

### NTPS FIRE-FIGHTERS' INFORMATION SHEET 1/2013

#### OFFER 28 AUGUST 2013

This information sheet outlines the terms of a 'without prejudice' offer, which was made on 28 August 2013, for a new enterprise agreement to replace the Northern Territory Public Sector Fire and Rescue Service 2011-2013 Enterprise Agreement, which is due to expire on 7 November 2013.

To address the rising budget deficit the Northern Territory Government has had to implement a tight fiscal strategy to bring expenditure under control. This strategy is reflected in this year's 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 cent per annum and is subject to efficiency measures being achieved.

The agreement will also 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.

The offer has been developed in accordance with the Wages Policy and takes into account United Voice's (the Unions) log of claims received on 9 August 2013, the current budgetary environment locally and nationally, forecasted CPI over the relevant period, competitiveness of current salaries, and improvements made to conditions in previous bargaining, including:

- pay increases that have outstripped the CPI;
- a classification review which resulted in salary increases for Station Officers in November 2012;
- the introduction of a number of new allowances;
- enhanced parental leave provisions;
- enhanced personal/carer's leave, compassionate leave and recreation leave provisions; and
- recruitment and retention initiatives for employees in remote and regional areas.

The terms of this 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 to be in the form of an enterprise agreement made under the *Fair Work Act 2009*.

## Duration

The new agreement is to have a 4 year term that will expire 12 months after the final salary increase paid under the agreement.

## 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 7 November 2013, whichever is the later;
- A second salary increase of 3 per cent to be paid from the beginning of the first pay period commencing on or after a period of 12 months after the initial salary increase;
- A third salary increase of 3 per cent to be paid from the beginning of the first pay period commencing on or after a period of 24 months after the initial salary increase; and
- A fourth salary increase of 3 per cent to be paid from the beginning of the first pay period commencing on or after a period of 36 months after the initial salary increase.

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

## Superannuation Guarantee

From 1 July 2013 Commonwealth legislation commences which will progressively increase the Superannuation Guarantee (SG) charge from the current level of 9 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 superannuation 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 schedule of increases to Superannuation Guarantee over the proposed period of the Agreement is as follows, and means that an extra 2 per cent will go to eligible NTPS

employees not already receiving the minimum SG amount through membership of a defined benefit scheme over the agreement period.

| <b>Period</b>                     | <b>Super Guarantee rate<br/>(charge percentage)</b> |
|-----------------------------------|---|
| <b>1 July 2003 - 30 June 2013</b> | 9.00%   |
| <b>1 July 2013 - 30 June 2014</b> | 9.25%   |
| <b>1 July 2014 - 30 June 2015</b> | 9.50%   |
| <b>1 July 2015 - 30 June 2016</b> | 10.00%  |
| <b>1 July 2016 - 30 June 2017</b> | 10.50%  |
| <b>1 July 2017 – 30 June 2018</b> | 11.00%  |

## Remote and Regional Initiatives

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

### 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 allowing the CEO to grant a relocation allowance for up to a maximum of ten fortnights for employees transferring to, or new employees recruited, to Katherine and Alice Springs will continue.

## Cash up of Accrued Recreation Leave

The new agreement to provide additional flexibility for employees through the ability to cash out any accrued recreation leave in excess of four weeks, in accordance with provision of the *Fair Work Act*. It should be noted that an employer cannot direct an employee to cash out recreation leave. The provision can only be invoked at the request of the employee, in writing.

## Efficiencies

### Removal of policy and procedure and restrictive provisions

Review or removal of provisions that are policy, procedural, or restrictive in nature, consistent with the Wages Policy objectives in respect of these issues. While a full list of affected provisions will be provided during bargaining, key provisions include:

- Clause 35 (Shift duty rosters) – The existing clause contains a number of restrictive provisions relating to the allocation of employees between day work and shift work. It is proposed that these provisions be removed.
- Clause 46 (Recruitment, Promotion and Lateral Entry) – This clause and its associated Attachment C contain provisions that inhibit usual recruitment processes and are inconsistent with the overarching principle under the *Public Sector Employment and Management Act* (PSEMA) that employment must be based solely on merit. It is proposed that these provisions be removed.
- Clause 51 (Transfer Between Shifts and Centres) – The provisions of this clause relating to compulsory transfers contain a number of restrictive provisions impacting on the ability of NTFRS to most effectively manage its operations and are inconsistent with the transfer provisions under section 35 of PSEMA. It is proposed that these provisions be removed.
- Clause 55 (Minimum Staffing Levels of Appliances) – The issue of staffing numbers is an operational matter appropriately determined by NTFRS from time to time in response to operational requirements. It is proposed that this clause be removed from the agreement, updated to include Berrimah and Humpty Doo stations, and placed in policy.
- Clause 67 (No Involuntary Redundancies and Security of Employment) – The offer proposes to clarify clause 67.1 to reflect the employer's long standing understanding of this provision. That is, there will be no involuntary redundancies arising directly from increases in salary and corresponding adjustments to allowances relating to implementation of the agreement. However, the provision does not apply to redundancy situations arising during the life of the agreement due to machinery of government changes, budget savings measures etc, in which case the proposed redeployment and redundancy provisions will apply.
- Clause 48 (Training, Development and Career Path for Station Officers, Senior Station Officers and District Officer) and Attachment D – It is proposed that this clause and the associated attachment be removed in its entirety and new provisions placed in policy, noting the Union's claim that the current provisions require review is accepted.
- Clause 49 (District Officer Development) – It is proposed that this clause be removed in its entirety and new provisions placed in policy, noting the Union's claim that the current provisions require review is accepted.

