

Bargaining

Wages Policy:

Each Government, whether Labor or Liberal, issues a wages policy which sets the parameters (aka bargaining parameters) around what can be negotiated in relation to replacement industrial agreements. Wages policy is published and implemented by PSLR in accordance with their coordination role for public sector industrial relations.

Currently, the *Public Sector Wages Policy Statement 2019* provides that:

- The Government of Western Australia requires increases in industrial agreement wages for full time equivalent public sector employees to be limited to \$1,000 per annum. The \$1,000 per annum limit will be pro rata for part time and casual employees.
- Allowances prescribed in industrial agreements will be adjusted according to existing methodologies.
- Negotiated outcomes may include cost-neutral and other arrangements and flexibilities (other than wage increases) as approved by Government.

The current wages policy applies to all 146,000 public sector employees within WA. This is inclusive of firefighters (who just reached a 3-year deal), police, nurses, education assistants, teachers, and even salaried officers at the PTA (who are about to sign off on a 2-year deal).

Bargaining Parameters:

In order to obtain approval to discuss industrial matters at the bargaining table and provide formal offers to our Union containing the proposed terms of a replacement industrial agreement, the PTA must draft and seek approval of its bargaining parameters.

Presently, the content of the bargaining parameters must be endorsed by the Executive Director of Public Sector Labour Relations (ED-PSLR). The endorsement by ED-PSLR will follow a submission by ED-PSLR to the Minister for Industrial Relations, the Premier and the Treasurer.

As part of the PTA's internal processes they will generally seek the endorsement of the Minister for Transport prior to providing it to PSLR. The bargaining approval process is subject to change and will generally be clarified by PSLR prior to each round of bargaining.

Bargaining process:

There is no formal bargaining process that the *Industrial Relations Act 1979* requires the parties to follow. In general, the process will be as follows:

- Parties commence negotiation meetings approximately six months prior to the agreements expiring.
- Negotiation meetings are held fortnightly. Frequency often increases towards the end of the six-month negotiation period.
- The Employer makes a formal written offer(s) to the Union, until an offer is accepted. If agreement cannot be reached, the parties may end up in arbitration.
- Generally, Unions will firstly provide “in-principle agreement”, which provides agreement to the offer subject to a ballot of union members. See further information below.
- If the membership vote is successful, then formal agreement is reached.
- The parties finalise drafting the agreement.
- Once finalised, the agreement is signed and then lodged in the WAIRC for registration.

In-principle agreement:

In-principle agreement occurs when the Employer and the Union reach an understanding of what should be included in the new replacement agreement. This usually occurs once the Union accepts a letter of offer from the Employer.

Unions will provide a conditional acceptance of an offer such as in-principle agreement subject to a ballot of union members.

Once an in-principle agreement is reached the parties will finalise the changes to the industrial agreement in order to effect the in principle agreement.

Agreement is reached once the replacement industrial agreement is signed by the CEO, the secretary of the relevant union and the industrial agreement is registered by the WAIRC.

Depending on the wages policy which applies at the time the in-principal agreement is reached, this date might have an impact on the date of the first wage increase in the agreement.

IN UNITY!