



# MINISTRY OF SOCIAL DEVELOPMENT

*Te Manatū Whakahiato Ora*

## **Service Delivery Collective Agreement**

**1 November 2018 to 31 October 2020**



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

# Service Delivery Collective Agreement

1 November 2018 to 31 October 2020

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## **1. MSD PSA Relationship**

### **1.1 Introduction**

This Collective Agreement (CA) provides minimum terms and conditions of employment for PSA members covered by the Service Delivery C.A. at the Ministry of Social Development.

This collective agreement should be managed and applied with good faith and with the same intent as the relationship agreement (MIPPS) between MSD and PSA.

The parties to this collective agreement recognise that their interests are mutually dependant. Our relationship agreement sets out the principles and provides a framework for the way we work together.

### **1.2 Ngā Kaupapa**

MSD, PSA and Ngā Kaitūhono agree that they will use these principles to help guide and support The Ministry and PSA in implementing this collective agreement.

Ngā Kaitūhono and PSA have eight principles which give a cultural insight into Te Ao Maori, collectively referred to as Ngā Kaupapa.

The following Ngā Kaupapa principles outline the underpinning engagement behaviours:

- Rangatiratanga: empowering Māori leadership
- Whānaungatanga: encouraging personalisation and high trust
- Kaitiakitanga: protecting Māori to secure working conditions and cultural identity
- Manaakitanga: encouraging health and well-being in the workplace
- Wairuatanga: promoting cultural behaviour
- Whakahiato Umanga: career development
- Whakamana: developing effectiveness
- Kotahitanga: building solidarity and unity

### **1.3 Relationship principles**

Service Delivery management and staff and the PSA's relationship is based on the following underpinning principles and expectations:

- Respect for the independence of each organisation, including recognition of each other's specific responsibilities and accountabilities and their mutual and differing interests;
- That wherever possible issues are resolved at the lowest level close to where they arise;
- Acknowledgement that as the collective representative and leader of its members in the Ministry, the PSA is a key stakeholder in the Ministry;
- A relationship based on honesty and 'no surprises';
- Information sharing;
- Timely and effective participation in decision-making processes;
- Advancing the effectiveness of the Ministry and its ability to provide quality services and outcomes for both clients and employees, and to manage within the resources available and meet its statutory obligations;
- The use of a problem-solving approach to address issues aiming to build a view that is generally acceptable; and
- An undertaking to engage with each other in good faith at all times.



## **2. Collective agreement formalities**

### **2.1 Introduction**

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

### **2.2 Coverage**

This agreement covers positions that come within the Service Delivery Business Unit, except those positions excluded below.

The following positions are excluded from coverage:

- Positions that have Financial Delegations\* levels 1–4; or
- Positions that have Management and Human Resources Delegations\* levels 1–6; or
- Positions that are covered by: the Child, Youth and Family Collective Agreement; or the National Office and Ministry of Youth Development Collective Agreement.

\* The current Financial, Management and Human Resource Delegations for the Ministry of Social Development document are dated 29 September 2010. The coverage of this agreement shall not extend to or include any new positions that come into effect during the term of this agreement that are assigned delegations at the above level of financial and/or management and human resources delegations. In addition, if during the term of this collective agreement the Ministry revises its delegations document, this agreement shall not extend to or include any position that has an equivalent level of delegation or responsibility than was the intention of the delegations document dated 29 September 2010.

Where there is any uncertainty over the coverage of this collective agreement, the issue will be discussed, and resolution reached between the Ministry of Social Development and the PSA.

### **2.3 Parties**

Employer Party:

- The Chief Executive of the Ministry of Social Development (MSD).

Union Party:

- The Public Service Association Te Pūkenga Here Tikanga Mahi Inc (PSA).

### **2.4 Application**

This collective agreement binds and is enforceable by:

- MSD;
- The PSA; and
- Employees of MSD:
  - Who are or who become members of the PSA; and
  - Whose work comes within the coverage clause of this agreement.

The terms and conditions of employment contained in this collective agreement will also continue to apply to employees bound by the collective agreement when the employees are working for MSD at an overseas location on a short-term basis.

## **2.5 Variations**

The provisions of this agreement may be varied in the following manner:

- The initiator of a proposal to change the provisions of this agreement will begin bargaining for a variation by notifying the other party of the proposal and the procedure for ratification;
- Where positions covered by this agreement are directly affected by the proposed changes, MSD and the PSA will negotiate in good faith and seek to agree on the changes (the proposed variation) to the provisions of this agreement;
- Any proposed variation of the provisions of this agreement will be recorded in writing;
- MSD and the PSA will use best endeavours to agree which positions covered by this agreement are directly affected by the proposed variation of the provisions of this agreement; and
- Unless the PSA advises MSD at the beginning of bargaining for a variation of this agreement of a different ratification procedure, the proposed variation of the provisions of this agreement will be ratified when a simple majority of PSA members who vote agree to the variation, and those entitled to vote will be those PSA members who are affected by the proposed variation.

Any ratified variation will be recorded in writing and appended to and become part of this agreement.

## **2.6 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.

## **2.7 Integrity**

It is the intention of the parties, unless specifically agreed, that this agreement should not lessen conditions.

It is also recognised by the parties that the rewrite/development of this collective agreement may have resulted in errors caused by the:

- Omission of clauses; or
- Deletion, addition or restructuring of wording that results in the intent of the original clauses being lost or altered.

Where such an error is identified, it is agreed that the matter will be referred to the Working Group (MSD and PSA representatives) responsible for the development of this agreement.

The Working Group may:

- Agree that the original intent applies; or
- Clarify and confirm the new intent; and/or
- Agree that the necessary alterations may be entered into the collective agreement and ratified as variations of this agreement.

## **2.8 Term**

This collective agreement will come into force on 1 November 2018 and will expire on 31 October 2020.

The parties note that the Terms of Settlement for this collective agreement includes a commitment to completing a Work Programme during the term, including provision for engagement with the PSA.

### **3. The working environment**

#### **3.1 Treaty of Waitangi and Māori perspective**

The Ministry is committed to fulfilling its Crown obligations and upholding the principles of the Treaty of Waitangi in partnership with Māori. This involves being responsive to the needs and perspectives of Māori in every facet of its business and day to day practice. MSD will involve Māori employees in the design and implementation of policies and practices to develop the capability of the organisation in order to deliver appropriate quality services to Māori.

##### **3.1.1 Recognition of Tikanga Māori and Te Reo skills**

The employer shall take into account for purposes of recognition proficiency in Te Reo where the needs of a job demand such skills. Where employees are called upon by MSD to use Tikanga Māori and Te Reo Māori in circumstances outside their job requirements and where such duties are above and beyond the normal requirements of the employee, MSD may recognise such contributions either financially or otherwise.

Examples of recognition could include preparation time, resources in support, funds for kai for manuhiri (visitors), paid time off/discretionary leave

#### **3.2 Equal employment opportunities**

The aim of MSD is to have an inclusive, respectful and responsive organisational culture that enables access to work, equitable career opportunities and maximum participation for members of designated groups and all employees.

#### **3.3 Career development**

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

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

Career development opportunities can be:

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

#### **3.4 Official Languages**

The Ministry acknowledges their role in promoting and supporting the knowledge and use of New Zealand's official languages (Te Reo Māori, New Zealand Sign Language, and English). Employees can seek approval to access funding to meet the costs and as appropriate time to attend classes/courses.

#### **3.5 Personal information**

Employees may access their own personal information in accordance with the Privacy Act 1993.

### **3.6 Code of Conduct and other Ministry policies**

The Ministry has a Code of Conduct that sets out its standards of conduct for staff. There are also other Ministry policies setting standards of behaviour that are issued by the Ministry. The standards outlined in these documents must be adhered to at all times. Employees have access to copies of the Code of Conduct and policy documents and are responsible for ensuring that they are familiar with these and comply with them. The Code of Conduct and the policies of the Ministry may be amended from time to time by the Ministry.

### **3.7 PSA representation**

The Ministry acknowledges and recognises the PSA, its officers and officials and delegates as representatives of the union in the workplace. This includes recognising the PSA's right to represent independently the collective interest of members and the responsibility of the Chief Executive to manage their agency under legislation.

The Ministry acknowledges that the good faith provisions under the Employment Relations Act 2000 apply to access to the workplace by unions. PSA representatives may enter the workplace for purposes relating to members' employment and/or union business. The PSA representative accessing the workplace will follow the agreement as outlined in the MSD/PSA Modern, Innovative and Productive Public Services Agreement and Toolkit.

PSA delegates will have time, resources and access to education to carry out their role as agreed under the Ministry and the PSA Modern, Innovative and Productive Public Services Agreement and Toolkit.

The Ministry shall deduct PSA fees with the consent of a PSA member from their wages or salary and shall remit the same (less the deduction of the 2.5 per cent administration fee) to the PSA along with a schedule of names of contributing members on a regular basis. Where an individual has requested confidentiality, the PSA shall not pass their name to the Ministry.

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

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 are entitled to paid attendance at two union meetings each of a maximum of two hours in each calendar year. At each meeting an attendance register will be completed and provided to the Ministry. For clarification, meetings held jointly by PSA and Ministry representatives will not be regarded as union meetings for the purpose of this clause.

#### **3.7.1 Modern, Innovative and Productive Public Services (MIP) – constructive engagement**

Service Delivery management and staff and the PSA recognise that their interests are mutually dependent. In 2010, the Ministry of Social Development and the PSA reframed their Partnership for Quality Agreement with a focus on modern, innovative and productive public services. Our MIP agreement sets out the principles and provides a framework, work programme, structure and processes for engagement between the PSA and the Ministry across all of its service lines.

### **3.8 Flexible Working Arrangements**

The Ministry supports the provision of flexible working arrangements, as it recognises that employees have diverse needs and preferences when it comes to when and where they work.

Where possible, employees should be given the opportunity of working flexible hours, days, patterns and/, or locations of work.

Any requests will be considered and accommodated to the extent that is practicable, given operational requirements

### **3.9 Gender Pay Principles**

The Ministry and PSA are committed to the Gender Pay Principles for the state sector ([www.women.govt.nz/GenderPayPrinciples](http://www.women.govt.nz/GenderPayPrinciples)), in order to ensure the work environment, including remuneration, is free from gender-based inequalities. These are:

- Freedom from bias and discrimination - Employment and pay practices are free from the effects of conscious and unconscious bias and assumptions based on gender.
- Transparency and accessibility - Employment and pay practices, pay rates and systems are transparent. Information is readily accessible and understandable.
- Relationship between paid and unpaid work - Employment and pay practices recognise and account for different patterns of labour force participation by workers who are undertaking unpaid and/or caring work.
- Sustainability - Interventions and solutions are collectively developed and agreed, sustainable and enduring.
- Participation and engagement - Employees, their unions and agencies work collaboratively to achieve mutually agreed outcomes.

