



Catholic Commission for Employment Relations
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Without Prejudice

28 November 2008

Mr Dick Shearman
General Secretary
NSW/ACT Independent Education Union
GPO Box 116
SYDNEY NSW 2001

Dear Dick,

Teachers (Catholic Independent Schools) (State) Award

I refer to previous communication in relation to the *Teachers (Catholic Independent Schools) (State) Award* (the Award) and in particular, to my letter of 3 November, 2008, which conveyed an offer on behalf of Catholic independent schools (with the exception of the John Berne School) and your letter of 11 November, 2008.

You have outlined the union's concerns in relation to the offer. CCER has consulted with principals in relation to the union's concerns and we are pleased to be able to address these concerns, in the hope that the offer will be acceptable to the IEU and its members.

List AA and B schools

Principals of List AA and B schools reject the union's assertion that there should be a relativity between to List AA and B schools and the *Teachers (Independent Schools) (State) Award* (the AIS award) and that for this reason, parity should be maintained with the AIS award.

I note that List AA schools were covered by the AIS Award until after the making of the existing *Teachers (Catholic Independent Schools) (State) Award*. The choice of these schools to move to the Award was a decision supported by the IEU and based a desire to implement an industrial instrument that is in accordance with the Catholic independent schools sector generally and the financial difficulty associated with being covered by the AIS Award.

Further, I note that the agreement in relation to the wages in the existing Award was not tied to or based on the AIS Award and in fact, List A and B schools have different salary percentage increases in 2007 and 2008 in the current Award than those provided for in the AIS Award.

Notwithstanding the above, the Union is seeking that teachers at the ST1 step be paid percentage increases in accordance with the AIS award, which provides for 3% in February 2010 and an additional 2% in July of 2010 for ST1 only. Schools in List AA and B are therefore prepared to offer these increases to teachers at the ST1 step in 2010 on the basis that the percentage increase for ST1 be to 3% in 2011. If this alternative is not acceptable, the proposal of 3 x 4% would still be available to teachers at every level of the Award, including ST1

List C and List D schools

I note the Union's concern about the operative date of 1 February, when under the current Award, the operative date for pay increases in these schools is 1 January.

In order to address this issue, List C and List D schools, with the exception of Mater Dei, Mount St Benedict College, St Patrick's College, Campbelltown and St Scholastica's College are prepared to make a one-off payment of 1/12th of 4% to teachers whose salary increases will be paid as of 1 February.

This one-off payment ensures that teachers will not be financially disadvantaged by the change in operative date.

Good Samaritan schools

The Good Samaritan schools have offered an additional 0.75% over the life of the new Award. As you are aware, the offer to pay this additional amount is contingent upon the general offer being accepted. The offer as it relates to Good Samaritan schools did not and was not intended to expand the classification structure to include ST1 in schools where it does not already apply. Each school's current position in relation to St1 therefore remains unchanged.

The operative date for the salary increases for the Good Samaritan schools will be 1 February.

St Augustine's College

As previously confirmed, it is intended that St Augustine's wish to change lists and although reference was made to List C in relation to St Augustine's College in my letter of 3 November, 2008, the proposed movement from List D will result in St Augustine's College rates under the new Award being slightly higher than List C. As is the case with the Good Samaritan schools and all other schools who are prepared to pay an additional amount in order to change lists, St Augustine's offer to pay an additional amount is contingent upon the general offer being accepted.

St Joseph's College, Hunters Hill

The union members at St Joseph's College have raised concerns about the fact that ST1 was not included in the classification structure as conveyed in CCER's offer.

As you are aware, the College is committed to implementing rates of pay that are fair and reasonable in all the circumstances, having regard to the discussions that have taken place with staff at the College and what is affordable for the College.

Although it was not initially intended that the move to List AA would mean an expansion of the classification structure to include ST1, the College has now agreed to include ST1 and proposes that the move to List AA be phased in by the College paying 97% of List AA rates for steps 1 – 13 in 2009; 98% of List AA rates for steps 1 – 13 in 2010; and 100% of List AA rates by 1 February, 2011 for steps 1 – 13 and ST1.

