

EA 2020: Proposed Outcomes – 12 November 2020

Corporate Services/Employee Relations

TransGrid EA 2020

Proposed Outcomes – Without Prejudice – All Inclusive For consultation with employees

Topic	Proposed outcome	Explanation
1) Salary Increase	<ul style="list-style-type: none"> - Salaries to be increased annually by 2%, with effect from the first full pay period on or after 1 December 2020, 1 December 2021, 1 December 2022 - A three year agreement - Increase flows through to base rate, allowances and superannuation. 	<ul style="list-style-type: none"> - Management has listened to employees and moved away from its earlier position to link salary increase to CPI - Management is now offering a wage increase based on a firm percentage, rather than one based on CPI. - Australia is in the middle of the worst economic downturn since the Great Depression, 90 years ago and like most other businesses in Australia, our revenues and our financial position have been impacted. - We believe a compound pay increase of more than 6% over three years is fair in these circumstances and it is affordable for the business at a time when our revenues are uncertain and the national economic recovery could be years away. - This change, agreeing to a fixed and known percentage increase, delivers an additional benefit to employees of approximately \$2.3m per annum.
2) Allowances	<ul style="list-style-type: none"> - General Purpose and Field Allowances to increase annually in line with the percentage increase in salary. 	<ul style="list-style-type: none"> - A continuation of the most recent past practice of these allowances increasing annually in line with the salary movement - This change will increase payments to TransGrid employees by approximately \$175,000 per annum.
3) Standby allowance	<ul style="list-style-type: none"> - Standby allowance to increase almost 50% to \$315 per week, aligning it more with market rates. 	<ul style="list-style-type: none"> - The current EA 2016 weekly rate is \$213.60 per week - This change will increase payments to TransGrid employees by approximately \$145,000 per annum.

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	- \$75 casual rate for single day periods on weekends or public holidays	
4) Sustenance	- Sustenance rates and meal allowances on overtime to increase to the ATO 2020 and freeze the rates for the life of the agreement.	- The current EA 2016 fixed sustenance rates at the ATO's 2016 rates - These rates, along with meal allowances on overtime rates, will increase to the ATO's 2020 rates, applicable at the time of making of the new EA 2020 - These rates will remain fixed for the duration of the new EA 2020 - This change will increase payments to TransGrid employees by approximately \$154,000 per annum.
5) Higher grade leave	- During acting period, periods of paid annual leave, sick leave, parental leave and public holidays taken, will be paid at the higher grade rate. - This includes periods of leave agreed to be taken following the acting period	- The current EA 2016 provides only for paid leave at the higher grade rate after 3 months continuous or after 6 month cumulative in a 12 month period - This practice requires manual intervention by payroll staff to implement and maintain - For all periods of acting in higher grade (including secondments), any annual leave, sick leave, parental leave, paid public holidays or accident pay taken, will be at the higher rate - Employees and their manager will responsibly plan annual leave, proportionate with the duration of the acting in higher grade.
6) Calculation of service / Parental Leave LWOP	- Full periods of leave without pay not to count in the calculation of service. - Periods of leave without pay associated with parental leave will be recognised as service.	- The current EA 2016 provides that the first 20 days of a period of unpaid leave to count towards the calculation of service - This practice requires manual intervention by payroll staff to implement and maintain. - This proposal will see the full duration of leave without pay, associated with parental leave, to count as service, including of the calculation of long service leave entitlements. - In total, this change will increase payments to TransGrid employees by approximately \$18,000 per annum.
7) Engineering Certification	- Engineers required to hold memberships and registrations will not be out of pocket for any expenses.	- Recent legislation in NSW, to have effect from July 2021, has introduced registration requirements for certain engineering roles

