

Office of Industrial Relations

Department of Education

Our reference: FILE72429. REC72501

Union Secretaries - State Government Entities Certified Agreement 2019

Dear Union Secretaries

Without prejudice and subject to Government approval

I refer to correspondence dated 19 May 2023 from Ms Megan Barry, Acting Deputy Director-General, Office of Industrial Relations (OIR), regarding the negotiations to replace the *State Government Entities Certified Agreement 2019* (Core Agreement) which nominally expires on 31 August 2023.

The correspondence provided a generous time limited wages offer for early resolution of the Core Agreement and was subject to all non-wage related matters being resolved by 31 July 2023. I am informed that Together Queensland, Industrial Union of Employees (TQ) formally advised that their members endorsed the wages offer, and the United Workers' Union, Industrial Union of Employees has also formally advised acceptance of the wage's component. Other union parties indicated their acceptance of the wages offer during the course of bargaining meetings.

I am aware that relevant Core Agreement entities and unions have engaged in good faith discussions regarding central and agency specific non-wage related matters with the objective of reaching in-principle agreement by 31 July 2023. I would like to commend the parties on engaging in a collaborative and productive bargaining process to discuss and seek to address the important matters raised.

The Government remains committed to ensuring the Core Agreement is resolved expeditiously and that staff receive enhanced wages as early as possible. Accordingly, the purpose of this correspondence is to outline the Government's offer in its entirety, including the wages elements outlined in the previous offer dated 19 May 2023, and non-wage elements as a result of negotiations through Core Agreement discussions with a view to all parties confirming in-principle agreement by 31 July 2023.

This offer reflects Government's commitment to fair and reasonable wages and conditions for Core Agreement employees and recognises their efforts in delivering quality services across the State.

This offer applies to entities and their employees to be covered by the replacement Core Agreement, with the exclusion of Queensland Police Service employees subject to the Full Bench determination dated 6 July 2023 in CB/2023/21.

The offer is made on a without prejudice basis, is subject to final approval by the Cabinet Budget Review Committee (CBRC) and is in full and final settlement of all employer and union logs of claims.

The offer (inclusive of wages and non-wages elements) is open for acceptance **until close of business 31 July 2023**. The offer will expire if it is not agreed to by 31 July 2023.

Please provide advice of the union's response to the offer to core@oir.qld.gov.au.

Wages related components

The following wages related components outlined in the offer dated 19 May 2023, continue to form part of this offer.

Significantly, Government is offering substantial wage enhancements to the Core Agreement workforce. This includes the opportunity to receive an early pay increase effective 1 July 2023, as opposed to 1 September 2023, and Cost of Living Adjustment (COLA) payments paid at the beginning of each of the three years, as opposed to the end of each year.

This means that Core Agreement employees will receive a wage increase of 4% effective 1 July 2023 and a COLA payment of 3% of base wages to eligible employees, as soon as possible after certification of the replacement Core Agreement.

1. Title, duration and date of operation

The proposed *State Government Entities Certified Agreement 2023* (2023 Agreement) will operate for a three-year term with a nominal expiry date of 30 June 2026.

The parties agree that upon certification, the 2023 Agreement will replace the *State Government Entities Certified Agreement 2019* and the *QBuild Office Staff Certified Agreement 2019*, and also agree to terminate the *State Government Entities Certified Agreement 2019* and the *Qbuild Office Staff Certified Agreement 2019* at the relevant time.

2. Operative Date

The 2023 Agreement will operate from 1 July 2023 with a nominal expiry date of 30 June 2026.

3. Wage Increases

Headline wage increases, and those allowances linked to wage increases, as follows:

- 4% on current agreement rates of pay effective 1 July 2023;
- 4% on the 1 July 2023 rates of pay above, effective 1 July 2024;
- 3% on the 1 July 2024 rates of pay above, effective 1 July 2025.

All reasonable efforts will be made to have the first wage increase of 1 July 2023 paid to employees as a quickly as possible after certification of the 2023 Agreement.

4. Cost of Living Adjustment (COLA)

The COLA payment, where applicable, will be made effective from the beginning (rather than end) of each of the three 2023 Agreement years, 2023, 2024 and 2025. That COLA payment will be based on the difference between the March Quarter Brisbane CPI in 2023, 2024 and 2025 and the respective year wage increase percentages, capped at 3%.

