



MINISTRY OF SOCIAL DEVELOPMENT

Te Manatū Whakahiato Ora

Managers and Senior Specialists Collective Agreement

07 May 2019 to 30 June 2020



**Ministry of Social Development and
Public Service Association Te Pūkenga Here Tikanga Mahi Inc**

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7 May 2019 to 30 June 2020

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1. Collective agreement formalities

This agreement is a Collective Agreement under Part 5 of the Employment Relations Act 2000.

1.1 Parties and application

Employer:

The Chief Executive of the Ministry of Social Development.

Union:

Public Service Association Te Pūkenga Here Tikanga Mahi Inc

All reference to policies contained in this Collective Agreement ("Agreement") are the policies of the Ministry of Social Development ("the Ministry").

1.2 Coverage

This Agreement solely covers employees in the following management and senior specialist positions:

Positions graded MSS01 – MSS04 (inclusive).

1.3 Term

This Collective Agreement will come into effect on 07 May 2019 and will expire on 30 June 2020.

1.4 Savings Clause

Each employee's terms of employment comprise this agreement, their letter of appointment and any additional matters that have been provided in keeping with the Ministry's terms and conditions of employment, are in writing and have been mutually agreed by the Ministry and the employee prior to the commencement of this agreement.

Note: This Savings Clause only applies to employees permanently appointed to a managers and senior specialists' position as at the date of ratification of this agreement. "Additional matters" excludes temporary or time-limited arrangements and the use of business resources required to perform a specific role.

1.5 Variations

This Agreement may be varied by the following process:

- The initiator of a proposal to change this Agreement will begin bargaining for a variation by notifying the other party in writing of the proposal and the procedure for ratification.
- The Ministry and the PSA will negotiate in good faith and seek to agree the changes (the proposed variation) to this Agreement.
- Any agreed proposed variation to this Agreement will be recorded in writing.
- Any ratified variation will be recorded in writing and appended to and become part of this Agreement.

1.6 Application of the State Sector Act 1988

Section 94 of the State Sector Act 1988 will continue to apply to employees bound by this Collective Agreement, except where any term or condition of employment is referred to and dealt with in this Agreement.

2. Context

We help New Zealanders to be safe, strong and independent. The Ministry operates in a dynamic environment and needs to be responsive to government direction, client needs and other environmental factors. Most change which occurs in the Ministry does not involve job losses or relocation outside a local area. The Ministry undertakes to consult employees about changes that may affect them.

2.1 The Ministry's Purpose and Values

Employees are expected to lead the Ministry's purpose and model the Ministry's principles.

2.2 Responsibilities – PSA and the Ministry

Employees covered by this Agreement are required to balance their relationship between the Ministry and the PSA. Where they are in positions where they manage employees who may also be members of the PSA or other unions, it is important that managers maintain a clear and professional distinction between their role as managers in the Ministry and their role as a member(s) of the PSA, specifically:

- Ensuring impartiality with regards to representation in employment matters with staff.
- Respecting the confidentiality of information.
- Basing the employment relationship on honesty and 'no surprises'
- Resolving employment related issues promptly.

Any potential conflicts of interest must be managed in accordance with the Ministry's Code of Conduct.

2.3 Positive employment relationships

The Ministry and the PSA are committed to ensuring that employee relations are positive, constructive and reflect the Ministry's business strategies and operating context. In support of this, a consultation forum will be established to enable engagement between managers in the Ministry who are PSA members and the Ministry. The aim of this consultation forum is to share information and engage in matters of mutual interest.

The Ministry acknowledges and recognises the PSA, its officials and delegates as representatives of the union in the workplace and that PSA representatives may enter the workplace for purposes relating to members employment in accordance with the provisions of the Employment Relations Act 2000.

The Ministry will deduct PSA fees with the consent of PSA member from their wages or salary and will remit the same (less the deduction of the 2.5% administration fee) to the PSA along with a schedule of names of contributing members on a regular basis.

The PSA agrees to provide the Ministry with the names of all delegates following each two-year election outcome and to advise of any subsequent changes to this list.

PSA members will be entitled to paid attendance at two union meetings each of a maximum of two hours in each calendar year as per section 26 of the Employment Relations Act 2000. At each meeting an attendance register will be completed and provided to the Ministry.

The Ministry acknowledges its obligations to provide employment relations education leave in accordance with the requirements outlined in Part 7 of the Employment Relations Act 2000.

3. Leadership

Leaders that have the right skills and knowledge to stimulate organisational growth and success are critical to the delivery of the Ministry's work programme.