## 4. Hours of Work

### 4.1 Introduction

The purpose of these hours of work provisions is to allow the flexibility for employees to carry out their work while ensuring that these arrangements do not adversely affect the employee, their partner and/or their dependants

### 4.2 Full-time and part-time hours

The standard hours of work for full-time employees are 37 hours and 55 minutes per week (typically worked as seven hours and 35 minutes per day over a five day week). The hours of work will be specified within each employee's letter of offer. Part-time employees are employed to work less than 37 hours 55 minutes per week.

#### 4.2.1 Flexible hours

Employees may vary their usual start and finish times within their business unit's hours of operation where this is convenient to MSD and the employee.

Wherever possible, employees should be given the opportunity to work flexible hours.

### 4.3 Hours of operation

#### For employees appointed on or after 1 July 2010:

Standard hours of work are between Monday – Friday 6.55am – 9.00pm.

Non-standard working patterns\*\* are between Monday – Saturday 6.30am – 10.00pm

Fraud Intervention Unit – based on requirements of the position, Investigators will manage their standard hours between Monday – Friday 6.30am – 10.00pm

**For employees appointed prior to 1 July 2010:** refer to the tables below for specific variations:

Table 1

<i>Business Unit</i>	<i>Qualifying period</i>	<i>Standard Hours / Non-standard working pattern</i>	<i>Days</i>	<i>Times</i>
Service Delivery (excluding those groups listed below)	Appointed prior to 1 July 2010	Standard	As specified in letter of offer or agreed variation. Where not specified:	
			Monday – Friday	8.00am – 5.00pm
		Non-standard	As specified in letter of offer or agreed variation. Where not specified:	
			Monday – Friday	7.00am – 9.00pm
Saturday	8.00am – 6.00pm			

Table 2

<b>Business Unit</b>	<b>Qualifying period</b>	<b>Standard Hours / Non-standard working pattern</b>	<b>Days</b>	<b>Times</b>
Previously employed in Work & Income Contact Centres				
Contact Centres	Appointed on or before 30 June 2005	Standard*	Monday - Friday	6.55am – 6.15pm
			Saturday	7.55am – 6.00pm
	Non-standard	Monday - Friday	6.55am – 9.00pm	
		Saturday	7.55am – 6.00pm	
Employed prior to 14 October 2002	Standard	Where established standard hours of work are worked over five consecutive days, will receive two consecutive days off per week. The entitlement to two consecutive days off may be varied by mutual agreement between the employee and their manager. Any changes to these established individual hours of work (including the days off) will be agreed, set out in writing and signed by the employee and their manager.		
Central Processing Unit	Employed prior to 30 June 2005	Standard*	Monday - Friday	7.00am – 6.00pm
			Monday - Friday	7.00am – 9.00pm
		Non-standard**	Saturday	8.00am – 6.00pm

Table 3

<b>Business Unit</b>	<b>Qualifying period</b>	<b>Standard Hours / Non-standard working pattern</b>	<b>Days</b>	<b>Times</b>
Previously employed in Work & Income Contact Centres (including Central Processing Unit) and StudyLink (excluding Outreach Centres)	Appointed on or after 1 July 2005	Standard*	Monday - Friday	6.55am – 10.00pm
			Saturday	7.55am – 6.00pm
Seniors Support Centre	Appointed on or after 1 July 2010	Standard	Staff shall retain the hours of work provision that was applicable prior to this date - which were:	
Seniors Support Centre	Appointed prior to 1 July 2010	Non-standard**	Monday - Friday	8.00am – 5.00pm
			Monday - Friday	7.00am – 9.00pm
			Saturday	8.00am – 6.00pm
StudyLink	Temporary or casual staff	Standard	Monday – Sunday	6.55am – 10.00pm
	Rostered employees		The Ministry will provide an opportunity for employees to advise their preferred hours prior to determining the roster. Where possible, the Ministry will consider staff preferences prior to determining the roster. Staff understand and acknowledge that there is no guarantee that they will receive their preferred hours. The final determination of the roster will be set for the Ministry's operational requirements and client needs.	

Table 4

<b>Business Unit</b>	<b>Qualifying period</b>	<b>Standard Hours / Non-standard working pattern</b>	<b>Days</b>	<b>Times</b>
Previously employed in StudyLink – Student Support Centres and Contact Centres	Appointed on or before 30 June 2005	Standard	Monday - Friday	7.00am – 10.00pm
		Non-standard***	Monday – Sunday	7.00am – 10.00pm
		Flexible hours	Monday - Sunday	6.00am – 10.00pm

\*Standard hours - may include working the standard weekly hours (37 hours and 55 minutes) over any four or any five, or over all six days of the week, Monday to Saturday (eg Monday, Tuesday, Thursday, Friday and Saturday; or Monday, Tuesday, Wednesday afternoon, Thursday, Friday and Saturday morning).

\*\*Non-standard work patterns may include working the standard weekly hours (37 hours and 55 minutes) over four or five days of the week, Monday to Saturday.

\*\*\*Non-standard work patterns may include working the standard weekly hours (37 hours and 55 minutes) over four or five days of the week, Monday to Sunday.

#### **4.4 Patterns of Work**

Any changes to an employee's standard individual hours of work, including the days those hours are worked, will be by mutual agreement and set out in writing and signed by the employee and their manager.

The standard hours under any non-standard work pattern may not be less than four hours and may not exceed 10 hours per day.

With the exception of Contact Centre staff, employees will be entitled to two consecutive days off per week.

#### **4.5 Additional hours**

##### **4.5.1 Definition**

Additional hours are defined as all authorised time worked in excess of:

- Eight hours per day; or
- The individual employee's standard or non-standard daily hours where these hours are more than eight hours per day; or
- 40 hours per week.

The above criteria apply to both full-time and part-time employees.

Where a part-time employee works on Saturday and/or Sunday and these days do not form part of their standard individual hours of work, they will be paid in accordance with the rates in clause 4.5.2.

##### **4.5.2 Application**

Where the criteria in clause 4.5.1 are met, the additional hours will be paid for at the rate of time and a half for the first three hours and double time thereafter. Double time will be paid for all authorised additional hours worked:

- After midday Saturday (where Saturday is not a normal day of work for the employee) and all day Sunday; or
- Between 10pm and 6am on any day of the week.



Alternatively, in lieu of the above payments and by mutual agreement, employees can receive equivalent paid time off or be paid a regular overtime allowance.

Note: The above additional rates do not apply where any of the additional hours fall within an employee's standard individual hours of work as defined in in the tables above.

Where an employee is required to work on a day off, they will receive a minimum payment of three hours at the appropriate rate.

#### **4.5.3 Restrictions on additional hours' payment**

An employee whose annual base salary plus higher duties allowance exceeds the gross value of 110% of salary band E is not eligible to receive additional hours' payments, except where hours worked are as a result of being called back to work while on call. In this case the call back clause shall apply.

#### **4.6 Rest and meal breaks**

Employees are entitled to a reasonable paid rest break each morning and afternoon and an unpaid meal break of not less than half an hour during their normal working day. The timing of these breaks should take into account the needs of clients as well as the requirements for employee health and safety.

MSD will provide tea, coffee, milk and sugar for rest and meal breaks.

#### **4.7 On call**

Participation in on call will be voluntary. An employee who is required to be on call will be paid an allowance of \$30 gross per day or part thereof. A day is defined as 24 hours from the commencement of being on call. When an employee is on call and is called back to work, they will be entitled to the call-back provision in clause 4.8.

#### **4.8 Call back**

An employee who is called back to their place of work will be paid a minimum of three hours at the appropriate rate. The appropriate rate for employees called back to work is:

- Where the employee's annual gross base salary plus higher duties allowance is equal to or less than 110% of salary range E, payment will be in accordance with clauses 4.5.1 and 4.5.2; and
- Where the employee's annual gross base salary plus higher duties allowance exceeds 110% of salary range E, payment will be at time one.

All call backs during a single three-hour period will be considered part of the minimum call back period until the employee has exceeded three hours' call back. For clarity, travel time is included within the three-hour minimum.

## **5. Remuneration**

### **5.1 Introduction**

The purpose of this section is to describe the principles and objectives for remuneration in MSD. Further information of the processes and procedures is provided on the Ministry's intranet and in the MSD/PSA Guidelines to the Collective Agreement: Service Delivery Collective Agreement.

Current remuneration ranges are set out in the MSD Remuneration site on the Ministry's intranet. The current ranges are contained in Appendix A to the Collective Agreement. Should either party identify the need for change then the Ministry and the PSA will work together with the objective of reaching a consensus on the proposed change. The Ministry will not make any changes without using best endeavours to achieve this objective.

Appendix A will be updated to reflect any outcomes from the collective bargaining process.

### **5.2 Principles**

The remuneration policy of MSD is underpinned by the following principles:

- Is fair, equitable and easy to use;
- Encourages and supports staff to develop and strive to achieve the Ministry's goals;
- Rewards performance and individual contribution;
- Reflects the competencies and responsibilities of each position;
- Enables the recruitment and retention of appropriately skilled staff;
- Takes into account external remuneration data, government guidelines and internal relativities between positions;
- Is affordable; and
- Contributes to enhancing the capability of the Ministry.

There will be no regression of base salaries or of remuneration ranges as a result of the reviews of remuneration.

### **5.3 Appointment to remuneration ranges**

Employees will be paid salaries in accordance with the remuneration ranges for their positions. An employee will be advised of their individual salary in writing on the commencement of their employment.

## **6. Coaching and Performance Development**

Each employee's individual performance will be assessed in accordance with the MSD Coaching and Performance Development system.

The Coaching and Performance Development system will include:

- Development planning
- Coaching
- Performance Assessment

There will be no regression of base salary as a result of the application of the Coaching and Performance Development system.

A full description of the process and the criteria is published on the Ministry's intranet. This has been developed in accordance with the performance management principles.

The system for Coaching and Performance Development will be monitored and reviewed by MSD and the PSA on a regular basis.

As part of this review, the PSA will be consulted with the aim of reaching consensus on any proposals to amend the process for the Coaching and Performance Development system

## **7. Allowances**

### **7.1 Additional duties**

#### **7.1.1 Higher duties**

Where an employee is required to perform the duties of a higher-level position for a minimum of five consecutive working days, they will be paid an allowance equivalent to the difference between their usual salary and the salary they would receive if appointed to the higher-level position. Where an employee qualifies for this allowance, the payment will be effective from the date the higher duties were first performed.

Where an employee is required to perform only some of the duties of a higher-level position, they will be paid a proportional amount of the higher duties allowance or receive some other form of recognition.

In the event that the employee is subsequently promoted to the higher-graded position, the appointment may be effective from the date the higher duties were first performed.

