



Public Service Association of SA

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10 February 2025

Tom Kidman
Director, Industrial Relations
Industrial Relations and Policy Branch
Attorney-General's Department

By email: Tom.Kidman@sa.gov.au

Without Prejudice

Dear Mr Kidman

Re: Salaried Enterprise Agreement Negotiations

I write to you on behalf of the Public Service Association (PSA). This letter serves as a response to your letter of 13 January 2025.

The PSA has advised you and the government on numerous occasions of PSA members' priorities and expectations for this round of negotiations, as well as details of the PSA's agenda for negotiations and those topics which require consideration, discussion and negotiation.

For confirmation, I put them to you once again as follows on a *without prejudice* basis:

As has been explained to you on a number of occasions, the majority of issues identified by PSA members that require addressing are underpinned by the need for the base salaries across the public sector, at all levels and classification streams, to be significantly increased.

At the first meeting for negotiations held on 9 September 2024, I formally put you and the government on notice that we expect a significant wages package in the successor enterprise agreement that restores the lost value of public sector wages and brings South Australia's public sector wages back into balance with other public sectors, other states, and the private sector. That position remains unchanged.

PSA negotiating representatives have also made this point directly to you, both before the first official meeting on 9 September 2024 and at every subsequent meeting with you since then.

There is a structural imbalance between South Australian public sector wages and the rest of the labour market. A significant increase in wages is required to remedy this imbalance.

The government needs to acknowledge this as a fundamental underpinning principle for these negotiations, and be prepared to remedy it.

This imbalance is the result of successive governments' policies of public sector wage suppression and the impact of economic factors. This has resulted in the real value of South Australia's public sector wages being eroded by inflation more than any sector and in any state except Western Australia which ties with South Australia in bottom position.

The government has the capacity and the responsibility to remedy the wages crisis in the state's public sector.

The state's economy is in a strong and stable position. Despite this, public sector spending accounts for a smaller share of economic activity in South Australia compared with any other state.

The low wages for public sector workers covered by the salaried agreement — arising from the structural imbalance of public sector wages in the labour market and the cost of living crisis — have resulted in significant attraction and retention issues.

The fact is that current salaried public sector wages are not competitive in the current labour market across any level or classification stream. Significant investment in our public sector is required to resolve this issue. Attraction and retention is a very serious issue across the public sector.

The next wages outcome must rectify the imbalance between South Australian public sector wage rates and comparable work in the private and NGO sector, as well as federal and interstate public sectors, in order to be competitive with all other sectors.

It should have come as no surprise to you that the PSA rejected your so-called 'initial proposition' in its entirety.

In conjunction with genuine pay increases that immediately address the cost of living pressures our members are facing, the PSA is open to exploring all possible options to increase our members' take home pay, including but not limited to:

- adjusting the starting base for future salary increases in this agreement to address the hardship inflation has caused during 2022 and 2023
- backdating the first increase to 1 August 2024
- a further pay increase from the date employees vote in favour of a new agreement
- additional and/or increased increments within classifications

Examples of other pay matters the PSA is pursuing for all members include, but are not limited to:

- Provisions that recognise the additional productivity and value provided by employees with years of experience in their role.
 - This could provide, for example, a top-of-band annual payment for employees who are at the top of their classification for 12 months or more. It could be, for example, equal to a percentage above the rate of pay for the top of the relevant classification.
 - This annual payment could recognise the additional productivity and value the experience of these employees bring. It would also contribute to retaining employees in their roles rather than expending the cost of recruiting, on-boarding and training new employees.
- Improved pathways for progression between classification levels (ASO, AHA, AHP, CA Trust, CFS, CO, DO, GFSc, LE, LEC, LSC, MeS, MPH, OPS, PO, TGO).
- Improving classification structures because responsibilities, skills and complexities within roles are often not appropriately reflected in current classification structures (ASO, AHA, AHP, CA Trust, CFS, CO, DO, GFSc, LE, LEC, LSC, MeS, MPH, OPS, PO, TGO).

- Wage matters that affect members in certain classification streams include, for example:
 - AHP — We seek better and formalised progression from AHP2 to AHP3.
 - AHP — Updating the Work Level Definitions such that there is improved opportunity for roles to be classified in the higher classifications without the requirement to manage staff, i.e. better recognising and remunerating clinical expertise.
 - AHP — Attraction and retention payments for AHPs currently in place will need to be included in the base for **all AHPs** in this agreement before the general increases are applied.
 - AHP — Classifications and pathways need reviewing to match better with the qualifications and experience required for the job and which make roles competitive with other states.
 - Multiclassified roles — Where roles are advertised as multiclassified (e.g. AHP/RN), the salary, penalty rates, allowances and leave for the successful applicant/incumbent should be the equivalent rate of whichever is the greater of the classifications.
 - ASO — ASO1 to ASO2 progression should be automatic consistent with, for example, OPS and also Weekly Paid.
 - ASO — IT specific banding to make these roles competitive in the labour market.
 - ASO — MAS pay rates to better recognise the additional duties and responsibilities required in these roles.
 - OPS — Adjust the OPS salary structure to reflect the CO salary structure. This will assist with retention in areas such as Child Protection and the Youth Training Centre in particular. This also provides better equity across the public sector.
 - CO — Combine the CO2 and CO3 levels into a continuous career path with soft barrier progression similar to AHP1 to AHP2.
 - PO — Updating the Work Level Definitions such that there is improved opportunity for roles to be classified in higher classifications without the requirement to manage staff, i.e. better recognising and remunerating professional expertise.
 - Legal Officers — adjustments to the classification structure, including consideration of, for example, additional classification levels.

