

TEACHER AND EDUCATOR INFORMATION SHEET 1/2013

OFFER 15 MAY 2013

This information sheet outlines the terms of a 'without prejudice' offer, which was made on 15 May 2013, for a new enterprise agreement to replace the Northern Territory Teacher and Educator 2010–2013 Enterprise Agreement, which is due to expire on 31 August 2013.

To address the rising budget deficit the Northern Territory Government has had to implement a tighter fiscal strategy to bring expenditure under control. This strategy is reflected in the recently handed down budget.

In response to current financial pressures, the Northern Territory Government has approved the Northern Territory Public Sector Wages Policy 2013–2016 (the Wages Policy). The objectives of the Wages Policy include:

- ensuring costs arising from bargaining outcomes are kept within the Government's fiscal parameters; and
- to deliver increased efficiency, effectiveness, savings, service outcomes and workplace reform across agencies (efficiency measures).

Of particular note is that the total overall cost of an agreement outcome (including the cost of salary and allowances, salary restructuring, changes to conditions etc) is capped at 3% per annum and is subject to efficiency measures being achieved.

New agreements will not be able to contain provisions that restrict the Government's capacity to allocate financial, capital or human resources according to its policy priorities, or to restrict the powers and functions of the Commissioner for Public Employment and Chief Executive Officers under applicable legislation.

The offer has been developed in accordance with the Wages Policy.

The offer takes into account the current budgetary environment locally and nationally, forecasted CPI over the relevant period, and existing conditions, which stem from improvements to pay and conditions Government has supported over recent years, including:

- pay increases that have outstripped the CPI;
- restructuring of the classroom teacher classifications in the past two agreements;
- introduction of a remote incentive allowance and remote retention payment;
- enhanced work-life balance initiatives; and
- improved parental leave provisions.

The terms of the offer comprise a total and interlinked package of improvements and changes to terms and conditions of employment. The salary offer is dependent on the

achievement of the proposed efficiencies and if these cannot be achieved the Commissioner for Public Employment reserves the right to vary the salary component accordingly.

Enterprise agreement

The new agreement is to be in the form of an enterprise agreement made under the Fair Work Act 2009 (Cth).

Duration

The new agreement is to have a four year term that will expire 12 months after the final salary increase paid under the agreement. In the current environment of change across the NTPS, this proposed term provides employees with stability for the next four years.

Salary Quantum

Subject to the achievement of the efficiency measures in this offer and the approval of the agreement by the Fair Work Commission:

- an initial salary increase of three per cent to be paid effective from the beginning of the first pay period commencing on or after the parties reach final agreement on all matters, or on the first pay period on or after 31 August 2013, whichever is the later;
- a second salary increase of three per cent to be paid at the commencement of the first pay period commencing on or after a period of 12 months after the initial salary increase;
- a third salary increase of three percent to be paid at the commencement of the first pay period commencing on or after a period of 12 months after the second salary increase; and
- A fourth salary increase of 3 per cent to be paid at the commencement of the first pay period commencing on or after a period of 12 months after the third salary increase.

This is a competitive offer and will ensure that Northern Territory Public Sector teachers and educators are amongst the best paid in Australia. A chart comparing the top of the range Northern Territory Public Sector teachers with their counterparts interstate can be found at [Information Sheet No. 2/2013](#).

Superannuation Guarantee

From 1 July 2013 Commonwealth legislation commences which will progressively increase the Superannuation Guarantee (SG) charge from the current level of 9% to 12% by 1 July 2019. SG is the compulsory system of superannuation support for eligible employees, paid for by employers. The increases apply to eligible NTPS employees not already receiving the minimum SG amount through membership of a defined benefit scheme.

Some employers, including in the public sector have opted to or are considering offsetting the cost of future superannuation contribution increases against wage increases. The Northern Territory Government has decided not to offset the salary offers against increases in the SG during the term of the agreement. . This means that the superannuation increases

will be paid in addition to the annual 3% wage increases, rather than being included as part of the annual wage increases on offer.

The schedule of increases to Superannuation Guarantee over the proposed period of the Agreement is as follows:

Period Super guarantee rate (charge percentage)

1 July 2003 - 30 June 2013	9.00%
1 July 2013 - 30 June 2014	9.25%
1 July 2014 - 30 June 2015	9.50%
1 July 2015 - 30 June 2016	10.00%
1 July 2016 - 30 June 2017	10.50%

Continuation of Non-Contact Time and Class Sizes Provisions

The new agreement will continue the non-contact time (clause 42) and class sizes provisions (clause 43) of the current agreement.

Remote and Regional Initiatives

To assist in the recruitment and retention of employees in remote and regional areas it is proposed to continue the following initiatives:

Rental subsidy for remote employees

The current Category 3 100 per cent rental concession will continue for all eligible employees, living and working in defined remote localities (i.e. Category 1, 2 and 3) who are provided with employer supplied housing.