An employee is not entitled to the payment of overtime when they are receiving a higher duties allowance for acting in a position that does not qualify for the payment of overtime.

Where an employee is acting in a higher-designated position and works approved overtime, which is based on work they would normally do in their substantive position, they will be paid overtime at their substantive position rate and under the same conditions as the applicable additional hours clause.

#### **7.1.2 Extra duties**

A proportional payment of the higher duties allowance or some other form of recognition will be made where an employee is required to perform some duties in addition to their normal work.

## **7.2 Meal allowances**

### **7.2.1 Additional hours**

An employee will be paid a meal allowance of \$15.00 where they either:

- Work two or more additional hours' overtime at the completion of their normal day's work; or
- Work five or more additional hours on a weekend or their normal day off and during the period of overtime an unpaid meal break is taken.

### **7.2.2 Other meals**

Where an employee has a meal with a client or is working away from their normal place of work in the evening, they will be reimbursed on an actual and reasonable basis.

## **7.3 Travel**

### **7.3.1 Overnight travel**

The employer will reimburse staff for all reasonable expenses (the purposes of which have been approved) incurred solely in respect of work with the Ministry, including approved and agreed activity under the Modern, Innovative and Productive Public Services Agreement.

It is agreed that no employee should be out of pocket, nor should they profit in respect to expenses related to their work for the employer, or any other approved activity.

Employees required to travel in New Zealand on official business shall be paid:

- Actual and reasonable accommodation costs for overnight travel (receipts required);
- Actual and reasonable reimbursement for meals (receipts required), as a guide one telephone call home per 24-hour period; and
- An incidentals allowance of \$8 may be claimed for each night of overnight travel.

If an employee has a Ministry cellphone, they agree to use that phone for the call home referred to above.

The employee's overnight and travel and accommodation arrangements shall be confirmed by their manager or appropriate person in the Ministry in advance. The Ministry shall arrange travel and accommodation whenever possible.

Employees travelling away overnight may elect an advance in accordance with the financial policy.

### **7.3.2 Staying privately**

Subject to the employer's prior approval, which should not be unreasonably withheld, where an employee is required to travel for business reasons and stays privately, the allowance for accommodation, meals and incidentals will be \$63 per day for each 24-hour period and \$35 for each period less than 24 hours. Anyone staying for the purposes of qualifying for this allowance must not exceed 14 consecutive days. No other payment will be made and it is up to the host and the employee to agree on the amount paid to the host. Any arrangements entered into between the employee and the host will not be the responsibility of the Ministry.

This allowance is in lieu of any claim by an employee for meals, incidentals, gift for host (koha) or accommodation expenses.

The employee's selection will be confirmed with their manager or the appropriate person within the Ministry before travel arrangements are made.

### **7.4 Secondments and relieving allowance**

From time to time the Ministry may have secondment and relieving opportunities that an individual employee may wish to consider. The Ministry seeks to encourage and provide opportunities for career development through the provision of secondment/relieving opportunities for MSD employees. When the proposed opportunity involves an employee working outside their substantive location, the manager offering the opportunity will negotiate and agree an arrangement with the employee prior to commencement.

The parties agree and acknowledge that the best outcomes in agreeing a secondment/relieving arrangement will occur when this is based on the following principles:

- All secondment/relieving arrangements are negotiated and agreed prior to commencement;
- The arrangement negotiated reflects the needs of the individual;
- The arrangement is fiscally sound and can withstand external scrutiny;
- The individual is not advantaged or disadvantaged financially through the arrangement; and
- The agreement negotiated has integrity and reflects actual costs/expenses incurred.

#### **7.4.1 Short-term secondments/relieving**

Where a secondment/relieving arrangement is reasonably short term, that is for a total duration of up to eight weeks, the following provision will apply.

Where an employee is on a secondment including relieving that necessitates their being away from home for a continuous minimum period of 14 days up to eight weeks they will receive:

- Actual and reasonable accommodation costs;
- Where the period of secondment/relieving is greater than four weeks, one return trip home at the Ministry's expense; and
- An allowance for meals and incidentals of \$49 for each 24-hour period and \$28.50 for each period of less than 24 hours.

Where a short-term secondment/relieving arrangement is extended beyond a further two-week period, the employee's manager will negotiate with the employee a new arrangement in accordance with the provision for long-term secondments/relieving in clause 7.4.2.

#### **7.4.2 Long-term secondments/relieving**

For a secondment/relieving opportunity in excess of eight weeks' duration, the manager and the employee will discuss options from the following menu. In negotiating and agreeing the arrangements, the following principles will be considered:

The options agreed will:

- Reflect the duration and nature of the secondment/relieving opportunity;
- Reflect the needs of the Ministry; and
- Balance the employee's needs wherever possible with the cost to the Ministry.

Possible menu options may include, but are not limited to:

- Accommodation arrangements, eg private, longer-term rentals, accommodation outside the secondment/relieving location;
- Reimbursement of childcare/eldercare costs;
- Travel home on a fortnightly/monthly basis;
- A weekly allowance of up to \$150 per week based on seven days;
- Local travel cost assistance if accommodation is outside the secondment/relieving location; and
- Any other actual and reasonable expenses.

#### **7.5 Expenses for dependant care**

Where an employee is required to work such additional hours (including short-term secondments/relieving as per clause 7.4.1) or stay away overnight as per clause 7.3.1 and this results in extra costs for the care of dependants, the extra amount will be reimbursed on an actual and reasonable basis.

#### **7.6 Reimbursing expenses**

##### **7.6.1 Expenses**

MSD will reimburse an employee for actual and reasonable expenses arising out of the performance of their work.

## **7.6.2 Changes in the workplace**

MSD will pay the additional travel costs based on public transport rates for a period of one year where an employee:

- Is engaged in a metropolitan area;
- Is required to move from one office to another within the same metropolitan area on a permanent basis; and
- This involves additional travelling time of 15 minutes or more by public transport.

## **7.7 Other allowances**

### **7.7.1 Interpretation**

Where an employee is paid an annual salary of less than \$25,232, they will be paid a proportional allowance equivalent to the difference between their actual salary and \$25,232 during any period when they are engaged in casual interpreting duties.

This payment will have no application where:

- Interpreting is a normal expectation of the job; or
- Competence in a relevant language has been taken into account in the appointment of the employee and the grading of the position.

### **7.7.2 Annual practising fees**

MSD will pay for the costs of admission fees, registration and/or annual practising fees where the qualification or certificate is a requirement for the performance of an employee's duties.

### **7.7.3 Vehicle allowance**

Where by mutual agreement an employee uses their own vehicle for work purposes, they will be paid a motor vehicle reimbursement in accordance with the Inland Revenue rates, as adjusted from time to time.

Alternatively, an employee may reach agreement with their manager on a different arrangement for a vehicle allowance.

## **8. Public Holidays and Annual and Long Service Leave**

### **8.1 Public holidays**

#### **8.1.1 Application**

Public holidays will be allowed in accordance with the Holidays Act 2003.

The recognised public holidays are:

Christmas Day (M\*)

Boxing Day (M\*)

New Year's Day (M\*)

2 January (M\*)

Waitangi Day (M\*)

Good Friday

Easter Monday

ANZAC Day (M\*)

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.

M\* - If this public holiday falls on a Saturday or Sunday and that day would not otherwise be a working day for the employee the holiday is transferred to the following Monday. If the public holiday falls on what would otherwise be a working day for the employee, the public holiday remains on that day.

#### **8.1.2 Payment for working on a public holiday**

Where an employee agrees to work on any part of a public holiday they will be paid double time for all hours worked, with a minimum payment of three hours at that rate.

#### **8.1.3 Alternative paid holiday**

Where an employee agrees to work on any part of a public holiday that would otherwise be a working day for the employee, the employee will be entitled to an alternative paid holiday in addition to the payment under clause 8.1.2.

Payment for the alternative holiday will be the employee's relevant daily pay for the day that is taken as the alternative holiday. The alternative holiday will be taken on a day that is agreed between the employee and their manager and within 12 months of the entitlement having arisen.

Where a public holiday falls on a full-time employee's day off, the employee will receive the equivalent time off.

Public holidays falling within a period of paid leave will not be debited against the leave.

### **8.2 Annual leave**

#### **8.2.1 Entitlement to annual holidays**

Annual holidays will be allowed in accordance with the Holidays Act 2003. Full-time employees will be entitled to annual leave as follows.

*Employees appointed on or after 19 August 2010 date of signing of this agreement:*

- On completion of one year's continuous service, 23 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 19 August 2010 who were therefore immediately prior to this date bound by the 2008–2010 Work and Income and Students, Seniors and Integrity Services Collective Agreement shall retain the following annual leave provisions, unless they have voluntarily elected to accept the annual leave buy out option as provided for in the Terms of Settlement for the 2010–2013 Work and Income and Students, Seniors and Integrity Services Collective Agreement.

*Employees whose employment commenced on or before 30 June 2009:*

- On completion of one year's continuous service, 23 days per year; and
- On completion of six years' continuous service, 28 days per year.

*Employees whose employment commenced on or after 1 July 2009 and before 19 August 2010:*

- On completion of one year's continuous service, 20 days per year;
- On completion of three years' continuous service, 23 days per year; and
- On completion of six years' continuous service, 28 days per year.

Employees who accepted the voluntary annual leave buy out option will then be entitled to annual leave on the same basis as staff appointed on or after 19 August 2010. Translation arrangements were detailed in the Terms of Settlement for the 2010–2013 Work and Income and Students, Seniors and Integrity Services Collective Agreement.

Annual leave will be pro-rated for staff who work part time.

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. In the absence of agreement, the Ministry may direct when leave is to be taken.

It is expected that each employee will agree an annual leave plan with their manager so as to ensure that leave is managed appropriately. It is expected that at any time an employee should not have accumulated more than five days over their annual leave entitlement, except where the employee and their manager have agreed this within their leave plan. Managers and employees both have a responsibility to ensure that this expectation is met.

An employee may be able to anticipate annual leave by mutual agreement with their manager, to be refunded if necessary on resignation. In determining the amount of leave that may be anticipated, consideration should be given to the needs of both the employee and the Ministry.

### **8.2.2 Payment for annual holidays**

Where an employee takes any period of annual leave, the employee will be paid for the holiday in the pay that relates to the period during which the holiday is taken.

### **8.2.3 Calculation of annual holiday pay**

Payment for annual holidays will be calculated on the greater of:

- The employee's ordinary weekly pay at the time of taking the holiday; and
- The employee's average weekly earnings for the 12 months prior to taking the holiday.

### **8.3 Long service leave**

Employees will be entitled to long service leave as follows:

- Two weeks' holiday on completion of 10 years' continuous service; plus
- One week's holiday after five years' continuous service thereafter.