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		<ul style="list-style-type: none"> - The EA 2016 has an existing clause that TransGrid will pay or reimburse fees for membership bodies when an employee is required by legislation to be members of a professional body or registered authority - TransGrid will comply with all legislative requirements - TransGrid will reimburse one-off registration fee and annual membership fees - Continuing professional development activities incorporated into annual Personal Development Plan process - TransGrid has furthered its commitment to both the development aspect, the neutrality of provider and ensures that employees are able to prioritise this without being out of pocket for any expenses
8) Excess travel time	<ul style="list-style-type: none"> - Excess travel time claims to be based on actual time travelled, less the normal time for travel to permanent workplace. 	<ul style="list-style-type: none"> - The current EA 2016 provides for excess travel time to be calculated by the payroll system, based on recorded travel distances - This practice requires manual intervention by payroll staff to implement and maintain - The proposed will result in travelling time being claimed for excess travel, based on the actual time taken, less how long it takes an employee to normally travel from home to permanent base location - This is a cost neutral change and reduces administration burden.
9) Apprentices and Graduates	<ul style="list-style-type: none"> - An ongoing commitment to the importance of apprentices, graduates and interns. 	
10) Individual Development Programs	<ul style="list-style-type: none"> - A commitment to the creation of a working group to monitor the implementation of individual skills and development programs for Tradespersons and Power Workers. 	
11) Shift workers	<ul style="list-style-type: none"> - A commitment to consult employees when considering changes to rosters. 	<ul style="list-style-type: none"> - Inclusion of general statement regarding roster setting - Commitment to develop a work instruction in consultation with Operators to explain roster setting, changes, overtime, and allowance calculations.

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12) Consultation	<ul style="list-style-type: none"> - The frequency of Level 1 Consultative Committees to be increased to 2 monthly to foster improved communication and to discuss matters of organisational impact. 	
13) Redundancy	<ul style="list-style-type: none"> - Updated process emphasising the focus on redeployment and voluntary redundancy - No change to employee’s existing entitlements 	<ul style="list-style-type: none"> - The current EA provides for generous redundancy benefits - Management has agreed to proposed changes in wording from employees that emphasise redeployment and voluntary redundancies as being preferred to involuntary redundancies - Any changes in composition or number of roles is expected to be minor, similar to what has occurred in recent years.
14) Domestic and Family violence leave	<ul style="list-style-type: none"> - Up to 10 days paid leave per annum to attend to matters arising from domestic violence. 	<ul style="list-style-type: none"> - The current EA 2016 provides for paid leave for domestic violence matters, but only after sick leave and accident pay are exhausted - This entitlement would be available to employees impacted by domestic violence in the first instance, with sick leave able to utilised thereafter.
15) Saturday overtime	<ul style="list-style-type: none"> - Overtime worked on Saturday to be time and half for first 2 hours, then double time. 	<ul style="list-style-type: none"> - The current EA 2016 provides for all overtime commenced after 12pm on a Saturday to be paid at double time - This practice requires manual intervention by payroll staff to implement and maintain - Currently, only 10% of overtime on Saturday commences after 12pm - All Saturday overtime being paid on the basis of time and half for the first 2 hours, and double time thereafter, is consistent with the practice for Monday to Friday and also aligns to the modern award - This change would result in a total reduction of \$13,700 per annum by TransGrid.
16) Fortnightly pays cycle	<ul style="list-style-type: none"> - Pays to be paid fortnightly, one week in arrears and one week in advance. - Sustenance claims, once submitted, would be approved automatically and not require 	<ul style="list-style-type: none"> - The current EA 2016 provides for weekly pay, fully in arrears - This cycle allows only limited time for payroll checks, error corrections and analysis - By receiving a full week’s pay in advance, employees would experience a “positive cash flow” in terms of their personal finances, i.e., receiving a full week’s pay 1 week early

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	manager pre-approval. Checks would take place retrospectively.	<ul style="list-style-type: none"> - Advance notice of greater than 6 months would be provided to employees of the change - If an underpayment were to occur (of \$200 or more) as a result of an error by TransGrid, an out of cycle payment will be made by TransGrid.
17) Annual leave on termination	- Upon termination, annual leave to be paid out on a pro rata basis of annual entitlement.	<ul style="list-style-type: none"> - The current EA 2016 provides for annual leave on termination to be paid at 8.3% of the weekly rate of pay, per week of service - This practice is complicated and requires manual intervention by payroll staff to implement and maintain - Further, the annual leave balances reflected in ellipse are not accurate - This change would result in employees who terminate receiving an accurate pro rata benefit, based on their annual entitlement - This would provide transparency on leave balances for all employees - This change would result in an approximate reduction of \$35,000 per annum
18) Compliance	Minor updates that remove ambiguity and obsolete content, and address EA 2016 undertakings.	
19) Other	As part of a rollover of the existing EA, no major changes to existing benefits or entitlements.	