The rates of pay over the life of the new Award would therefore be as follows:

Step	Current Salary per annum	Salary per annum 2009	% Increase	Salary per annum 2010	% Increase	Salary per annum 2011	% Increase	Total % increase over life of award
Step 1	39,185	43,040	9.84	45,223	5.07	47,992	6.12	22.48
Step 2	42,711	45,833	7.31	48,157	5.07	51,106	6.12	19.66
Step 3	45,558	48,883	7.30	51,363	5.07	54,507	6.12	19.64
Step 4	47,918	51,419	7.31	54,026	5.07	57,334	6.12	19.65
Step 5	50,522	54,211	7.30	56,962	5.07	60,449	6.12	19.65
Step 6	53,121	57,007	7.32	59,899	5.07	63,566	6.12	19.66
Step 7	55,726	59,798	7.31	62,831	5.07	66,678	6.12	19.65
Step 8	58,331	62,594	7.31	65,769	5.07	69,795	6.12	19.65
Step 9	60,933	65,384	7.30	68,700	5.07	72,906	6.12	19.65
Step 10	63,536	68,178	7.31	71,636	5.07	76,022	6.12	19.65
Step 11	66,137	70,973	7.31	74,573	5.07	79,139	6.12	19.66
Step 12	68,744	73,769	7.31	77,511	5.07	82,257	6.12	19.66
Step 13	75,352	78,630	4.35	82,090	4.40	85,370	4.00	13.29
ST1		78,981	4.82*	82,987	5.07	88,068	6.12	*16.88

* Step 13 to ST 1

The total increase over the life of the new Award for teachers who move from Step 13 to ST1 would therefore be approximately 17%.

Alternatively, St Joseph's College is prepared to offer the salary increases for ST1 as that offered on behalf of List AA and B schools above. Please note that this would be subject to phasing in and therefore the percentage salary increases offered for ST1 would be higher than those set out for List AA and B schools.

As the move from List D, a position which was agreed to by the IEU in the existing award, has been at the College's initiative and the financial impost on the College is significant, the College expects that the teaching staff will understand the need for List AA rates to be phased in.

The above increases are offered on the basis that the general offer is accepted.

The John Berne School

I confirm the position as conveyed in my letter of 3 November 2008 with respect to this school. That is, this school is specifically excluded from this offer on the basis that the financial circumstances of this school mean that it is unable to commit to any salary increases that are not fully funded.

This means that the John Berne School will flow on an increase of 2.5% in accordance with what is being offered (and funded) in the public sector. Any other increase at this school will only occur through the agreement of the Government to fund a further increase.

The IEU's conditions claim

Having received your response to our offer, CCER has undertaken extensive consultation with principals in relation to the union's conditions claim. The position of Catholic independent schools principals in relation to the matters raised in your letter of 11 November, 2008 is detailed below.

An allowance of \$10,000 for teachers accredited as professionally accomplished:

The schools do not agree to the inclusion of this allowance in the Award. However, during the life of the new Award, Catholic independent schools agree that the parties will discuss proposals to identify and acknowledge professionally accomplished teachers. This condition would be subject to the no extra claims clause and so any variation of the new Award with respect to teachers accredited as professionally accomplished would necessarily be by consent.

The inclusion in the Award of superannuation for employees aged over 70:

Superannuation is currently being paid by employers for employees over 70 and as such, it is agreed that this can be included in the award.

Income maintenance for higher income employees on workers compensation:

This issue is currently determined on a school-by-school basis and this should continue to be the case. It is not agreed that this is a matter that should be included in the Award.

Final comments

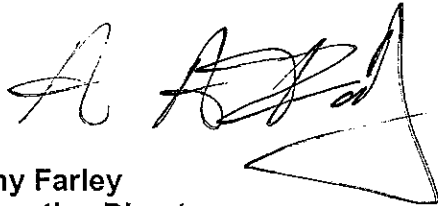
I wish to reiterate that this offer on behalf of Catholic independent schools has been made in good faith and on the basis that it is fair and reasonable.

CCER regrets that we have recently had to notify the Industrial Relations Commission of disputes, in relation to St Joseph's College and Catholic independent schools generally even though we have had a meeting scheduled for today since 18 November, 2008 and you are aware that we have been consulting with schools in the meantime. The threat of industrial action when the current Award has not expired and the union is bound by the no extra claims clause has left Catholic independent schools with no choice other than to seek the assistance of the Commission.

The fairness of the offer, the fact that the schools have attempted to address the union's concerns by offering an alternative for ST1 in 2010 for list AA and B schools and a one-off payment to compensate teachers in List C and D schools for the change in operative dates, as well as the fact that a number of schools will see actual increases in excess of the general offer by virtue of the proposal to change lists are all reasons why it is the expectation of schools that the union will recommend the offer as outlined in this letter to members.

I note that CCER and the IEU are to appear before Her Honour Judge Schmidt this afternoon for further conciliation of the dispute notified by CCER. If the Union is not in a position by tomorrow afternoon to provide an undertaking that industrial action will not occur on Tuesday, 2 December, 2008, CCER will seek a Direction from the Commission that the industrial action should not take place.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A Farley', with a large, stylized flourish at the end.

Tony Farley
Executive Director