



Sydney Ferries

Level 9, 37 Pitt Street , Sydney NSW 2000  
PO Box R1799, Royal Exchange NSW 1225  
T 02 9246 8300 F 02 8113 1900  
ABN 46 202 040 027 [www.sydneyferries.info](http://www.sydneyferries.info)

7 April 2009

Georgia Potter Butler  
Organiser  
Australian Services Union NSW & ACT (Services) Branch  
PO Box 1865  
Strawberry Hills NSW 2012

7 April 2009

Dear Georgia

### **Sydney Ferries Salaried and Senior Agreement 2009**

1. Thank you for your letter of 24 March which set out a number of positions about the proposed Salaried and Senior Agreement. The purpose of this letter is to:

- summarise the outcome of discussions at the meeting on 1 April and earlier meetings where outstanding issues have been addressed; and
- propose that the agreement is, to all intents and purposes, agreed.

2. A response to your first dot point about costings was the subject of a letter sent to you on Friday 3 April. In it SF noted that the request to provide costings on a number of identified potential savings was unviable as the projects identified have not realised any savings or were beyond the scope of this agreement making process.

3. It should be noted in this context that SF is under an obligation to comply with the State Government's Wages Policy which provides that:

*"Budget Committee approval is required for any increase in wages and/or conditions of more than 2.5 per cent. Increases in employee related expenses of more than 2.5 per cent must be funded through employee related reform measures and other cost savings. Such measures would generally involve direct changes to award/agreement provisions, legislation and could relate to staffing levels, human resource policies, rostering arrangements, workforce composition, work intensity or job redesign that leads to savings."; and*

*"The wages policy is predominantly about driving cultural change to improve service delivery and decision-making in line with the requirements of the State Plan. It is about creating the public sector of the future – more flexible, highly skilled, mobile, high performing and outcome driven.*

*Work practices need to be flexible. Outcomes from negotiations should deliver conditions that are attractive but not restrictive. Agencies should look for reforms that promote greater employee mobility, better attraction and retention and allow for smarter job design and re-design.*

*Each Agency must look at reform areas to meet their planned objectives. Attachment A lists areas where organisations must review existing arrangements and determine the potential for reform. In some cases **achievement of outcomes in these areas has already been factored into the Budget and can not be included as cost savings for the purposes of wage increases (for example reducing average sick leave absences)** [our emphasis]. Further reforms in these areas may be included where additional savings can be demonstrated".*

4. Throughout the process for the development of this Agreement SF has not asked its employees to change agreement provisions nor, as a result of this agreement, are there any changes proposed to staffing levels, policies, rostering arrangements, workforce composition, work intensity or job redesign which could result in employee-related cost savings to justify an increase over 2.5%.

5. It is for this reason that the proposal was made in December 2008 to offer an agreement containing a 2.5% salary increase with no significant changes to the agreement apart from distinguishing specific clauses applying to rostered and non-rostered employees, removing obsolete, irrelevant or prohibited clauses and tidying up any ambiguous drafting in the current agreement.

6. Since then the employee representatives advised of a number of 'local arrangements' operating in various pockets of SF which are not in keeping with the spirit or intent of the current agreement and are probably in place as a result of a long adherence to the STA payroll system which has been irregularly reviewed. Such anomalies potentially apply across all SF agreements and industrial arrangements and will need to be addressed in the implementation of a new payroll system. In drafting this agreement SF has provided for some of these local arrangements to continue.

7. The 'endorsed' positions as provided in your letter of 24 March are that the new agreement should be drafted to include clauses which:

***i. Reflects the current payment of overtime for staff***

This issue has two elements:

(a) payment for controlling officers at Manly and SAOs (i.e. Salaried employees) who receive payment of overtime in excess of 8 hours for rostered shifts of 10 hours. SF does not believe that this reflects the spirit nor indeed the intent of the agreement. The current agreement provides for overtime for hours worked in excess of daily hours *or* weekly hours. The agreement provides for 38 ordinary weekly hours but does not specify daily ordinary hours. The 10 hour rosters at Manly are worked over a 4 day period providing extra time off for employees in addition to the ADO provisions. SF does not believe that this constitutes a trigger for overtime in excess of 8 hours.

