

PSC CIRCULAR

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PSC Circular No. 13/2006

To: Chief Executive Officers and Heads of Departments

File: 29/167/50

Subject: IMPLEMENTATION OF AWARDS 52 – 57 FOR CIVIL SERVANTS Date: 26th April 2006

1.0 INTRODUCTION

- 1.1 Following the announcement by the Public Service Commission on Government's decision to move away from the payment of the Cost of Living Adjustment (COLA) and to implement the Performance Management System as part of Government's Pay Policy for the Civil Service, negotiations with the Public Service Unions over their 2004 Log of Claims were proceeded based on this mandated position. However, talks broke down and the six Public Service Unions filed reports of trade disputes individually with the Ministry for Labour, Industrial Relations and Productivity under the Trade Disputes Act.
- 1.2 The Chief Executive Officer for Labour, Industrial Relations and Productivity accepted the reports of trade dispute and subsequently appointed a conciliator to conciliate over these. The conciliation talks commenced on 10th December 2004 and ended with the parties agreeing to refer the dispute to voluntary arbitration.
- 1.3 The Unions, namely the Fijian Teachers Association (FTA), Viti National Union of Taukei Workers (VNUTW), Public Employees Union (PEU), Fiji Public Service Association (FPSA), Fiji Teachers Union (FTU) and Fiji Nursing Association (FNA) signed a Memorandum of Agreement (MOA), on 13th December 2004, on Government's offer of a 2% one-off payment across the board pending the outcome of voluntary arbitration. A further 3% (COLA) payment was made in December 2005 on the same basis.
- 1.4 As per the Memorandum of Agreement of December 2004, the parties had agreed that in the event that the Permanent Arbitrator rules that COLA is to be paid to the Unions for 2004, the 2% one-off payment made in 2004 and the 3% COLA Payment in 2005 would be taken as payment in compliance with the Awards. The COLA Award shall be built into the base salaries.

2.0 ARBITRATION TRIBUNAL AWARD Nos. 52 – 57 of 2005

2.1 The Arbitration Tribunal in its Awards No.s 52 – 57 of 2005 awarded members of all the six Public Service Union employed by the Government the following COLA increases with effect from 01 January 2004:

- (a) Up to \$17,500 - \$14.00 per week
- (b) Between \$17,501 and \$35,000 - \$10.00 per week
- (c) \$35,001 and above - \$7.00 per week

3.0 CONSULTATIONS WITH PUBLIC SERVICE UNIONS

3.1 Cabinet had decided at its meeting of 6th December 2005 that a Government Team meet with the Public Service Unions to discuss options for the implementation of Arbitration Awards No.s: 52 – 57 of 2005, pending resolving industrial relations issues and the proposed Industrial Relations Framework covering the years 2005 – 2007.

3.2 The Cabinet Committee together with officials of the Public Service Commission, Prime Minister's Office, Ministry of Finance and National Planning met with the Public Service Unions on several occasions to discuss the Arbitration Awards Nos. 52 – 57 of 2005 as these relate to the Unions' members and to consider the best possible options for addressing the Awards.

3.3 Members of the Fijian Teachers Association, the Viti National Union of Taukei Workers and the Public Employees Union signed a Partnership Agreement with Government on 24th March 2006 and its subsequent Memorandum of Agreement on 11th April 2006. The two parties met again on 21st April 2006 to discuss the schedule of payment for the pending issues and the Industrial Relations Framework (2005-2007). The three Unions agreed to the Ministry of Finance and National Planning/Public Service Commission proposal as follows:

- i) the full implementation of Award No.s: 52-57 of 2005 by Pay No: 11 of 2006 which is 1st June 2006; and

- ii) the 2% across the board payment in lieu of PMS/Merit pay for 2004 backdated to 1st January 2005 would be paid on Pay No: 17 due on 24th August 2006.
- iii) The remaining payments under the Partnership Agreement would be discussed further in September 2006.

3.4 The Fiji Public Service Association, the Fiji Nursing Association and the Fiji Teachers Union signed their Partnership Agreement on 13th April 2006. As this Circular goes to print, only the Fiji Public Service Association had signed the Memorandum of Agreement with the Public Service Commission on 25th April 2006.