The Ministry aims to encourage and provide employees with appropriate career development opportunities to assist them to reach their full potential and to facilitate their job security by developing portable skills and attributes.

Employees and their managers should discuss career development opportunities at the same time of their performance assessments and coaching. This may include agreeing the conditions and type of support provided by the Ministry.

Career development opportunities can be:

- On the job training.
- Internal training courses.
- External courses/conferences.
- Study assistance.
- Secondment opportunities.
- Achieving recognised qualifications.

3.1 Leadership responsibilities

Employees employed in management roles need to be strong leaders, who are open to change and ambiguity, and committed to a high performance culture. Responsibilities include:

- Maintaining an employment relationship based on mutual trust and confidence.
- Providing leadership that motivates employees and ensures the delivery of high quality services.
- Enhancing collaboration and future focussed solutions.
- Encouraging well informed decision making and judgment.
- Developing a culture of risk awareness to appropriately manage information and decisions.
- Focusing on continual improvement, and maintaining and strengthening individual capabilities and knowledge.
- Promoting the interests, goodwill, and reputation of the Ministry.
- Complying with the Code of Conduct and other policies and procedures.
- Ensuring a high standard of personal presentation and image is maintained in order to present the Ministry in the best manner possible.

3.2 Workplace health and safety

The Ministry and employees are committed to a high standard of health, safety and security in the workplace for all employees and visitors to the Ministry's offices. It is the responsibility of both parties to ensure that there is a mutual commitment to the obligations for health and safety in the workplace under the Health and Safety in Employment Act 1992, regulations, and codes of practice.

This includes the safe operation of all plant and equipment on the Ministry's premises, the adoption of safe working practices by employees and the Ministry, and the maintenance of a healthy, safe and secure work environment for employees and visitors. The Ministry aims to take all practicable steps to ensure a healthy and safe workplace.

Employees are required to ensure that they maintain their ability to perform duties safely and effectively. Employees agree to comply with all reasonable instructions, policies and regulations regarding health, safety and security when on the Ministry's premises. This

includes the Ministry's policy on smoking when at work. Employees covered by this agreement will advise the Ministry of any medical condition (including stress related symptoms) which may impact on their ability to perform their duties safely or effectively.

Employees are expected to comply with the Ministry's security policies and procedures as notified from time to time, including those pertaining to visitors for whom they are responsible.

3.3 Confidentiality

All employees are responsible for the security of confidential and commercially sensitive data under their control or to which they have access. Information concerning customers and clients and other employees of the Ministry is to be treated with complete confidentiality. This information will not be disclosed or discussed with any person, either inside or outside the Ministry, except in the proper performance of duties or with the specific approval of the employee's manager.

This requirement will continue after the employee's employment has ceased.

3.4 Conflict of interest

The parties agree that any situation or activity where there is a potential for a conflict of interest situation to arise will be avoided.

It is expected that employees will not engage in any activity which could either conflict with their responsibilities under these terms and conditions of employment, prejudice their ability to perform duties, or bring the Ministry into disrepute.

Further, employees covered by this Agreement agree not to engage in any business activity or employment agreement outside this position without prior discussion with and obtaining the agreement of the Deputy Chief Executive.

Should an employee have previous business commitments to complete prior to commencing this appointment with the Ministry, written approval will be required from the Deputy Chief Executive.

Where the Deputy Chief Executive reasonably forms the view that a conflict of interest situation has either developed or may occur, then they may require the manager to cease undertaking the relevant activity.

All engagements in any outside business activity or employment agreement will be considered in good faith.

3.5 Indemnity

Pursuant to section 86 of the State Sector Act 1988, employees covered by this Agreement will not be personally liable for any liability of the Ministry or for any act done or omitted by the Ministry or any other staff member of, the Ministry in performing in good faith the functions of the Ministry.

3.6 Proprietary Rights

All ideas, concepts, copyright, inventions or other products or processes developed or created either in whole or part by you arising from, or in connection with, the performance of your duties at the ministry shall be the sole property of the Ministry.

4. Core terms and conditions

4.1 Hours of work

Employees covered by this Agreement are expected to work the hours necessary to carry out their duties and meet the responsibilities of their position.

While the standard hours of work for a full time employee are 40 hours per week, employees are employed on the basis that it may be necessary for them to work additional hours. However it is not the Ministry's expectation that employees will be required to work excessive hours for prolonged periods.