(b) payment of overtime to certain Senior Officers for whom overtime is currently specifically excluded. The proposed draft clause is:

*30.2 Rostered and non-rostered Senior employees are not generally entitled to overtime payments under this Agreement. Such employees are required to hold themselves in some degree of readiness for extra duty. The relevant senior manager (General Manager or their authorised nominee) may approve payment for overtime to Senior employees where exceptional circumstances warrant such action. Any such approval must be pre-approved in writing.*

**ii. Reflects the current notice periods**

The current agreement includes a clause entitled Termination of Employment and Redundancy which provides that:

- 22.1** *SFC operates in a changing environment. It is required to restructure operations and tailor its workforce to meet these changes. SFC strategies for managing its employees during these changes affect its ability to attract and retain a skilled loyal workforce.*
- 22.2** *SFC shall offer alternative arrangements to displaced Employees resulting from organisational structural change or a period of absence of more than 12 months.*
- 22.3** *SFC shall offer redundancy provisions to displaced officers in accordance with the SFC Redeployment of Displaced Employees Procedure dated 19 May 2005 (as a minimum position) subject to approval by the NSW Government.*
- 22.4** *Sydney Ferries Corporation is entitled to offer a Permanent Employee written notice of termination as follows:*
- |                        |  |
|------------------------|--|
| <i>2 weeks notice:</i> | <i>less than 1 year of employment</i>      |
| <i>4 weeks notice:</i> | <i>between 1 and 2 years of employment</i> |
| <i>6 weeks notice:</i> | <i>between 2 and 3 years of employment</i> |
| <i>8 weeks notice:</i> | <i>greater than 3 years of employment</i>  |
- 22.5** *Sydney Ferries Corporation is entitled to pay a Permanent Employee in lieu of notice based on the Employee's salary set out in this Agreement.*
- 22.6** *A Permanent Employee shall offer Sydney Ferries Corporation written notice of termination of 2 weeks duration.*

SF contends that this clause does not reflect termination with notice, that is, where the employment relationship is broken by means other than redundancy or summary dismissal. In the replacement agreement the forms of termination are separated to distinguish them. The eight weeks' notice reflects the additional payments currently available to employees through redundancy provisions set out in the Displaced Employees Procedure.

SF would prefer the Termination With Notice clause to include such words as 'reasonable notice' (or a similar term) rather than specifying a number of weeks as it provides for individual circumstances to be taken into account. Given, however, that there appear to be issues with the use of the word 'reasonable' it is proposed that the specific reference to 'four weeks' notice' is included.

*iii. Has penalty provisions where a break is not given within a specified time*

SF is not opposed to the inclusion of a crib break clause but any payment of a penalty is not appropriate. SF notes that a crib relief management plan, developed at the local level, has been in operation at Manly for some time now.

*iv. Reflects the current minimum amount where someone turns up for a shift but is not required*

This clause is contained in the current agreement. SF agrees to include it in the draft agreement.

*v. Reflects the current payment of leave loading*

Agreed. A draft clause has been inserted.

8. SF notes that in drafting this agreement the following provisions have been included:

- payment of overtime for Senior employees in certain circumstances
- payment for Annual Leave Loading
- payment for afternoon shift penalty which is **not** reflected in the current agreement
- increase in casual loading to 25%
- identification of flexible working practices
- removal of minimum periods for payment of higher duties allowance
- continuation of the 'industry' allowance
- distinguished working arrangements for rostered and non-rostered employees to reflect that they are completely different operational ways of working
- payment of maternity leave provisions at half pay
- availability of 9 weeks full pay for adoption leave
- widening the availability of compassionate leave to include 'close friends'

9. In the light of these amendments SF is keen to get the agreement to a final position so that the process of beginning formal consultation with employees may begin.

10. Also included with this letter is a copy of the latest draft which reflects the changes sought through your 24 March letter and discussed at the meeting on 1 April. Unless there are any significant issues now arising SF is prepared to finalise this agreement by preparing a draft for final signing and arranging for the appropriate representatives of ASU and RTUB respectively to sign.

Yours sincerely

SF Management Negotiation Team  
Craig Rieck  
Kati Ritchie  
Vincenzo Rossello