

DENTAL OFFICERS - INFORMATION SHEET 1/2014

OFFER FOR A NEW ENTERPRISE AGREEMENT

This information sheet outlines the terms of the Commissioner for Public Employment's improved "without prejudice" offer which was made on 30 June 2014 to the Community and Public Sector Union (CPSU) for a new enterprise agreement to replace the Northern Territory Public Sector Dental Officers' 2011 – 2014 Enterprise Agreement, which is due to expire on 21 August 2014.

To address the 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 Budget handed down in May last year.

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
- delivering 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 cent 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 (CEOs) under applicable legislation.

This offer has been developed in accordance with the Wages Policy and in consideration of the issues raised in bargaining. The Commissioner for Public Employment considers this to be a fair and reasonable offer, taking into account the current budgetary environment locally and nationally, forecasted CPI over the relevant period, and improvements made to conditions in previous bargaining.

The terms of the offer below comprise a total 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 are not agreed the Commissioner for Public Employment reserves the right to vary the salary component accordingly.

Enterprise Agreement

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

Duration

The new agreement to have a four year term expiring 12 months after the final salary increase paid under the agreement which will provide employees with stability in terms and conditions 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 3 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 the first pay period commencing on or after 21 August 2014, whichever is the later;
- salary increases of 3 per cent per annum for the following three years after the initial salary increase, to be paid from the first full pay period after 12 monthly intervals; and
- Professional Development Reimbursement Payment and Allowance in lieu of Private Practice increases of 3 per cent per annum in line with salary increases.

Salary increases under the new agreement will not apply to employees who cease employment with the NTPS prior to approval of the agreement by the Fair Work Commission.

Superannuation Guarantee

Current Commonwealth legislation provides progressive increases to the Superannuation Guarantee (SG) charge from 1 July 2013, from the current level of 9.25 per cent to 12 per cent 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 public sector employers, have opted to off-set 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 SG increases will be paid in addition to the annual 3 per cent wage increases, rather than being included as part of the annual wage increases on offer.

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

Period	Super guarantee rate (charge percentage)
1 July 2014 – 30 June 2015	9.50%
1 July 2015 – 30 June 2016	10.00%
1 July 2016 – 30 June 2017	10.50%
1 July 2017 – 30 June 2018	11.00%

Dental Officer Work Level Descriptions

The Dental Officer Work Level Descriptions contained in Schedule 2 of the current agreement need to be updated to reflect the current operational requirements of the Oral Health Service. It is proposed these descriptions be examined to align them with the operational requirements and relative experience required of Dental Officers.

EFFICIENCIES

Common NTPS conditions of employment

To retain a common core of NTPS conditions of employment, and in keeping with historical practice, the relevant changes to provisions achieved in recent Enterprise Agreements are to be included in the new agreement. For example, these include amendments to:

- a) Parental and Personal Leave:
 - Removal of access to personal leave during a period of parental leave. However, access to recreation and long service leave will now be available at any time during a period of unpaid parental leave (currently limited to the first 24 months of parental leave); and
 - Addition of a new clause regarding documentary evidence requirements in relation to carer's leave which reflects the specific nature of carer's leave.
- b) Work Life Balance Initiatives
 - Replace the extended leave scheme with provision for advanced notice of extended leave without pay (up to 12 months).
- c) Management of Change and Consultation Provisions
 - To align the agreement with amendments made to the FW Act on 1 January 2014, replace the current clause 18 Management of Change provisions with the FW Act model clause.
- d) Security of Employment
 - Amend provisions to clarify there will be no involuntary redundancies and no job losses arising directly from the implementation of the new agreement, and remove procedural matters covered by *Public Sector Employment and Management Act (PSEMA)*.
- e) Redeployment and Redundancy provisions:
 - Align provisions with the NTPS 2013-2017 Enterprise Agreement and remove procedural matters already covered by Employment Instruction 14, which applies to all NTPS employees.
- f) Filling of Vacancies Resulting from Substantial Change:
 - Remove provisions as Employment Instruction 1 provides for filling of vacancies resulting from substantial change and already applies.

Union Claims

With regards to the union's claims for salary increases, this offer details the quantum of the salary increases (i.e. 3 per cent per annum), and the term of the agreement, in accordance with the Wages Policy.

A number of claims were made for: increases to allowances in excess of 3 per cent (i.e. professional development, retention, and private practice); adjustments to the differential between some classifications; and for additional professional development and study leave provisions.

