

Department/ Agency: Australian Taxation Office

Question: BET 728

Topic: Enterprise Bargaining

Reference: Hansard page 69, written 5 June 2014

Senator: Bushby

Question:

CHAIR asked:

CHAIR: I am wondering whether the union, the ASU, has discussed with the ATO what they are considering, including in their log of claims?

Ms Curtis: They have been in discussions with us for quite some time now about the types of issues that they want to raise, but until we actually start bargaining we will not know the detail of their claims.

CHAIR: Are you able to outline any of the wage bargaining options that the ASU has raised with you at this point?

Ms Curtis: They obviously have put forward the extent of the remuneration that they are looking for. I do not have the detail of that with me, so I would have to take that on notice if you wanted that detail. At the moment we are still in very early days and they have not been specific about any of their claims.

Mr Leeper: There is another union as well. It is not just the Administrative Services Union. There is the CPSU as well. We are dealing with two primary unions in this enterprise agreement.

CHAIR: Are they both working together for the one agreement?

Mr Leeper: They both have members in the tax office, yes.

CHAIR: So, will there be two separate agreements that come out of that or will it be one?

Ms Curtis: No. It will be one agreement.

CHAIR: Given what you have just said, Ms Curtis, you may not be able to answer some of these other questions. I have heard that the ASU is pushing to increase superannuation contributions for staff in the accumulation fund.

Ms Curtis: I would not be able to answer that, because that is not something that I am aware of at the moment.

CHAIR: You took on notice the level of the annual wage increases they were looking for?

Ms Curtis: We have an idea of the type and the nature and extent of the wage increases that the unions are looking for, but there is no specific detail that we have as yet, because we have not commenced bargaining. We think we will be doing that towards the end of this month.

CHAIR: From what you are saying, they have not presented any indication? There is no formal log of claims. The negotiations have not really got to the stage where you could start talking about the types of things—

Mr Leeper: We have issued the notice of employee representation rights. What that means is we have told our staff that they have the ability to either rely on the union to represent them, to appoint a bargaining agent to act on their behalf or to represent themselves. That process runs for a couple of weeks. It is in our minds to seek to commence the negotiations with unions later in June.

CHAIR: It had been suggested that they were looking at introducing a personal leave pool and also having the ATO cease using merit based redundancy selection processes. Does the same apply for both of those?

Ms Curtis: We are aware that they are concerned about redundancy provisions and they are,

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

of course, concerned about a lot of the conditions that are currently in RA, given that they are aware of the government's bargaining framework. But really we don't know any further detail at the moment until we commence bargaining.

Answer:

728. The ATO commenced bargaining with all bargaining representatives on non-remuneration matters on 23 June 2014. In the first week of bargaining the ATO heard the initial claims put forward by the Australian Services Union (ASU). The ASU formally confirmed its list of initial claims to the ATO on 25 June 2014.

The ASU's claim in relation to salaries and allowances is:

As a starting point, all salary pay points should increase by 4% each year, compounding. All allowances should increase by the same amount, except where specified otherwise below.

The ASU's claim in relation to superannuation is:

The closed CSS and PSS superannuation funds provide markedly superior benefits for their members compared with the current PSS Accumulation Plan and at much higher cost to the ATO. The ATO currently contributes 15.4% of their salary to members' PSS AP accounts.

The ATO's superannuation cost of employing its staff is reducing as members of the CSS and PSS leave the ATO due to retirement, resignation etc because of their relatively high cost.

The ATO should share part of this saving with members of the PSS Accumulation Plan. We propose the ATO increase the size of its contribution to members of the PSS AP from 15.4% of their salary by an additional agreed percentage for each year of the life of the 2014 ATO Enterprise Agreement.

The ASU's claim in relation to personal leave is:

Many ATO employees run out of paid personal leave as a result of long term illnesses. Cancer and serious heart disease can result in employees requiring very many months off work. Their recovery can be uneven and there can be setbacks. Employees need a better safety net than the current discretionary provision.

The ATO's approach drives its employees with serious long term illnesses to rely on social security benefits from Centrelink. Many are not eligible for this because their spouse works and they have to rely on their family for financial support. The Commissioner's discretionary grant of compassionate leave is not sufficient to prevent this.

We therefore propose two alternate schemes to deal with this situation.

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

- 1. When staff retire/resign with accrued personal leave credits, those credits should go into a pool to provide others with access to these personal leave credits for their long term health issues who run out of personal leave.*
- 2. The ATO should insure its staff against long term illnesses that last longer than 3 months duration. This income protection insurance should be for illnesses or injuries that are not eligible for workers compensation or other compensation schemes.*

The ASU's claim in relation to redeployment and redundancy is:

Redeployment should be offered to everyone on a team that is to be reduced in size. Each team member should be advised of all vacancies at level, the job description, selection criteria and assessment process. Every team member should have the opportunity to volunteer for the vacancy and if suitable, be transferred into the position before it can be filled in any other way. Where there are more volunteers for a vacant position(s) from amongst potentially excess employees at level, then the ATO should choose the most suitable volunteer.

There should be no compulsory redundancies.

Clause 119.5 of the current Enterprise Agreement provides reimbursement of up to \$2,200 to assist excess employees with career, lifestyle and or financial planning and/or for assistance with preparation of applications for job interviews. This support should be made available to employees when they have been notified they are likely to become excess. The support will then become available a few weeks earlier.

Employees who are made redundant should receive \$15,000 for assistance with re-training.