Long service leave will not be accumulated from one qualifying period to another and will be taken before the next entitlement falls due or be forfeited.

Employees who have completed eight years continuous service may anticipate one weeks' long service leave/holiday in advance of their 10-year entitlement, where approved by their immediate manager. When an employee anticipates this one week's long service leave/holiday and then leaves the employment of the Ministry prior to completing 10 years' continuous service they shall be required to repay in full the one week's long service leave/holiday taken in anticipation. The employee agrees and authorises the Ministry to make a deduction from their final pay the amount in full for the leave which they have anticipated.

## **9. Sick and Dependant Leave**

### **9.1 Sick leave and dependant leave**

Sick leave and dependant leave is calculated on a pro-rata basis in proportion to the percentage of full-time hours that the employee is contractually required to work. Where an employee changes/varies their contractual hours then their entitlement to sick and dependant leave will be recalculated to reflect this, from the date the change in hours takes effect.

#### **9.1.1 Purpose of personal sick leave**

The purpose of sick leave is to protect employees where by reason of illness they are prevented from attending work. Sick leave is to be administered fairly by management and utilised responsibly by employees.

#### **9.1.2 Verification of sick leave and dependant leave**

Where an employee takes in excess of five consecutive days (whether or not the days would otherwise be working days for the employee) because of either personal illness or dependant illness, the employee will provide a medical certificate that:

- Confirms the inability of the employee to attend work due to illness or injury; or
- Confirms the inability of the employee to attend work due to the illness or injury of the employee's dependant; and
- Provides a likely date for the resumption of work.

The employee will be responsible for the cost of the medical certificate and any examination necessary for the certificate to be provided.

The Ministry is concerned for the health and wellbeing of employees. It may therefore require an independent medical assessment of the condition of the employee where the purpose of the assessment is to assess the employee's ability to return to or remain at work. The Ministry will be responsible for the cost of the examination and documentation.

#### **9.1.3 Notice**

Any absence due to illness is to be notified to the employee's manager as soon as possible.

#### **9.1.4 Personal illness**

Personal illness can include both physical and mental illness and injury. It also includes stress-related problems where a medical practitioner has certified that an employee is unable to work.

In the event of personal illness, permanent employees will receive 10 days' paid sick leave per year. Unused sick leave will be carried forward and accumulated to a maximum of 260 days.

Temporary fixed-term employees will receive paid leave in the event of personal illness as follows:

- In the first six months of service, an employee will be entitled to a proportional amount of leave calculated on the employee's number of weeks' service (at the time of taking leave) multiplied by 10 and divided by 52; and
- After six months' continuous service, an employee will be entitled to 10 days per year.

#### **9.1.5 Dependant illness**

Dependant illness leave is to cover short-term situations where an employee is required to care for a member of their household or family who becomes dependent on them as a result of illness, incapacity, accident or other injury. The dependent person does not necessarily have to be living in the same house as the employee.

The provision for such leave is as follows:

- In the first two years of service, as a charge against their own sick leave; and
- On completion of two years' service, up to 10 paid days per year.

Leave for dependant illness cannot be accumulated.

Where the dependant is seriously ill, additional leave may be considered on a case-by-case basis.

#### **9.1.6 Combined 15-day sick leave and dependant leave**

Employees employed by the Ministry as at 30 April 2008, and who accepted in writing an alternative combined sick and dependant leave individual term and condition, shall continue to receive a 15-day combined option as detailed in this clause.

Personal illness can include both physical and mental illness and injury. It also includes stress-related problems where a medical practitioner has certified that the employee is unable to work.

Dependant illness leave is to cover short-term situations where the employee is required to care for a member of their household or family who becomes dependent on the employee as a result of illness, incapacity, accident or other injury. The dependent person does not necessarily have to be living in the same house as the employee. Personal sick leave may be used for dependant illness up to a maximum of four weeks in any 12-month period. The use of personal sick leave for dependant illness in excess of four weeks in any 12-month period may be considered on a case-by-case basis and subject to a manager's approval.

In the event of personal or dependant illness, the employee will receive up to 15 days' paid leave per year. Unused leave will be carried forward and accumulated to a maximum of 260 days.

In addition, to avoid doubt, clause 9.1.8 applies to the misuse of sick or dependant leave when it has been established that the employee has taken sick or dependant leave on an occasion or on a series of occasions where they have not been genuinely ill or injured or had to care for a dependant.

#### **9.1.7 Special circumstances**

Where an employee has used up all their available paid sick leave, any further absence for personal illness is unpaid sick leave. It is only in special circumstances (ie those out of the ordinary) that the manager can consider providing special circumstances sick leave.

Such additional paid sick leave may be provided when an employee becomes seriously ill and does not have enough sick leave to cover that absence. Serious illness includes cases involving an acute illness, serious accident or major surgery.

As an alternative to additional paid sick leave where there are special circumstances and where an employee has insufficient paid sick leave, the manager may consider, on a case-by-case basis, one or more of the additional options:

- Unpaid sick leave;
- Reduced hours; and/or
- Leave on reduced pay.

The employee may need to provide a medical certificate (at their cost) to support their case. The manager may require the employee to undergo an independent medical examination as part of their consideration.

### **9.1.8 Misuse of sick leave or dependant leave**

Misuse of sick leave occurs when it has been established that an employee has taken sick leave on an occasion or on a series of occasions where they have not been genuinely ill or injured. Misuse also includes the incorrect usage of dependant leave as personal sick leave or vice versa.

Where the manager has reason to believe that sick leave has been misused, the manager will notify the employee in writing of the need to meet the employee (and their representative) to discuss their concerns.

Misuse of sick leave may be established by the use of an independent medical assessment.

If proof of sickness or injury is required because there are reasonable grounds to suspect that an employee is using personal sick leave or dependant leave improperly for periods of absence of less than three consecutive days, the cost of the examination and documentation will be met by the employer. For periods of absence of three consecutive days or more, the cost of the examination and documentation is the responsibility of the employee. The Ministry must inform the employee of the requirement for proof as early as possible at the time of, or prior to, the absence occurring.

In the event that it is established that the employee has misused their sick leave, the manager may consider applying one or more of the following options:

- Employee Assistance Programme;
- Future sick leave to be supported by a medical certificate, at the employee's expense; and/or
- Disciplinary action.

The manager will record the action taken in writing together with the reasons for their decision and, where appropriate, the duration of the action.

### **9.1.9 Sickness on annual leave or long service leave**

Where an employee becomes ill while on annual or long service leave, the period of illness will be a charge against their sick leave.

A medical certificate may be required.

### **9.1.10 Medical retirement**

MSD may approve an employee's early retirement for medical reasons. Where an employee retires on this basis, they will receive a minimum payment of 65 days' salary. This entitlement will be pro-rated for part-time staff. The exception to pro-rating will be where the employee has reduced their hours to work part time within 12 months of the date of medical retirement and it has been documented at the time of the reduction in hours, in the employee's health management plan, that the employee is reducing their hours as a result of a medical condition. In such circumstances the calculation will be based on the employee's hours of work prior to the reduction in hours.

## **9.2 Special leave for the care of dependants**

### **9.2.1 Definitions**

Special leave for the care of dependants is unpaid leave where an employee cares for a dependent relative in a situation where the relative requires long-term home assistance (as a result of a disability or illness).

A dependent relative is a child, partner, parent or grandparent of the employee. Leave may also be approved for other family members on a case-by-case basis.

### **9.2.2 Eligibility**

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

Where an employee wishes to take special leave, they will provide as much notice as is possible to their manager. The employee will provide one month's notice of their intention to return to work at the completion of the leave.

Prior to approval, the manager may require verification of the disability or illness.

### **9.2.3 Job protection**

Where approval is given for an employee to take special leave, the employee will be entitled to resume work in the same position or a similar position to the one they held prior to commencing special leave for the care of a dependant. A similar position means:

- At the equivalent salary and job sizing;
- At the same or another location within reasonable travelling distance; and
- Involving responsibilities broadly comparable to the previous position.

Where an employee takes special leave for the care of a dependant, MSD will as a preference keep the employee's position open with a temporary replacement. This special leave without pay interrupts but does not break service.

In the event that an employee's position becomes affected during a period of special leave for the care of a dependant, they will be notified and consulted in terms of the change management provisions contained in this agreement.

## **10. Family Leave Provisions**

### **10.1 Bereavement and Tangihanga leave**

An employee shall be granted bereavement leave or Tangihanga leave on ordinary daily pay to discharge their obligations and/or pay their respects to a deceased person with whom they have 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 the employer; however, employees will receive 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 bereavement.

Employees will be entitled 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.

### **10.2 Parental leave**

#### **10.2.1 Definition**

Parental leave provided by MSD is leave without pay and also includes maternity, partner's/paternity leave and extended leave.

The provisions of the Parental Leave and Employment Protection Act 1987 (including the protection of employment provisions) will apply with a number of enhancements.

#### **10.2.2 Eligibility**

Employees with a minimum of six months' service may take up to six months' parental leave. Employees with a minimum of 12 months' service may take up to 12 months' parental leave.

#### **10.2.3 Applying for parental leave**

An employee must provide a minimum of one month's notice to MSD in writing of their intention to take parental leave.

#### **10.2.4 Maternity leave**

Maternity leave may commence up to six weeks prior to the expected date of delivery or date of assuming care.

A pregnant employee may commence maternity leave earlier on the advice of the employee's medical practitioner. Any leave taken before the six-week period prior to the expected date of delivery is in addition to the employee's extended leave entitlement.

A pregnant employee may also take an additional 10 days' special leave without pay.

#### **10.2.5 Partner's/paternity leave**

Unpaid leave of up to two weeks may be taken at any time between the period three weeks prior to and three weeks following the expected date of delivery or date of assuming care.

### **10.2.6 Extended leave**

Extended leave is available to employees who have worked an average of at least 10 hours every week or 40 hours every month for the six months preceding the due date of the birth or adoption of their child. Staff with a minimum of six months' service may take up to six months' extended leave less any maternity leave taken. Those with a minimum of 12 months' service may take up to 52 weeks' leave less any maternity leave taken.

If the employee is on a fixed-term agreement, parental leave will not extend beyond the expiry date of that agreement.

### **10.2.7 Statutory paid parental leave scheme**

Employees eligible for parental leave may also be entitled to payment under the Statutory Paid Parental Leave Scheme. This payment is taxpayer funded and administered by Inland Revenue. Further details can be found under [www.ird.govt.nz](http://www.ird.govt.nz).

### **10.2.8 Job protection**

An employee will be entitled to resume work in the same position as, or a similar position to, the one that they held prior to commencing parental leave. A similar position means:

- At the equivalent salary and job sizing;
- At the same or other location within reasonable travelling distance; and
- Involving responsibilities broadly comparable to the previous position.

