

AG845217 PR966385

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Workplace Relations Act 1996
s.170LJ - Agreement with organisations of employees (Division 2)

Conference of Major Superannuation Funds Pty Ltd

and

Finance Sector Union of Australia
(AG2005/7870)

CMSF CERTIFIED AGREEMENT 2005

Insurance industry

COMMISSIONER SMITH

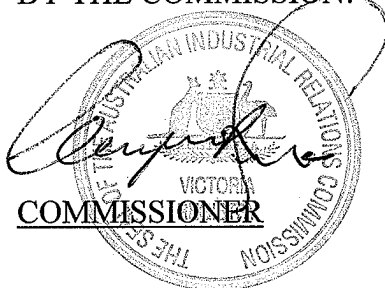
MELBOURNE, 16 DECEMBER 2005

CERTIFICATION OF AGREEMENT

In accordance with section 170LT of the *Workplace Relations Act 1996*, the Commission hereby certifies the attached written agreement.

This agreement shall come into force from 16 December 2005 and shall remain in force until 30 June 2007.

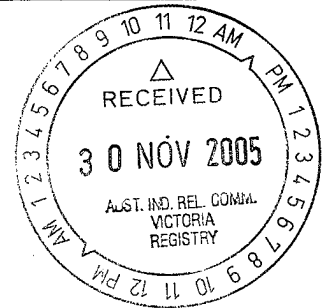
BY THE COMMISSION:



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CONFERENCE OF MAJOR SUPERANNUATION FUNDS CERTIFIED AGREEMENT



1. Title

This Agreement will be known as the *CMSF Certified Agreement 2005*.

2. Arrangement

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3. Relationship to Awards and other Agreements

This Agreement operates in conjunction with the Insurance Industry Award 1998 ("the Award"). To the extent of any inconsistency between the CMSF Certified Agreement and the Award, the provisions of the Agreement will prevail.

4. Parties Bound

This Agreement is made between Conference of Major Superannuation Funds Pty Ltd ("CMSF") in respect of all its employees and the Finance Sector Union of Australia ("FSU").

5. Date and Period of Operation

This Agreement will commence from the date of certification and will operate until 30 June 2007.

All parties commit to commencing negotiations on a subsequent agreement at least three months prior to the expiration of this Agreement.

6. Annual Remuneration Review

The principles governing the annual remuneration review have been determined by various Board decisions. These principles are:

There are two grounds for a remuneration increase:

- (i) For all staff, an economic adjustment based on the greater of the CPI and AWOTE for the previous 12 months*.

* March to March figures are used due to the delay in obtaining June results. The rate of increase may be adjusted to take account of any one-off factor which impacts on either the AWE or the CPI (such as the impact of the GST in the year of its introduction).

All staff are eligible for this review except those:

- appointed after 1 March in the year of review and on probation; or
- subject to formal disciplinary action as a result of unsatisfactory performance; or
- employed on a Letter of Offer which specifically excludes them from this process.

- (ii) For those staff who have assumed increased responsibilities and/or acquired new skill levels an additional adjustment to reflect those changes.

- Remuneration increases resulting from the application of (i) will be paid from the first fortnightly pay period in July each year and increases resulting from (ii) will be paid from the next pay period.

7. Leave Loading

Annual leave loading will be paid at the rate of 25%. This is paid in a lump sum in December of each year, and is part of each persons salary package i.e.; not paid on top of salary.

8. Bonuses

Bonuses may be payable and would reflect both the performance of the company and the performance of individuals. All Staff will automatically be entitled to participate in bonuses except those:

- Recently appointed and on probation; or
- Subject to formal disciplinary action as a result of unsatisfactory performance; or
- Employed on a Letter of Offer which specifically excludes them from this process.

CMSF Management will not change bonus targets throughout a year except for circumstances where a staff member's duties and responsibilities are changed. Management will in these instances:

- (a) redefine the bonus criteria for the period subsequent to the change of duties and responsibilities and agree new terms with the staff member; and

- (b) calculate bonus entitlements pro rata to the periods for which the different terms applied.

9. Superannuation

The level of employer-contributed superannuation is as per the Superannuation Guarantee (Administration) Act 1992 plus 1% of superannuable salary with effect from 1 July, 2005.

Any increase in the Superannuation Guarantee (SG) rate will be granted as an additional payment to each employees package.

Employees will be given the opportunity to salary sacrifice their own contributions, and to make voluntary contributions through payroll deductions.

CMSF makes all employer contributions for its employees into the Superannuation Trust of Australia (STA), unless another eligible superannuation fund is requested by an employee.

Upon commencing employment at CMSF, if an employee does not choose another eligible superannuation fund for their employer contributions within 28 days, their contributions will automatically be paid into STA.