Employees are expected to take reasonable rest and meal breaks during normal working hours. The timing of these breaks should take into account the needs of the Ministry, other employees and the requirements for employee health and safety.

4.1.1 Significant/serious events or emergencies

The Ministry recognises that the nature of the work of some roles may require significant additional hours to be worked in response to significant or serious events or emergencies.

Where this occurs it may be appropriate for the employee to take time off. The employee and their manager will discuss and agree arrangements to take commensurate time off at the earliest opportunity.

4.1.2 Flexible hours

Where possible and by agreement with their manager, employees shall be given the opportunity to work flexible hours.

4.2 Remuneration

Remuneration includes salary and other benefits, but excludes the employer contributions to any of the superannuation schemes administered by the Ministry.

Remuneration will be set and paid in accordance with the remuneration range for the position. Individual remuneration is specified in the employee's letter of offer. The remuneration provided for in this agreement is in full compensation for all hours worked in the performance of duties and responsibilities.

Individual remuneration will be reviewed at least annually in accordance with the Ministry's remuneration policy and guidelines. The Ministry is under no obligation to increase levels of remuneration.

In the event of an overpayment of pay, the Ministry may deduct the amount of any overpayment in accordance with the Wages Protection Act 1983.

Upon termination of employment the Ministry may make deductions from the employees final pay, including any holiday pay, in respect of any money whatsoever owed by the employee to the Ministry.

4.2.1 Remuneration Ranges

At the time of appointment, as part of the confirmation of the employment agreement, new employees shall be provided with details of their remuneration and the range for the role they have been appointed into.

At the annual remuneration review, employees will be advised in writing of the remuneration range that applies to their position for the year ahead.

These ranges are appended to this collective agreement and will also be available on the Ministry's intranet and will be updated annually.

4.3 Performance management

Performance will be assessed and reviewed at least annually in accordance with the Ministry's performance management policy and guidelines. The results of the assessment will inform decisions relating to remuneration, development and progression.

4.4 Holidays and leave

4.4.1 Annual leave

Employees will be entitled to annual leave as follows:

- on completion of one year's continuous service, 24 days per year, and
- on completion of five years continuous service, 25 days per year.

Employees who were employed by the Ministry as at or prior to the ratification of this agreement are entitled to 25 days annual leave per year.

Note: Appendix Three sets out the Ministry Day leave entitlement which has been grandparented for employees covered by this Agreement as at the date of ratification, and who had this provision in their individual employment agreement at that time.

4.4.2 Taking annual leave

The timing of taking annual leave will be decided by mutual agreement between the employee and their manager taking into account work requirements and personal preferences. Annual holidays should be taken in the year that they fall due. If the parties are unable to agree when annual leave is to be taken the Ministry may require the employee to take it on 14 days' notice.

Annual holidays will be allowed in accordance with the Holidays Act 2003 and any subsequent amendments. This leave entitlement is inclusive of and not in addition to the annual leave entitlement specified in the Holidays Act 2003.

4.4.3 Public holidays

Public Holidays will be allowed in accordance with the Holidays Act 2003. The recognised public holidays are:

- Christmas Day
- Boxing Day
- New Year's Day
- 2 January
- Waitangi Day
- Good Friday
- Easter Monday
- ANZAC Day
- The birthday of the reigning Sovereign (observed on the first Monday in June)
- Labour Day
- The day of the anniversary of a province or the day locally observed as that day

There may be times when due to the nature of the Ministry's business, the employee may be required to work on any of these public holidays (where these would be otherwise working days for the Ministry).

Where a public holiday falls on a day that would otherwise be a working day, and the Ministry does not require the employee to work on that day, the employee will be paid their relevant

daily pay for that day.

Where a public holiday falls on a day that would otherwise be a working day for the employee, and they are required to work on that day, they will be paid at least the portion of their relevant daily pay that relates to the time actually worked on the day plus half that amount again. The employee will also be given an alternative day's holiday at their relevant daily pay. Any alternative holiday will be taken at a time mutually agreed between Ministry and the employee.

Where a public holiday falls on a day that would not otherwise be a working day, and the employee agrees to work on that day at the request of the Ministry, they will be paid at least the portion of their relevant daily pay that relates to the time actually worked on the day plus half that amount again. No alternative day's holiday will be granted.

4.4.4 Sick and domestic leave

Sick leave for personal illness is granted on an as and when required basis. Employees will be paid their normal salary when they are absent due to personal illness, provided that on-going payment may be reviewed and reduced if absences are lengthy or excessive.

