



NTPS NURSES AND MIDWIVES' ENTERPRISE BARGAINING INFORMATION SHEET 2/2014

DETAILS OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT'S REVISED WITHOUT PREJUDICE OFFER OF 20 AUGUST 2014

This information sheet outlines the terms of the Commissioner for Public Employment's revised 'without prejudice' offer which was made on 20 August 2014 to the Australian Nursing and Midwifery Federation (ANMF) on 20 August 2014 for a new enterprise agreement to replace the Northern Territory Public Sector Nurses and Midwives' 2011–2014 Enterprise Agreement that expired on 9 August 2014.

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 budget that was handed down in May this year.

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

- ensuring costs arising from bargaining outcomes are kept with 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 three per cent per annum and is subject to efficiency measures being achieved.

This revised offer has been developed in accordance with the Wages Policy, and it is considered to be a fair and reasonable, taking into account the current budgetary environment locally and nationally, forecasted CPI over the relevant period, and improvements made to conditions in previous bargaining.

Duration

The new agreement will have a three year term with a provision to extend the duration for a further period of 12 months, by agreement.

Professional development allowance

The current upfront payment model for the professional development allowance (PDA) will be retained. However, the new agreement will also

feature an opt-in reimbursement model for the PDA. A summary of the main features of each model is set out below.

The Upfront Fixed PDA Model

This model will feature fixed PDA payments for the life of the agreement of:

- \$555 per annum for employees with between 1–3 years qualifying service; and
- \$1,666 per annum for employees with greater than 3 years qualifying service.

The upfront, fixed PDA model will not be available to employees who start employment after the commencement of the proposed enterprise agreement.

The Opt-in Reimbursement Model

This model will feature annual 3 per cent increases that commence from the start of the proposed agreement. The rates for the Opt-in Reimbursement Model are set out in the following table.

Qualifying Service	2014 (3%)— to be paid as a lump sum in 2014	2015 (3%)	2016 (3%)	2017 (3%)
1–3 years	\$572	\$590	\$608	\$627
> 3 years	\$1,716	\$1,768	\$1,822	\$1,878

Employees who wish to avail themselves to the one off, lump sum payment of the reimbursement PDA, must elect to do so before close of business on 30 September 2014. Having made this election, these employees will remain subscribed to the reimbursement model. Employees who do not nominate to participate in the reimbursement model will remain with the upfront fixed rate model.

Other benefits of the reimbursement model include the ability to combine two years' entitlement to cover expensive professional development activities such as interstate conferences, subject to approval through the work partnership plan; or the ability to access an advance payment of the allowance in those circumstances in which employees are required to meet substantial costs in advance of a professional development activity. Requests for advance payment will be considered on a case-by-case basis. A copy of the professional development allowance clause for the Northern Territory Public Sector 2013–2017 Enterprise Agreement is attached to this offer for your information.

If during the life of the agreement, employees who are on the upfront model wish to elect to join the reimbursement model, but they must do so before 30 August in the relevant PDA year.

Conditions

Both PDA models will be subject to the condition of nurses and midwives meeting their obligations under the Nursing and Midwifery Board of Australia registration requirements and their individual work partnership plans.

Overtime for part-time employees

The claim for a change to the overtime provisions for part-time employees. The current conditions will remain. However, during the life of the proposed agreement, a review of part-time overtime will be conducted by the Department of Health.

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, I reserve the right to vary the salary component accordingly.

The revised offer is set out in full below.

1. Enterprise Agreement

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

2. Duration

The new agreement will have a three year term, with the provision to extend the duration for a further period of 12 months.

3. Salary Quantum

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

- an initial salary increase of 3% 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 commencing on or after 9 August 2014, whichever is the later;
- Salary increases of 3% per annum for the following two years after the initial salary increase, to be paid at 12 monthly intervals.

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

Salary increases under the new enterprise agreement will not apply to employees who cease employment with the Northern Territory Public Sector (NTPS) prior to the approval of the agreement by the Fair Work Commission.

4. Superannuation Guarantee

The current Commonwealth legislation provides increases to the Superannuation Guarantee (SG) charge from 1 July 2013 for the current level of 9.5 per cent from 1 July 2014. SG is the compulsory system of superannuation support for eligible employees, paid 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 off-set the salary offers against increases in the SG during the term of the agreement. This means that SG increases will be paid in addition to the annual three per cent wage increases, rather than being included as part of the annual wage increases on offer. That is, whatever the actual charge, these will not be used to off-set the salary increases proposed in this offer and will be paid in addition to the annual wage increases.

5. General NTPS Initiatives

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

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.

Nurses and Midwives to have access to Recreation Leave on Half Pay

Under the proposed enterprise agreement nurses and midwives will have access to recreation leave on half pay, subject to operational requirements.

6. Efficiencies

It is proposed that the enterprise agreement will provide for the following modest efficiencies.

a) 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 to access personal leave. This would ensure consistency with the principle that there be no access to personal leave during periods of unpaid leave that do not count as service. Employees would continue to have access to their accrued recreation leave and long service leave entitlements. In addition, it is also proposed to remove the restriction on access to accrued recreation leave and long service leave to the period 24 months from the time of birth or placement of the child.

b) Replacement of the extended personal leave scheme with a new provision of leave without pay for extended periods

The current extended leave scheme is complex and difficult to administer due to salary variations and 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 arrangement until they are finalised, but replace the current scheme with a new provision of advanced notice of leave without pay. This would ensure that there is still an ability for employees and the agency to plan for extended leave requests of up to one year off, well in advance of the proposed leave (up to four years in advance). The current clause 59 would be amended accordingly.

c) Redundancy Provisions—schedule 3

Through recent application of the redeployment 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 core entitlements; and ensure that the provisions take account of the FW Act minimum redundancy entitlements and transfer of business provisions (the latter to be addressed under clause 60). This will result in a new schedule 3–Northern Territory Public Sector Redeployment and Redundancy Provisions and a new Employment Instruction No. 14–Redeployment and Redundancy Procedures (delegated legislation under the PSEM Act).

d) Security of Employment–clause 46

It is proposed to delete sub-clauses 46.3–46.5 that deal with the CEO’s ability to consider the status of fixed term employees, casuals and employees on higher duties. These are operational matters and not entitlement based provisions. The existing provision causes confusion during change management processes. Consideration of these issues will continue to occur at the CEO’s discretion on a case-by-case basis as is the case now.

8. New Agreement

The current agreement’s provisions have generally operated well during its term; however, there are some remnants of policy and procedure that would be better placed in *Public Sector Employment and Management Act* instruments or general policy, which would provide the parties with the ability to address process matters through consultation during the term of the proposed agreement. There are also some conditions whose application could be improved through clarification or improved expression or both.

Therefore it is proposed to

- review the current agreement and remove matters better dealt with through policy and procedure and place them under the Public Sector Employment and Management Act or general policy;
- remove references to other legislation that 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;
- revise the remote rental concession clause to ensure consistency with whole-of-NTPS conditions;
- review 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 FW Act and the NTPS Wages Policy 2013–2016;
- consistency in common provisions across NTPS agreements for core conditions (for example, parental leave and personal leave); and
- retention of current relevant provisions.