

# Potential of a Contract System of Employment in the Pacific

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## 3.1 Lessons learnt

It is not uncommon for any new system or practice to undergo continuous modifications and amendments to ensure its viability. The contract system of employment as evidenced during consultations was something new to all island governments and lessons learnt can broaden understanding and assist in making the system work. Following are some observations.

- CSE has to a certain degree allowed public service to attract, sustain and retain the scarce pool of skilled professionals in the islands and contributed to the PS's overall growth and development.
- Recent developments have provided island countries with the opportunity to reassess contract arrangements in relation to annual plans and budget, performance assessment procedures, conflict resolution processes and the responsibilities of those involved.
- Despite the outcome of general elections and political allegiances, the public service must continue 'business-as-usual' as they have a legal mandate to ensure the continuity and sustainability of services to the public.
- Performance of PSs/CEOs/DGs/HoM is difficult to measure because resources required to enable the efficient management of their ministries/departments are still being controlled centrally by the PSC and Treasury or Ministry of Finance.
- A robust and committed effort to encourage performance assessment cannot be realised because key players are not familiar with the system.

## 3.2 Future challenges

Following are potential areas of future challenges:

- The employment contract document should clearly express all the relevant terms and conditions of the appointee. In addition, it should express clearly what is expected of the appointee and state clearly timelines for the delivery of tasks and responsibilities.

- Island countries need to revisit performance assessment procedures and arrangements and strengthen them so as to encourage appointed officials in using the approved internal mechanisms rather than the courts in resolving disputes.
- There is a need for elected officials to appoint CEOs/DGs/PSs using a merit selection process rather than appointing their families, friends and wantoks (a term commonly used in Melanesian to refer to a buddy or person from the same tribe, clan or province). If the appointment process is fair and transparent then ministers and the PM should not have any difficulty when dealing with non-performers.
- Every island country should allocate adequate resources to enable the development of young leaders who will be the future CEOs. Similarly, PM and Cabinet Ministers should be briefed and familiarised with the different components of the contract system.
- Remuneration and incentive systems should be reviewed regularly so that the public service is able to attract, retain and sustain competent appointees/officials.
- The system should provide mandated flexibility so that appointed officials can get on with the management of their organisations. This demands a further devolution of finance and HR to line ministries.
- Elected officials and appointed officials should discuss openly the weaknesses and challenges of contract management in order to identify workable solutions.

### **3.3 Potential of a contract system of employment in the Pacific**

Contract management is largely supported by all CEOs consulted as the only effective system to minimise political interference in the delivery of public service. There is great potential if weaknesses and challenges discussed in this report are addressed for future improvements and strengthening.

Interviewees identified weaknesses that were prominent in the management of contracts which had little to do with the actual agreement. In fact it had more to do with the conduct of those parties who are responsible for overseeing contracts and thus highlighted as being the root of ineffective contract management.