The Ministry may require the employee to produce a medical certificate where they take sick leave for five or more consecutive calendar days. However, if the Ministry has reasonable grounds to suspect that sick leave being taken within the five-day period is not genuine, the employee may be required to produce a medical certificate, which the Ministry will pay for. The Ministry may also require a medical certificate at its discretion for any sick leave taken in excess of five days per annum.

If the Ministry has concerns about an employee's frequency or pattern of absence the Ministry may require the employee to undergo a medical examination by a registered medical practitioner or practitioners. These will be paid and nominated by the Ministry (after the employee's wishes in respect to the appointment of the registered medical practitioner are considered) and a copy of any medical report furnished by such medical practitioner shall be available to both parties.

For the avoidance of doubt, the Ministry may exercise this right for the purposes of:

- Determining whether granting on-going paid sick leave is appropriate; or
- Determining whether the employee's employment should be terminated for incapacity; or
- Assessing the employee's fitness for work and/or return to work after a period of sick leave; or
- Obtaining a second opinion where the employee has provided a medical certificate/report.

Domestic leave of up to ten days per year will be paid where the employee is required to care for a dependent member of their household or immediate family in cases of illness, incapacity, accident or injury. The dependant person does not necessarily have to be living in the same house as the employee. A medical certificate may be required.

This provision is inclusive of and not in addition to the sick leave provisions contained in the Holidays Act 2003.

4.4.5 Special unpaid leave for the care of dependants

Special leave for the care of dependants is unpaid leave where the employee needs to care for a dependent member of their household or immediate family where they require long term home assistance (as a result of a disability or illness).

If the employee is a permanent employee, subject to the approval of the employee's manager, the employee will be eligible to take a minimum of one month's unpaid leave and up to a maximum of 15 months' unpaid leave for the care of a dependant.

Where approval is given for the employee to take special unpaid leave to care for a dependant, they will be entitled to resume work in the same or similar position to the one they held prior to commencing the leave. The Ministry will endeavour to keep their position open with a temporary replacement. This will interrupt but does not break service.

4.4.6 Sickness on annual or long service leave

Should the employee become ill while on annual or long service leave, the period of illness may be charged against their sick leave.

4.4.7 Accident leave

Where the employee is absent from work due to an accident which has been accepted by the Ministry, the provisions of the relevant accident legislation at the time of the injury will apply.

Where the absence is due to injury arising from a work accident, which has been accepted by the Ministry, the Ministry will pay the balance between the 80% ACC payment and the employee's ordinary pay. Any days for which payment is made will be charged against the employee's sick leave entitlement.

4.4.8 Bereavement or tangihanga leave

Bereavement or tangihanga leave will be provided on relevant daily pay to discharge obligations and/or to pay respects to a deceased person with whom the employee has had a close association. Such obligations may exist because of blood or family ties, or because of particular cultural requirements. Additional time needed for travel will also be considered.

The period of the bereavement leave will be agreed between the employee and their manager. The entitlement is a minimum of three days paid bereavement leave on the death of a close relative. A minimum of one day's paid leave will be provided on the death of any other person if the employee's manager accepts that the employee has suffered a bereavement.

A minimum of one day's paid leave is available to attend an unveiling.

If a bereavement occurs while on another form of leave, except for public holidays, that period will be recorded as bereavement leave.

This provision is inclusive of and not in addition to the bereavement leave provisions contained in the Holidays Act 2003.

4.4.9 Discretionary leave

Additional Leave either with or without pay, may be allowed at the discretion of the employee's manager. The Ministry will make reasonable efforts to accommodate such request.

4.4.10 Leave without pay

An employee may apply for leave without pay and the Ministry will make reasonable efforts to accommodate such requests. Each application will be considered on a case-by-case basis, taking account of the circumstances as made known to the Ministry, as well as the operational needs of the Ministry. All annual leave will be expected to be taken prior to the commencement of extended leave without pay.

Approved discretionary leave without pay for periods in excess of one month will be regarded as discretionary leave and the following will apply:

- For extended discretionary leave without pay of more than one month and up to three months, the employee's position will be held open and service will be interrupted but not broken.
- For extended leave without pay of more than three 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. If a suitable position is found, service will then be treated as interrupted but not broken. The employee will be given preference for a period of three months for appointment to that vacancy. If no job is found before the end of the preference period the employee's employment will terminate. The last day of service will be recognised as the original date that the extended leave commenced.

4.4.11 Leave with pay

Discretionary leave with pay is usually only provided where the employee has used up their available annual leave and no other paid leave type is appropriate.