The date of calculation for the COLA payments will be 30 June 2023, 30 June 2024 and 30 June 2025.

For the first agreement year the COLA payment will be the maximum 3%.

The COLA will be paid with reference to base wages earned under a certified agreement during the preceding agreement year, excluding allowances or additional payments; and as a one-off lump sum not forming part of base salary and taxed according to the applicable law.

All reasonable efforts will be made to have the first COLA payment for the 2023 Agreement paid to employees as quickly as possible after certification.

5. Clauses not to be included

The following clauses will not be included in the 2023 Agreement:

- i. clauses regarding a \$1250 one-off payment;
- ii. clauses regarding increases to the wages payable under certified agreement should the Public Sector Wages Policy be varied by the Government during the life of the certified agreement;
- iii. clauses regarding increases to the wages payable under a certified agreement because of a State Wage Case. Note, this does not include clauses which state the award rate is payable if the award rate overtakes a certified agreement rate because of the State Wage Case;
- iv. clauses regarding wage determination mechanisms which allow the parties or the Queensland Industrial Relations Commission to determine a greater rate of pay than that provided under a certified agreement;
- v. clauses regarding commitments by an agency to agree to the incorporation of certified agreement rates of pay into underpinning awards, unless sufficient regard is given to maintain a meaningful gap between award and agreement rates of pay;
- vi. broadening the scope of items (e.g. allowances) that would currently be classed as 'superannuable' or increasing superannuation in accordance with superannuation guarantee legislation, except as may be required by superannuation law; and
- vii. clauses in the current certified agreement that are 'for the life of the Agreement' or which were not intended to be rolled over.

6. No further claims

The parties agree to the retention of a no further claims clause.

Non-wages related components

During the course of the negotiations, the employers and union parties discussed central and agency specific items of interest in which a number of key themes emerged. Broadly, this included gender equity, intensification of work, the right to disconnect, work life balance, cost of living, remuneration, and consultative processes.

In recognition of these key themes, Government's offer includes a package of commitments that support the 2023 Agreement employers and unions parties, together with employees, to continue to work on these important matters in the workplace.

The following elements form part of this offer, noting the identification of matters which are to be included as a provision *within the 2023 Agreement* and the commitments which will be implemented *outside* of the 2023 Agreement.

7. Central matters

i. Australian Qualification Framework (AQF) allowance

Government is committed to supporting gender equity improvements and the ongoing development of employees. During the last round of bargaining the Government implemented an important gender equity initiative and removed the hours-based barriers to improve access to the AQF allowance for part-time employees. Further a working party was established which resulted in educational and promotional activities to increase uptake of this allowance, which I understand was successful in seeing additional employees access the allowance.

In further support of gender equity improvements and commitment to training and education, Government's offer proposes to:

- amend the provisions within the agreement to provide that employees will be paid the allowance upon attainment. Therefore, employees with the relevant qualification will be eligible for the allowance upon certification of the 2023 Agreement, and/or on attainment of the relevant qualification if this occurs after certification, and
- increase (index) the allowance in line with the headline wage increases resulting in an 11% increase over the life of the agreement; and
- outside the agreement, OIR will continue the working party to promote the AQF allowance, including the changes above, and access to training and development, to entities. OIR will also liaise with the Office of the Special Commissioner to further leverage promoting the AQF allowance and understanding of the allowance.

This element of the offer recognises employees engaged at AO2 to AO4 and OO2 to OO6 classification levels with a qualification and provides encouragement for education, development, career progression and promotional opportunities. It also supports this Government's commitment to improving gender equity and reducing the gender pay gap, given female employees comprise the majority of employees in these classifications.

ii. Allowances

To ensure allowances are consistently increased, it is proposed:

- to increase (index) existing wage associated allowances within the agreement in line
 with the headline wage increases (with the exception of percentage based or specific
 high amount special allowances). In addition, the existing student supervision
 allowances and Office of Liquor and Gaming non-standard day broken shift allowance
 will be indexed. This will result in an 11% increase over the life of the agreement for
 these allowances: and
- clarify within the agreement that the relevant rate for the first aid allowance in the Office of the Governor appendix is the rate payable in the Queensland Public Service Officers and Other Employees Award State 2015.

iii. Overtime and On-call

Government is committed to ensuring that employees required to undertake overtime and on-call are remunerated appropriately for this work in accordance with industrial instruments, including the ability to access time that may be accumulated. As a result, the following is proposed:

