



Australian Government

Department of Education, Science and Training

Vice Chancellor

Dear Vice Chancellor

I am writing to inform you of new arrangements the Australian Government has put in place to provide flexibility and choice to higher education providers with regard to their workplace policies.

As you are aware the Australian Government announced on 29 April 2005 the new Higher Education Workplace Relations Requirements (HEWRRs) to assist universities to become more productive, efficient, flexible and internationally competitive. The requirements were released jointly by the Minister for Education, Science and Training, Dr Nelson, and the Minister for Employment and Workplace Relations, Mr Andrews. The requirements encourage a commitment to workplace reform and reflect the Government's focus on providing staff with genuine choice in agreement-making, direct relationships with employees, workplace flexibility, workplace productivity and performance, and freedom of association. Details of the HEWRRs and a policy document setting out the administrative arrangements are attached.

Universities will need to meet the HEWRRs as well as the National Governance Protocols in order to be eligible for the increase in assistance funding under s.33-15(1)(b) of the *Higher Education Support Act 2003* (5% in 2006 and 7.5% in later years).

To receive the additional funding in 2006 Higher Education Providers, operating on an expired certified agreement, must have in place, by 30 September 2005, a certified agreement(s) and workplace policies and practices that comply with the HEWRRs. Those universities that have existing agreements which expire on or after 1 October 2005 must have in place workplace policies and practices that comply with the HEWRRs.

To receive the additional funding in 2006 universities operating on an expired certified agreement, must have in place, by 30 September 2005, a certified agreement(s) and workplace policies and practices that comply with the HEWRRs.

Those universities which have existing agreements which expire on or after 1 October 2005 must have in place workplace policies and practices that comply with the HEWRRs, except where compliance with the HEWRRS would be directly inconsistent with the university's obligations under its existing agreement(s) as at today.

To qualify for the increase in Commonwealth Grant Scheme funding available in 2007 and later years, universities must by 31 August of the year prior have in place certified agreement(s) and workplace policies and practices that comply with the HEWRRs.

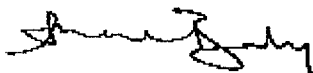
All universities will be required to have compliant workplace agreements, workplace policies and practices by 31 August 2006 in order to receive the 7.5 per cent funding increase in 2007 and will need to comply every year thereafter in order to maintain this funding increase.

Vice Chancellors will be asked to confirm to the Department by the cut-off dates in 2006 and later years that their agreements and informal workplace arrangements and practices comply with both elements of the *Higher Education Support Act 2003*. Further details relating to the evidentiary requirements are attached.

Universities must meet the requirements to the satisfaction of the Minister for Education, Science and Training. DEST will monitor compliance with the HEWRRs through assessments of the agreements and informal workplace arrangements and practices of higher education providers.

Officers from both DEST and the Department of Employment and Workplace Relations have prepared additional information to assist universities to meet the requirements. This information will be provided to you shortly and will also be available on the DEST website. If you would like to discuss any issues relating to the HEWRRs, please contact us by email (Workplace_productivity@dest.gov.au) and your inquiry will be responded to. Alternatively, please feel free to call me on 02 6240 9176.

Yours sincerely



Anne Baly
Branch Manager
Teaching, Equity and Collaboration Branch
Higher Education Group

29 April 2005

PROPOSED HIGHER EDUCATION WORKPLACE RELATIONS REQUIREMENTS (HEWRRs) UNDER THE COMMONWEALTH GRANTS SCHEME (CGS)

To be eligible for the increase in assistance funding under s.33-15(1)(b) of the *Higher Education Support Act 2003* under the Commonwealth Grant Scheme (CGS) (5% in 2006 and 7.5% in later years) Higher Education Providers (HEPs) workplace arrangements, including agreements and workplace policies and practices, are to comply with the Higher Education Workplace Relations Requirements (HEWRRs) detailed below.

HEPs must meet the following requirements to the satisfaction of the Minister for Education, Science and Training.

The HEWRRs apply to all workplace agreements made and approved or certified after 29 April 2005.

Access to increased CGS funding is determined annually. For 2006, an important consideration will be the nominal expiry date (NED) of a HEP's existing certified agreement(s) as at 29 April 2005.

CGS Funding Increase – 2006

HEPs Existing Agreement(s) as at 29 April 2005 with NED on or before 30 September 2005

The HEP must have in place, by 30 September 2005, a certified agreement(s) and workplace policies and practices that comply with the HEWRRs.

