti (Italy)

12:30 – 14:00

Lunch break

14:00 – 15:20

Session 3: How is pay established in OECD countries? Towards more flexible pay systems.

Establishing pay levels to recruit and retain a sufficient number of employees with adequate skills, competencies and motivation is critical to ensure capacity for service delivery. However, faced with limited tax revenues, governments have to search for more cost-efficient and cost-effective ways to compensate public servants for their services.

This session will focus on issues such as:

- linking salaries to collective and individual performance vs seniority-based increases
- gender equality in pay arrangements
- changes in the composition of compensation: base salary, allowances, bonuses; and differences in compensation among positions: managers, professionals, technical-administrative, secretaries, drivers.

Presentations from OECD member countries
Questions and Discussion

OECD Country Delegates
Branko Vidic (Slovenia)
Ryo Ide (Japan)
Zielinski Wojciech (Poland)

15:20 – 16:20

Session 4: The evolving role of public sector unions in salary negotiation

Unions and collective bargaining play an important and long standing role in virtually all OECD countries. Leaders in every country pay attention to stakeholders

and that clearly includes government employees. Unions are unable to control the supply and demand for labour but they have a role in deciding how employers respond to market developments.

This session will focus on issues such as:

- unions role in salary/employment adjustments in response to fiscal consolidation needs
- emerging bargaining models from centralization/decentralization of salary decisions.

Presentations from member countries
Questions and Discussion

OECD Country Delegates
Nacer-Eddine Djider (France)
Robert Cloarec (Sweden)

16:20 – 16:40

Coffee break

16:40 – 17:50 Session 5: Assessing performance-related pay: what new challenges?

Traditional pay systems with common grading systems, associated pay scales and seniority-based pay progression in the scales, have been felt to be too rigid for the development of modern human resource management and for strengthened performance orientation. Thus, countries looked at performance-related pay systems as a means to increase not only flexibility in setting pay but also to attract, retain, and motivate a talented workforce.

This session will focus on analysing the experience of OECD countries with performance-related pay policies and discussing the new trends and challenges in the area.

Member Country Presentations
Questions and Discussion

OECD Country Delegates
Joanna Autiovuori (Finland)
Inge Friis Svendsen (Denmark)
Seong Ju Kang (Korea)

17:50 – 17:55 Next Steps in the OECD work on ‘Compensation of Public Employees’

Oscar Huerta Melchor
Policy Analyst - OECD Secretariat

17:55- 18:00

Final remarks and closing

Mario Marcel - chair
Deputy Director Public Governance and Territorial Development Directorate, OECD Secretariat

18:00

Cocktail