- Including provisions within the agreement that provide:
 - o for entities to develop entity specific guidelines for on-call arrangements in consultation with unions through the agency consultative committee where on-call rosters have been implemented or will be implemented to ensure appropriate arrangements and correct application of entitlements based on industrial instruments:
 - clarification that the relevant rate for on-call is the Core Agreement PO3.4 rate, where that rate is utilised for the purpose of determining the rate payable. As this allowance is linked to a wage rate, the allowance will also increase by 11% over the life of the agreement;
 - a positive obligation on employers and employees to manage accrued time and TOIL balances, including access to these balances with the intention of avoiding forfeiture of time;
 - o for entities to review hours of work policies in consultation with unions through the agency consultative committees;
 - for entities to report to unions on the number of accrued time hours forfeited on a six-monthly basis through the agency consultative committees, or when requested by union/s; and
 - removing the limitation for employees outside the Brisbane Central Business District to extend their ordinary hours to 7pm to provide increased flexibility, noting this will remain at the election of the employee and by mutual agreement.
- For implementation outside the agreement.
 - o the OIR will develop a circular/guidance material providing education about factors and circumstances for Chief Executives to consider in exercising their discretion under the relevant industrial instrument to pay overtime rather than TOIL (including overtime as a result of on-call) to employees above AO5.4 authorised to work overtime:
 - the OIR will provide advice to entities on factors to consider when reviewing their hours of work policies in consideration of the framework which exists in the relevant industrial instruments (including accrued time arrangements); and
 - entities will provide unions with a copy of their hours of work policies and documents.

iv. Hybrid working arrangements

In March 2023 the Public Service Commission released a Whole-of-Government flexibility framework *Flex-Connect* which outlines the commitment to agile and flexible work, and to support successful implementation of flexible work approaches across the sector. In further support of application of the framework and the existing legislative scheme, it is proposed to:

 Highlight within the agreement an employee's entitlement to request flexible working arrangements in accordance with the Industrial Relations Act 2016 and in line with the Public Sector Commission's Framework.

v. Right to disconnect

The parties continue to acknowledge the potential for 'intensification of work' through boundaries between work life and home life being blurred because of the inclusion or advancement of technology. To provide further support to existing provisions in the Core Agreement and in an effort to further address concerns raised, it is proposed:

- to confirm *within the agreement* that matters about impingement of work activities outside of the ordinary hours can be raised in agency consultative committees; and
- that outside of the agreement, entities will develop entity specific guidelines on disconnection practices, consistent with Government's approved right to disconnect principles, industrial instruments and the existing Use of Technology and Work/Life Balance Circular.

vi. Classifications and evaluations

The Core Agreement currently provides that each entity is required to have a review process in place to allow employees the opportunity to raise concerns about work value assessment of their position, including consultation with the relevant union and that they may be included in the process as a representative. During discussions it was identified that on some occasions there may be efficiencies in requesting reviews as a collective, as opposed to individual requests and the benefits of strengthening the process by taking a more holistic approach. Therefore, it is proposed:

 to clarify within the agreement that unions can raise Job Evaluation Management System (JEMs) review requests on behalf of an employee or group of employees through the relevant consultative committee and entities will consult with union/s with respect to the review process where requested.

vii. Introduction of new technology

The parties acknowledge that technological change and advancements are on the rise, including the use of artificial intelligence. To provide further support to existing provisions in the Core Agreement, and in an effort to further address concerns raised, it is proposed:

• to ensure that *within the agreement* artificial intelligence is specifically referenced with respect to introduction of new technology and consequential consultation obligations.

viii. Psychosocial hazards

It is recognised by Government that managing psychosocial hazards and risks at work is just as important as managing physical risks. On 1 April 2023, the Queensland code of practice 'Managing the risks of psychosocial hazards at work', which was approved by the Minister for Education, Minister for Industrial Relations and Minister for Racing under section 274 of the Work Health and Safety Act 2011, came into effect. In further support of the code and legislative scheme it is proposed:

• to include *within the agreement* a broad acknowledgement of the risks of psychosocial hazards, the Code of Practice, and the legislative framework applying to the risk management of these hazards, and the importance of implementing frameworks in a consultative manner.

ix. No disadvantage

It is proposed to reconfirm *within the agreement* the existing no disadvantage clause, with acknowledgement of the Industrial Relations Minister Directive Review on foot and changes that may occur through that process are not to be matters in which disadvantage or diminution can be disputed.

x. Public Sector Commission matters

During the course of the negotiations, a number of matters in relation to the Public Sector Commission (PSC) scope of practice and workforce management matters were raised for consideration. This included recruitment and selection, mobility arrangements, the JEMS methodology and process, hybrid working arrangements, workload management, bullying, and labour hire. The PSC is committed to continuing discussing these matters with unions outside of the agreement within the existing mechanisms, processes and forums available to the parties.