Satellite internet and/or TV subsidy for remote employees

The provision allowing employees in a remote location to receive a reimbursement of up to \$500 for the installation and initial subscription to a satellite internet and/or television service will continue.

Relocation allowance

The provision enabling Chief Executive Officers to grant a relocation allowance for up to a maximum of 10 fortnights, for employees transferring to or new employees recruited to Alice Springs will continue.

Remote incentive allowance

The remote incentive allowance for employees stationed in remote localities will continue and will be adjusted in line with the salary increases in the agreement.

Remote retention payment

The remote retention payment made to employees residing and providing services in remote localities will continue.

Assistant Teachers

The agreement will include an improvement to the Assistant Teacher Career path by inclusion of an additional increment at the top of classification. Achievement of this incremental point would be conditional on the employee attaining an Advanced Diploma in Education.

Efficiencies

Pupil-free days for professional development

The new agreement would require the two, flexible pupil-free days for professional development to be used in school stand down. This would address the fact that the Northern Territory has amongst the lowest number of teaching days in Australia. It would also allay public concern with the requirement to make childcare or supervision arrangements around the use of pupil-free days.

Completion of the transition of the Teachers of Exemplary Practice Scheme to the Highly Accomplished and Leading Teacher Scheme

The new agreement would complete the phasing-out of the Teachers of Exemplary Practice Scheme and continue the existing Highly Accomplished and Leading Teacher Scheme.

Removal of clauses 14.4(f) and 19.1

Consistent with the Wages Policy objectives that new agreements are not to contain restrictive work practices or are not to include provisions restricting the Northern Territory Government's capacity to allocate financial, capital or human resources according to its policy priorities, it is proposed to remove clause 14.4(f) (productivity and efficiency) and clause 19.1 (security of employment) that deal with involuntary redundancies and job losses in the new agreement.

Review of Schedule 2 Northern Territory Public Sector Redeployment and Redundancy Provisions

As a result of WorkChoices (the Workplace Relations Act 1996) some provisions were no longer legally able to be included in awards. At that time, the employer agreed to include these provisions in the agreement without reviewing or redrafting them.

Through recent application of the provisions it has become apparent that their wording is outdated and difficult to follow and that they should be reviewed to ensure that the provisions are up-to-date, readable and easily understood.

It is proposed to remove the procedural elements, retain core entitlements and ensure the provisions take into account the Fair Work Act 2009 (Cth) minimum redundancy entitlements including transfer of business matters. It is also proposed to reduce the formal notice periods for redundancies to four months (or six months for employees over 45 years or with 20 years' service) and review the income maintenance and access to accumulated sick leave provisions.

Accessing personal leave—documentary evidence required

Employees may currently access five days personal leave each year without a medical certificate and with those five days up to three days may be consecutive before a medical certificate is required. This is inconsistent with the national public sector standard and to bring the provision into line with most other jurisdictions it is proposed that a medical certificate be required when three consecutive days or more are taken.

Accessing personal leave during the first 52 weeks of unpaid parental leave

It is proposed to remove the provision that provides an employee on the first 52 weeks of unpaid parental leave to access to personal leave. This would ensure consistency with the principle that there is no access to personal leave during any periods of unpaid leave that do not count as service.

Replacement of the Extended Leave Scheme

The current Extended Leave Scheme is complex and difficult to administer due to salary variations and difficult leave accrual arrangements. The consequences of this are that the scheme is administratively resource intensive and there are high error risks. It is proposed to grandparent (keep in place) any existing employee arrangements until they are finalised, but replace the current scheme with advanced notice of leave without pay. This will provide employees and agencies with the ability to plan for extended leave requests (up to one year off) up to four years in advance of the proposed leave.

New agreement structure and content

The agreement's provisions have generally operated well during the term of the agreement. However, there are some remnants of policy and procedure that could be better placed in PSEMA instruments or general policy which would provide the parties the ability to address process matters through consultation during the term of the agreement. There are also some conditions whose application could be improved through clarification and/or streamlined provisions.

Therefore it is proposed to:

- remove matters better dealt with through policy and procedure and place under PSEMA or general policy;
- remove references to other legislation which are better dealt with specifically under that legislation and inclusion in the agreement is unnecessary when the other legislation provides for the entitlement or provision; and
- review and/or amend provisions where possible to improve performance and streamline administration.

Furthermore, it is also necessary to consider the following factors when drafting a new agreement:

- compliance with the Fair Work Act 2009 and the NTPS Wages Policy 2013-2016;
- consistency in common provisions across NTPS Agreements for core conditions (for example, parental leave, personal leave); and
- retention of current relevant provisions.

A list of clauses proposed to be changed will be provided in bargaining.

Other Matters

Although it is not a matter for inclusion in the new agreement, the Department of Education and Children's Services will continue to use the 'Teachers' Responsibilities Guide' that was developed in conjunction with the Australian Education Union.



KEN SIMPSON
Commissioner for Public Employment

15 May 2013