



NEWSLETTER

United Firefighters' Union of Australia Aviation Branch

ENTERPRISE BARGAINING UPDATE NUMBER 7

Negotiations for a new Enterprise Agreement concluded on the 26th February. At that time negotiations were at the point where no further progress could be made without having to negotiate on productivity offsets and possible compromise on previously hard-won conditions. From the outset the Union had adopted the position that it would not engage in trading off conditions to achieve wage increases. On this basis it was determined, subject to necessary approvals from the Public Service Commission [PSC] and the Minister, to put a proposed Agreement to a ballot of all ARFF firefighters. The proposed Agreement has gone through the PSC process but has not yet been approved by the Minister. It is anticipated that the Ministerial process will take at least 2-3 weeks. When the Agreement is approved by the Minister it will then be put to members to vote on.

The negotiations that have taken place occurred in the context of a new Agreement with minimal change from the current Agreement. This means that by and large, there is very little change to the provisions in the current Certified Agreement. The changes that have occurred relate mainly to updating the current Agreement to comply with legislative changes, rewording and additional wording in some clauses to give clarity to the intent of the clauses. These changes did not alter your conditions of employment per se. Obviously there are changes to your conditions in the context of proposed wage increases, increased employer superannuation contributions and increased allowances and benefits.

The log of claims submitted by the Union in the negotiations was published on the Union's website some weeks ago. The log contained items submitted through BCOM delegates to the annual BCOM meeting in November 2012 supplemented by items submitted through the online survey. It needs to be understood that the log did not include every single item submitted in the online survey or through BCOM delegates as some of the items submitted would have to be addressed through other means and not in EA negotiations.

The proposed Agreement which members will ultimately vote on, subject to final Ministerial approval, includes:

- Wage increases - 3.93% per annum for 4 years. Due to compounding 6 monthly wage increases, the real average annual wage increase is 4.21%;
- Employer superannuation contributions to increase by 1.5% over the life of the Agreement or by an average of .375% per annum. These increases reflect the legislated increases in the Superannuation Guarantee Levy and maintain employer contributions at 3.5% above the SGL. Over the life of the proposed Agreement the SGL will increase from

9% to 10.5%. ASA employer contributions will increase from 12.5% to 14% maintaining the 3.5% margin above the SGL;

- Category Allowance to be maintained at 4% but will increase in value by 16.84% in line with proposed wage increases;
- Officers retain 4% increase from previous Agreement; incorporated into their base rate;
- Allowances generally will be increased by the amount of wage increases over the life of the Agreement while some will be aligned with rates in Australian Taxation Determinations as varied from time to time;

No conditions were lost in the negotiation of the proposed Agreement.

The current Certified Agreement has paid increases of 4.3% per annum without any increase in employer superannuation contributions. The compounding affect of an increase of 4.3% per annum results in a real average annual wage increase of 4.585%. Nowadays, superannuation is counted as part of an employee's remuneration so on the basis of no increase in employer superannuation contributions; the current Agreement has delivered an overall remuneration increase of 4.585% per annum.

The proposed Agreement offering average annual wage increases of 4.21% together with an average annual increase in employer superannuation contributions of .375% delivers an average annual overall remuneration increase of 4.585%. The outcome in the proposed Agreement is the same as the current CA. The only difference is that the increase in remuneration is shared between wages and an increase in employer superannuation contributions. This outcome reflects the majority view expressed in the online survey where 72% of respondents supported such an outcome.

In regard to the increased employer super contributions, members of defined benefit schemes benefit as well. Members of defined benefit schemes will be paid the increased contributions in a lump sum up front each year reflecting the increase in the contribution rate. The payments will be made to a nominated accumulation fund. Av Super will provide advice to members on the management of these increased contribution payments.

The Union's log of claims contained many items that were rejected by ASA on the ground of cost and to achieve them would have resulted in an overall lower outcome in terms and other benefits. It is the Union's job to negotiate the best overall and most equitable outcome for all members. The proposed Agreement does that by providing the same overall outcome for all members and is reflective of the remuneration outcomes in the current Certified Agreement.

In conclusion it is worth considering what is happening around the country in terms of outcomes of enterprise bargaining. Queensland firefighters have been offered wage increases of 2.2% per annum. Last week at the National Committee of Management we

heard that Tasmanian firefighters are being offered wage increases of 2% per annum with that offer likely to be accepted. New South Wales firefighters had a new Award arbitrated in 2011 which delivered wage increases of 2.5% per annum.

More broadly, NSW nurses earlier this month voted to accept an offer of 2.5% per annum. NSW public servants received pay increases of 2.5% in arbitration late last year. Victorian public servants late last year, after a campaign of almost 18 months, accepted an effective pay rise of 2.5% per annum after the expiry of their previous agreement in mid 2011.

The proposed ARFF Agreement provides for AAWI of 4.21% and an average annual remuneration increase of 4.585% when increased employer superannuation contributions are taken into account.

The above information is intended to give some context to the wage/remuneration increases which you will ultimately vote on. You have the final say as to whether the offer you will vote on is accepted or rejected. In doing so you should consider what is being offered to you in the context of what is happening within other fire services and the country generally and then make your informed decision on how you will vote.

Authorised by Henry Lawrence Branch Secretary United Firefighters' Union of Australia Aviation Branch