Examples of the circumstances that may be considered by the Ministry include:

- Representing New Zealand in an official capacity.
- Formally representing New Zealand in a sporting activity.
- Has suffered a major personal crisis or loss that the manager needs to address and leave without pay would cause financial hardship to the manager and/or their family/dependants.

4.4.12 Parental leave

Parental leave provided by the Ministry is leave without pay and also includes primary carer leaver, partner's leave and extended leave.

The provisions of the Parental Leave and Employment Protection Act 1987 (the Act) (including protection of employment provisions) will apply with a number of enhancements. These enhancements are contained in the Ministry's policy on Parental leave which is published on the Ministry's Intranet.

4.4.13 Long service leave

Employees will be entitled to long service leave as follows:

- Two whole weeks after ten years continuous service.
- One whole week after every five years continuous service thereafter.

Long service leave will not accumulate from one qualifying period to another and will be taken before their next entitlement falls due or be forfeited. Long service leave will be paid at ordinary rates of pay. The onus of proving service is the individual manager's responsibility. Service will not be recognised before five years previous to the implementation of the Common Leave Provisions.

4.4.14 Other leave

In addition to the types of leave outlined in this Agreement an employee may qualify at times for other types of leave which the Ministry gives to its staff. The employee will be entitled to other types of leave in accordance with Ministry policy which are published on the Ministry's intranet.

4.5 Policies and procedures

The Ministry has a range of standard policies and procedures, including the Code of Conduct, which apply to all employees. Any or all of these policies may be amended from time to time at the discretion of the Ministry.

These policies are available on the Ministry's intranet. Managers should ensure that they are familiar with all of the Ministry's policies and procedures so that they can apply them when

required. Employees of the Ministry are expected to abide by the Ministry's policies and procedures including the Ministry's Code of Conduct.

In accordance with clause 2.3 of this agreement the Ministry will consult prior to amending any policy which may affect employees covered by this agreement.

4.5.1 Reimbursing expenses

The Ministry will reimburse employees for all actual and reasonable expenses arising out of the performance of their duties in accordance with Ministry policy. Employees will be required to produce complete documentary evidence of these expenses including, where appropriate, a properly completed GST tax invoice.

4.5.2 Health and well-being contribution

In support of the Ministry's policy on health and well-being a contribution of up to \$750 net per annum will be made towards the costs of a private medical insurance policy with the Ministry's preferred provider or with a recognised health insurance provider of the employee's choice.

Employees covered by this Agreement will be reimbursed this amount annually through payroll as a lump sum. If the employee is a member of the Ministry's preferred provider scheme making fortnightly payments through payroll, the reimbursement will occur automatically.

If the employee is a member of another recognised provider the reimbursement will be made subject to production of a paid invoice or other acceptable proof of payment.

4.5.3 Transfer expenses

Where an employee agrees to relocate at the request of the Ministry, the assistance provided by the Ministry will be considered on a case-by-case basis. The employee and the Ministry will discuss and agree on the assistance needed to relocate, prior to any expenses being incurred.

4.5.4 Retirement savings scheme

The Ministry administers a number of superannuation schemes. Information regarding eligibility and access to these schemes is published on the Ministry's intranet.

4.5.5 Recognition of service

Upon application, the Ministry will recognise service with other departments and ministries of the Public Service (as outlined in Schedule 1 and 1a of the State Sector Act 1988) and with Parliamentary Service as continuous service where the employee joined the Ministry within one month of leaving the service of the other organisation.

This clause will not apply to any period of service that ended with the payment of redundancy compensation, resignation leave or retirement leave.

4.6 Termination of employment

4.6.1 Notice

Either party will provide one month's notice of termination, provided that this period may be varied by mutual agreement. Upon termination of employment for whatever reason all property and materials supplied or otherwise acquired must be returned.

The Ministry may elect to make payment in lieu of the notice period or any portion thereof.

Nothing in this clause will prevent the Ministry from dismissing an employee without notice for serious misconduct.

Note: Appendix Two sets out the three month notice period grandfathered for employees covered by this Agreement as at the date of ratification, and who had this notice period provision in their individual employment agreement (IAM1 code) on that date.

4.6.2 Abandonment

Where an employee is absent from work for a continuous period in excess of five working days without notification and good cause, the employee will be deemed to have terminated their employment.

4.6.3 Suspension

Where the Ministry considers it necessary for the protection of its operational and business interests, it may require an employee to undertake reduced or alternative duties consistent with their abilities or remain away from work, on pay, while it conducts an investigation into conduct as an employee, or performance. Where any suspension extends beyond two weeks due to matters beyond the Ministry's control (such as a police investigation into conduct) the suspension may continue without pay.