### Introduction of new leave roster arrangements

The introduction of new leave roster arrangements, to better assist in the management of leave utilisation (and consequently on leave liabilities) and release of employees for training purposes. It is proposed that discussion and exploration occur through the bargaining process to see what arrangements work well in other jurisdictions, which could be drawn upon to develop an optimal system within the NTFRS.

### Terminology consistent with the *Fire and Emergency Act*

Under the *Fire and Emergency Act* fire-fighters have an obligation to attend to "incidents", with that term defined as a fire or other emergency. The agreement to be updated where

necessary to include the term “incident” to ensure consistency in terminology with the *Fire and Emergency Act*.

## **Review of Attachment A Redeployment and Redundancy Provisions**

Through recent application of the redeployment and redundancy provisions it has become apparent that they are prescriptive, historical (with wording outdated) and difficult to follow. The provisions require review to ensure they are up to date, readable and easily understood.

Removal of procedural elements (instead replacing them in an Employment Instruction), and review of provisions take into account the *Fair Work Act 2009* (Cth) minimum redundancy entitlements, including transfer of business matters.

Reduction of the formal notice periods for redundancies to 20 weeks (or 40 weeks for employees (over 45 years or with 20 years’ or more service) and review the income maintenance and access to accumulated sick leave provisions.

## **Accessing personal leave while on unpaid parental leave**

Removal of clause 42.10(b) which provides an employee on the first 52 weeks of unpaid parental leave 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.

## **New Agreement**

In addition to the specific matters relating to the content of the agreement referred to above, the agreement be updated to:

- improve clarity and remove ambiguity where necessary;
- remove provisions that simply duplicate PSEMA provisions and are therefore unnecessary;
- remove provision referencing other legislation which are better dealt with specifically under that legislation and inclusion in the agreement is therefore unnecessary;
- remove clauses relating to commitments now fulfilled, thereby rendering the clause obsolete; and
- ensure consistency of common core entitlements across the NTPS (eg: parental leave, personal leave, compassionate leave, redeployment and redundancy).

## **Consideration of Union Claims**

In addition to the above component of the offer, the following union claims are accepted, in whole or in part:

### **General claims**

- Amendment of agreement where relevant to ensure compliance with the requirements of the Fair Work Act.
- A union delegate clause to be included in the agreement that mirrors the clause included in the NTPS general agreement which addresses the matters specified in

the union's claim (eg: recognising the role of delegates and paid time off for training and representing members).

- Existing training and career paths be reviewed for currency purposes, noting the content of the new offer above, regarding the policy nature of the revised content.
- That the status quo be maintained in relation to the adjustment of allowances under the agreement, as clarified by the union at the bargaining meeting of 15 August 2013. That is, for the duration of the new agreement, allowances will continue to be adjusted in a manner consistent with the current agreement provisions.
- Review and rewording of clause 22 to remove ambiguity, noting this falls within the scope of the new offer above, regarding the policy nature of the revised content and the employer's position on this matter, which is that the entitlement only arises on the first day of any transfer involving multiple days at the alternative station.
- Development of a procedure to support clause 19 and provide greater prescription and detail surrounding the timing and nature of the refreshments provided.

## Drafting claims

- Inclusion of definitions of the terms "exigencies" and "unforeseen" within the agreement provided the definitions reflect the ordinary dictionary meaning of the respective terms. Alternatively, in the case of "exigencies", replacement of the term "exigencies of the service" with the more contemporary term "operational requirements".
- Review of clause 10 to incorporate JCC and noting link to union claim regarding a union delegate clause.
- Inclusion of reference to "Berrimah" in clauses 21.1 and 21.4.
- Inclusion of a seven calendar days cooling off period for Stations Officers, Senior Station Officers and District Officers who resign from their rank.
- Replace current reference to "may" with "will" in clause 40.10(b).
- Rewording of clause 61 noting that this also falls within the scope of the new offer above.