CIRCULAR NO. 15

REF. NO. 11131VIII

MINISTRY OF FINANCE AND PLANNING
PUBLIC SERVICE ESTABLISHMENT DIVISION
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

May 8, 2012

Permanent Secretaries Heads of Departments

## **Fixed-Term Contract Officers Policy Guidelines**

The guidelines outlined in the attached document have been put together in order to establish consistency in the treatment of employees engaged on fixed-term contracts.

These guidelines are revisions of those issued in this Ministry's Circular No. 11 dated September, 1997.

Please ensure that the directives herein are followed and that all concerned are made aware of them. Where clarification is required the Public Service Establishment Division (Compensation Unit) should be contacted for advice.

Wesley Hughes, CD Financial Secretary

attach.

# FIXED-TERM CONTRACT OFFICERS POLICY GUIDELINES

## 1. **DEFINITIONS**

- (i) "Contract Officer": For the purposes of this policy, a Contract Officer is an employee who is engaged in a contract of employment on a fixed term basis in a Government Ministry, Department, Agency or Public Body.
- (ii) "Establishment" refers to the schedule of positions approved by the Ministry/Office with responsibility for the Public Service on the formal organization structure of a Ministry, Department, Agency or Public Body as defined by the Public Bodies Management and Accountability Act.

## 2. GOVERNMENT REGULATIONS

All Contract Officers are required to comply with the provisions of the following Government regulations in so far as they are applicable. A statement to this effect must be incorporated into all Employment Contracts.

- (a) The Public Service Regulations, 1961
- (b) The Financial Administration And Audit Act
- (c) The Public Bodies Management And Accountability Act
- (d) The Official Secrets Act
- (e) The Access to Information Act
- (f) The Corruption Prevention Act
- (g) The Staff Orders for the Public Service and departmental instructions in force from time to time
- (h) Staff Manuals in Public Bodies and Agencies(The Staff Orders are to be relied upon in the event of inconsistency)

All Contract Officers are expected to rely on outlined government legislation and guidelines and other applicable legislation.

#### 3. EMOLUMENTS

- (i) When a Contract Officer is related to a post on the Establishment and is being paid the exact (point to point) salary and allowances in accordance with the classification and pay of the post, the general revisions which are approved from time to time should be automatically extended to the Contract Officer in accordance with the conversion rules as stated in the Staff Orders;
- (ii) Contract Officers who are engaged in accordance with 3 (i) above are eligible for increments and seniority allowances in keeping with the approved terms and conditions for such payments;
- (iii) For a Contract Officer who is not related to a post on the Establishment or is not being paid the same salary and allowances accorded to an established classification level, pay revision should be in accordance with the terms of the contract or subject to the revision on the anniversary date of the contract in keeping with or subject to the prevailing Government wages policy.

## (iv) Automatic salary revision does not apply to:

- (a) a Contract Officer whose position is not related to a post on the Establishment, unless such contract provides for periodic reviews;
- (b) a Contract Officer whose position is related to a post on the Establishment but who is paid salary above the level applicable to the position, or whose salary is not at a corresponding point within the salary scale, i.e. the salary falls outside any given point.

#### 4. LEAVE

(i) Contract periods should be inclusive of vacation leave; however, a Contract Officer must be continuously employed for the qualifying period of twelve (12) calendar months to be eligible for vacation leave.

- (ii) Upon termination of contract, contract employees are to be paid for accrued vacation leave not taken. Vacation leave not taken during the period must not be advanced to successive contract periods.
- (iii) A contract period is not to be extended in lieu of any form leave or break in service during the contract period.
- (iv) Departmental/Casual and sick leave not taken during a contract period are not to be carried forward into a new contract period. These leave provisions are to be renewed and fixed to the anniversary period of the contract.

## 5. **GRATUITY**

- (i) Gratuity is payable on basic salary and the salary element for vacation leave not taken during the contract period.
- (ii) Gratuity for local Contract Officers is payable up to maximum rate of twenty-five percent (25%) of basic salary earned for a contract period of not less than two (2) years in the first instance. However, subject to the terms of the contract and the availability of funds, gratuity may be paid annually after the first two years of continuous contract service provided that any subsequent contracts are a minimum of two (2) years in duration.
- (iii) Persons engaged on contract/gratuity terms in Jamaican Agencies/Offices overseas are eligible for gratuity of no more than twelve and a half percent (12.5%) of basic salary earned for a contract period of not less than two (2) years in the first instance.
- (iv) Gratuity may be paid on a pro-rata basis where the Employer terminates the contract for "no cause"; however, where the contract is terminated "for cause" or

the Contract Officer terminates the contract by resignation or otherwise, gratuity is not payable.

(v) Payment of gratuity is subject to a satisfactory performance evaluation.

## 6. TAX AND OTHER STATUTORY PAYMENTS

- (i) All salaries, allowances and perquisites are subject to statutory payments in accordance with the Acts and regulations relating to Income Tax, Education Tax, the National Insurance Scheme and the National Housing Trust or any other regulation in force from time to time.
- (ii) Eligibility for tax concessions or duty waivers must not be included in any contract.

## 7. COPYRIGHT

All contracts must include a clause which clearly states that the Government will own the copyright to all works/documents (including digital work), inventions and properties (including intellectual property) relative to the duties and assignments of the Contract Officer.

# 8. <u>Termination</u>

#### (i) Termination "without cause"

A contract may be terminated prior to the agreed expiration date by either party giving notice, or by the Employer paying the Contract Officer salary in lieu of notice. Notice period should be in accordance with the following rules:

One (1) year contracts - two (2) weeks notice

Two (2) year contracts - one (1) month notice

Contracts of three (3) or more years - three (3) months notice

# (ii) Termination "for cause"

The employer shall be entitled to terminate a contractual agreement without notice or payment in lieu of notice if at any time during the engagement the Contract Officer:

- (a) commits any serious misconduct or any serious breach or non observance of the Agreement;
- (b) willfully neglects or refuses to carry out the duties assigned to him/her under the Agreement;
- (c) is convicted of any criminal offence which, in the opinion of the Employer brings his/her position into disrepute or impacts negatively on the Employer/Government; or
- (d) contravenes any of the Rules and Regulations in the Public Service which would render an Employee subject to summary dismissal.

## (iii) Redundancy Clause

The following clause should be included in contracts of employment with Public Bodies;

"The employee or Contract Officer shall have no claim in respect of rights under section 5 of the Employment (Termination and Redundancy Payments) Act and shall not be entitled to redundancy payment under the said Act by virtue of the expiry of the term of employment without it being renewed."

## 9. CONTRACT AMENDMENTS

(i) Contracts may be amended by mutual agreement to facilitate changes in the terms and conditions of employment prior to the expiration date.

(ii) Where such amendments are to facilitate the promotion or re-assignment of Contract Officers or the reclassification of the post, on condition that the other terms and conditions of the existing contract remain unchanged, gratuity is payable based on a combination of the original and amended salaries earned during the full period of the engagement.

## 10. OTHER PROVISIONS

- (i) Persons employed on fixed term contracts continuously for ten years and more in posts listed on the Civil Service Establishment Order and are over the age of sixty (60) years will be eligible for enrolment on the Government Pensioners Health Scheme upon final and satisfactory termination of employment in the Public Service. Such persons will be responsible for paying the individual's portion of the health insurance premium.
- (ii) Contract Officers employed in posts on the Establishment, and whose contract period is no less than three (3) years are eligible for motor vehicle loans subject to the terms and conditions approved for such loans to Contract Officers. Only Contract Officers whose posts attract the requisite travelling allowance are eligible for motor car loans.
- (iii) Permission must be sought from the Ministry/Office with responsibility for the Public Service for any material deviation in the contract terms of a Contract Officer.