8. Entity specific matters

The following entity specific matters are included in the Government's offer, noting this is a summary only and further details around these commitments have been provided by the relevant entity to unions.

i. Department of Energy and Public Works

Government has agreed that employees under the *QBuild Office Staff Certified Agreement* 2019 will be covered by the Core Agreement. In addition to the benefits provided under the Core Agreement, this will include:

- provisions within the agreement that provide for incorporation of the Operational Officer classification level 8 (i.e. OO8) currently contained in the QBuild Office Staff Certified Agreement 2019 to be expressed as a 'OO7 plus' in the Core agreement with three different percentage levels (framed as an all-purpose allowance) on top of the OO7/3 wage rate to maintain current rates of pay, and to provide coverage under the Queensland Public Service Officers and Other Employees Award State 2015;
- application of the same hours of work arrangement for general Core Agreement employees, i.e., spread of 6am – 6pm (as opposed to 7pm), and daily ordinary hours of 9.5 as opposed to 10 hours;
- for implementation *outside the agreement*,
 - o the ordinary span of hours and ordinary hours maximum to be updated in relevant policies and systems and the department to educate management on the changes;
 - review of occupational groups to determine whether they are appropriately classified e.g., operational or administrative;
 - review of current work practices to align current practices in South-East Queensland Operations to Regional Operations;
 - review of current delegations with a view to reducing the delegation to approve an exemption from overtime i.e. ability for overtime to be paid instead of Time off in Lieu: and
 - review of the hours of work policy to better support workload management and accrued time practices with a view to reducing forfeiture and ensuring appropriate remuneration (in conjunction with the above point).

ii. Department of Agriculture and Fisheries (DAF)

Queensland Boating and Fisheries Patrol (QBFP) workforce

- Include provisions *within the agreement* that provide for:
 - increase (index) the plain clothing, hardy lying and Marine Animal Rescue Team (MART) allowance in line with the headline wage increases, resulting in an 11% increase over the life of the 2023 Agreement;

- an alongside accommodation allowance (and indexation of the allowance in line with headline wage increases) for employees required to work and spend overnight on a vessel while at port; and
- o confirmation that due to the recent superannuation changes the night allowance and 192 aggregated weekend and public holiday allowance attracts superannuation.
- For implementation *outside the agreement*:
 - QBFP Role Description Review Strategy;
 - o QBFP rostering arrangements review; and
 - review of the existing incentive arrangements provided for under the Public Sector Commission (PSC) Attraction and Retention Directive (Directive) for MART employees with respect to rostering and managing fatigue, and appropriate attraction and retention incentives.

Wild Dog Barrier Fence

- For implementation *outside the agreement*.
 - o review of the attraction and retention incentives for Wild Dog Barrier Fence employees. The review will be undertaken in accordance with the Attraction and Retention Directive 07/14 as a result of attraction and retention challenges resulting from regional industry labour shortages in the construction and maintenance industry.

General workforce

- For implementation outside the agreement.
 - review and update the information on the intranet page with respect to sick leave to ensure compliance with the *Industrial Relations Act 2016* to confirm when it is accessible with respect to appointments; and
 - review of the existing leave policy to ensure compliance with the *Industrial Relations* Act 2016 and Ministerial Directive in consultation with the unions and communicate
 changes to employees and managers.

