

CORPORATE SERVICES
INDUSTRIAL RELATIONS DIRECTORATE

Ms Anne Gardiner
General Secretary
Public Service Association of NSW
160 Clarence Street
SYDNEY NSW 2000

DOC15/920312

Attention: Vera Babicheva

WITHOUT PREJUDICE

Dear Ms Gardiner

Re: SAS Staff Leave Simplification

I refer to discussions concerning the Department's proposal to simplify business rules affecting SAS Staff entitlements to leave and standdown pay.

Background and reasons

As you are aware, the Department is planning to develop a new HR/Payroll system supported by SAP.

As has been discussed in previous meetings, the Department proposes some basic principles for revision of business rules to facilitate development of the new system including:

- Leave balances will only be debited during term time;
- Vacations will be considered as a payment, rather than a leave type;
- Prospective accrual of vacation pay.

These principles affect:

- how maternity leave is taken when it spans several school terms; and
- how standdown pay accrues.

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PROPOSAL

A – VACATION AND STANDDOWN

1. Accrual of standdown pay for long term temporary SASS

1.1 Remove the requirement to work the term *after* a vacation to be entitled to the standdown pay of that vacation and allow for a prospective accrual of standdown pay instead.

1.2 The accrual of standdown pay to be proportionate to the days worked during the term preceding that vacation eg 1 day of work in Term 1 x *ratio* = n days of standdown pay in Vacation 1. This means that leave without pay and part-time leave without pay would also affect proportionately the accrual of vacation pay. There are two options here.

1.2 (1) Adopt the *permanent rate* of pay for long term temporary SASS which would make the ratio:

$$\text{Ratio} = \frac{\text{Total vacation days in year}^*}{\text{Total term days in year}}$$

*No. of vacation days includes annual leave and public holidays

Where the accrual days exceeds the vacation days, any excess days would be carried over for the term 4 vacation.

This would enable long term temporary SASS to receive a constant rate of pay during their engagement similar to permanent SASS.

The Department acknowledges that the long term temporary rate is the work value rate for SASS. However, the above accrual method above results in a greater combined (term + vacation) remuneration.

To address the application of the long term temporary rate to various entitlements such as overtime and extended leave, it is proposed to adopt a 1.058 *factor* to these entitlements maintaining the remuneration in these circumstances.

1.2.(2) Maintain the current approach of providing half of the remuneration during vacations. As a result the ratio should be based on

$$\text{Ratio} = \frac{\text{Total vacation days in year}^*}{2 \times \text{Total term days in year}}$$

*Vacation days do not include 20 days annual leave and public holidays.

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Annual leave would accrue as normal and public holiday occurring during a vacation day corresponding to a normal work day will be paid in full as per current arrangement.

Attachment A compares both options with the existing arrangement.

2. Accrual of vacation pay for permanent SASS

The amount of vacation pay for permanent SAS staff will be proportionate to the number of days worked in the preceding term as per 1.2 (1) above.

Permanent SASS would not notice the application of this reform as shown in Attachment B.

B – LEAVE

1. How maternity leave is taken when it spans several school terms

Where this type of leave is taken for periods that include school vacations, staff are still deemed on maternity leave during the vacation, but the vacation time will not count as part of the 14 weeks. The count towards the 14 weeks will resume from the following term.

Attachment C compares the proposal with the current arrangement.

The Department proposes to continue meeting with the Association to discuss, clarify or negotiate as appropriate elements of this proposal. To allow the Association time to consider the above information, the Department suggests the parties meet in the week commencing 18 January 2016

Yours sincerely



Mark Philip
Director, Industrial Relations

14 December 2015