3.5 The Fiji Public Service Association, the Fiji Nursing Association and the Fiji Teachers Union have agreed in principle that the older claims are to be settled first and that the first payment shall be due in June 2006.

4.0 AGREEMENT ON IMPLEMENTATION OF AWARDS 52 – 57 OF 2005

4.1 The Commission and the Public Sector Unions in their consultations have agreed to the following:

- (i) That Awards 52 – 57 of 2005 were to be fully implemented and that the 2% one-off payment made in 2004 and the 3% COLA payment in 2005 were to be taken as payment in compliance of the Awards; and
- (ii) That no recoveries are to be made from those Officers on salaries of \$17,501 and above who were paid the 2% one-off payment in 2004 and the 3% COLA payment in 2005, in excess of the eligibility under the terms of the Awards.

5.0 APPLICATION

5.1 The full implementation of Awards 52 – 57 of 2005 will apply to all established posts and postholders in the Public Service including the Police, Army and Forest Guard Personnels.

5.2 The Chief Executive Officer for Home Affairs is requested by this Circular to where necessary and appropriate, make amendments to the relevant Regulations to effect the implementation of Awards 52 – 57 for those in the Disciplined Services, and the Chief Executive Officer for Justice for those in the Fiji Prison Service.

5.3 Specifically, the full implementation of Awards 52 – 57 of 2005 will apply to:-

- (a) Permanent Officers including those on probation;
- (b) Officers serving on contract terms;
- (c) Temporary Officers; and
- (d) Officers, who resigned, retired or were dismissed after 1st January 2004.

5.4 The full implementation of the Awards 52 – 57 of 2005 will not, however, apply to:-

- (i) Civil Servants who were deemed to have resigned or had their appointments terminated for abscondment from duties under the provisions of Regulation 20 of the Public Service Regulations 1999;
- (ii) Civil Servants on fixed salaries that are governed by the Prescription of Salaries Act, the Judges Remuneration and Emoluments Act and the Public Service (SES) Regulations 2003.

6.0 PAYMENTS

6.1 The full implementation of Awards 52 – 57 of 2005 will be made to all eligible Civil Servants on Pay No. 11 of 2006 which will be payable on 1st June 2006. This payment will be consolidated into officer's basic annual salary with effect from 1st January 2004. The 2% one-off payment made in 2004 and the 3% COLA payment made in 2005 is to be taken as part payment of the Awards.

6.3 The respective salaries incorporating the increase are shown in **Appendix A**.

- 6.4 The respective salaries for Officer's in the Disciplined Services, namely the Fiji Police Force and Fiji Prison Services, incorporating the increases with the implementation of the Report on the Job Evaluation Exercise are shown in **Appendix B**.

7.0 ALLOWANCES

- 7.1 All deductions linked to salaries including rent on Government quarters and PSC scholarship loan deductions should be adjusted to the revised salary levels with effect from 1st January 2004.
- 7.2 All allowances linked to salaries, such as the housing allowance, acting allowance, consolidated allowance, etc should be adjusted to the revised level of salaries with effect from 1st January 2004.

8.0 OVERTIME

- 8.1 The revised overtime rates which are effective from 1st January 2004 are attached as **Appendix C** of this Circular.
- 8.2 Where the funds are not specifically provided in the Budget Estimates, time-off in lieu shall continue to be granted on an hour to hour basis to officers who are eligible and who are authorized to claim overtime payment. Officers who cannot be released to utilize their time-off in lieu of overtime payment, are permitted to utilize time-off in lieu with their annual leave at the end of their current leave year.

9.0 AMENDMENTS TO GENERAL ORDERS

- 9.1 The amendments to the General Orders necessitated by this increase is set out as **Appendix D** and are effective from 1st January 2004.
- 9.2 This Circular super cedes PSC Circular No: 01/2006 dated 16 January, 2006.

10.0 CLARIFICATIONS

- 10.1 Please ensure that this circular is brought to the attention of all Officers in your Ministry/ Department. Further clarification may be sought from Losana Ravuso of the Employee Relations Division, Public Service Commission, on email lravuso@psc.gov.fj or telephone 3314588 ext 246 or Filipe Nagera on email fnagera@psc.gov.fj or telephone ext 227.



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