4.6.4 Medical retirement

The Ministry may approve an employee's early retirement for medical reasons or require an employee to retire where the employee is medically unfit to perform their duties. Where an employee retires on this basis, they will receive a minimum payment of 65 days' salary. This entitlement is pro-rated for part time staff.

4.7 Change and redundancy

4.7.1 Definition and application

Redundancy is a situation where a position is or will become surplus to the requirements of the Ministry's business and no suitable alternative position is available.

4.7.2 Change process

The primary focus of these change provisions is to retain people in jobs. This will be achieved when the skills and resources of current staff are utilised and developed to the maximum extent possible.

If at any particular time during the term of this agreement either;

(a) The Ministry is disestablished, or the size or responsibilities of the Ministry are so altered, that the employee's functions, responsibilities, duties and powers become significantly different in content or size; or

(b) As a result of any review of the operation or management of the Ministry or any part of it, the employee's position is disestablished or the employee's function responsibilities or duties become significantly different in terms of content or size;

The Ministry may, after consultation with the employee, and having exhausted all reasonable options for reassignment, terminate this agreement. In that event the Ministry will offer the employee not less than the notice period they are entitled to under 4.6.1 above on salary to that effect.

Note: Where an employee is reassigned to a new position which is a reasonable skills match at a lower annual remuneration within the Ministry an equalisation payment will be made. The equalisation payment will be based on the difference between the previous annual remuneration (excluding allowances e.g. a Higher Duties Allowance) and the new annual remuneration over a two year period. The payment will be made as a lump sum. The amount of the total equalisation payment will be capped at the level of redundancy the employee would be entitled to should they have been made redundant.

During the notice period, both the Ministry and the employee will make reasonable efforts to

locate suitable alternative employment in the Public Service or the State Sector. In the event that a reasonable offer of alternative employment is made, the Ministry's responsibilities under these provisions are fulfilled. The offer of a position in the same location and with comparable duties, responsibilities and remuneration level will constitute a reasonable offer for the purposes of this provision.

The Ministry and the employee may instead agree to any other arrangement. Where the offer of an alternative position involves a transfer of location, assistance with transfer expenses will be provided on the basis that the employee should not suffer financial loss as a result of reasonable expenses.

Where no reasonable offer of an alternative position has been made by the expiry of the notice period, and no alternative arrangements have been agreed, the employee will be offered a redundancy payment calculated in accordance with clause 4.7.4 below.

4.7.3 Restrictions on entitlement to redundancy compensation

Where an employee's employment is being terminated by the Ministry by reason of the sale or transfer by the Ministry of the whole or part of its business, nothing will require the Ministry to pay compensation for redundancy to the employee if:

- The person or organisation acquiring the business or part being sold or transferred:
 - has offered the employee employment in the business or part being sold or transferred and
 - has agreed to treat the service as if it were continuous service with that service or organisation and
- The conditions of employment being offered to the employee by the service or organisation acquiring the business or part being sold or transferred are substantially the same as, or more favourable than, the employee's conditions of employment including:
 - any service related and redundancy conditions and
 - any conditions relating to superannuation under the employment being terminated and
- The offer of employment by the service or organisation acquiring the business or part being sold or transferred is an offer to employ the employee in the business:
 - in substantially the same, or in similar capacity, as that in which the employee was employed and
 - in the local area or
 - in any capacity that the employee is willing to accept.

4.7.4 Redundancy compensation

Where the employee's employment is terminated as a result of redundancy, notice (or payment in lieu) will be given under clause 4.6.1. In addition a payment of five months' base salary will be made.

For the purposes of this clause the definition of base salary is the component left after the value of any benefit, for example a car park, performance pay or at risk component has been deducted from the employee's total remuneration figure as outlined under clause 4.2.

Additional period of notice as outlined in clause 4.6.1 Notice (grandparented for some employees) may also apply.

4.7.5 Employee protection provision application

This clause applies to any sale, transfer or contracting out of all or part of the activities or operations of the Ministry.