iii. Department of Environment and Science

- Include provisions within the agreement that provide for flexibility in accrual and access to Rostered Days Off for employees under the Parks and Wildlife Employees Award – State 2016.
- For implementation *outside the agreement*.
 - establishment of a progression scheme for OO3 rangers and Wildlife Officers in remote and rural locations:
 - review of vessel masters within 6 12 months of the agreement with any fiscal outcomes subject to Government approval;
 - establishment of a working group to support the review of the existing flexible work policy;
 - o review of the existing professional and technical officer progression scheme;
 - review of guidance around the use of paid overtime in lieu of TOIL as well as the delegation in consultation with the unions;
 - o review of the existing sick leave policy to ensure compliance with the *Industrial Relations Act 2016* in consultation with the unions; and
 - undertake a joint review of marine operations with the scope and details formalised through correspondence from the department

iv. Office of the Public Guardian

Government has agreed that the employees engaged as Community Visitors employed pursuant to the *Public Guardian Act 2014* will be covered by the 2023 Agreement. In addition to the benefits provided under the 2023 Agreement, this will include:

- a provision *within the agreement* that provides for Community Visitors to undertake their daily ordinary hours of work over a broken period in circumstances where:
 - the employer requires the hours of work to be performed over a broken period due to operational requirements, noting this will be determined in consultation with the employee and will be minimised where possible; and/or
 - o at an employee's election with approval by the employer.
- confirmation that further guidance regarding broken work will be provided *outside the* agreement;
- a commitment within the agreement that the Office of the Public Guardian will embed the elements of the Community Visitor terms and conditions of employment in operational guidance within six months of the 2023 Agreement being certified.

v. Public Trust

 a commitment outside the agreement, to develop a risk management framework under the Queensland code of practice 'Managing the risks of psychosocial hazards at work' and to the creation of a joint working party to develop, consult and seek approval of the framework.

vi. Department of Resources

- Continuation of the existing provision *within the agreement* which provides for the base pay point for Valuers of the State Valuation Service who gain their registration as a valuer to be PO3 classification level paypoint 1; and
- for implementation outside the agreement.
 - development of a policy for the reimbursement of professional registrations fees for all PO and TO employees where registration is mandatory;
 - publishing of a new intranet page to inform employees on overtime cut-off exemptions including approving officer; and
 - o amending the wording on the sick leave intranet page to provide clarity around access and use.

vii. Queensland Corrective Services

- include provision within the agreement that
 - provide for a dog handler's allowance of \$31.55 per day, where a relevant employee is required to kennel a QCS dog at home outside rostered hours (including leave), with all equipment and associated costs to care for the dog remaining the responsibility of the employer;
 - development a flexible work policy consistent with the *Industrial Relations Act* 2016 and the Public Service Commission's Flex Connect Framework by 31 December 2023:
 - review all entry level roles across all classifications (AO, PO, OO) under this agreement, and implement strategies to improve the attraction, retention and progression of PO roles during the term of the agreement; and

- for implementation outside the agreement, noting they will be added as action items for the ACC:
 - development of a policy/review of existing recruitment and selection arrangements with respect to backfilling within 6 months of the agreement; and
 - o review of on-call arrangements to ensure compliance with industrial instruments.

viii. Queensland Audit Office (QAO)

- Creation of an appendix for the duration of this agreement only, to provide that:
 - the conditions or entitlements contained within directives that apply at the date of certification will continue to apply;
 - policies will be developed in consultation with the union to continue the operation of the conditions and entitlements in these directives upon commencement of s.14 of the *Integrity and Other Legislation Amendment Act 2022*; and
 - where new directives are made about subject matters not covered by directives as at certification of the 2023 Agreement or existing QAO policy, the QAO commits to considering the appropriateness of application. This will occur in consultation with the union.

ix. Queensland Fire and Emergency Services

 Commitments outside the agreement to clarify agency arrangements for on-call during the Christmas shutdown period, and payment for prescription safety glasses, and an independent review to determine the best industrial framework specific to the QFES heavy vehicle trades cohort.

x. Department of Housing

- In consultation with the Union and its members outside the agreement the department commits to:
 - the Executive Leadership to work directly with the Union and its members through existing consultation mechanisms (e.g., consultative committee/s) to determine mutually agreeable plans to address workload issues and client aggression; and
 - finalising the Occupational Therapist review in its entirety, progressing the review for consideration and approval at the departmental level as soon as possible, and implementing approved recommendations through a joint working party outside the Core Agreement and subject to any relevant Government approvals.

Should you wish to discuss this matter further, I invite you to contact Mr Shane Donovan, Senior Director, Industrial Relations Public Sector, Office of Industrial Relations, on (07) 3406 9832 or via email to shane.donovan@oir.qld.gov.au.

Yours sincerely

Peter McKay

Deputy Director-General
Office of Industrial Relations

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14/07/2023