



PHASED RETIREMENT POLICY

SCOPE

This policy applies to all mature age employees who are nearing retirement age and employed within WA Health, which incorporates the following entities:

- Department of Health
- Metropolitan Health Services
- WA Country Health Service.

This is a system wide policy and supersedes all other phased retirement policies in WA Health. This policy is a subset of the WA Health Work Life Balance Policy.

POLICY STATEMENT

WA Health is committed to creating a vibrant and positive workplace and a reputation as an 'Employer of Choice'. This is enabled by a system-wide workforce culture, which is both healthy and sustainable.

The *WA Health Strategic Intent 2005-2010, Delivering a Healthy WA* provides a commitment under *Healthy Workforce* to attracting and retaining employees through improving rewards, benefits, recognition, incentives and working conditions.

To achieve this, WA Health promotes flexible and responsive work practices that assist mature age employees to balance their work and personal life responsibilities, and encourages a more phased approach to retirement.

WA Health recognises that flexible work practices and phased retirement arrangements can increase staff retention, reduce absenteeism, improve productivity and raise staff morale as well as being an essential strategy in attracting new staff.

A large proportion of the WA Health workforce are mature age employees who have a wealth of corporate knowledge, experience, and skills that WA Health needs. It is more efficient and cost effective to retain this talent than to replace it. This includes delaying, where possible, the retirement of the workforce by offering more attractive working arrangements as an alternative to retirement.

The implementation of phased retirement arrangements is designed to retain these valuable employees in the workforce and contribute to the well-being of both the organisation and its staff.

A collaborative and cooperative approach between managers and employees is necessary if WA Health is to achieve effective outcomes in regard to phased retirement for mature age employees and:

1. meet the operational requirements of the organisation; and
2. meet the needs of mature age employees

while continuing to provide world best practice care to the Western Australian community, consistent with the *WA Health Strategic Intent 2005-2010*.

PRINCIPLES

1. Managers and supervisors will assist interested mature age employees to achieve a better work life balance and extend their working life by providing greater access to more flexible working arrangements leading up to their retirement.
2. Managers and supervisors will ensure that employees are aware of their options by actively promoting the options available to mature age employees. Promoting phased retirement arrangements that improve the work life balance of mature age employees involves identifying suitable flexible working arrangements that satisfy both the needs of the employee and the work unit without compromising service provision.
3. The suitability of various flexible work practices for a phased retirement arrangement is dependent upon the type of work an employee does, the needs of the work unit and the employee's circumstances. Managers and supervisors may seek advice in this area from their local Human Resource Department and/or Employee Relations Services.
4. Mature age employees who request a phased retirement arrangement will be treated reasonably, fairly and transparently without disadvantage.
5. All requests for phased retirement arrangements are to be made in writing, and where appropriate, using the relevant leave application form or staff movement form (to change working hours or arrangements). All requests are to be assessed by the relevant manager in consultation with the employee. Consideration is to be given to the impact of such arrangements on other employees directly affected.
6. Managers are to:
 - give prompt consideration to all requests;
 - be fair and balanced in decision making;
 - assess individual cases on merit;
 - take into account the needs of the organisation and the employee's needs and circumstances; and
 - take into account the specific employment conditions of the employee as provided in the relevant industrial agreement.
7. The principles of fairness, equity, and natural justice will apply to all decisions made about implementing phased retirement arrangements. Decisions about requests for phased retirement arrangements will be transparent and capable of review.

8. If a manager refuses an employee's request for a particular arrangement, the reason/s for this decision must be put in writing and fully explained to the employee. In such cases, the manager and employee will try to reach agreement on an alternative arrangement that is more acceptable to both parties.
9. The local grievance procedure is available to assist any employee who:
 - a) has made a request for a phased retirement arrangement and is not satisfied with the outcome; and
 - b) feels unduly disadvantaged because of another employee's phased retirement arrangement.
10. Phased retirement arrangements will not adversely affect an employee's ongoing career or professional development opportunities. In particular, an employee who has entered into a phased retirement arrangement will not be disadvantaged when applying for promotions or ongoing professional development opportunities.
11. Where an employee reduces their working hours as part of a phased retirement arrangement, the employee will also be given a commensurate reduction in workload in proportion to the reduction in hours.
12. A phased retirement arrangement does not require a commitment to a retirement date, as the arrangement will facilitate a longer working life for the employee. However, the arrangement will be reviewed on an annual basis, and can be modified at any time by mutual agreement between the manager and employee.