Improvements to conditions are critical as well as significant increases in wages.

As I stated to you at the meeting of 9 September 2024, and as has been repeated in our correspondence and in every meeting since then, the PSA is seeking improvements to conditions which deal with the cost of living crisis, attraction and retention, current labour market pressures, equity with other workers, workloads, recognition of skills and experience, vacancy management, shift penalties, rostering issues, leave, maintaining and recognition of professional qualifications, classification and progression.

Employment conditions were once a significant attraction to prospective employees joining the public sector. However, state public sector conditions are now not competitive with conditions offered in other sectors and in public sectors in other states.

Below are examples of improvements required for conditions across the whole sector. As previously discussed with you, conditions specific to particular groups will be need to be the subject of specific negotiations.

Workloads, Vacancy Management

The PSA is seeking commitments and processes for ensuring vacancies – whether short term arising from leave, or ongoing – are filled. This is essential to managing unreasonable workloads arising from vacancies not being filled due to the labour market realities. Where vacancies are not filled, consideration should be given to implementing arrangements that ensure that the salary of the unfilled vacancy is shared among those employees doing the work of the vacant position.

Shift work, penalties, leave and rostering issues

Common issues relating to shift work and non-standard hours need to be addressed. These include, for example, mandatory rest periods, penalty rates, allowances, changes in rosters/shift notifications, and as a minimum, aligning with the conditions of other professions carrying out non-standard hours and shift work.

The PSA is seeking improvements for all employees working shift work and non-standard hours employed under the agreement. This includes, for example, but is not limited to AHP, Child Protection, Youth Training Centre, Service SA, Community Corrections / ICU. Issues arising from working shift work or non-standard hours are common to all workers required to work non-standard hours and therefore must be addressed for all those workers covered by the agreement.

- Minimum standards for shift work and non standard hours need to be included in the agreement including, for example:
 - Mandatory rest periods (10 hours minimum)
 - Increased penalty rates, which, as a minimum, must align with other public sector groups.
 - Six weeks annual leave must be the standard for any employee working non standard hours, with the leave calculated on an accrual basis per month of working non-standard hours rather than counting the number of weekends and public holidays worked.

Maintaining and recognition of professional qualifications

- Compulsory Professional Development for required qualifications should be covered by an allowance. Employees should not have to be out of pocket while waiting to be reimbursed.
- Where qualifications are preferred, but not essential, an allowance should be payable to employees in those roles who possess the qualifications. There are many examples across the public sector where employees' qualifications, although not officially required, are relied upon by the government, particularly in the ASO3-ASO5 range.

Gender pay gap

- The PSA is keen to pursue conditions that would contribute to reducing the gender pay gap. This should include, for example, having:
 - Superannuation paid for periods of unpaid parental leave for those employees taking unpaid parental leave.
 - Superannuation payments upon return to work from parental leave being calculated on full-time salary, and taking into account the respective salary levels preceding and following the taking of parental leave.
 - Shift penalty rates included in salary payments to shift workers who are on parental leave.

Parental leave

- Improvements to parental leave include, for example, improved paid partner leave provisions, including establishing this leave as a stand-alone form of leave.

Reproductive Health

- Up to 10 days special leave for those unable or unavailable to work due to issues arising from, or for medical care or treatment for, matters relating to reproductive health. These may include, for example, menstruation, pregnancy, contraception, miscarriage, perimenopause, menopause, chronic conditions such as poly-cystic ovarian syndrome and endometriosis, hormone therapy, fertility related issues, In Vitro Fertilisation (IVF) and other forms of assisted reproductive health services, vasectomy, hysterectomy and terminations, and preventative health care such as breast and prostate screening.
- Flexible working arrangements to assist in managing or alleviating symptoms.

Regional employees

- The PSA will be seeking improved conditions that recognise the specific additional pressures and costs that accrue to people working in the regional areas of the state.

The wages and conditions matters identified above apply across the whole public sector covered by the PSA membership. They are an indication of the scope of improvements needed in a successor agreement to deal with the structural imbalance of current public sector wages and conditions in comparison with all other sectors of the labour market and workforce, and the impacts of the cost of living crisis.

In addition to wages and conditions that apply across the whole of our membership the PSA will be seeking improvements for specific professions, occupations and work groups. As previously discussed, these will be the subject of negotiations specific to their groups.

Fundamental though is the requirement for the government to acknowledge that there is a structural problem with state public sector wages, and that the cost of living crisis has meant that the value of state government workers' wages has significantly and unreasonably diminished in recent years.

As we have repeatedly advised you, a serious and substantial wages outcome is PSA members' highest priority.

Given that the PSA has been consistently putting our members' priorities and expectations to you in every meeting we have had since 9 September 2024, in our correspondence, and directly and consistently to the Ministers providing your instructions for more than two years, we expect the government to be in a position to advance discussions on these matters in our next meeting.

Please contact PSA Manager, Policy and Strategy Austin White in relation to these matters. Please direct any written correspondence to enquiries@psaofsa.asn.au.

Yours sincerely



Natasha Brown
General Secretary