HEPs Existing Agreement(s) as at 29 April 2005 with NED on or after 1 October 2005

The HEP must have in place workplace policies and practices that comply with the HEWRRs, except where compliance with the HEWRRs would be directly inconsistent with the HEP's obligations under its existing certified agreement(s) as at 29 April 2005.

CGS Funding Increase – later years

To qualify for the increase in CGS funding available in later years, HEPs must by 31 August of the year prior have in place certified agreement(s) and workplace policies and practices that comply with the HEWRRs.

Private Providers

HEPs which operate as approved private providers with funding for National Priority Places who employ all staff on individual arrangements will be assessed on the content of their workplace policies and practices, including the template for and/or common elements of their individual agreements, for compliance with the HEWRRs. HEPs will be required to comply with the HEWRRs by 30 September 2005, and by 31 August in later years, to qualify for the increase in CGS funding available in 2006, and later years respectively.

Qualifying for Increases

In order to qualify for any given year's increase in CGS funding, submissions must be supported by a statement signed by the Vice-Chancellor of the relevant HEP at the relevant time outlining their compliance status with each of the HEWRRs. The submission must include reference to all relevant clauses and sections in workplace agreements and in other relevant documents, such as workplace policies, practices and guidelines. HEPs must provide the Department of Education, Science and Training with access to the relevant documents as requested.

If a HEP succeeds in meeting the HEWRRs in 2005 and receives the increase in CGS funding in 2006 but then cannot, for whatever reason, continue to meet the criteria as at the CGS funding date for 2006, the increase in CGS funding will not be approved for 2007. The same principle will apply with respect to later years. There will be no backdating of the additional funding.

Any statement found to be false and misleading relating to the HEP's compliance with the requirements may result in the requirement to repay the CGS increase, or a reduction of future CGS funding, at the discretion of the Minister for Education, Science and Training.

HIGHER EDUCATION WORKPLACE RELATIONS REQUIREMENTS (HEWRRs)

1. Choice in Agreement Making

The HEP must provide employees with genuine choice and flexibility in agreement making by offering AWAs to all new employees employed after 29 April 2005 and to all other employees by 31 August 2006.

The HEP's certified agreements, made (or varied) and certified after 29 April 2005, are to include a clause that expressly allows for AWAs to operate to the exclusion of the certified agreement or prevail over the certified agreement to the extent of any inconsistency. The following clause is recommended:

The [insert HEP name] may enter into AWAs with its employees. Those AWAs may either operate to the exclusion of this certified agreement or prevail over the terms of this certified agreement to the extent of any inconsistency, as specified in each AWA.

2. Direct relationships with employees

The HEP's workplace agreements, policies and practices must provide for direct consultation between employees and the HEP on workplace relations and human resources matters. The involvement of third parties representing employees must only occur at the request of an affected employee.

Workplace relations consultative committees and associated committee processes must include direct employee involvement. Employee involvement in negotiations and discussions on workplace relations and human resources issues must not be restricted to third party representation only.

3. Workplace Flexibility

The HEP's workplace agreements, policies and practices are to facilitate and promote fair and flexible arrangements. The HEP must have working arrangements and conditions of employment which are tailored to the circumstances of the HEP and which benefit both the HEP and its employees.

The HEP's workplace agreements should expressly displace previous workplace agreements and relevant awards.

The HEP's workplace agreements, policies and practices are not to inhibit the capacity of the HEP and its employees to respond to changing circumstances. The HEP's workplace agreements, policies and practices must not limit or restrict the HEP's ability to make decisions and implement change in respect of course offering and associated staffing requirements, including not placing limitations on the forms and mix of employment arrangements.

The HEP's workplace agreements must be simple, flexible and principle-based documents which avoid excessive detail and prescription.

4. Productivity and Performance

The HEP's workplace agreements, policies and practices must support organisational productivity and performance.

The HEP's workplace agreements, policies and practices must include a fair and transparent performance management scheme which rewards high performing individual staff. Consistent with this, the HEP's workplace agreements, policies and practices must also include efficient processes for managing poor performing staff.

5. Freedom of Association

The HEP's workplace agreements, policies and practices must be consistent with freedom of association principles contained in the *Workplace Relations Act 1996*. HEPs must neither encourage nor discourage union membership.

The HEP must not use CGS funds to pay union staff salaries, or fund union facilities and activities.