APPROVED REASONS FOR ACCESSING PHASED RETIREMENT

A mature age employee may request a phased retirement arrangement to enable them to delay their retirement and remain in employment. Acceptable reasons for an employee requesting a phased retirement arrangement include, but are not limited to:

- combining work with family caring responsibilities;
- reducing the mental or physical demands of working full time in the same job;
- facilitating succession planning by stepping down to another suitable job and/or a mentoring role and allow another employee to take on the higher level work;
- reducing their work demands on medical grounds which may involve temporary or ongoing impairment or rehabilitation; or
- reducing their work demands in preparation for retirement, for a more balanced lifestyle, or for any other acceptable reason.

PHASED RETIREMENT OPTIONS

Flexible work options that are suitable for a phased retirement arrangement include but are not limited to:

Flexible or set working hours:

- flexible working hours – ability to vary the start and finish time each day;
- flexible working days – ability to vary which days are worked each week;
- set working days – ability to set which days are worked each week;
- flexible rosters – ability to change shifts or be consulted in the setting of rosters;
- fixed rosters – ability to work the same agreed pattern of shifts each week.

Part time work:

- part time work - reducing the hours and/or days of work each week;
- job sharing – two people sharing the one job, with each working part time hours;
- job sharing – two people share the one FTE but each has a discrete part time job;
- job sharing / mentoring – a mature age employee mentors a younger employee in the same job, in a job sharing arrangement, possibly covering each other's leave;
- graduated reduction of hours of work over an agreed period of time (years).

Using leave to reduce working hours:

- using one or days of accrued annual and long service leave each week to work a shorter week without a reduction in pay – use days off for rest, recreation or family caring responsibilities such as looking after grandchildren;
- entering into a purchased leave arrangement to purchase additional leave at a reduced average annual rate of pay, and taking one or two days of purchased leave each week to reduce the working week, and still have a block leave break;
- school term work – working school terms and using annual leave and purchased leave to have school holidays off to spend time with or look after grandchildren;
- part-year work – using purchased leave and leave without pay to only work for part of the year, for example, working for 6 months and having 6 months off, or work for 8 months and having 4 months off (particularly useful where workload is seasonal, eg. end of the financial year, or peak tourist seasons in regional areas).

Flexible modes of employment:

- telecommuting/home based work – the ability to do some work from home.

Alternative job opportunities that could be offered to mature age employees include:

- a similar job in a different location or a location closer to home;
- a sideways move to a different job and/or a different location;
- a different job within the skills and abilities of the employee;
- voluntary regression to a lower classified job, for example, stepping down from a supervisory role to a practitioner's role (To enable a mature age employee to step down with dignity, consideration should be given to establishing a mentoring arrangement with less experienced staff or a transfer to a different work site, where practicable);
- training or mentoring roles to facilitate succession planning and to pass on valuable knowledge and skills;
- part year employment (on a part-time, contract, casual or seasonal basis); or
- contract, casual or seasonal work as needed by WA Health, after retirement.

Mature age employees who have entered into a phased retirement arrangement can still access a variety of flexible leave arrangements to achieve a better balance between their work and personal life responsibilities. These include:

- personal/family/carer's/parental leave;
- short/compassionate/bereavement leave;
- annual leave and long service leave;
- purchased leave – such as 44/52 - to obtain extra leave entitlements each year;
- deferred salary scheme, such as 4/5 years;
- cultural/ceremonial leave;
- study leave; and
- leave without pay.

FINANCIAL IMPLICATIONS OF SOME OPTIONS

Employees considering changes to their current employment arrangements must also consider any financial impact the proposed changes may have for them. For example, there are financial implications in part time work (reducing the hours of work), entering into a purchased leave arrangement, taking leave without pay, voluntary regression to a job with a lower classification, and in moving to casual and seasonal work. Employees must also be advised that leave without pay and casual work will affect their accrual of paid leave entitlements. Employees should be advised to seek financial advice before entering into such arrangements.