CMSF will include in its pay advice to employees the name of the fund that the employees contributions have been paid to, along with the dollar amount paid.

10. Hours of Work

The ordinary hours of work for employees will be 35 hours per week. The spread of hours will be negotiated between the employee and the responsible manager.

11. Christmas/New Year Office Closure

CMSF employees will be entitled additional paid leave (this leave is not subject to annual leave loading) on the working days, which fall between Christmas and New Year. However, CMSF may require an employee to work during this period if a skeleton staff is required.

- in the first instance, volunteers will be sought;
- no staff member will be required to work during this period if she/he demonstrates that her/his personal circumstances would be adversely affected;
- employees who are required to work during this period will be entitled to substitute leave days at time and a half.

12. Prenatal and Paid Maternity & Paternity Leave

In addition to the provisions of the Award with respect to maternity and paternity leave. CMSF acknowledges the flexibility requirement of employees during their or their partner's pregnancy and, in recognition of this, will provide, in addition to other benefits in this Agreement and the Award, access to a bank of 24 hours for the expectant mother or father which will enable the employee to attend the routine medical appointments associated with pregnancy. This leave will be paid and will allow such employees to attend medical appointments during normal working hours without being absent for a full day.

Employees who qualify for maternity leave under clause 24.3 of the Award will be granted 10 weeks' paid maternity leave.

CMSF employees who qualify for paternity leave under clause 24.4 of the Award will be granted one week's paid paternity leave.

CMSF will endeavour to accommodate requests for part-time employment from an employee returning to work at the expiration of their leave. The terms of the part-time employment will be agreed between the employee and CMSF.

13. Annual Leave

13.1 Employees will be granted annual leave in accordance with clause 22 of the Award. However, if an employee accrues more than 30 days' annual leave, CMSF may direct the employee to take at least 10 days' annual leave with four weeks' written notice.

13.2 Pay Averaging

13.2.1 Pay Averaging arrangements allow employees, subject to Management agreement, to increase their leave entitlement, in return for a reduced annual salary. Staff may choose to average their pay to access up to two weeks additional leave by averaging their pay over 52 weeks. Annual salary will be reduced by 1/52 for each extra week of leave. All salary based entitlements and conditions will be based on the employees' reduced salary.

13.2.2 Access to additional annual leave via Pay Averaging is subject to the following conditions:

(a) Participation in Pay Averaging is available to permanent employees following completion of two years' continuous service.

(b) Participation in pay averaging is subject to business needs and must be agreed between the Manager and the employee.

(c) There must be mutual agreement between the employee and their Manager when annual and averaged leave will be taken, prior to any Pay Averaging arrangements being established. Leave must be taken in a manner consistent with business needs.

(d) If an employee has an entitled annual leave credit, they must reduce this entitled annual leave credit to below 20 days before entering into Pay Averaging arrangements.

(e) An employee must enter Pay Averaging for a complete 12 month period at the commencement of the calendar year. The employee cannot withdraw from Pay Averaging during the 12 month period. Participation in Pay Averaging will be reviewed by the Manager and the employee upon the anniversary of the arrangement being made. Pay Averaging is not transferable between employment roles, and is subject to approval by the new Manager.

(f) An employee seeking to participate in Pay Averaging is required to make application to their Manager by no later than 30 September in the year preceding commencement of the period for the Pay Averaging period. In turn, Management will be required to respond to the application within 30 days of receipt of the application.

13.2.3 CMSF will continue to work with the FSU to implement Pay Averaging.

13.2.4 If an employee dies or is retrenched whilst participating in a Pay Averaging arrangement, any entitlements payable on termination shall be at the rate of pay they would be entitled to had they not entered into the arrangement.

14. Long Service Leave

From the date of this Agreement long service leave will accrue at the rate of 13 weeks for each 10 years of continuous service.

Notes:

1. Continuous service is calculated excluding any periods of unpaid leave.
2. By agreement with Management, staffs are able to take part (but no more than 6 weeks) of their accrued long service leave after five (5) years of continuous service.
3. Pro-rata long service leave will be paid out on termination after five (5) years' service. Such pro-rata long service leave will not be paid if an employee is summarily dismissed.
4. Long Service leave accrued after five years of continuous services must be taken as leave and cannot be paid out. If exceptional circumstances arise the Directors of CMSF may at their discretion revise this on a case-by-case basis.

15. Sick Leave

Sick leave is provided for in clause 23 of the Award. However, notwithstanding Clause 23.3.2(a), employees will be entitled to 10 days' sick leave in the first year of employment.