When an employee takes parental leave, MSD will as a preference keep the employee's position open with a temporary replacement.

In the event that an employee's position becomes affected during a period of parental leave, they will be notified and consulted in terms of the change management provisions contained in this agreement.

### **10.2.9 Annual leave**

The Holidays Act 2003 allows employees to continue to accrue annual leave while they are on parental leave. This leave will be available to employees following their return to work and paid at the standard holiday pay rate when they take it.

An employee may request to take their outstanding leave entitlement and accrued leave prior to commencing parental leave. The term of parental leave without pay will begin once any requested annual leave has been used.

### **10.2.10 Parental leave payment on return to work**

An employee will be eligible for an ex-gratia lump sum payment of up to 32 days, based on the employee's annual rate of pay and hours of work before they went on leave, if they have:

- Been on maternity and/or extended leave from a position in the Ministry and have taken at least six weeks' leave without pay;
- Had care of their child in terms of the Parental Leave and Employment Protection Act 1987; and
- Completed six months' service since their return.

The payment will be made on the completion of six months' service after returning to work. Alternatively, the employee may choose to receive the payment pro-rated in equal fortnightly instalments commencing on their first payday after they return to work, with the final payment made at the completion of six months' service.



Where an employee chooses to receive the parental leave payment in instalments, they are not entitled to the balance of the payment if they resign or their employment is terminated before the completion of six months' service after returning from maternity and/or extended leave.

The payment will be made as follows:

- The amount will be calculated at the normal rate of salary applicable to the 32-day period prior to the commencement of the leave;
- Only one payment will be made when both partners are engaged by the state sector and both meet the eligibility criteria; and
- The amount will be pro-rated where an employee takes extended leave following a period of maternity leave of less than six weeks.

Where an employee works reduced hours prior to taking maternity or extended leave as a result of a medical condition arising from their pregnancy, the return to work payment will be calculated at the normal rate of salary for the 32-day period prior to the reduction in hours.

#### **10.2.11 Re-engagement after childcare**

An employee who resigns to care for pre-school children will have preference for re-employment if they re-apply for a position within four years from the date of resignation or five years from the date of taking parental leave.

The preference will apply where the employee applies for a vacancy that is substantially the same position as previously held and where the employee has the necessary skills to fill the vacant position competently. Where these criteria are met, the person will be offered the position in preference to any other person.

The period of absence will be treated as unbroken service but will not count for the purpose of any service-related leave entitlements. The preference will lapse where the applicant has not been appointed to a position within six months of re-applying.

### **10.3 Family Violence**

The Ministry has a lead role in preventing and responding to family violence. It recognises that when its employees experience family violence in their personal life, their attendance, performance and/or safety at work may be affected.

The Ministry is committed to providing a safe and supportive workplace and supports violence-free families. This means making sure that our staff members who are experiencing family violence can ask for and receive confidential help and support and have access to appropriate help.

Employees who are experiencing family violence can raise it with their manager or human resources. The employee may also go through a support person, such as a PSA delegate, Family Violence Response Coordinator, Family Violence Champion or Peer Support person.

Some examples of practical actions to support the employee include:

- discretionary leave with pay (the employee is to not expected to use up annual leave first)
- discretionary leave without pay
- counselling through the Employee Assistance Programme
- redirecting pay to a different bank account
- referral to an external agency who can help
- flexible working, including hours, days, patterns and/or locations of work.

Proof that family violence is occurring is not required. More information can be found on the Ministry's intranet "Family Violence - it's not OK, but it is OK to ask for help".

## **11. Additional Leave Provisions**

### **11.1 Jury service and witness leave**

Where an employee is required for jury service, or obliged to attend as a witness, paid leave will be provided to attend. Any jurors' or witnesses' fees are to be repaid to MSD.

### **11.2 Community service leave**

Employees who are appointed by Ministerial appointment to a Board, Council or Committee will be allowed paid time off to meet their commitments. If an employee has been given approval to undertake a commitment to community activities such as civil defence (including conferences and courses), voluntary fire-fighting and search and rescue, unpaid leave will be provided for these activities.

The period of leave will be determined in each case by agreement with the employee's manager, subject to addressing any difficulties in releasing the employee from work.

Any remuneration earned from these activities during paid time off is to be repaid to MSD.

### **11.3 Military leave**

Leave of absence may be approved for employees to undertake military training in accordance with the Volunteers Employment Protection Act 1973. Employees who undertake military training will receive 12 weeks' paid leave for the initial training plus up to four weeks' paid leave for training each year thereafter. Where an employee receives military pay while on training, the employee must refund either their salary paid by the Ministry or their pay received from the military, whichever is the lesser amount.

Additional military leave without pay will be allowed to employees who are selected by the military to undertake peace-keeping duties. The period of leave will be to a maximum of 12 months, inclusive of any training required.

### **11.4 Discretionary leave**

Additional leave either with or without pay may be allowed at the discretion of the manager.

#### **11.4.1 Leave without pay**

An employee may apply for leave without pay and the employer will make reasonable efforts to accommodate the request. Each application will be considered according to its merits, with a decision made taking account of the circumstances of the individual as made known to the employer and the operational needs of the employer. 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 position will be held open and service will be interrupted but not broken; and
- 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, their service will 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 employment will terminate. The last day of service will be recognised as the original date on which the extended leave commenced.

#### **11.4.2 Leave with pay**

It is not a prerequisite for an employee to have used up their available annual leave, and other paid leave type, prior to discretionary leave with pay being considered. However, available leave balances will normally be taken into consideration. Each case would be considered individually.

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

- Representing New Zealand in an official capacity;
- Formally representing New Zealand in a sporting activity; and
- Has suffered a major personal crisis or loss that they need to address and leave without pay would cause financial hardship to the employee and/or their family/dependants.
- Where a Ministry worksite is closed by the employer (eg due to emergency event) and no alternative arrangements are available

#### **11.4.3 Extreme Weather & Emergency Situations**

In the event of extreme weather or emergency situations the Ministry will, as appropriate, grant paid discretionary leave. Guidance on the application will be available on the Ministry's intranet.

#### **11.5 Study leave**

Employees may be granted leave to undertake a programme of study as agreed with the employer. Support for study leave may include: paid or unpaid leave for attendance at lectures, tutorials and workshops, and attendance and preparation for examinations or assessments; contributions to course fees; or the use of work facilities.

The employer, in consultation with the employee, in determining the support for study, will take into account:

- The time commitment required and the workload of the employee;
- Programme requirements, such as attendance at lectures or workshops, residential modules, on-the-job or practical experience, examinations and assessments;
- Additional support available, such as the use of work facilities and technology;
- The impact of leave on the work of the organisation and on the workload of the employee and others; and
- The affordability of providing the support to the employee.

## **12. Wellbeing, Health and Safety**

### **12.1 Principles**

It is the responsibility of both MSD and employees to ensure that there is a mutual commitment to the obligations for health and safety in the workplace under the Health and Safety at Work Act 2015, regulations and codes of practice.

Note: The relevant codes are available in the workplace.

All employees, including managers, will observe the MSD health and safety policies and practices in the workplace.

#### **12.1.1 Objectives**

To identify, eliminate or minimise risks to prevent or reduce incidents that could result in personal injury or occupational illness.

To this end:

- MSD will provide and maintain a healthy and safe work environment;
- All employees have a personal responsibility to work safely and to avoid injury to themselves, other employees, clients, customers and any other person;
- There is a mutual responsibility for both MSD and an individual employee to facilitate the individual employee's rehabilitation back into the workplace;
- MSD will work with employees and their health and safety representatives to provide a workplace where staff can be safe and secure;
- Ongoing consultation with the PSA and training will be provided in the management of risks and the implementation of safe work practices;
- Provision will be made for emergency procedures for the workplace; and
- Employees shall report any incidents and any potential or actual hazards arising in the workplace to their managers.

### **12.2 Vision care**

#### **12.2.1 General**

The costs of eye tests, glasses and contact lenses are subsidised through the Ministry's vision care scheme. The scheme applies to permanent staff members who are required to use a computer regularly as a part of their day-to-day duties.

#### **12.2.2 Approval requirements**

In accessing their entitlements, staff members must get approval from their budget managers before making an appointment with an eye specialist or incurring any cost. This is obtained through the completion of a visual examination form which is published on the Ministry's intranet.

#### **12.2.3 First-time glasses/contact lenses wearer**

- When a test shows that a staff member needs prescription eyewear for the first time, the Ministry will pay \$375 per annum (GST inclusive) for the eye test and prescription eyewear (includes frames).
- Staff members are entitled to only one payment of \$375 during their employment with the Ministry and only if they do not already have prescription eyewear.

#### **12.2.4 Upgrading glasses or contact lenses**

Where existing eyewear needs to be upgraded, MSD will pay a maximum of \$350 (GST inclusive) per annum from the date of the last claim for the examination, frames and lenses.

The payment of up to \$350 per annum may be made towards the cost of subsequent regular eye tests and upgrade of eyewear.

The Ministry will pay for the eye test whether or not there is a change in prescription, but will not pay for new lenses or frames if there is no change.

The Ministry will not pay for the costs of frames for staff members switching from contact lenses to glasses.

#### **12.2.5 How to pay for eye tests and eyewear**

A form should be completed by the employee and approved by the employee's manager prior to arranging an appointment with the eye specialist. The eye specialist completes the relevant sections in the visual examination form, and forwards the completed form, along with the invoice, to the National Accounting Centre (NAC) for payment. Employees are responsible for meeting any costs exceeding the maximum limits as these are deemed personal expenses.

Employees must *not* pay the invoice and seek reimbursement.

This provision shall not be applicable to employees who have tendered their resignation. Employees will not be entitled to vision care assistance under this scheme if they terminate their employment within six weeks of the eye test appointment. If an employee leaves the Ministry, they agree to authorise the Ministry to deduct the said amount from their final pay.

#### **12.3 Accident leave**

Where an employee is absent from work due to an accident, the provisions of the relevant accident legislation at the time of the injury will apply.

Where the absence is due to a work-related accident, MSD will pay for the first week of absence at 80 per cent of the employee's ordinary pay.

Where the absence is due to a non-work-related accident, payment for the first week of absence will be made where the employee has an unused sick leave entitlement. Any payment made will be a charge against their sick leave entitlement.

Where the absence is due to either a work-related or a non-work-related injury, the balance between the 80 per cent Accident Compensation Corporation payment (or the MSD Workplace Insurer payment) and the employee's ordinary pay will be paid where an employee has an unused sick leave entitlement. Any payment made will be a charge against their sick leave entitlement.

#### **12.4 First aid**

A designated first aid attendant who is the holder of a current certificate will receive an annual allowance of \$300, paid fortnightly.

