

Your ref: SE:ndef CN 142877

18 November 2020

Mr Stewart Little, State Branch Secretary
Ms Susan Emery, Industrial Officer, NSW
Community and Public Sector Union

By email cpsu.nsw@psa.asn.au; semery@psa.asn.au

Dear Ms Emery

ACU Recovery Budget

Thank you for your letter dated 13 November 2020, and for our meeting later that day.

As I indicated in our meeting and as I have done on a number of occasions, the university welcomes the opportunity for ongoing dialogue with the Community and Public Sector Union (**CPSU**) and its members at the university as we deal with impact of the COVID-19 pandemic on our staff, students and the university.

Your letter makes a number of submissions on behalf of your members. While I addressed these in our meeting, I will take the opportunity to confirm the university's current position on those matters here.

The surplus

The surplus is derived by calculating the revenue the university has earned for the year less operational expenditure. In its proposed recovery budget, the university has reduced its surplus from 6% to 2%. A surplus is required to maintain the university's capital assets and to allow for unforeseen changes to the university's operations and commitments and, in some states, a surplus is a regulatory requirement.

It is the university's view that a 2% surplus is an appropriate and responsible measure in the current circumstances. It has been significantly reduced but still provides a contingency or buffer, consistent with careful and considered stewardship of the university.

Jobs Protection Framework

The university is indeed a member of the Australian Higher Education Industrial Association (**AHEIA**). However, it is not correct to say that the university is bound by the Job Protection Framework negotiated between AHEIA and the NTEU. The university carefully considered the framework when it was settled in June 2020 and elected at that time not to commit to it. This was in large part because the university did not have sufficient information about the future impact of COVID-19 on the university and its staff (especially for 2021 and 2022).

Relevantly, the university's local NTEU branch also voted to reject the framework.

Expert Assessment Panel

It is correct that the Expert Assessment Panel (**EAP**) is a key feature of the framework. However, the university has made a commitment to seek the view of the EAP if the university believes in mid- January 2021 that it should propose a variation to our enterprise agreement. As discussed, the university intends that:

The university will compile a consultation report of all union and staff feedback, which will be provided to Senate for consideration at its 3 December 2020 meeting, along with the proposed 2021 budget.

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A budget will be implemented for 2021 – the incoming Vice Chancellor will consider the university's financial position in respect of the 2021 budget in early January 2021, and form a view in consultation with senior management about whether a variation to our enterprise agreement is required (including to mitigate the extent of workforce reduction).

If the university elects to progress an enterprise agreement variation, it will ask the CPSU and the NTEU for their agreement to approach the EAP with the university's variation proposal and financial information in support of its proposal.

If the EAP verifies the university's financial details in support of the variation proposal, the university would then approach the CPSU and the NTEU for their support of the variation proposal. The variation proposal will only progress with the support of both the CPSU and NTEU.

The university does not have a fixed view about which of the potential employee benefits measures would be included in a variation proposal. Any consideration of which measures might be appropriate will take into account the feedback received from unions and staff, required savings, and the financial impact of the measures (as verified by the EAP).

Employee benefits options

The university acknowledges the submissions made by CPSU about a number of the potential measures described in the university's recovery management budget, as well as the alternative options suggested by the CPSU, including greater encouragement of flexibility options, natural attrition, and secondment and career breaks.

As discussed, the university does not discount the availability of such options and will continue to explore what individual or voluntary measures might be appropriate, again taking into account all of the feedback received from unions and staff, required savings, and the financial impact of those options.

Flexible work arrangements will continue to be a focus at an organisational level as the university transitions to 'COVID-normal' operations. I expect that we will continue dialogue with unions and staff about flexibility.

Next steps

I confirm the university will include the CPSU's 13 November 2020 letter and this response in the consultation report to be provided to Senate for consideration at its 3 December 2020 meeting. As discussed, the report will also be provided to the members of the ACU Staff Consultative Committee (as well as the CPSU's delegates and industrial officers at ACU), on 26 November 2020, for consideration and discussion at its extraordinary meeting on 3 December 2020.

While the formal feedback portal has now closed, the university will continue to engage with the CPSU throughout the next steps.

Your sincerely

A handwritten signature in black ink that reads "SWELLER". The signature is written in a cursive style with a horizontal line underneath the name.

Dr Stephen Weller