16. Personal Leave

CMSF recognises that staff must balance work and family responsibilities. To this end CMSF will make available to staff a period of leave that can be accessed at times where there is an imperative for an employee to attend to matters that relate to specific personal circumstances. In general the amount of personal leave to which an employee is entitled to up to six days per year. From time to time in certain circumstances the amount of personal leave required may exceed six days, leave will be extended by agreement between the employer and employee. Such leave is not cumulative. It is recognised that such a provision is introduced on the basis that there is a broad level of trust between the employee and the manager regarding its utilisation. Generally speaking such leave relates to, but is not restricted to:

- caring for an immediate family or household member who is ill and requiring care and support of the employee - carer's leave; or
- the death of a personal friend or relative - bereavement leave.

In respect of this leave an employer may require the employee to provide satisfactory evidence supporting the reason for the leave to the manager designated with the responsibility of authorising such leave.

The provisions of this clause apply to full-time and regular part-time employees, but do not apply to casual employees.

An employee may take unpaid carer's leave by agreement with the employer.

For the purposes of the above, "year" is the financial year 1 July to 30 June pro-rated to new staff in each year.

17. Flexible Working Conditions

CMSF recognises that in some instances staff are required to work extra hours to ensure the operation of successful events and projects undertaken by CMSF. In recognition of this CMSF will provide staff with flexible working conditions, within working hours, without penalty to attend to personal business. This will be agreed between CMSF and the employee on a case-by-case basis.

18. Study Leave

Employees will be entitled to study leave and other associated benefits in accordance with the CMSF Study Policy set out as Attachment A, and where agreed by management.

19. Redundancy

In the event of redundancy or retrenchment:

- Every effort will be made to avoid retrenchment through redeployment, retraining, normal staff turnover and the curtailing of external recruitment.
- If an employee's position becomes redundant and alternative employment is accepted, a two-month trial period in the new position will be put in place. Should either the employee or CMSF find that the employee is unsuited to the new position, the employee's service will be terminated without loss of entitlement to retrenchment payments, calculated to the date service actually ends.

Upon termination through retrenchment an employee shall be paid:

- four weeks' salary in lieu of notice, plus
- one weeks' salary for each completed year of service, plus
- a pro-rata payment for each completed month of service in the final year of service.

The minimum sum payable shall be not less than 5 weeks' payment. Employees whose service includes periods of full-time and part-time work will have their retrenchment payments calculated taking these into account.

In addition to the retrenchment payment outlined above, a retrenched employee shall also be paid the following:

- Any accrued annual leave plus annual leave loading and, on a pro rata basis, any annual leave that has accrued in the final year of service. Where less than a full year's leave has accrued, no annual leave loading is payable on the pro-rata leave.
- Employee's who have completed five (five) years of continuous will be paid for untaken long service leave on a pro-rata basis.

Retrenched employees will be provided with an outplacement service at CMSF's expense.

20. Dispute Resolution

Any dispute or concern, which arises between CMSF and an employee, will be dealt with according to the following procedure:

- An employee can involve a duly authorised representative of the FSU or other representative of their choice at any stage of this procedure where he or she wishes.
- As soon as practicable after the concern or dispute has arisen, the employee will take the matter up with their immediate supervisor affording them reasonable opportunity to remedy the dispute or concern.

- Where the attempt at settlement has failed, or where the dispute or concern is of such a nature that discussion with a direct supervisor is inappropriate, the employee will take the matter up with the General Manager of CMSF.
- Where the above steps have failed to resolve the matter, or where the employee wishes to, the employee may notify a duly authorised representative of the FSU or other representative of their choice.
- If the parties do not settle the matter it may be submitted by either party to the Australian Industrial Relations Commission. The parties as final will accept any determination of the Commission.
- Without any prejudice to the above, work will continue as normal while the matter/s in dispute are dealt with in accordance with this procedure.

21. Union Provisions

CMSF will give full access to its employees and workplaces during working hours to accredited officers of the FSU. Such officers will give reasonable prior notice of their visits and in order not to disrupt the normal business of the workplace will give favourable consideration to reasonable request of CMSF regarding times/days for such visits.

CMSF will provide all new employees as part of their induction materials an application form for membership of the FSU.

22. Probationary Period of Employment

Employment with CMSF will be subject to a three-month period of probationary employment. From time to time it may be necessary to extend this period of probation, the General Manager will do this in consultation with the employee.

23. Notice of Termination

Notice of termination of employment by either CMSF or an employee will be by four weeks' written notice. Such notice will be deemed null and void should an employee be summarily dismissed.

