

NTPS GENERAL BARGAINING INFORMATION SHEET 5/2013

REVISED OFFER 24 JULY 2013

This information sheet outlines the terms of the Commissioner for Public Employment's revised 'without prejudice' offer, which was made on 24 July 2013, for a new enterprise agreement to replace the Northern Territory Public Sector 2010-2013 Enterprise Agreement, which is due to expire on 9 August 2013. The revised offer is in response to employee feedback and negotiations with the unions since April 2013.

The revised offer replaces the previous offer of 15 May 2013 (see [NTPS General Bargaining Information Sheet 1/2013](#)) and is made based on the parameters of the [Northern Territory Public Sector Wages Policy 2013-2016](#), the rising budget deficit for which the Northern Territory Government has had to implement a tight fiscal strategy, and the recently handed down budget.

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 the efficiency measures set out below being achieved.

The revised offer contains the following improvements and concessions which have been made in a genuine attempt to settle the negotiation and finalise bargaining prior to the expiry date. This is to ensure employees do not miss out on any back adjustment of salary, and receive the increase in a timely manner.

- **retract the proposal to extend the span of hours during which ordinary hours can be worked to include Saturdays from 6am to 1pm.**

While this efficiency measure was expected to have minimal impact on a few agencies that may require operations on a Saturday, it is proposed to withdraw this proposal.

- **retract the proposal to restrict personal leave without a medical certificate to 2 consecutive days, within the 5 day limit allowed each year.**

It is proposed to retain the current provisions where within that 5 days, up to 3 may be consecutive without a medical certificate.

- **review the proposal to remove clauses 13.3 and 44 that deal with involuntary redundancies and job losses.**

It is proposed to retain these clauses subject to revising the words to reflect the employer's long-understanding of the current provisions.

- **agreement to abolish junior rates for employees engaged under the agreement.**

Currently the agreement provides for the payment of reduced rates for employees aged under 21 years old. The Commissioner agrees to abolish these rates to assist in addressing recruitment and work equity issues.

- **review the Flexible Working Hours (Flextime) policy in agreement with the unions.**

The Commissioner proposes to reference the policy in the agreement under the Work Life Balance clause. The current policy will remain in place during the review until a new one is agreed to with the unions.

The revised offer is set out in full below:

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, which will provide employees with stability in terms and conditions for the next 4 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 9 August 2013, whichever is the later;
- A second 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 initial salary increase;
- A third 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 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.

Work-related and expense related allowances will be adjusted consistent with the current agreement provisions.

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 the increase in the SG on 1 July 2013 and those that occur 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 covered by the Agreement is as follows:

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%
1 July 2017 – 30 June 2018	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:

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 (ie Category 1, 2 and 3) and 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 allowing the CEO to grant a relocation allowance for up to a maximum of 10 fortnights for employees transferring to, or new employees recruited, to Katherine and Alice Springs will continue.

Notice of roster change

Introduction of a notice of roster change [of 7 days] for employees performing shift work and covered by Schedule 2 of the agreement. The drafting of this provision will take into consideration the provisions and wording for notice of roster change under Schedule 4 of the agreement.

Efficiencies

Incremental progression

To emphasise that incremental progression is subject to the *Public Sector Management and Employment Act* provisions, a renewed focus on the current provision of CEOs withholding progression if employees are not meeting performance plan objectives.

Review of clauses 13.3 and 44

It is now proposed to retain sub-clauses 13.3 and 44.1 that deal with involuntary redundancies and job losses but to amend the provision to ensure they clearly reflect the employer's long-standing understanding of the provision as follows.

While recognising that reorganisation and changes to staff numbers arising from various factors are occurring within the NTPS, the Parties agree that there will be no involuntary redundancies and no job losses arising directly from the implementation of this Agreement.

For the avoidance of doubt, this commitment relates solely to the effects of the costs of the salary and allowance increases in the Agreement and at the time they are paid. It does not include changes that can arise from machinery of government changes (eg. agency restructuring), budget savings measures and the like that arise out of policy decisions of the Northern Territory Government from time to time. Furthermore, the provisions under Schedule 10 to the Agreement will continue to apply with respect to employees being invited to elect to take a voluntary retrenchment in the first instance.

It is still proposed to remove the part of clause 44 which deals with the CEO ability to consider the status of fixed term employees, casuals and employees on higher duties; these are operational matters and not entitlement based provisions. This will continue to occur at the CEO discretion on a case by case basis.

Review of Schedule 10 Northern Territory Public Sector Redeployment and Redundancy Provisions

As a result of WorkChoices, under the *Workplace Relations Act 2006*, 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 the wording is outdated and difficult to follow and should be reviewed to ensure the provisions are up-to-date, readable and easily understood.

It is also proposed to remove the procedural elements and irrelevant income maintenance provisions, retain the core entitlements and ensure the provisions take into account the *Fair Work Act 2009* (Cth) minimum redundancy entitlements, and transfer of business provisions.

The current provision to invite employees to consider a voluntary retrenchment prior to notifying of a redundancy in the first instance remains unchanged. A voluntary retrenchment provides for a payment based on length of service. Only where an employee does not take up an invitation of a voluntary retrenchment may the Commissioner consider issuing formal notice for a redundancy. It is proposed to reduce the formal notice periods for redundancies to 4 months or, 6 months for employees over 45 years or with 20 years' service. This proposal still results in more generous provisions overall than the minimum *Fair Work Act* entitlements.

Accessing personal leave while on unpaid parental leave

It is proposed to remove the provision that 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.

Employees will continue to have access to their accrued recreation leave and long service leave entitlements and it is now proposed to remove the current limitation under the Agreement which restricts access to such accrued entitlements during the period 24 months from time of birth or date of placement of the child.

Replace Extended Leave Scheme

The current scheme is complex and difficult to administer due to salary variations and difficult leave accrual arrangements. The consequences of this are 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 Extended Leave Without Pay so there is still the ability for employees and agencies to plan for extended leave requests (up to one year off) well in advance of the proposed period (up to 4 years in advance).

Review and move clause 18 Filling Vacancies Resulting from Substantial Change

It is proposed to review and move clause 18 to an Employment Instruction which will include the principles underpinning the filling vacancies process with preference applied to ongoing employees.

New Agreement

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

The Commissioner has indicated that he is prepared to consider leaving in some of these matters within the overall objective of:

- a) removing matters better dealt with through policy and procedure and placing under PSEMA or general policy;
- b) removing references to other legislation which are better dealt with specifically under that legislation (inclusion in the agreement being unnecessary when the other legislation provides for the entitlement or provision); and
- c) reviewing and/or amending provisions where possible to improve performance and streamline administration.

The parties have commenced drafting work and are considering the following factors when drafting the new agreement:

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

Improvements offered during bargaining

In addition to the key concessions outlined earlier in this Information Sheet, during bargaining many concessions and proposals to improve current entitlements have been made, many of which are in response to issues arising from the unions' claims. These include the Commissioner's agreement to:

- retain clause 47 Workloads;
- introduce a new provision under clause 17 Management of Change whereby the CEO may establish agency consultative committee for substantial change in the workplace which may affect employees;
- introduce a new provision where the CEO may establish agency consultative committee for workplace issues that affects employees in relation to matters covered by the agreement;
- retain the Public Sector Consultative Council provision but review clause 19 to include reference to general consultative committees;
- renew Determinations for HELP Reimbursement for new recruits (Det 1095 of 2010), Allowance (grand-parenting arrangements) for Professional 2 employees who translated to new Professional structure in January 2011 (Det 1094 of 2010), Trade Skills Market Allowance (Det 1099 of 2010) and P3 Overtime and Restrictive Duty (Det 1106 of 2010); and
- enhance parental leave provisions under clause 49 through the incorporation of recent *Fair Work Act* amendments in relation to special maternity leave, concurrent leave, and safe job provisions for casual employees into existing provisions and other amendments to streamline the provision whilst retaining paid parental leave scheme and associated entitlements.

Other matters

Bargaining is an appropriate forum to consider changes to current terms and conditions however matters in relation to the *implementation* of terms and conditions are better addressed in the consultative committee sphere. For example, during bargaining one union raised concerns about the awareness and access to existing provisions: this can be addressed without changing the provisions through information or communication with agency management and employees.

Operation of PSCC

Under the *Public Sector Employment and Management Regulations* the functions of the Public Sector Consultative Council (PSCC) are to "consider *such matters of general interest in relation to the Public Sector which are referred to it by the Commissioner and to make reports and recommendations on those matters to the Commissioner.* "

Therefore, it is proposed that the following matters be referred to the PSCC for further discussion and consideration:

- 1) use of temporary employment arrangements;
- 2) occupational health & safety issues including the development and implementation measures to improve compliance with the *Work Health and Safety (National Uniform Legislation) Act 2001*;
- 3) performance management and access to training and development;
- 4) review of Senior Officer Progression Scheme;
- 5) information and/or promotion of flexible work arrangements;
- 6) policies across the NTPS (and unions' proposal to standardise);
- 7) Indigenous recruitment, training and career progression;
- 8) apprentices and trainees; and
- 9) review of Flextime policy with agreement with the unions.

It should be noted that matters 1, 2, 3 and 4 have already been subject to joint discussions and follow up action.

Agency consultative committee

Other matters raised during bargaining are by nature, operational and about implementation of current provisions. The unions and delegates can raise these matters with the relevant agency anytime during the term of the agreement to be addressed through the agency's specific consultative committee.

The Commissioner has agreed to include a new provision in the agreement, that such local consultative committees may be established.

Relevant agencies have been advised of some other matters raised by unions in bargaining which are better addressed by the local agency consultative committee. Further discussion has either resolved an issue or, is now being addressed for example, the Aboriginal Health Practitioners review, the application of the T1/T2 progression scheme, application of levels and skills allowances for sonographers and radiographers, consultation of Darwin Bus Service route timetables, staffing levels and rosters for Transit Officers, review of the Motor Omnibus Regulations, consideration of tender process raised by electricians and the application of existing allowances/provisions for chief prison officers.

The terms of this revised 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 remaining few proposed efficiencies and if these cannot be achieved the Commissioner reserves the right to vary the salary component accordingly.

Given the circumstances, this is a fair package that provides an appropriate balance of maintaining wages and introducing efficiencies for the NTPS and these concessions show the Commissioner's commitment to reach agreement prior to the expiry of the agreement so employees are not disadvantaged.