## **12.5 Employee assistance programme**

MSD is committed to assisting all employees in achieving a high level of wellbeing. It is in the best interests of both the Ministry and employees that employees are able to obtain early and confidential assistance if they or their families are being adversely affected by a personal problem.

MSD recognises that this is a key element in meeting its obligations as a good employer.

All MSD employees are encouraged to use the Ministry's Employee Assistance Programme if the need should arise. Information about this service, including how to access the programme, is available in each workplace.

## **12.6 Workplace harassment / bullying**

### **12.6.1 Definition**

Workplace harassment / bullying, including sexual and racial harassment, is any verbal or physical behaviour or the display of material that is unwelcome to the receiver and embarrassing, intimidating or intrusive. It affects morale, productivity and the right to have a good working environment.

### **12.6.2 Mutual responsibilities**

It is the responsibility of management to promote and maintain a work environment free of unwelcome behaviour and to provide a mechanism for reporting incidents of harassment / bullying, ensuring a fair investigation and avoiding reprisals against the complainant. It is the responsibility of both management and employees to behave in a manner that is respectful of others.

To this end, MSD will ensure that the guidelines for managers and complainants are readily available through the Ministry's intranet.

## **12.7 Compassionate grant**

On the death of a staff member the Ministry may approve a cash grant to:

- The surviving partner; or
- Dependent children; or
- The estate of the deceased employee.

This cash grant will be calculated in accordance with retiring leave tables and where the deceased employee had an entitlement to retiring leave prior to their death the cash grant where approved *will be in lieu of* any retirement leave entitlement (that may otherwise have become due) and is *not* in addition to any retirement leave entitlement that may otherwise have become due. For employees who are not eligible for retiring leave then their calculation will be based on a payment of at least 65 days.

## **13. Terms of employment**

### **13.1 Categories of employment**

Employees employed under this agreement may be employed on a permanent or fixed-term basis.

Permanent and fixed-term employees may be employed as either full-time or part-time employees.

The Ministry may employ individuals on a fixed-term basis, as provided for in the Employment Relations Act 2000 and its amendments. Currently this provides for an employee and employer to agree employment that will end:

- At the close of a specific date or period; or
- On the occurrence of a specific event; or
- At the conclusion of a specific project.

### **13.2 Recognition of service**

#### **13.2.1 Recognition of service for employees employed by the Ministry up to and including 30 June 2009**

The Ministry will recognise an employee's service with other departments and ministries of the Public Service (as defined in section 27 of the State Sector Act 1988) and with the Parliamentary Service as continuous service where the employee joined MSD within one month of leaving the service of the other organisation:

Provided that this shall not apply to any period of service that ended with the payment of redundancy compensation to an employee.

Employees' previous service with, and any previous service recognised by, the Department of Work and Income, the Ministry of Social Policy, the Department of Labour, the Department of Social Welfare, the New Zealand Employment Service and Income Support is recognised for the purposes of service-related provisions in this agreement.

#### **13.2.2 Recognition of service for employees employed by the Ministry on or after 1 July 2009**

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.

Service will be recognised for a maximum of five years prior to 13 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 four years).

The onus and responsibility for providing evidence of previous service rest with the employee.



### **13.3 Superannuation**

#### **13.3.1 Government Superannuation**

Eligible employees may continue to contribute to the Government Superannuation Scheme under the Government Superannuation Fund Act 1956.

#### **13.3.2 Global Retirement Fund**

Permanent employees who are not members of the Government Superannuation Scheme may join the Global Retirement Fund Trust. MSD will meet the following costs for existing members and for staff who elect to join:

- Establishment fee;
- Administration fee; and
- Investment management fee.

### **13.4 Salaries and deductions**

Salaries will be paid fortnightly by direct credit to each employee's bank account on receipt of the employee's written authorisation.

MSD may make deductions from an employee's salary:

- For the purposes of PAYE;
- In accordance with the Wages Protection Act 1983; and/or
- At the employee's written request.

An employee will be provided with written advice on any occasion that their gross pay or deductions are changed.

### **13.5 Relocation**

#### **13.5.1 Assistance**

Where an employee is appointed to a position in another location:

- On promotion; or
- To meet the needs of MSD; or
- To assist an employee's career development.

The costs and other assistance for transferring the employee and their family to a new location will be met by MSD.

The actual assistance required in each case will be determined by agreement between the employee and their manager. An employee may use a representative in these discussions.

Assistance may include, but is not limited to, the following:

- Expenses of transfer of household effects, including insurance and storage;
- Personal travel and living costs for the employee and their family and temporary accommodation costs for up to three months;
- Expenses arising from the sale and purchase of the employee's home, including any early mortgage repayment penalties;
- Expenses arising from the transfer of children between schools;
- The reimbursement of expenses reasonably incurred in the re-establishment of the employee's household; and/or
- Paid leave as necessary to effect the transfer.

Travel costs to the new location will be paid in terms of the travel allowance provisions contained in clause 7.3.

## **13.6 Discipline**

When dealing with discipline, the following principles will apply:

- The employee is to be advised of their right to representation and/or a support person of their choice;
- The employee is to be informed of the issue in question and be given a reasonable opportunity to provide an explanation;
- Any corrective action required together with a reasonable period of time to improve performance or change the conduct will also be advised. Where this is a performance issue, consideration should be given to appropriate alternative work, coaching and counselling;
- An appropriate investigation will be undertaken before any substantive action is taken;
- Depending on the seriousness of the issue, a verbal warning will normally precede a written warning;
- Any disciplinary action is to be recorded in writing, signed by the employee and placed on their personal file;
- A written warning will specify the duration of the warning and will be removed from the employee's personal file on its expiry date;
- In cases of alleged serious misconduct, the employee may be suspended on pay while an investigation is undertaken; and
- Where an employee feels they have been aggrieved by any action of the Ministry, they are to be advised of their right to pursue a personal grievance.

## **13.7 Termination of employment**

### **13.7.1 Notice**

For permanent employees, one month's notice of termination will be provided by either the employee or MSD. For employees engaged on a temporary fixed-term agreement, employment will cease on the expiry date or prior to the expiry date with one week's notice provided by either the employee or MSD. Any of the notice periods may be varied by mutual agreement.

Where the Ministry does not give the appropriate notice, the full notice period shall be paid thereof. Where the employee does not give the appropriate notice, the Ministry will only be liable for the period of the notice that has been given. Nothing in this clause shall prevent the employer from dismissing an employee without notice for serious misconduct.

### **13.7.2 Abandonment**

Where a permanent employee is absent from work for a continuous period in excess of five consecutive working days without notification and without good cause, the employee shall be deemed to have terminated their employment. Prior to termination, MSD must make every reasonable effort to contact the employee, including sending a letter to the last known address outlining the employee's obligations and, where appropriate, offering assistance.

An opportunity for reinstatement will be considered where the employee was unable to notify the employer of absence due to unforeseen hospitalisation or similar cause.

Where a temporary employee is absent from work for a period of no less than seven consecutive days without authorisation and without good cause, the employee shall be deemed to have terminated their employment.

### **13.8 Employment relationship problems (including personal grievances)**

It is in the interests of the PSA and MSD and the employees bound by this collective agreement 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 an 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. Costs of the mediator will be met by the Ministry.

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

The Ministry and the PSA prefer that employment relationship problems are resolved without requiring the use of these institutions, but this clause does not prohibit an 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 an employee wishes to raise a personal grievance more than 90 days after the alleged action, they must either seek the agreement of the Ministry or apply to the Employment Relations Authority to do so.

'Personal grievances' are defined under section 103 of the Employment Relations Act 2000 – see section 2 Definitions, in this agreement.

'Employment relationship problems' are defined under section 5 of the Employment Relations Act 2000 – see section 2 Definitions, in this agreement.

## **14. Our approach to change management**

### **14.1 Introduction**

The provisions of section 14 apply to permanent employees only and will not have any application to fixed-term (temporary) employees.

### **14.2 Objective**

The Ministry's purpose is to lead social development to achieve better futures for all New Zealanders. The Ministry operates in a dynamic environment and needs to be responsive to government direction, client needs and other environmental factors.

When the Ministry undertakes change, it will do this according to its Values and the Modern, Innovative and Productive Public Services Agreement. Change within the Ministry includes evolutionary, structural and/or process-based change.

### **14.3 Principles**

The best outcomes will be achieved when change is based on the following principles:

- An intention to make things better for staff and clients;
- Staff are central to the success of the outcomes;
- Change maximises opportunities;
- Stakeholders including staff and the PSA are engaged throughout the change process from the development through to post-implementation;
- A proactive and appropriate communication strategy for managing the change is in place; and
- The process is flexible, timely, open and transparent.

Most change that occurs in the Ministry does not involve job losses or relocation outside a local area. Where job losses or relocation does not occur, MSD will develop, in consultation with staff and the PSA, a process that is consistent with its change principles. This process may be implemented at a local, regional or national level.

### **14.4 Change management approach in event of job losses**

Where the Ministry cannot provide an assurance that there will be no job losses or relocation outside a local area, the following process will apply.

#### **14.4.1 Proposal for review**

MSD will provide employees and their representatives with the opportunity to be involved in any review where the Ministry cannot provide an assurance that there will be no job losses or relocation outside a local area.

The Chief Executive will advise staff and their representatives when a decision is made to commence any such review (for the purpose of providing the opportunity to be involved). The aim of this mechanism will be, wherever possible, to reach agreement on recommendations to management, who will endeavour to take the views into account as far as possible before review decisions are made.

#### **14.4.2 Procedures**

Where, following consultation, a decision is made that will result in job losses, the Ministry and the PSA will develop and agree procedures for managing the change, including the way in which reconfirmation and reassignment will apply.

These procedures will normally include:

- Identification of employees affected by the change;
- Consideration of not filling vacancies as they arise;
- An effective communication process;
- A timetable for implementation;
- Support services; and
- An appointment process and a review mechanism.

#### **14.4.3 Preferential applicants**

Employees who have been identified as being affected by the change and whose positions have been declared surplus to requirements will have a preferential right of appointment to vacancies within MSD and will be advised in writing of their preferential status.

#### **14.4.4 Counselling**

Counselling will be made available to preferential applicants and their families.

#### **14.5 Reconfirmation**

Reconfirmation applies when there is one clear candidate for a position that is to be transferred into a new structure (within or outside the Ministry) where:

- The new job description is the same or nearly the same;
- The salary is the same;
- The terms and conditions, including career prospects are no less favourable; and
- The location is the same or in the same vicinity.

Where there is more than one clear candidate, the procedure for managing the change will be through reassignment or voluntary severance where this option is made available.

New job descriptions will be available prior to the commencement of this process.

#### **14.6 Reassignment and voluntary severance**

##### **14.6.1 Voluntary severance**

Where a change proposal may result in fewer positions than there are affected employees, the Ministry may seek expressions of interest, on a without prejudice basis, for voluntary severance from employees after the reconfirmation of roles stage in a change management process for affected employees.

