

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

**Budget Estimates Hearing – May 2008
Department of Finance and Deregulation
Finance and Deregulation Portfolio**



Outcome 3, Output 3.1

Topic: Difference between the *Collective Agreement for Commonwealth Members of Parliament Staff 2006-2009* and *Determination 2007/PM/1 Terms and Conditions of Employment for Employees Above the Level of Adviser*

Question Reference Number: F59d

Type of Question: Written

Date set by the committee for the return of answer: 11 July 2008

Number of Pages: 5

Senator Ronaldson asked:

In a response to question F71 on notice in February 2008 – the Committee was supplied with the determination the Prime Minister made to employ senior staff under the MOPS Act.

Are there any differences in the terms and conditions of employment under the PM's new Senior Staff CA that are not available to non senior staff employed under the Commonwealth Members of Parliament Staff Collective Agreement, except for salary levels, phones and cars – say leave arrangements?

Answer:

Senior Staff above the level of Adviser are employed under *Determination 2007/PM/1 Terms and Conditions of Employment for Employees above the Level of Adviser* (the Determination). A comparison highlighting the key differences between the Determination and the *Collective Agreement for Commonwealth Members of Parliament Staff 2006-2009* (Collective Agreement), as at 28 May 2008, is provided in the table at Attachment A.

The supporting guidelines to the Determination, and guidelines to the Collective Agreement, were also reviewed as part of this comparison. Where provisions in the table at Attachment A have been drawn from the relevant supporting guideline, it has been noted.

Excluding salary levels, phones and cars, the key differences are:

- Basis of employment (for staff other than ongoing, access to entitlements such as severance pay and relocation assistance are restricted);
- Method by which additional / irregular hours may be recognised;
- Employer contribution rate for employees exercising Super Choice;
- Travel and related provisions; and
- Provisions around the Career Transition Payment.

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Budget Estimates Hearing – May 2008

Department of Finance and Deregulation

Finance and Deregulation Portfolio



Attachment A

Comparison Showing Key Differences in Terms and Conditions of Employment

** Information has been sourced specifically from the relevant supporting guideline*

Terms and Conditions	Determination 2007/PM/1- Terms and Conditions of Employment for Employees above the Level of Adviser and supporting guideline	Commonwealth Members of Parliament Staff Collective Agreement 2006-2009 and supporting guideline
Employment Basis	There are no defined categories of employment.	Employees may be engaged as ongoing, non ongoing or casual, and have access to specific entitlements in accordance with their employment basis. For example, casual staff will have access to a 20 per cent loading in lieu of other entitlements such as leave.
Salary	The Determination is an interim employment framework and as such does not provide a mechanism for salary increases.	<ul style="list-style-type: none"> • Annual across the board salary increases included to 2009 (subject to achievement of productivity targets). • Advancement to the next available salary increment occurs after each 12 month period of service. • Access to higher duties allowance (temporary performance progression). • Limits apply to the commencement salary point of an electorate employee. • Electorate employees at the top of their salary range may, after 12 months and subject to competency assessment, be moved to the next classification.
Supported Wage System	Silent on Supported Wage System.	Provides for the employment of people with a disability under the Supported Wage System.

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2008

Department of Finance and Deregulation

Finance and Deregulation Portfolio



Terms and Conditions	<i>Determination 2007/PM1- Terms and Conditions of Employment for Employees above the Level of Adviser and supporting guideline</i>	<i>Commonwealth Members of Parliament Staff Collective Agreement 2006-2009 and supporting guideline</i>
Additional/irregular hours to be recognised	Ministerial Staff Allowance (MSA) paid fortnightly with salary (fixed rate).	<ul style="list-style-type: none"> • Parliamentary Staff Allowance paid fortnightly with salary. Amount based on classification level. • Electorate Staff Allowance paid fortnightly with salary to electorate employees at one of seven rates determined by the employing Senator or Member. • For staff not in receipt of these allowances (and excluding casual staff), time off in lieu may be granted. • Drivers employed by former Prime Ministers receive an allowance paid fortnightly with salary (fixed rate).
Annual Leave	Employees can be directed to take up to ¼ of their leave credits where their credits total 80 days or more as at 31 January and/or 31 July of any year.	Employees should apply for an appropriate minimum amount of leave each year. *There is no limit on the amount of annual leave that may be accrued by employees.
Leave without pay	*The guideline is silent on religious holidays, however they are likely to be approved at the Senator or Member's discretion.	*Religious holidays are cited as an example for taking leave without pay.
Long Service Leave	*Absences on long service leave of less than 15 days may be approved in exceptional circumstances.	*Absence on long service leave must be a minimum of 15 calendar days.
Superannuation	The Determination is silent on the minimum employer contribution rate for employees electing superannuation choice. Therefore, the default employer contribution rate of 9 per cent applies, in accordance with the <i>Superannuation Guarantee (Administration) Act 1992</i> .	Employees who exercise superannuation choice receive an employer contribution at the minimum rate applying to the Public Sector Superannuation Accumulation Plan (PSSAP), currently 15.4 per cent.

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Department of Finance and Deregulation

Finance and Deregulation Portfolio



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Private Plated Vehicle/ cash in lieu	Classifications of Principal Adviser, Chief of Staff and Senior Adviser are entitled to a private-plated vehicle, or cash payment in lieu of a vehicle.	No provision for private-plated vehicle or payment of cash in lieu.
Travel Allowance (TA) and Travel leave	The TA rate for overnight stays in Canberra is the same as that approved for Senators and Members by the Remuneration Tribunal and will vary from time to time. The TA rates in locations outside Canberra are determined by the SMOS. *Rates are based on rates applicable to Senior Executive Service (SES) employees of the APS. No entitlement to Travel Leave.	The TA rate in Canberra is the set \$10 below the rate applicable to Senators and Members. *The current TA rates for locations outside Canberra are available on the MOPS intranet site. (These are currently based on the rates applicable to non-SES employees of the APS). <u>Excess (Canberra) Travel Leave</u> Additional annual leave is credited to employees with a home base in certain locations, when they are required to travel to Canberra on a Sunday or public holiday for a Parliamentary sitting on the following day.
Travel (general)	*Standard class of travel is business.	<ul style="list-style-type: none"> • *Standard class of travel is economy. • *Restrictions apply as to travel provisions, dependant on classification. • *Travel is subject to availability of funds in the Electorate Staff Travel Budget.
Relocation expenses	Relocation expenses available to all employees.	Relocation expenses are limited to ongoing employees.

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<p>Terms and Conditions</p>	<p><i>Determination 2007/PM/1- Terms and Conditions of Employment for Employees above the Level of Adviser and supporting guideline</i></p>	<p><i>Commonwealth Members of Parliament Staff Collective Agreement 2006-2009 and supporting guideline</i></p>
<p>Severance Benefits</p>	<p>Severance benefits available to all employees terminated under the MOP(S) Act other than through resignation. Specific exclusions apply, for example, the employee will not be eligible where they are on leave without pay from the public service.</p>	<p>Specific exclusions for severance benefits are extended to include employees that are:</p> <ul style="list-style-type: none"> • non ongoing or casual; • on probation; • on an unapproved absence of 10 days or more; or • who has been approved for an invalidity retirement benefit from the Commonwealth Superannuation Scheme or Public Sector Superannuation Scheme. <p>Where an employee is employed after a break in MOPS(S) Act employment and during a severance pay period, their severance benefit will be reduced by this period of re-employment. If the benefit has already been paid an overpayment may have occurred, which will result in a debt owed to the Commonwealth.</p>
<p>Career transition payment</p>	<p>A career transition payment, for counselling or training, must be approved within three months of the termination of employment.</p>	<p>A career transition payment must be approved within six months of the termination of employment and may also be used to obtain financial advice.</p>