As previously noted, and as raised in bargaining, the Wages Policy provides for the total overall cost of agreement outcome (including the cost of salary and allowances, salary restructuring, changes to conditions etc) to be capped at 3 per cent per annum, subject to efficiency measures being achieved. There have been no proposed efficiencies to offset the additional cost of these claims.

After consideration of the union's claims to improve common core NTPS conditions, in the absence of efficiencies to offset additional costs, these conditions are to remain aligned to NTPS 2013-2017 Enterprise Agreement, including those related to the following claims:

- a) Job security;
- b) Relocation arrangements;
- c) Dispute settling provisions;
- d) Employer superannuation contributions;
- e) Payments for additional hours of work;
- f) Flexible and family friendly conditions; and
- g) Consultation provisions.

Clarification has also been provided on a number of claims and existing entitlements during bargaining, including those related to remote travel, Higher Education Loan Payment (HELP) reimbursements for newly appointed graduates, domestic violence provisions and casual loading.

Recruitment and Retention Initiatives

The following entitlements will continue for the life of the proposed agreement under new Commissioner for Public Employment Determinations relating to Dental Officers:

- a) HELP reimbursement;
- b) Relocation allowance to Katherine and Alice Springs;
- c) Rental concessions; and
- d) Satellite TV and satellite internet reimbursement.

Retention Allowance

The retention allowance has been a feature of Dental Officer conditions since the 1990s, and has in the past been provided by way of a Determination. The original purpose of the allowance was to address the turnover and retention of Dental Officers, and to recognise the service delivery requirements of dental services in urban, remote and regional communities.

The current provisions have assisted in the retention of NTPS Dental Officers across the Northern Territory, and delivering some of the best paid overall in comparison to Dentists in other public sector jurisdictions. As such, the current allowance rate will remain a fixed amount.

However, it is not normal NTPS protocol to include retention allowances in enterprise agreements, and it is proposed that the allowance be re-established in a Determination for the term of the proposed agreement.

Professional Development Reimbursement Payment

To address some of the union claims in relation to Professional Development Reimbursement Payment (PDRP), it is proposed to make the following improvements to the current PDRP provision:

- Advance Payment - Dental Officers who have completed at least 12 months continuous service will have the ability to request payment of PDRP in advance of the next qualifying year's entitlement in circumstances where employees are required to meet substantial costs in advance (e.g. an interstate conference). The conditions for advance payment (eg subject to PAYG tax) will be in accordance with those applying under the NTPS 2013 – 2017 Enterprise Agreement.
- One reimbursement claim at any time during entitlement year - A Dental Officer will be able to make one claim, up to his or her maximum annual entitlement, at any time during the applicable 12 month entitlement period for professional development activity/activities undertaken in that same entitlement year. Any unused portion of the allowance will not roll over to the next qualifying period.

RDOs for Clinical Manager and Remote Services Manager & Additional Hours of Work

The FW Act and NTPS agreements have provisions that provide for working reasonable additional hours; circumstances where employees may refuse to work these hours; and where it may be unreasonable for the employer to require the employee to work additional hours. Where there are work load concerns there are also NTPS provisions for these to be reviewed.

It is proposed to include specific provisions dealing with workloads and reasonable additional hours, including the factors that should be taken into consideration with regards to working additional hours, into the new agreement to clarify these matters for Dental Officers.

New Agreement

The agreement provisions have generally operated well during the term of the agreement. However, there are some policy and procedure provisions 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 of the provisions.

Therefore it is proposed to:

- review the current agreement and remove matters better dealt with through policy and procedure and place under PSEMA or general policy (e.g. the reference to NTPS Determinations contained in clause 6.2 can be established as Determinations specifically for Dental Officers);
- 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 (e.g. the reference to Anti Discrimination provisions at clause 13); and
- review and/or amend provisions where possible to improve performance and administration.

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

- the Wages Policy;
- compliance with the FW Act, and recent amendments that became effective from 1 January 2014. This will include, but not be limited to, the adoption of the Act's model clause for the Management of Change and Consultation provisions, which will provide for consultation with employees for changes to regular rosters and ordinary hours;
- consistency in common provisions across NTPS Agreements for core conditions (for example, parental leave, personal leave and public holidays); and
- retention of relevant provisions.

The Commissioner for Public Employment believes that in the circumstances, this is a fair package that provides an appropriate balance of maintaining wages and introducing efficiencies for the NTPS, and that the bargaining process is an opportunity to discuss issues important to employees and the union.