Where expressions of interest are received, the Ministry may, at its sole discretion, choose to accept or decline any expression of voluntary severance where there would be an adverse impact on the business.

By way of example and without limiting the Ministry's sole discretion, voluntary severance may not be accepted in circumstances where:

- An applicant has skills and experience that the Ministry wishes to retain; or
- Where approving the voluntary severance may result in insufficient skilled staff from which to appoint to remaining positions in the impacted area.

Where the Ministry accepts an expression of interest and offers voluntary severance, written acceptance of that offer by the individual will be binding.

Where an employee accepts an offer of voluntary severance, their employment will end by reason of redundancy, in accordance with clause 15.

Note: During any notice period the provisions of S61A of the State Sector Act continue to apply to employees for whom voluntary severance has been agreed.

## **14.6.2 Reassignment**

Once the reconfirmation process has been completed, reassignment will apply. The objective will be to place the maximum number of preferential applicants into positions by matching individual skills with positions that require similar skills. The process for doing this will be developed and agreed as part of the procedures in clause 14.4.2. Cases will be dealt with on an individual basis and each applicant will be consulted prior to reassignment.

Any training needs will be identified before a preferential applicant is reassigned. Preferential applicants may be required to undertake on-the-job training and/or attend training courses.

## **14.7 Declining offer of employment under reconfirmation and reassignment**

Where an employee is offered a position in accordance with the reconfirmation and reassignment provisions and they do not wish to accept the offer of the position, that employee will not be entitled to receive redundancy compensation.

## **14.8 Redeployment outside of the Ministry and career transition**

### **14.8.1 Redeployment outside of the Ministry**

In addition to the reconfirmation and reassignment provisions, during the notice period, subject to the provisions of the State Sector Act 1988, both the Ministry and the employee shall make reasonable efforts to locate suitable alternative employment for the employee in the following areas:

- Within the Public Service; or
- Within any other part of the State Sector (which term shall include Crown entities, Crown companies and State Owned Enterprises); or
- In the organisation acquiring some or all of the business of the Ministry of Social Development whether or not that organisation is within the State Sector (where the position ceases to exist due to the part of the Ministry of Social Development's business in which the employee's position is situated being sold or transferred).

Where the employee and the Ministry agree that a reasonable offer of employment has been made the Ministry's responsibilities under these provisions shall be fulfilled, and the employee shall not be entitled to any payment under the redundancy compensation clause 15.5. The offer of a position with similar duties and responsibilities, in the same general locality (alternatively where relocation is required, and expenses to cover these costs have been agreed), with terms and conditions of employment that are the same unless otherwise agreed (including service-related, redundancy and superannuation conditions), and on terms that treat service with the Ministry as if it were continuous service with the new employer shall constitute a reasonable offer for the purposes of this provision.

### **14.8.2 Career transition**

Employees not appointed to a position through reconfirmation, reassignment or internal recruitment will continue to be supported during the time they are employed with the Ministry:

- Through approval from their line manager reasonable paid time to prepare/update CV's
- Through approval from their line manager reasonable time to prepare for and attend interviews.

The Ministry will provide support through the Employee Assistance Programme (EAP) on a case by case basis

## **14.9 After acceptance of reassignment**

Following acceptance of reassignment, any of the following provisions may apply.

### **14.9.1 Relocation**

Where reassignment involves relocation outside the local area, the employee will receive a minimum of three months' notice or a lesser period of notice where this is mutually agreed, and assistance will be provided under the transfer provisions contained in clause 13.5.

When reassignment is within the same local area and there is an increase in travelling time of 30 minutes or more:

- The employee will receive at least one month's notice (or a lesser period by mutual agreement); and
- Assistance will be provided under the transfer provisions in clause 13.5 where the employee chooses to relocate their household and this reduces the travelling time to the new workplace by a minimum of 30 minutes.

### **14.9.2 Travel**

Where the new position is in the same local area and involves additional travelling costs, the Ministry will pay the extra travel costs based on public transport rates for a period of one year.

### **14.9.3 Equalisation**

Where reassignment is to a position with a lower salary, the employee will receive an allowance equivalent to the difference between their old and new salaries and be able to have this paid either:

- As a lump sum calculated on the basis of two years' equalisation; or
- As an ongoing allowance that will be abated by any subsequent salary increases.

Where the employee is within five years of eligibility for Government Superannuation and the employee is a member of the scheme, the equalisation allowance will count towards the calculation of superannuation.

### **14.10 Options**

Where a preferential applicant cannot be placed through reconfirmation or reassignment, the following options may be offered. Where this occurs the employee and/or the PSA on their behalf and the Ministry will agree a timeframe within which a preferential applicant must choose an available option. During this timeframe, a preferential applicant will be entitled to reasonable paid time off to pursue any employment options.

#### **14.10.1 Extended notice**

The terms of an extended period of notice are as follows:

- The period of notice will commence from the expiry of the period of time allowed for choosing an option and be up to a maximum period equal to the amount otherwise payable to the employee as redundancy compensation;
- The employee will not receive any redundancy payments irrespective of the length of the notice period; and
- Where a preferential applicant has not been placed into a position by the expiry of the notice period, the employee will cease employment and receive cessation leave if they are entitled to this leave entitlement.

During a period of extended notice the employee will retain their status as a preferential applicant and will also be entitled to reasonable paid time off to pursue any employment options. The duties and work requirements of the employee during the period of notice will be decided by agreement with their manager.

#### **14.10.2 Temporary employment**

The Ministry may agree to offer alternative employment for a temporary period, at the end of which the employee will be entitled to consideration of other options.

#### **14.10.3 Special leave without pay**

Special leave without pay may be agreed, during which time the employee will retain their preferential applicant status. This period may include an opportunity for retraining.

#### **14.10.4 Retraining**

Where a retraining opportunity is identified, a specific programme will be designed to meet the needs of the individual. The Ministry will pay for the costs of the training to a maximum of the redundancy compensation payment that the employee would otherwise receive.

#### **14.10.5 Enhanced early retirement**

Enhanced early retirement means that a preferential applicant who wishes to remain in MSD may replace an employee who is not a preferential applicant who wishes to exit the organisation. This is conditional on the preferential applicant's skills being similar to the skills of the person who wishes to exit MSD.

Enhanced early retirement will only occur with the manager's and the employee's agreement.

If the application of enhanced early retirement is agreed, the employee who exits MSD will receive the redundancy payment, based on their entitlements.

#### **14.10.6 Redundancy**

Redundancy may be considered on a case-by-case basis.

#### **14.10.7 Other options**

Other options may be agreed. The types and levels of financial assistance will be negotiated on a case-by-case basis.

#### **14.11 Alternative change process**

Notwithstanding the processes provided for in clauses 14.4.3 to 14.10.7, the Ministry and the PSA may agree on an alternative change management process following consultation with employees who are likely to be affected by any change proposal.

An alternative process may be used, for example, where a change is localised or limited in its application and where the parties agree that the processes provided in clauses 14.4.3 to 14.10.7 would not manage the change proposed in the most effective or timely manner.

In the absence of agreement, the procedures in clauses 14.4.3 to 14.10.7 will apply.

An agreed alternative process would not affect an employee's entitlement to redundancy compensation as specified in clause 15.

#### **14.12 Employee protection provision**

##### **14.12.1 Application**

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



### **14.12.2 Process**

Where the Ministry is contemplating such sale, transfer or contracting out (together a 'transaction') and the transaction may affect positions of the employees covered by this agreement, the following process will apply:

- (A) As soon as is reasonably practicable (taking into account the commercial and confidentiality requirements of any such transaction), the Ministry will consult the PSA and the employees potentially affected.
- (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 employee interests by:
  - (i) Exploring with the potential new employer whether it is in a position to offer employment to the potentially affected employees covered by this agreement on terms and conditions of employment that avoid the need to pay redundancy compensation 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 an employee is prepared to accept a role with the new employer, the Ministry will endeavour to find a suitable alternative position for its staff prior to resorting to redundancy.

### **14.12.3 Matters to be negotiated**

The matters relating to the terms of employment that the Ministry will negotiate with the new employer will be those set out in this written contract of employment and, for the avoidance of doubt, will not include any matters contained in Ministry policies or any other discretionary benefits of employment.

### **14.12.4 Entitlements of non-transferring employees**

Where, following the negotiations with the new employer, the transaction is to take place, and an individual employee covered by this agreement either is not offered employment with the new employer or has declined an offer of employment, the following process will apply:

- (A) Where no offer of employment is made by the new employer, the Ministry will explore redeployment and other options to avoid redundancy for the employee and will endeavour to identify a similar role for the employee with the Ministry on no generally less favourable terms of employment than those contained in this agreement. If such a role is identified for an employee and they are offered such a role, where the employee declines it, they will be made redundant without compensation; and
- (B) Where an offer of employment is made by the new employer on terms that avoid the need to pay redundancy compensation under clause 15.2 of this agreement but the employee declines such an offer, they will be made redundant and will not be entitled to any redundancy compensation; and

- (C) Where the employee is made an offer of employment by the new employer on terms and conditions that do not satisfy clause 15.2, 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, they will not be entitled to redundancy compensation.

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

## **15. Redundancy**

### **15.1 Application**

The provisions of section 15 apply to permanent employees only and will have no application to fixed-term (temporary) employees.

### **15.2 Restrictions on entitlement to redundancy compensation**

Where an employee's employment is being terminated by MSD by reason of the sale or transfer by MSD of the whole or part of its operations, nothing will require MSD 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;
- 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 operation or part being sold or transferred is an offer to employ the employee in the business:
  - In substantially the same as, or in a similar capacity to, that in which the employee was employed; and
  - In the local area; or
  - In any capacity that the employee is willing to accept.

### **15.3 Redundancy provisions**

Following agreement that the option of redundancy is to be made available in terms of clause 14.10.6, and where it is mutually agreed, on the individual ceasing employment the following provisions will apply.

### **15.4 Notice**

Employees who are made redundant will receive one month's notice of termination of employment or payment in lieu thereof.

### **15.5 Agreed redundancy compensation**

The following levels of compensation apply to identified groups of employees when the criteria are met as set out in each instance. For the avoidance of any doubt, an employee will only be entitled to receive one of the following redundancy compensation provisions (clauses 15.5.1 to 15.5.4 inclusive). In no circumstance is an employee entitled to receive more than one of the following provisions (clauses 15.5.1 to 15.5.4 inclusive).