24. Consultation about Change

- CMSF will undertake to notify and consult with staff in circumstances where it has been decided to undertake structural changes which will result in major changes to its business operations and which will impact on its staff. Such impacts might take the form of:
 - major changes in workforce requirements
 - introduction of technological changes
 - restructuring and transfer of jobs
 - restructuring of organisational arrangements
 - changes resulting in the potential loss of jobs

This consultative process with staff and the FSU will focus on intended changes and due process to be observed. Discussions will take place as soon as practicable given the nature of the actions required. In the spirit of open communication CMSF will provide all relevant information in writing to staff and the FSU.

- CMSF will consult with staff and the FSU on significant business initiatives or major changes (including changes to company policy which affect employment conditions), which will have a demonstrable impact on staff.

25. Occupational Health and Safety

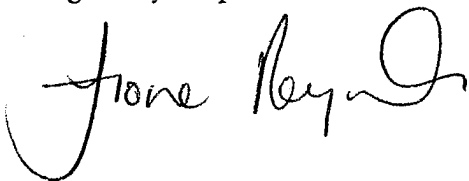
- CMSF is committed to providing a safe and healthy working environment. It will operate within relevant legislation and aims to improve on these minimum standards wherever possible.
- As appropriate, CMSF can call on professional resources for the purpose of:
 - workplace assessments
 - occupational health and safety training
 - rehabilitation programs

All such arrangements will be co-ordinated by the General Manager.

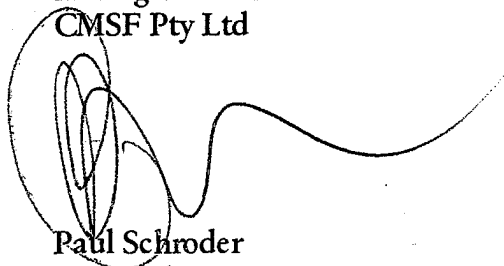
26. Equity and Workforce Diversity

- CMSF respects the differences between employees, recognising that each person has individual skills and attributes to bring to their job and that different backgrounds; social and cultural experiences encourage innovation and flexibility within the workforce. As such CMSF is committed to creating an organisational environment that encourages people to strive for personal growth in the pursuit of business goals.
- CMSF is committed to assisting staff to balance the company's need for staff commitment with their family commitments and other responsibilities. By recognising the value staff place in balancing their family and work lives, CMSF believes it will continue to attract and retain the highest calibre of staff.
- CMSF encourages a work environment and practices which supports workforce diversity and embodies the following principles:
 - the creation of a work environment which is free from discrimination;
 - the creation of a work environment which is free from harassment;
 - the selection and promotion of staff based on merit and the promotion of equal opportunity in employment;
 - the acknowledgment that there must be a balance between work and other commitments such as family, as reflected in clauses 12 & 16;
 - opportunities for work related training and development, as reflected in clause 17.

Signed by the parties:



Fiona Reynolds
Manager and Convenor
CMSF Pty Ltd



Paul Schroder
National Secretary
Finance Sector Union of Australia

ATTACHMENT A: STUDY POLICY

1. Broad Governing Parameters

CMSF recognises the importance of continuing education and encourages staff to further their education through approved training facilities.

From 1 July 2003 all degrees, diplomas and tertiary certificates undertaken by CMSF staff will be included in the employees total remuneration package. CMSF management will determine whether the course is relevant to an employee's position and/or the organisation prior to approving the funding.

Should an employee cease studying prior to finishing his or her study, he or she will forgo this amount in their salary package.

Other study i.e. short courses, seminars and training will be funded by CMSF at the discretion of the manager and providing it is relevant to the employees position and/or the organisation.

Reference material paid for by CMSF will remain the property of CMSF should the employee leave the organisation.

1.1 The company's study leave policy is designed to:

- evidence the company's intent to encourage ongoing personal development;
- be consistent, both as between staff in one line of business and as between staff in different lines of business. This is not to say that the provision must be identical - we may choose to allow more time for one course than for another on grounds of relative difficulty/complexity;
- provide certainty to both the staff member and to his/her manager. Both should know the level of entitlement for the person/course;
- support involvement in courses that are related to intended future roles for the staff members as well as their present role. Indeed, it should be our ambition to be planning ahead sufficiently to start preparing people for jobs before we put them in them. Conversely, study leave does not apply to courses, which have no relevance to the staff member's present or future roles within the company.

1.2 Additional Requirements

- Study leave must be agreed in writing and signed off by Management prior to the course being undertaken.

2. Study Leave

For the duration of the course (ie from day one of each semester to the last exam day):

- four hours per week - to cover tutoring, lectures, study groups and private study time;
- the time needed for attendance at the exam.

Note: Study leave must be approved in advance by the staff member's manager and is conditional upon work being reasonably up to date. Additional time to that designated in the policy may be granted if the staff member has, at the company's behest, put in significant additional work hours *but* this provision should only be used where there is a compelling and self-evident proof of the circumstance.