



NEW VICTORIAN PUBLIC SERVICE AGREEMENT



1 MARCH 2006 – 1 MARCH 2009

GENERAL INFORMATION SHEET FOR EMPLOYEES

The Community and Public Sector Union (CPSU) formally sought the agreement of the State of Victoria for an early exercising of the option contained in the Victorian Public Service Agreement 2004 of an Extension Agreement in the form of a new 3 year Agreement. This request was accepted.

1. Reasons for a New Agreement

A recent decision of the Federal Court of Australia on 9 September 2005 involving the Finance Sector Union of Australia and the Commonwealth Bank of Australia has raised doubts about the enforceability of the Victorian Public Service Agreement 2004.

CPSU's legal advice on this has been similar to the legal advice obtained by the State of Victoria.

This doubt arises as a result of the inclusion in the 2004 Agreement of clauses that allow some terms and conditions in the Agreement to be further varied during the Agreement's life. It arises because these variations were workplace or occupationally specific and not all 28,000 employees, for valid reasons, voted to accept these variations. This Federal Court decision changes this interpretation, when previously it was generally considered that such clauses were valid and a sensible industrial relations arrangement.

Uncertainties arising from the Federal Government's WorkChoices legislation also add to this doubt and, in particular, the expected limitations on what can be included in agreements under these new laws. If a new Agreement is lodged for certification with the Australian Industrial Relations Commission before this WorkChoices legislation takes full effect then this uncertainty does not arise.

2. The Agreement

The Victorian Government and the Community and Public Sector Union (CPSU) have reached agreement on a service-wide collective agreement. The Agreement has been negotiated with CPSU as the union covering Public Service staff. It was negotiated under section 170LJ (*Agreement with organisations of employees*) of the Federal *Workplace Relations Act 1996*.

The Agreement will replace the Victorian Public Service Agreement 2004 which will need to be formally terminated.

The Agreement will cover non-executive employees in all Public Service bodies (Public Service Departments and agencies).

Before the Agreement can be given effect, the termination of the Victorian Public Service Agreement 2004 must be approved by a valid majority of employees and the new Victorian Public Service Agreement 2006 must also be approved by a valid majority of employees.

The only practicable way to demonstrate to the Australian Industrial Relations Commission that both these approvals have been given is to conduct a ballot.

The Victorian Electoral Commission will conduct the ballot. You will shortly receive ballot papers directly from the Victorian Electoral Commission at your home address. You should complete these and return them to the Victorian Electoral Commission in accordance with the instructions that will accompany them.

If there is majority support for the proposed Agreement, an application will be lodged with the Australian Industrial Relations Commission for formal certification of the Agreement.

The Agreement is attached to this advice and has two sections:

Section 1:

- Sets out the core terms and conditions of employment generally applicable to all employees; and
- Includes schedules and appendices that have general application in the Public Service.

Section 2:

- Contains agency appendices which set out agency-specific terms and conditions of employment.

3. Remuneration Benefits

The remuneration benefits are outlined below. In summary, the Agreement:

- A. Provides a series of salary increases;
- B. Continues during the life of the Agreement the progression payments provided for in the Victorian Public Service Agreement 2004.

Principal Scientists, Senior Medical Advisers and Senior Regulatory Analysts are identified in the Definitions clause as being excluded from the above remuneration benefits because pay rates for these classifications are adjusted in a different manner. Other benefits provided by the Agreement will, however, apply to these categories.

Employees in the Departments of Sustainability and Environment and Primary Industries eligible to be members of the Australian Workers Union whose terms and conditions are determined by reference to the Australian Workers' Union – Field Staff Agreement 2002, are specifically excluded from the operation of the proposed new Agreement.

A. SALARY INCREASES

Employees covered by the proposed Agreement in all Public Service Departments and agencies will receive:

- 3% from 1 October 2006 (the same salary increase as that provided for in the 2004 Agreement);
- 3% from 1 October 2007 (replaces the 1.5% salary increase from 1 September 2007 in the 2004 Agreement); and
- 3% from 1 October 2008 (a new salary increase not provided for in the 2004 Agreement).

B. CLASSIFICATION STRUCTURES AND PROGRESSION PAYMENTS

The new classification and salary structures arising from the classification reviews outlined in the Victorian Public Service Agreement 2004 have now been completed. The resulting new classification structures are all set out in this proposed Agreement.

Similarly, the progression arrangements arising from the implementation of the Career Structure and Work Organisation Review will continue. Progression as a result of “meeting the progression criteria” in an employee’s annual performance review is in addition to the salary increases set out above.

4. Conditions of Employment

The Victorian Government and CPSU have agreed that, except where outlined below, the conditions of employment provided for in the Victorian Public Service Agreement 2004 (both in Section I – Core Terms and Conditions of Employment – and Section II – Agency Specific Arrangements) will continue to apply in the proposed Victorian Public Service Agreement 2006.

The Agreement (both the core and, where applicable, agency specific terms and conditions of employment) sets out the terms and conditions of employment to apply until 1 March 2009.

The Agreement represents a final settlement of CPSU’s claims in relation to this matter, with both parties agreeing not to make further claims before 1 March 2009, except where specifically allowed for in the Agreement.

The Agreement expresses the intention of the Victorian Government and CPSU to commence renegotiation for a further agreement no less than three months prior to its expiration.

The Agreement expressly states that, on balance, no employee will have his or her pay or conditions reduced as a result of the making of this Agreement.

5. Conditions of Employment Changes

Agreement Flexibility

Clause 9 - Agreement Flexibility – of the Victorian Public Service Agreement 2004 has been deleted. That clause allows individual Agency Heads and the CPSU to agree on alterations to agency conditions following certification of the 2004 Agreement by the Australian Industrial Relations Commission. The recent decision of the Federal Court of Australia (see Reasons for a New Agreement above) raises questions as to the enforceability of an agreement containing such a clause. The proposed new Agreement therefore does not contain this clause. The relevant parts of existing clause 9 agency agreements agreed since certification of the 2004 Agreement have been specifically included in that agency’s appendix. The details of the specific changes are set out in that agency’s specific information sheet for employees.

Incorporation of Policy

This clause has been deleted to remove any doubt about the validity of the proposed Agreement in the light of the Federal Court of Australia’s decision.

Salary Sacrifice

Provision has been made in the proposed Agreement for salary sacrifice to State Government defined benefit schemes, with arrangements complying with State legislation.

Salary-related Allowances

All salary-related allowances will increase by the same percentage as salaries increase, with the same dates of effect. These include the first aid allowance, overtime meal payments, permanent relocation allowances and various other allowances in the agency-specific appendices.

Adoption Leave

Adoption leave has been brought into line with maternity leave, with the paid component being 14 weeks. This increase in the proposed Agreement brings it into line with current administrative practice.

Other Changes

A number of technical changes have been made to various clauses in the proposed Agreement to ensure that it only relates to the employer/employee relationship and therefore complies with the High Court's Electrolux case. The more important changes are that employees may only authorise deductions from salary for forwarding to superannuation funds. Other agreed employee-authorised deductions will continue by administrative action. The right of entry clause has been changed so that access to the workplace is for the purpose of ensuring compliance with the Agreement.

6. Any Queries

Departments and agencies will advise employees of the contact for any queries in relation to this proposed Agreement and will arrange appropriate meetings of staff to explain the Agreement.

Employees may also wish to contact CPSU on 96391822 or toll free on 1800 810 153 or e-mail enquiry@cpsu.vic.org. CPSU will also be conducting meetings.

7. Conclusion

The uncertainty created with respect to the enforceability of the existing Victorian Public Service Agreement 2004 by the recent Federal Court decision and the approaching federal industrial relations changes (WorkChoices) means we should act now to protect the full range of agreed entitlements including all new Career Structures in an enforceable document under the current federal legislation.

The State of Victoria and CPSU commend the proposed Victorian Public Service Agreement 2006 to you.

It deserves employee support.

TIM LEE
Deputy Secretary
Industrial Relations Victoria

KAREN BATT
CPSU Victorian Branch Secretary

Monday, 13 February 2006