Premier's Department



Ref: A6059924 19 May 2024

Mr Gerard Hayes State Secretary Health Services Union NSW Level 2, 109 Pitt St Sydney NSW 2000 Email: <u>gerard.hayes@hsu.asn.au</u>

Re: Advice regarding increases to remuneration

Dear Mr Hayes,

Baseline Remuneration Adjustment and Cost of Living Adjustment Payment

I am pleased to inform you that a baseline remuneration offer and a cost-of-living adjustment have been approved to provide for a 10.5 per cent increase to remuneration over three years per the terms set out in this letter.

The Secretary of NSW Health has approval to progress an offer for industrial instruments due to expire on or after 30 June 2024 as set out in this letter.

Our offer comprises three-year industrial instruments amounting to up to 10.5 per cent increase to remuneration over three years, complemented by an additional one-off cost of living adjustment payment available in each year:

Year 1	 Up to 4 per cent increase comprising: 3.0 per cent increase to salary and salary related allowances 0.5 per percent increase to superannuation A further 0.5 per cent increase to salary and salary related allowances is available for workers who have not received structural adjustment in the past 12 months, provided agreement is reached in a timely manner for instruments that have expired or will expire by 30 June 2024, and at least one month prior to expiry for
	expired or will expire by 30 June 2024, and at least one month prior to expiry for instruments which are due to be renewed after 1 July 2024.

	Plus
	A \$1000 taxable, one-off cost of living adjustment payment, plus superannuation,
	conditional on the 12-month annual average Sydney Consumer Price Index rate
	exceeding 4.5 per cent in the year to the March quarter of 2025. The payment would be
	pro-rated for employees who do not work full time and will be paid in July 2025.
Year 2	3.5 per cent increase comprising:
	 3.0 per cent increase to salary and salary related allowances
	- 0.5 per percent increase to superannuation
	Plus
	A \$1000 taxable, one-off cost of living adjustment payment, plus superannuation,
	conditional on the 12-month annual average Sydney Consumer Price Index rate
	exceeding 4.5 per cent in the year to the March quarter of 2026. The payment would be
	pro-rated for employees who do not work full time and will be paid in July 2026.
Year 3	3.0 per cent increase to salary and salary related allowances
	Plus
	A \$1000 taxable, one-off cost of living adjustment payment, plus superannuation,
	conditional on the 12-month annual average Sydney Consumer Price Index rate
	exceeding 4.5 per cent in the year to the March quarter of 2027. The payment would be pro-rated for employees who do not work full time and will be paid in July 2027.

The approval does not extend to paramedics, who recently entered into a multi-year agreement which provides for structural increases.

Through a collaborative approach to negotiation and bargaining, agencies and unions can identify system changes, productivity outcomes or savings to enhance the baseline wages offer set out in this letter. Acceptance of this offer will also not prevent continuing collaborative discussions during the life of an agreement that can deliver additional enhancements for employees and improved Government services to the public.

Addressing Outcomes in Workers Compensation

As you will be aware, the Government is committed to protecting our workers compensation scheme, including by improving return to work rates. The decline in recent years is unsustainable and leads to workforce shortages that affect your members.

The Government proposes to work together on this issue with the union movement, including by setting up a working group to ensure we collaborate on this important policy.

The Secretary of NSW Health has been advised of the above approvals and will contact you to progress negotiations on individual instruments.

Should you wish to discuss the general terms of this offer, please contact Marina Rizzo, Executive Director, Industrial Relations on 0414 836 204.

Yours sincerely,

Simon Draper Secretary