SUPERANNUATION

New superannuation laws allow employees over the age of 55 years to draw down on their superannuation while still working, and allow employees to reduce their hours of work without affecting their final average salary. Employees need to talk to their Superannuation provider to see how these new provisions apply to them.

Mature age employees considering a phased retirement arrangement should contact their superannuation provider to discuss the effect any pre-retirement working arrangement may have on their superannuation, and what options they have in accessing their superannuation to supplement their income.

DEFINITIONS

Mature age employee

This policy applies to mature age employees who are nearing retirement age. While there is no legislative definition of a 'mature age employee' or 'retirement age', the term can be loosely applied to any employee over the age of 50 years who is considering retirement. Similar flexible working arrangements for other employees who want a better work life balance are available under the WA Health Work Life Balance Policy.

Phased Retirement

The phasing into retirement by a graduated reduction in working hours, working days or work load. This could include part time or job sharing working arrangements, purchased leave arrangements to provide more regular or longer periods of leave breaks, changing jobs, or stepping down from a managerial or supervisory role.

Flexible Work Practice

Work arrangements that are flexible to meet the needs of the employee balanced with the needs of the organisation.

Work Life Balance

The balance between the demands of the employee's work and their personal life.

Relative

As defined in the Equal Opportunity Act 1984, a 'relative in relation to a person, means a person who is related to the first-mentioned person by blood, marriage, affinity or adoption and includes a person who is wholly or mainly dependant on, or is a member of the household of, the first-mentioned person'.

Family Responsibility or Family Status

As defined in the Equal Opportunity Act 1984;

‘Family responsibility or family status in relation to a person, means:

- (a) having responsibility for the care of another person, whether or not that person is a dependant, other than in the course of paid employment;
- (b) the status of being a particular relative; or
- (c) the status of being a relative of a particular person.’

SUPPORTING DOCUMENTS

- WA Health Work Life Balance Policy
- WA Health Deferred Salary Scheme Policy and Guidelines
- WA Health Part Time/Job Share Policy and Guidelines
- WA Health Purchased Leave Policy and Guidelines
- Local Telecommuting Policies and Guidelines

For WA Health policies, go to: <http://intranet.health.wa.gov.au/hwl/policies/policies.html>

RELEVANT LEGISLATION

- Public Sector Management Act 1994
- Industrial Relations Act (WA) 1979
- Minimum Conditions Employment Act 1993 (As amended)
- Workplace Relations Act 1996
- Long Service Leave Act 1958
- Equal Opportunity Act 1984
- Occupational Safety and Health Act 1984

For relevant Awards and Agreements – go to:

[\(www.health.wa.gov.au/AwardsAndAgreements/\)](http://www.health.wa.gov.au/AwardsAndAgreements/)

For relevant legislation, go to:

<http://www.slp.wa.gov.au/statutes/swans.nsf/Current+Documents+Version2?openview&Count=600&RestrictToCategory=A>

RELATED DOCUMENTS AND WEBSITES

- Department of Consumer and Employment Protection, Government of Western Australia, Work Life Balance Website <http://www.worklife.wa.gov.au>
- WA Health Equity & Diversity Plan 2007-2009
- WorkSafe Safe Working Hours COP
<http://www.worksafe.wa.gov.au/newsite/worksafe/pages/codegenl0002.html>

ACCESSING POLICIES

Policies are located on:

- Health Workforce Link (<http://intranet.health.wa.gov.au/hwl/>)
- Local Intranet

IF YOU HAVE A QUERY

Employees who have queries are to contact their supervisor or manager. Managers or supervisors with queries should contact their local Human Resources Department.

CONTINUOUS IMPROVEMENT

To maintain continuous improvement in the development of human resource policies, please refer any feedback regarding this policy to the Policy Officer, Workplace Policy and Standards Branch at policyofficer@health.wa.gov.au

VERSION CONTROL

Date of endorsement by the Director General, Department of Health:

Policy effective date:

Policy review date: