



NEW ZEALAND PUBLIC SERVICE ASSOCIATION

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Te Pūkenga Here Tikanga Mahi

PSA policy

Approved by executive board August 2009

Business owner: Policy

# State Sector Bargaining Strategy

## **STATE SECTOR BARGAINING STRATEGY**

### **Maintaining the standard of State Sector employment**

#### **Status**

This policy was formally adopted by the PSA executive board at its August meeting in 2009. It is made pursuant to rule 40 of the PSA Rules and derives its status from and sits under the purpose and objects set out in part 1 of the PSA Rules.

#### **Context**

The New Zealand Public Service Association – Te Pūkenga Here Tikanga Mahi (PSA) is the predominant union in the State sector with around 30,500 members working in public and non-public service departments, crown entities (excluding DHBs and CRIs) and state owned enterprises.

This strategy is consistent with and supports the PSA's whole-of-union approach to bargaining as expressed in the PSA Bargaining Priorities and PSA Bargaining Strategy 2009-11.

This bargaining strategy is a key element of our organising approach for the public service, crown entities and SOEs and in particular it links to the decent work/decent workplaces elements of our Democracy at Work strategic agenda. In the State sector we aim to achieve our Democracy at Work agenda of decent work and workplaces, public value and high performing workplaces through:

- building union organisation and partnership constructive engagement arrangements at the workplace and enterprise level so that our members have a voice in the workplace; and
- setting and raising standards through a disciplined, whole of sector approach to collective bargaining.

#### **Application**

This strategy applies to all PSA collective agreement bargaining in the public service and non-public service departments, Offices of Parliament, crown entities (excluding CRIs and DHBs), SOEs, and other organisations subject to the Public Finance Act.

#### **Efficient and effective bargaining**

We will take a consistent and disciplined approach to bargaining that supports our State sector bargaining priorities and reflects the views of members. Enterprise bargaining briefs will be developed and all bargaining will be conducted in accordance with this strategy, with the *Policy on the Conduct of Collective Negotiations* and the *PSA Bargaining Strategy 2009-2011*.

#### **Our bargaining priorities in the State sector**

We are seeking technically robust collective agreements that cover all employees, unless there are genuine reasons not to do so, and that at least meet the standards outlined in these bargaining priorities.

## **Decent work**

- *Fair pay.* By this the PSA means:
  - The right to negotiate pay with pay rates and pay progression mechanisms included in agreements.
  - Replacing employer determined progression to at least the competent rate based on performance criteria with defined salary steps and progression subject only to satisfactory performance. Progression past the competent rate is transparent and based on objective criteria.
  - Ideally there will be distinct systems for pay progression and performance development.
  - A fair pay adjustment to reflect rising costs and the financial pressures faced by members during difficult economic times and the inclusion of these adjustments in agreements.
  - Addressing pay inequities, particularly through the implementation of pay and employment equity (PAEE) response plans to overcome the problems identified in PAEE reviews and pay investigations. Where there has been no PAEE review and/or response plan we will focus on ensuring transparent and equitable process for starting salaries and progression.
  - Ensuring minimum rates in collective agreements are set at no less than two thirds of the average wage, with an immediate target of \$15 an hour.
  
- *Maintaining and raising the standard of terms and conditions.* In tough times the pressure can come on from employers to reduce members' terms and conditions. Such an approach undermines trust in the workplace and runs-down the standard of State sector employment. The PSA will resist this. We will oppose claw-backs that target new employees through grandparenting provisions for existing employees.
  
- We will advocate for all agreements to contain leave entitlements of at least the public service standard (public service leave entitlement standards attached as appendix 1). In addition, members may wish to seek improved provisions relating to other aspects of decent work (which may include but are not limited to provisions relating to improved recognition of caring responsibilities, transition to retirement). This should be determined by members in any given enterprise.
  
- Seeking ways of recognising the extra contribution of workers required to use their language and cultural skills in addition to their normal duties.
  
- *Healthy work environments.* Agreements should reflect that public service, crown entity and SOE workplaces are workplaces where workload is managed, workers are not expected to regularly work additional hours and workers have control over their hours of work.
  - The agreement is explicit that where workload issues arise, agreed measures will be put in place to resolve them.

- Payment and/or time off in lieu (TOIL) for additional hours worked should be provided for and the agreement should specify how workers can manage any TOIL accruals.
  - Wherever practical there should be provision for part-time and flexible working.
  - Roster structures are agreed and support safe and healthy working.
  - Adequate notice for roster changes.
  - The agreement should reflect the employer's commitment to workplace health and safety and describe worker and union involvement in this.
- *Better commitments to training and career development.* Agreements should reflect a strong commitment from employers to career development. We are looking for an approach in which the needs of the employee are identified and met, beyond what it takes to fulfil the requirements of their current role. This could include but is not limited to:
    - Provision for the public service standard of study leave entitlement (see appendix 1).
    - A proactive and flexible approach to secondments and a description of the matters to be included in secondment agreements (including but not limited to duration, how return to substantive role will be managed, how performance development will be affected, terms and conditions no less favourable etc.
    - Performance development systems with well defined competency or skill based frameworks which support and career development and include mechanisms to recognise performance above and beyond the normal requirements of the job.
  - *Breaking down barriers between agencies.* As pressures on the public sector increase we need to look at ways in which we can break down barriers between agencies to support a whole-of-government approach, increase productivity and provide better security for members.
    - Exploring ways in which redeployment can occur between agencies.
    - Provisions that meet the public service standard for recognition of service (see appendix 1).

### ***Worker voice***

Decent workplaces and high performing workplaces are ones where workers have a voice, and their views are respected and valued. Individual workers have a sense of being able to speak and to contribute, and workers have a collective voice, through their union organisation. It is important that the PSA seeks to achieve:

- *Better union facilities.* It is expected that all agreements will provide for union facilities of at least the public service standard (attached as appendix 1).
- *Better partnership/constructive engagement arrangements.* Agreements should include a commitment to constructive engagement at the workplace and strategic level and describe the forums and other arrangements that support this. This may be done through the inclusion of all or part of existing partnership agreements in collective agreements. Such forums and

mechanisms can be used for dealing with complex workplace issues such as value-for-money exercises, expenditure reviews, productivity, improving service delivery and community engagement.

- A union advantage so that the contribution of the union is reflected in the bargaining outcomes for union members.

### ***Employment security***

Secure and interesting jobs are important in the development and maintenance of high performing workplaces. Job security has traditionally been an offset against the better pay and conditions in the private sector. In an environment of cuts our members find this basic need is being undermined. We are seeking:

- *A commitment to retaining capability and minimising redundancies*  
Given the current context of restructurings and job cuts, and depending on the circumstances of negotiations in each enterprise, we may wish to seek a commitment from the employer to no further job-cuts during the term of the agreement.
- *Better change provisions.* Collective agreements should contain clauses that cover:
  - Union participation and consultation in reviews/restructurings including decisions about whether or not to change.
  - Description of union engagement in the case of “soft” or evolutionary change.
  - The change management process used to implement any change.
  - Union participation in monitoring and addressing any impact on workloads and/or services post- change.
  - Redundancy compensation for those who lose their jobs.
  - What happens when all or part of an organisation’s work is sold/transferred to another employer /contracted out (an “employee protection and technical redundancy” clause).
  - The effect of any applicable industry specific legislation.
  - A statement to the effect that redundancy is the option of last resort and a non-exclusive list of alternatives to redundancy including flexible working and leave without pay options.

Further guidance on change management clauses and alternatives to redundancy, including flexible working and leave without pay options, is contained in the PSA July 2009 Change Management Toolkit.

- *Fair redundancy entitlements*
  - Redundancy calculations should not disadvantage those who engage in flexible working or have taken leave without pay (including parental leave). Where a member has worked to reduced hours, calculations should be on the basis of previous income.

- Caps on redundancy entitlements should be reviewed, and if necessary increased, to ensure they reflect current relativities.
- *Clear definitions of categories of employment – particularly casual employment.*
  - Increased casualisation is a risk in the current environment. Agreements should describe the criteria necessary for this category of employment including defining the circumstances when casual staff may be used, ensuring casual staff are directly employed and not agency staff and that they are covered by the agreement

**Public service leave and union facilities entitlement standards**

*This Appendix to the State Sector Bargaining Strategy sets out the standards sought in bargaining on leave and union facilities. These standards are drawn from the former Common Employment Provisions.*

**Leave**

- Annual leave – 4 weeks on commencement. After 5 years, an additional 5 days (includes departmental, community and wellness days). Agreements should also make provision for the timing of annual leave, the ability to bank leave and trade salary for additional annual leave, recrediting of periods of illness or injury while on annual leave, anticipation of annual leave.
- Long service leave – two whole weeks after 10 years of continuous service, one whole week for every 5 years of service thereafter.
- Sick and care for dependents leave – 10 days of paid sick leave for each of the first 5 years of employment, 15 days of paid sick leave for each year thereafter. Ability to use personal sick leave to care for dependents for up to 10 days per year. Where an employee has insufficient sick leave to cover a period of genuine illness employer to genuinely consider additional paid sick leave along with options to assist the employee’s return to work.
- Bereavement/tangihanga leave – employee to have bereavement/tangihanga leave on daily pay to discharge their obligations and/or pay their respects to a deceased person with whom they had a close association. Such obligations may exist because of blood or family ties, or because of particular cultural requirements. Additional time for travel will also be considered. The period of bereavement leave will be agreed between the employee and the employers with employees receiving a minimum of three day’s paid leave on the death of a paid relative and one day’s paid leave on the death of any other person if the employee’s manager accepts that the employee has suffered bereavement. Entitlement to a minimum of one day’s paid leave to attend an unveiling. Where an employee suffers bereavement while on another form of leave, except for public holidays, that period will be recorded as bereavement leave.
- Parental leave – the provisions of the Parental Leave and Employment Protection Act apply. Entitlements to include:
  - Six weeks maternity leave before the expected date of delivery or adoption, or more on medical advice,
  - Up to 10 days discretionary leave for reasons connected with the pregnancy
  - Up to two week’s unpaid leave for partners three weeks either prior to or post the expected date of delivery.
  - 26 weeks extended leave where an employee has been employed for less than 123 months, and those with a minimum of 12 months, 52 weeks extended leave. This leave may be shared with the employee’s partner and not exceed the total period allowable and taken within 12 months of the birth or adoption.

- Return to the same or in a similar position to the one occupied before going on parental leave. Employers must, as a first preference, hold the position of an employee going on parental leave open, or fill it temporarily if the work must be done.
- An ex-gratia lump-sum taxable payment equivalent to 30 working days, based on the annual rate of pay and hours of work prior to going on parental leave, if they have been on maternity and/or extended leave for at least six weeks, and completed six months service since their return, and had care of their child in terms of the Act. If the employee took less than 30 working days leave, the payment will be prorated. If an employee and their partner both work for a state sector employer, only one will be eligible for the payment.
- Reference to employment relations education leave – Sections 73 and 74 of the Employment Relations Act 2000 set out the minimum union entitlement to the allocation of employment relations education leave (EREL). This provides for an amount of EREL based on union membership. The parties may agree any additional days over and above the minimum.
- Military voluntary service – 12 weeks' paid leave for initial training; up to 4 weeks each subsequent year.
- Study leave - paid or unpaid leave to undertake a programme of study, contribution to course fees and use of work facilities, as agreed with the employer.
- Discretionary leave – The employer will make reasonable efforts to accommodate requests for leave without pay.
  - Each application to be considered according to its merits with a decision being made taking into account the circumstances of the individual as made known to the employer and the operational needs of the employer.
  - The agreement should set out the matters that employers will take into account when making the decision.
  - For approved discretionary leave without pay in excess of one month and up to three months, the position will be held open and service will be interrupted but not broken.
  - For discretionary leave without pay of more than 3 months and up to 15 months, the employee is not guaranteed placement in either the same job or a new job at the end of the period of leave but if a suitable position is found, their service will be treated as interrupted but not broken. If no job is found before the end of the preference period, the employment will terminate. Last day of service to be recognised as the original date that the discretionary leave commenced.
- Service recognition.
  - Service in the core Public Service and Crown entities (excluding District Health Boards and the Education service (which includes schools, Tertiary Education Institutions and kindergartens)) will be recognised for leave entitlements.
  - Where this service recognition is negotiated and was not included in the previous collective agreement, service will be recognised for a maximum of 5 years prior to 12 May 2008.

- There will be no recognition after 15 months break in service or where redundancy has been paid out in regard to that service, unless the break in service was for childcare (up to 4 years).

### **Union facilities**

- Recognition
  - The (employer) recognises the (union), its delegates, officials and officers, as representing the collective and individual interests of its members.
  - The (employer) acknowledges the right of the (union) to elect, select and support its representatives according to its rules.
  - The employer and union will agree engagement processes and structures for delegates and managers to meet regularly and to further the relationship between them.
  - The employer will provide an opportunity for union representatives to meet new staff as part of any orientation process. The employer will provide new employees with information about the union, including relevant contact details. The union will provide the relevant information to be provided to employees.
  - The employer will periodically provide the (union), where reasonable and practicable, with information related to the collective agreement, including the location and number of members and employees who come under the coverage clause of the agreement. The information and arrangements for such will be agreed between the employer and the (union).
  - The employer and the union may agree other arrangements for maintaining, establishing or further developing the relationship between them.
- Delegates
  - The employer will promote and support the role of delegates in the workplace.
  - Reasonable paid time will be allocated to delegates to carry out their role effectively within and beyond the workplace (subject to arrangements agreed between the union and the employer dealing with notice, timing etc). This includes time for recruitment, to meet with new and potential members, other delegates and (union) officials over employment matters and/or union business, and attending regional and national (union) and other union forums.
  - The employer will agree an annual allocation of a reasonable number of paid days, inclusive of any statutory entitlements, to enable delegates to attend training, including union delegate training.
- Access
  - Union representatives may enter the workplace for purposes relating to members' employment and/or other union business, including recruitment at reasonable times during work hours. The (union) representatives accessing the workplace will follow normal notification protocols, and observe any established safety or health or security procedures.
- Deductions
  - The employer shall deduct union membership fees, with the authorisation of each member, from wages or salary, and shall remit these deductions to the union at a frequency in line

- with the employer's pay periods. These arrangements are subject to any provisions separately agreed between the employer and the union.
- When remitting deductions the employer will provide an electronic deduction schedule which allows the union to account for whom and over which period, fees have been deducted.
  - Where practicable, the employer will make arrangements to advise the union whenever deductions cease due to a member commencing a period of leave without pay; and to arrange for the recommencement of deductions when the member returns for a period of leave without pay.
  - Union meetings
    - Union members are entitled to attend, on ordinary pay at least two union meetings, up to a total of four hours in each calendar year. The number and duration of these meetings will be agreed within the total annual maximum of four hours, inclusive of any statutory provisions.
    - The union shall provide the employer at least 12 days notice of the date and time of any such union meeting.
    - The union shall make arrangements with the employer for the employer's operations to continue.
    - Paid leave is only available for actual attendance at union meetings where the employee would otherwise be working for the employer during the meeting.
    - The union shall provide the employer with a list of names of union members who attended the meeting and the time at which the meeting finished.
    - The employer and the union may agree additional allocations of time for paid union meetings.
    - Agreed meetings over collective employment matters are not a debit against any allocation of time for union meetings.
  - Facilities
    - The employer will provide reasonable access to facilities for delegates to carry out their role. This includes, where practicable, access to a workstation (with word processing, email, printing and external internet capability), photocopying facilities and facilities for communication with members including meeting spaces, tele-conference facilities, notice boards, internal mail, telephone and email. In addition, members will be allowed reasonable access to the union's external website. In using these facilities, delegates and members will observe all the employer's normal standards and policies that apply to such facilities.