

PRISON OFFICER ENTERPRISE AGREEMENT BULLETIN 3

Negotiation update

Bargaining meetings have continued on a regular basis since the start of negotiations. These meetings have been productive and it is clear that both parties are committed to the process and are keen to avoid protracted negotiations.

Notwithstanding this, the parties remain far from any 'in principle' agreement, with United Voice continuing to pursue a number of claims that cannot be agreed to, including some that are of an operational nature and fall outside of the enterprise bargaining process.

The union's approach is of concern given that only one month remains until the expiry of the current agreement. I am aware that United Voice is arranging meetings this week with its members to discuss options for the way forward. I urge you to genuinely reconsider the claims that cannot reasonably be accommodated within government's bargaining parameters as outlined below.

Bargaining parameters

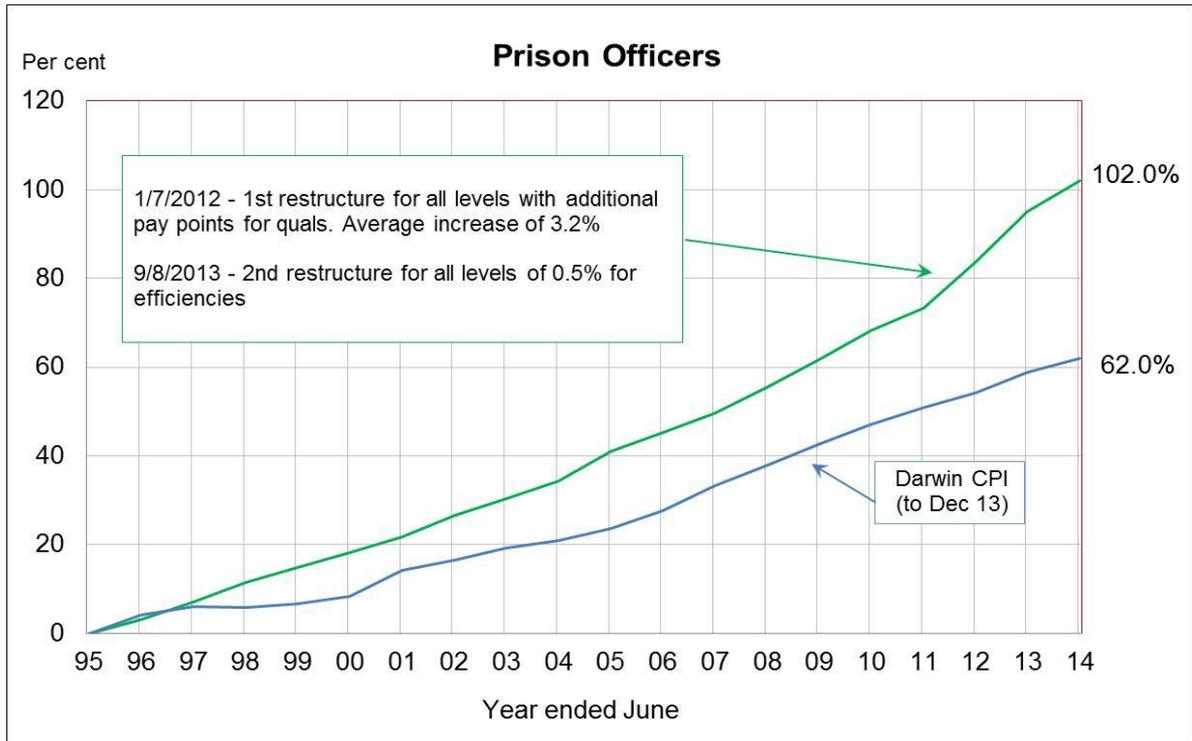
While I will strive to reach an in principle agreement by 9 August 2014, I need to make clear that:

- agreement outcomes will have a total overall cost of up to 3% per annum in line with the NTPS's Wages Policy;
- The General NTPS, Power and Water Corporation, Medical Officers and Police negotiations have all settled on the basis of 3% per annum increases with no back pay; and
- Back pay will not be available if agreement isn't reached by 9 August 2014.

Fair offer on the table

Here are key reasons to support why my offer is fair in the general economic environment and in light of prison officer industry specific factors:

- Two salary restructures occurred last round in addition to the annual increases resulting in an average wage increase of 12.7% over a three year period;
- Consequently the current competitive wages deliver high attraction and retention rates.
- CPI is forecasted to average 2.85% per annum over the proposed four year term of the agreement, meaning that the 3% annual wage increases on offer exceed expected increases in costs of living.
- The graph below shows prison officer wage outcomes compared against CPI increases since 1995: wage outcomes have historically far exceeded CPI.
- The employer superannuation guarantee levy will be paid in addition to the 3% annual wage increases (unlike other jurisdictions where they have been included in the annual increases); and
- The majority of other jurisdictions wages policy is set at 2.5% per annum.



Summary

My offer adopts a moderate approach to efficiencies in return for 3% per annum increases for a four year term whilst retaining the majority of existing terms and conditions.

I am hopeful that the parties will be capable of reaching in principle agreement by 9 August 2014 and that salary increases will not be delayed due to protracted negotiations, as has been the case with the teachers and fire-fighters negotiations.

Should you wish to express a view or make a suggestion you can provide your feedback to me directly at www.enterpriseagreements.nt.gov.au/feedback/. All feedback will be treated confidentially

CRAIG ALLEN
Commissioner for Public Employment

7 July 2014