4.7.6 Process

Where the Ministry is contemplating such sale, transfer or contracting out (together a "Transaction") the following process will apply:

- (a) Once Senior Management of the Ministry has evaluated and assessed the costs/benefits of any such Transaction and where the Ministry has developed a proposal to sell, transfer or contract out a particular area of the Ministry's operations or activities which potentially impacts on the employee's employment, the Ministry will consult with the employee in accordance with clauses 2 and 4.7.2 of this Agreement.
- (b) Where, following such consultation it has been determined to proceed with the Transaction, the Ministry will endeavour in its negotiations with the potential new employer, to protect the employee's interests by:
 - (i) exploring with the potential new employer whether it is in a position to offer the employee employment on terms and conditions of employment that comply with clause 4.7.3 of this agreement if the transaction proceeds; and
 - (ii) where the proposed transaction is not able to be concluded on the basis in paragraph (b)(i) above, or on a basis whereby the employee is prepared to accept a role with the new employer, the Ministry will endeavour to find a suitable alternative position for the employee prior to resorting to redundancy.
- (c) Where the new employer agrees the Ministry facilitate a meeting between the new employer and the PSA at the earliest opportunity.

4.7.7 Matters to be negotiated

The matters relating to the employee's terms of employment that the Ministry will negotiate with the new employer will be those set out in this agreement and the employee's letter of offer and for the avoidance of doubt, will not include any matters contained in Ministry policies or any other discretionary benefits of employment but will include any grand parented provisions an employee may have.

4.7.8 Entitlements of non-transferring employees

Where, following the negotiations with the new employer, a Transaction is to take place, and the employee is either not offered employment with the new employer or the employee has declined an offer of employment, the following process will apply:

- (i) Where no offer of employment is made by the new employer, the Ministry will explore redeployment options for the employee and endeavour to identify a similar role for the employee with the Ministry on no less favourable terms of employment overall than those contained in this Agreement. If such a role is identified and offered to the employee and the employee declines it, the employee will be made redundant without compensation; and
- (ii) Where an offer of employment is made by the new employer which complies with clause 4.7.3 but the employee declines such offer, the employee will be made redundant and will not be entitled to any redundancy compensation.

Where the employee is made an offer of employment by the new employer on terms and conditions that do not comply with clause 4.7.3 the employee will be entitled to decline the offer and receive redundancy compensation and any other entitlements in accordance with the terms of this agreement. However, if the employee accepts such an offer, the employee will not be entitled to redundancy compensation.

Note: Nothing in the above clause applies where your employment is transferred within the Public Sector pursuant to the terms of the State Sector Act 1988.

5. Signatory parties

Debbie Power
Chief Executive
Ministry of Social Development
Date:

Kathy Higgins
Organiser
Public Service Association
Date:

6. Appendices

6.1 Appendix One - Employment relationship problems (including personal grievances)

It is in the interests of both the Ministry and employees that employment relationship problems are resolved in good faith and as close to the point of origin as possible. Where an employment relationship problem is identified by either the employee or the Ministry, reasonable steps must be taken to notify the other person(s) involved of the issue.

Once a problem has been identified, reasonable steps will be taken by all persons involved to resolve the issue. If the issue cannot be resolved, either the employee or the Ministry may seek the assistance of a mediator. The mediator will be mutually agreed as an appropriate person to assist. The Ministry will meet the costs of the mediator.

The Mediation Service of the Ministry of Business, Innovation and Employment may be accessed.

The Ministry prefers that employment relationship problems are resolved without requiring the use of these institutions, but this clause does not prohibit the employee or the Ministry accessing them in the first instance.

In the case of a personal grievance, the employee must raise the grievance with the appropriate manager within 90 days of the date that the alleged action occurred or came to the notice of the employee. If the employee wishes to raise a personal grievance more than 90 days after the alleged action, the employee must either seek the agreement of the Ministry or apply to the Employment Relations Authority to do so.

6.2 Appendix Two -Remuneration Ranges

Remuneration Band Cluster	MSD Band	Minimum	Midpoint	Maximum
Managers and Senior Specialists 80% - 120% 1 July 2018	MSS01	\$ 56,612	\$ 70,765	\$ 84,918
	MSS02	\$ 65,329	\$ 81,661	\$ 97,993
	MSS03	\$ 78,027	\$ 97,534	\$ 117,041
	MSS04	\$ 85,749	\$ 107,186	\$ 128,623

6.3 Appendix Three - Grandparented provisions

These grandparented provisions apply to those employees covered by this Agreement as at the date of ratification and who had some, or all, of the provisions listed below in their individual employment agreement on that date.

6.3.1 Ministry Days

On an annual basis employees will be entitled to receive three days leave which will normally be taken in the period between Christmas and New Year. Where an employee is required to work during this period then they may transfer these three paid leave days to be taken within three months at a time to be mutually agreed between them and their manager.