### **15.5.1 Income Support pre-1 July 1992**

Permanent employees who were engaged prior to 1 July 1992 by the Department of Social Welfare will receive redundancy compensation calculated in accordance with the following scale:

- 29.165 per cent of ordinary pay for the previous 12 months; plus
- 8 per cent of ordinary pay for the first complete year of continuous service and 4 per cent of ordinary pay for each complete year of continuous service thereafter to a maximum of 19 years' service; plus
- 0.333 per cent of ordinary pay multiplied by the completed months of service that are additional to complete years of continuous service to a maximum total of 20 years' service;
- 8.33 per cent of ordinary pay for the previous 12 months for each dependent child of the employee; and/or
- 4.165 per cent of ordinary pay for the previous 12 months for one dependent person (other than a dependent child) whose annual income is less than \$22,322.

The maximum individual payment under these provisions is \$50,000 gross.

### **15.5.2 Income Support post-30 June 1992**

Permanent employees who were engaged on or after 1 July 1992 by Income Support and prior to 1 October 1998 will receive redundancy compensation calculated in accordance with the following scale:

- 25 per cent of ordinary pay for the first year of continuous service; and
- 4 per cent of ordinary pay for each complete year of continuous service between two and seven years inclusive; and
- 5 per cent of ordinary pay for each complete year of continuous service between eight and 15 years inclusive; and
- 3.5 per cent of ordinary pay for each complete year of continuous service between 16 and 20 years inclusive; plus
- \$2,400 for each dependent child of the employee; and/or
- \$1,200 for one dependant (other than a dependent child) whose annual income is less than \$22,322.

### **15.5.3 New Zealand Employment Service**

Permanent employees who were engaged by the Employment Service, Community Employment Group or Local Employment Co-ordination and who were employed prior to 1 October 1998 will receive redundancy compensation calculated in accordance with the following scale:

- For employees with more than 12 months' continuous service, 25 per cent of ordinary pay for the previous 12 months' service; and
- For employees with between two and six years' continuous service, 4 per cent of ordinary pay for each complete year of service in that period; and
- For employees with between seven and 20 years' continuous service, 5 per cent of ordinary pay for each complete year of service in that period; and
- A single payment of \$2,500 where the employee has dependent children and/or a dependant (other than a dependent child) whose annual income is less than \$22,992.

#### **15.5.4 Department of Work and Income/Ministry of Social Development post-30 September 1998**

Employees employed by the Department of Work and Income from 1 October 1998 until 30 September 2001 and any employee employed by MSD on or after 1 October 2001 will receive redundancy compensation as follows:

- 15 per cent of ordinary pay for the first year of continuous service; and
- 5 per cent of ordinary pay for each complete year of continuous service thereafter, to a maximum of 52 weeks' pay.

#### **15.5.5 Ordinary pay**

Ordinary pay is defined as basic taxable salary, plus regular taxable allowances paid on a continuous basis that attract overtime or payments or are paid on an hourly basis for all hours worked.

## 16. Special provisions (grandparented clauses)

The following provisions only apply to those PSA members who were employed by the Department of Labour or Income Support prior to the dates specified in the particular clauses below, and has continued to be employed by MSD.

### 16.1 Cessation leave

#### 16.1.1 Eligibility

Employees who were employed prior to 1 October 1998 by the Department of Labour or Income Support and whose employment is terminated as a result of redundancy will receive cessation leave in accordance with the following scales:

Length of service		Amount of cessation leave	
•	Less than five years	•	Nil
•	Five and less than 10 years	•	22 days
•	10 and less than 15 years	•	44 days
•	15 and less than 25 years	•	65 days

Months	0	2	4	6	8	10
<b>Years</b>	<b>Amount of cessation leave (days)</b>					
25	65	66	66	67	68	69
26	69	70	71	71	72	73
27	74	74	75	76	76	77
28	78	79	79	80	81	81
29	82	83	84	84	85	86
30	86	87	88	89	89	90
31	91	91	92	93	94	94
32	95	96	96	97	98	99
33	99	100	101	101	102	103
34	104	104	105	106	106	107
35	108	109	109	110	111	111
36	112	113	114	114	115	116
37	116	117	118	119	119	120
38	121	121	122	123	124	125
39	125	126	126	127	128	129
40	131					

## 16.2 Retiring leave

### 16.2.1 Eligibility

An employee with a minimum of 10 years' unbroken service in the Public Service will be entitled to retiring leave in accordance with the following table where:

- The employee was employed by the Department of Labour prior to 1 September 1996 or was employed by Income Support prior to 1 October 1998; and
- The employee retires; or
- The Chief Executive has approved the employee's earlier retirement on medical grounds or on other grounds at the employee's request.

### 16.2.2 Payments

Months	0	2	4	6	8	10
<b>Years</b>	<b>Amount of retirement leave (days)</b>					
10	22	23	24	24	25	26
11	26	27	28	29	29	30
12	31	31	32	33	34	34
13	35	36	36	37	38	39
14	39	40	41	41	42	43
15	44	44	45	46	46	47
16	48	49	49	50	51	51
17	52	53	54	54	55	56
18	56	57	58	59	59	60
19	61	61	62	63	64	64
20	65					

Employees who have 25 years' or more service will receive retirement leave in accordance with the corresponding scale contained in the cessation leave provisions in clause 16.1.1.

### 16.2.3 Anticipated leave

An employee with more than 20 years' continuous service may choose to anticipate retiring leave, which will be taken as paid leave.

## 16.3 Resignation leave

### 16.3.1 Eligibility

An employee with a minimum of 20 years' service may be entitled to resignation leave in accordance with the following table where:

- The employee provides three months' notice of resignation; and
- The employee was employed by the Department of Labour prior to 1 September 1996 or was employed by Income Support prior to 1 October 1998.

### 16.3.2 Payments

Months	0	6
<b>Years</b>	<b>Amount of resignation leave (days)</b>	
20	32	33
21	34	34
22	35	36
23	36	37
24	38	39
25	39	40
26	41	42
27	42	43
28	44	44
29	45	46
30	46	47
31	48	49
32	49	50
33	51	51
34	52	53
35	54	55
36	55	56
37	56	57
38	58	59
39	59	60

### 16.3.3 Deduction of long service leave

Where an employee has taken long service leave prior to resignation, the amount of resignation leave will be reduced by the total amount of long service leave taken. The amount of the reduction will be offset by a credit of one day for each six-month period worked after the time of taking the last period of long service leave, to a maximum credit equal to the total number of days' reduction for long service leave taken that has been made.

Deductions for long service leave will not apply where an employee resigns on the grounds of ill health.



**17. Signatory parties**

Signed for and on behalf of  
The Ministry of Social Development

Signed for and on behalf of  
Public Service Association  
Te Pūkenga Here Tikanga Mahi Inc



**Chief Executive**

**National Secretary**

15/4/19

15/4/2019

Dated

Dated

## 18. Appendices

### 18.1 Appendix A - Remuneration Ranges

The following remuneration ranges are effective from 10 January 2019. The Ministry agrees that it will not appoint an employee below the minimum of the range. The first three steps for each range are developmental steps. Employees may progress from the starting step through to the top of the range based on performance.

Range	80%	85%	90%	95%	100%	105%	107.5%	110%
A					42,071	44,175	45,226	46,278
B		41,743	44,198	46,654	49,109	51,564	52,792	54,020
C	43,299	46,005	48,712	51,418	54,124	56,830	58,183	59,537
D	46,688	49,606	52,524	55,442	58,360	61,278	62,737	64,196
E	54,727	58,147	61,567	64,988	68,408	71,828	73,539	75,249
F	62,960	66,895	70,830	74,765	78,700	82,635	84,603	86,570
G	69,788	74,149	78,511	82,872	87,234	91,596	93,777	95,958
H	78,015	82,891	87,767	92,643	97,519	102,395	104,833	107,271
I	87,552	93,024	98,496	103,968	109,440	114,912	117,648	120,384

\$42,862 is the living wage value as at 1 September 2018. No employee will be paid less than the living wage noting this may mean they are between position in range percentages.

The following remuneration ranges are effective from 1 November 2019. The Ministry agrees that it will not appoint an employee below the minimum of the range. The first three steps for each range are developmental steps. Employees may progress from the starting step through to the top of the range based on performance.

Range	80%	85%	90%	95%	100%	105%	107.5%	110%
A					42,912	45,058	46,130	47,204
B		42,577	45,082	47,586	50,091	52,596	53,848	55,100
C	44,165	46,925	49,685	52,446	55,206	57,966	59,346	60,727
D	47,622	50,598	53,574	56,551	59,527	62,503	63,992	65,480
E	55,821	59,310	62,798	66,287	69,776	73,265	75,009	76,754
F	64,219	68,233	72,247	76,260	80,274	84,288	86,295	88,301
G	71,183	75,632	80,081	84,530	88,979	93,428	95,652	97,877
H	79,575	84,549	89,522	94,496	99,469	104,442	106,929	109,416
I	89,302	94,884	100,465	106,047	111,628	117,209	120,000	122,791

\$42,862 is the living wage value as at 1 September 2018. No employee will be paid less than the living wage noting this may mean they are between position in range percentages.

## 18.2 Appendix B - Definitions

**Employment relationship problem** – includes a personal grievance, a dispute and any other problem relating to or arising out of an employment relationship between:

- MSD and an employee bound by this agreement; and/or
- MSD and the PSA.

An employment relationship problem does not include any problem with the fixing of new terms and conditions of employment.

**Full-time employee** – means an employee engaged to perform the standard weekly hours of work applicable to their workplace.

**Metropolitan area** – means: Auckland North, Auckland Central, Auckland South, Waikato Metro, Wellington Metro, Canterbury Metro or Southern Metro.

**Ministry** – means the Ministry of Social Development.

**MSD** – means the Ministry of Social Development.

**Ngā Kaitūhono** - means PSA members in MSD who identify as Maori

**Ordinary pay** – means basic taxable salary, plus regular taxable allowances paid on a continuous basis that either attract overtime or penal payments or are paid on an hourly basis for all hours worked.

**Overtime** – means additional hours worked in excess of the employee's ordinary hours of work.

**Part-time employee** – means an employee engaged to perform less than the standard hours of work applicable to their workplace.

**Permanent employee** – means an employee engaged in ongoing work of an indefinite period.

**Personal grievance** – means any grievance that an employee may have against MSD because of a claim:

- That the employee has been unjustifiably dismissed; or
- That the employee's employment, or one or more conditions of the employee's employment (including any condition that survives termination of the employment), is or are or was (during employment that has since been terminated) affected to the employee's disadvantage by some unjustifiable action by MSD; or
- That the employee has been discriminated against in the employee's employment; or
- That the employee has been sexually harassed in the employee's employment; or
- That the employee has been racially harassed in the employee's employment; or
- That the employee has been subject to duress in the employee's employment in relation to membership or non-membership of a union or employees' organisation.

**PSA** – means the New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Inc.

**Temporary employee** – means an employee engaged for a defined task or project for a fixed term or limited period usually of no more than 12 months' duration.