

12 September 2013

Mr Michael McNally
Industrial Officer
National Tertiary Education Union

Dr Jan Wegner
Branch President
National Tertiary Education Union

Mr Laurie Reilly
Staff Representative
National Tertiary Education Union

Mr Ken McKay
Advocate
Together

Mr Wal Giordani
Organiser
Electrical Trades Union

Dear Michael, Jan, Laurie, Ken and Wal,

Enterprise Bargaining Agreement Negotiations and Wage Offer

We refer to our meeting on 6 September 2013 and our subsequent correspondence with you. I also refer to my telephone conversation with Michael on 6 and 10 September 2013.

JCU's offer

During our meeting on 6 September 2013, JCU put the following offer to the Unions:

- The Enterprise Agreement will have a nominal expiry date of 1 March 2015;
- The salary increase will be 3% in 2013, backdated to 1 June 2013 and paid to employees on 1 November, and 3% in 2014;
- JCU will forgo any further productivity increases arising from:
 - Changes to the span of hours in clause 29;
 - Changes to overtime and TOIL in clause 30;
 - Early termination of contracts for external funding fixed term provisions in clauses 19.1.2 and 19.1.3; and
 - JCU will commit to a decrease in casual academic teaching over the life of the Enterprise Agreement of 10%.

In light of my discussions with Michael about JCU's offer and recent NTEU communications to its members, I wanted to clear up a few misconceptions which have appeared in the communications.

There has been language suggesting that the University's offer was a "Final Offer", that JCU has offered only 2.25% and that the University has not moved. Even today it was suggested that the offer is a pay freeze or a pay cut. This is misleading information and is unhelpful to resolving the matters in good faith.

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Michael's email of 10 September suggested that the NTEU retracted its statement that management intended to provide a reduced salary increase of 2.25%. While I want to focus on the positive, it is important that such communications mentioned above do not detract from the finalising of the agreement and putting it to a vote by employees.

JCU is prepared to continue to talk about duration of the agreement, as was made clear on Friday.

When JCU put a 2 year agreement, this was based on the University's inability to control the economic circumstances and stability of funding. This was to allow staff to renegotiate the Enterprise Agreement potentially in circumstances where the economic climate for both JCU and the higher education sector is clearer and more stable.

On Friday, the University restated the 3 year offer, forgoing the same productivity improvements, namely:

- The Enterprise Agreement will be in operation for 3 years - 30 March 2015 expiry date; and
- A salary increase of:
 - 3% in 2013;
 - 3% in 2014; and
 - 3% in 2015;
- JCU will forgo any further productivity increases arising from:
 - Changes to the span of hours in clause 29;
 - Changes to overtime and TOIL in clause 30;
 - Early termination of contracts for external funding fixed term provisions in clauses 19.1.2 and 19.1.3; and
 - JCU will commit to a decrease in casual academic teaching over the life of the Enterprise Agreement of 15%.

Union response on Friday

After receiving JCU's offer, and after some time to consider, as you are aware, a counter offer was made as follows:

- The Enterprise Agreement will be in operation for 4 years - June 2016 expiry date; and
- A salary increase of 3%, 3%, 3½% and 4%.

On Friday night, Michael called, and later emailed, to advise that the Unions withdrew their offer as JCU had not improved on its offer.

Movement in our offer

We are concerned by the communications that JCU has not increased nor moved from its original offer as announced on 2 May 2013. This is incorrect.

When the University salary increase offer was released on 2 May 2013 it was couched in the following terms:

The University has made an offer to the Joint Unions of a salary increase for staff whose employment conditions are governed by the James Cook University Enterprise Agreement. The salary increase offer is 3% on the 1 June in each of 2013, 2014 and 2015.

The offer is part of the intensive negotiations currently taking place with the Joint Unions.

The proposed salary increases are subject to the University achieving productivity outcomes relating to flexibility and efficiency particularly in areas of Academic Workloads and Hours of Work for Professional and Technical Staff.

The previous salary increase offer was contingent on JCU achieving productivity outcomes.

While JCU has sought and did want productivity outcomes in relation to span of hours, overtime and TOIL, as outlined above, JCU has forgone these initiatives in its offer. This has a tangible impact on the terms sought in the EA and on the hours of work and entitlements of employees.

Again, JCU is not contemplating cutting or freezing salaries, the current offer will see staff receive a 9% pay increase over three years.

Next Steps

I will be meeting with Michael tomorrow to discuss the duration of the Agreement.

While the 4 year agreement offer from the Unions was withdrawn, we remain prepared to consider a 4 year agreement if that is what is proposed.

We would ask that the NTEU clarify with their member's on Monday whether they are seeking a 4 year agreement or not before we meet at 2 pm on Monday.

After nearly 12 months of negotiations, JCU would like to give employees the chance to make up their own minds with respect to the offer currently on the table. Following on from our meeting on Monday, JCU will take steps to put the Enterprise Agreement to a vote.

We look forward to working with you as we aim to finalise the Enterprise Agreement.

Regards

A handwritten signature in black ink, appearing to read 'Robyn McGuiggan', with a long, sweeping flourish extending to the right.

Professor Robyn McGuiggan