Part-time employees would be entitled to these days on a pro rata basis where they fall on a day normally worked by the employee.

6.3.2 Notice period

Unless varied by mutual agreement, three months' notice of the termination of employment is required by either the employee or the Ministry.

The Chief Executive may also, at her/his discretion; approve the termination of the employee's employment on medical grounds.

In the case of serious misconduct the Chief Executive may dismiss the employee and terminate this agreement with less than three months' notice, or without notice.

6.3.3 Change and redundancy compensation

Note: clause 3.1 below is identical to clause 4.7.2 and is replicated here to provide context for the grandparented redundancy compensation in clause 3.2.

6.3.4 Change

The primary focus of these change provisions is to retain people in jobs. This will be achieved when the skills and resources of current staff are utilised and developed to the maximum extent possible.

If at any particular time during the term of this agreement either;

(a) The Ministry is abolished, or the size or responsibilities of the Ministry are so altered, that the employee's functions, responsibilities, duties and powers become significantly different in content or size; or

(b) As a result of any review of the operation or management of the Ministry or any part of it, the employee's position is abolished or the employee's function responsibilities or duties become significantly different in terms of content or size;

The Ministry may, after consultation with the employee, and having exhausted all reasonable options for reassignment, terminate this Agreement. In that event the Ministry will offer the employee not less than three months' notice on salary to that effect.

During the notice period, both the Ministry and the employee will make reasonable efforts to locate suitable alternative employment in the Public Service or the State Sector. In the event that a reasonable offer of alternative employment is made, the Ministry's responsibilities under these provisions are fulfilled. The offer of a position in the same location and with comparable duties, responsibilities and remuneration level will constitute a reasonable offer for the purposes of this provision.

The Ministry and the employee may instead agree to any other arrangement.

Where the offer of an alternative position involves a transfer of location, assistance with transfer expenses will be provided on the basis that the employee should not suffer financial loss as a result of reasonable expenses.

Where no reasonable offer of an alternative position has been made by the expiry of the notice period, and no alternative arrangements have been agreed, the employee will be offered a redundancy payment calculated in accordance with the table below.

6.3.5 Redundancy compensation

Complete years of continuous service in the Public Service	Level of redundancy compensation (provided that the total payments will not exceed \$50,000)
Less than 1 year	Nil
1 year	1 month's base salary
2 years	2 months base salary
3 years	3 months base salary
4 years	4 months base salary
5 years or more	6 months base salary + 1 week's base salary for each complete year of service beyond 5 years.

Outstanding annual leave and long service leave may be separately cashed up.

In addition to the redundancy payment provided for in the table above, an employee in receipt of a redundancy payment will be also paid retirement leave on the basis of clause 4 below.

6.3.6 Retirement leave

Subject to other provisions in this Agreement providing for early termination of employment, including those provisions relating to unsatisfactory performance, serious misconduct or medical retirement, an employee may continue in the employ of the Ministry and will not be required to retire at any particular age. If wishing to retire an employee must give the required notice.

Retirement Leave is paid on the basis that the employee will be departing the paid workforce on a permanent basis, and the employee will be required to supply certification to this effect.

Where the employee's retirement (i.e. permanent departure from the workforce) has been accepted, if the employee has 10 years' continuous service in the New Zealand Public Service the employee will be granted retirement leave of 22 days.

This entitlement increases by 4 days for each year (or part year) of service until the beginning of the 21st year of service, when a maximum of 66 days retirement leave is reached. From the beginning of the 26th year of service the entitlement is 70 days retirement leave increasing by 4 days each year (or part year) of service to a maximum of 130 days retirement leave. All service is calculated on the basis of a calendar year, calculated from the date of your commencement of service.

Retirement leave will be paid as a lump sum, except when the leave is anticipated under the provisions below.

6.3.7 Anticipated retirement leave

After 20 years continuous service in the New Zealand Public Service the employee will be entitled to anticipate retirement leave, provided that the necessary adjustment will be made to the employee's final pay if the employee resigns before the entitlements fall due.

Anticipated retirement leave must be taken as leave of absence and cannot be "cashed up".

6.3.8 Medical retirement

An employee may apply to or be required to retire on medical grounds. Retiring on medical grounds is at the discretion of the Ministry.

If the employee's employment is terminated on medical grounds then the employee will be granted a minimum of 65 days retirement leave. This is increased by 4 days per year or part year of service for more than 25 years' service, to a maximum of 130 days. In other cases retirement leave may be granted as stated above.