

Frequently Asked Questions - supplementary For Public Sector Wages Policy and the one-off payment where payable upon in-principle agreement

Overview

In September 2019, Government announced an additional component of a \$1250 one-off taxable, pro-rata payment to Public Sector Wages Policy. There has been no change to the Government Owned Corporations Wages Policy.

One-off payment

Entities subject to the Public Sector Wages Policy can now offer a one-off \$1,250 payment as part of bargaining arrangements, subject to the conditions outlined below.

- The one-off payment only applies to bargains resolved by certified agreement.
- The one-off payment cannot be applied to any other matter in bargaining.
- The one-off payment is only available to employees at classification levels up to Administrative Level 8 (AO8) (or equivalent).

Bargaining cycle

The one-off payment is only available to bargained outcomes that result in a certified agreement that replaces agreements with nominal expiry dates between 31 March 2018 and 30 March 2021 (current bargaining cycle). The payment will only be made available once between these dates.

The Office of Industrial Relations (OIR) provided a Frequently Asked Questions document in late 2019 to assist in the implementation of the one-off payment. This document supplements the previously released Frequently Asked Questions to address an emerging category of payment.

Recently, in-principle agreement has been reached to resolve negotiations that have been complicated and protracted. Once confirmed, the in-principle agreement allows the one-off payment to be paid to eligible employees expeditiously and prior to certification. In such cases, agreement has been reached for the payment to be made upon in-principle agreement in recognition of the parties' commitment to make a certified agreement.

Subject to Cabinet Budget Review Committee approval of in-principal agreement, Government has approved for the one-off \$1250 payment to be made upon in-principle agreement and prior to certification in the following negotiations:

- State Government Entities,
- Department of Education,
- Department of Child Safety, Youth and Women/Department of Youth Justice,
- Youth Detention Centres;
- Parliamentary Service Electorate Office Staff;
- Office of the Queensland Ombudsman;
- Transport and Main Roads Enterprise;
- Stadiums Queensland Staff;
- State Government Security;
- Queensland Public Health Sector;
- Health Practitioners and Dental Officers (Queensland Health); and
- Queensland Health Aboriginal and Torres Strait Islander Health Worker.

Part-time employment calculation

It has been determined that the pro-rata calculation methodology for part-time employees is to be based on their average ordinary hours over the preceding 12 months if this is higher than their appointed fraction. This methodology will also apply to past payments and where an adjustment to payments already processed is required, back payments will be made.

Please refer to the updated original Frequently Asked Questions document for information about how this applies to payments made upon certification of an agreement or payments made in relation to agreements certified at the time of the announcement of the one-off payment.

Payment on in-principle agreement

The date of in-principle agreement is when all negotiating parties have provided in-principle support for the proposed agreement.

Eligibility

Employees in classification levels up to AO8 (and equivalent) will be eligible for the 'one-off payment' (pro rata):

- a) a permanent or temporary employee to be covered by the proposed agreement, employed on or after the date of in-principle agreement and who remains employed on the day of the payment; or
- b) a casual employee who has 'continuity of service' (i.e. must have worked at some point in the 3 months immediately prior to the date of in-principle agreement) or a casual employee who commenced after the date of in-principle agreement to be covered by the proposed agreement and who remains employed on the day of the payment.

An employee who resigns before the date of in-principle agreement and their employment terminates before the date of payment is not eligible.

An employee who resigns after the date of in-principle agreement and their employment terminates on or before the day of the payment is not eligible.

An employee resigns after the date of in-principle agreement but their employment has not yet terminated on or before the day of the payment is eligible.

Part-time employees

The \$1250 'one-off payment' will be paid pro rata to part-time employees based on their part-time status on the date of in-principle agreement or the average ordinary hours worked by that part-time employee in the preceding 12 months prior to the date of in-principle agreement, whichever is the greater (capped at \$1250).

However, if an employee is employed as a part-time employee after the date of in-principle agreement, the \$1250 'one-off payment' will be paid pro rata based on their part-time status at the time of the payment or their average ordinary hours of work over the period of their employment, whichever is greater.

Employees returning from parental leave

Eligible employees who have returned from parental leave on a part-time arrangement between the date of in-principle agreement and the date of the payment, will have their payment calculated based upon the greater of their FTE employment status:

- a) immediately prior to commencing parental leave; or
- b) as at the date of payment.

If the employee was a part-time employee prior to commencing parental leave, for the purpose of calculating (a) above, the greater of the employee's FTE status or average ordinary hours worked in the 12 months immediately prior to the commencement of parental leave will be used.

Casual employees

For casual employees, the pro-rata payment will be based upon the average hours worked by that casual employee in the preceding 12 months prior to the date of in-principle agreement (capped at \$1250 pre-tax).

To qualify for the payment, casuals must also have:

- 'continuity of service', i.e. must have worked at some point in the 3 months immediately prior the date of in-principle agreement and remain employed on the day of the payment; or
- commenced as a casual employee after the date of in-principle agreement.

If the casual employee has been employed on a casual basis for a period less than 12 months prior the date of in-principle agreement or they were employed after the date of in-principle agreement, their pro rata payment will be calculated based on their average hours of work over the period of their employment.

Note: If the casual employee performs more than one casual role or a casual role and a part-time role, the pro rata amount of the \$1250 'one-off payment' will be based on their full-time equivalent status for each role (subject to the same averaging rules above) with the total payment capped at \$1,250 (pre-tax).

Secondments

If an employee is seconded to a position covered by the applicable proposed agreement on or after the date of in-principle agreement and remains employed on the day of the payment, they will be eligible for the \$1250 'one-off payment' based on their full-time equivalent status

If an employee is seconded to a position which was not covered by the applicable proposed agreement on or after the date of in-principle agreement and remains on secondment on the day of the payment. The employee is instead is subject to the terms and conditions of the secondment role. The employee will not receive the \$1250 'one-off payment', as they are not covered by the applicable proposed agreement at the relevant time.

Higher Duties above the eligible classification

An employee who has a substantive role covered by the applicable proposed agreement, but who is performing higher duties above the eligible classification, is still subject to the terms and conditions of the applicable proposed agreement. They are simply paid an allowance for acting in the higher duties role. They do not assume all of the terms and conditions of the higher duties position. Accordingly, if they are employed in a substantive role covered by the applicable proposed agreement on or after the date of in-principle agreement and remain employed in the substantive role on the day of the payment they will receive the 'one-off payment'.

Leave and the one-off payment

The \$1250 'one-off payment' is paid to employees who are covered by the applicable proposed agreement on or after the date of in-principle agreement and remain employed on the day of the payment. If the person is on any form of leave, they will receive the payment based on their employment status (part-time, full-time) on or after the date of in-principle agreement.

Impact of employee's start date

The \$1250 'one-off payment' is only paid to employees who are covered by the applicable proposed agreement and who were employed on or after the date of in-principle agreement and remain employed on the day of the payment

Timing of payment

The 'one-off payment' will be made expeditiously following confirmation of in-principle agreement. OIR are working with entities to consider timing. Entities will advise their employees of payment timing once known.