<Date>

RECORD OF AGREEMENT

PARTIES:

BETWEEN: The N.Z. Professional Firefighters Union (Inc)

(The Union)

AND: The Chief Executive of the New Zealand Fire Service

on behalf of the

New Zealand Fire Service Commission

(The Fire Service)

1. PREAMBLE

- a) The parties have negotiated and agreed a new Collective Employment Agreement entitled "Collective Agreement for Uniformed and Communications Centre Employees 1 July 2013 to 30 June 2015" (the Collective Agreement).
- b) This agreement incorporates the introduction of a new remuneration structure and new remuneration rates for those employees covered by Part 2 of the agreement operational firefighters and officers. This document does not apply to those employees covered by Parts 3 and 4 of the Collective Agreement.
- c) In developing the new remuneration structure and new remuneration rates the parties have agreed to transitional arrangements over a six year period, to manage the fiscal impacts of the new remuneration structures and rates, and to support the achievement of key milestones relating to reductions in absenteeism and increased uptake of newly introduced relieving worker positions.
- d) The transitional arrangements will apply to the weekly wage rates of officers, and the overtime rates for firefighters and officers. The new Firefighter weekly wage rates will be implemented immediately so there is no need for transitional arrangements for those rates.
- e) These transitional arrangements will occur over a longer time period than that which the new Collective Agreement spans, and for that reason the parties wish to record their agreement to the transitional steps that will occur after the expiry of the new Collective Agreement.
- f) This document records the agreement of both parties to the transitional arrangements detailed in this agreement, and both parties wish the agreements detailed to be final, binding and enforceable on them.

2. TRANSITIONAL ARRANGEMENTS - OFFICER REMUNERATION RATES

- a) Remuneration rates for Officers covered by Part Two of the Collective Agreement will increase significantly as a result of the introduction of the new remuneration structures agreed between the parties.
- b) The parties have agreed to transitional steps over a three year period, to progressively move Officer remuneration rates to the market referenced rates that have been established.
- c) On 1 July 2013, Officer rates will be set at 93% of the market referenced rates agreed between the parties. These rates are recorded in the Collective Agreement. The market referenced rates on 1 July 2013 for Grade 2 Drivers were:

Station Officer On Appointment	\$66,312
Station Officer + 1 Year	\$67,786
Station Officer + 2 Years	\$69,259
Station Officer + 3 Years	\$70,773
Station Officer + 4 Years	\$72,207
Station Officer + 5 Years	\$73,680
Station Officer, Senior Station Officer Qualified	\$75,522
Senior Station Officer	\$77,364
Senior Station Officer, Executive Officer Qualified	\$81,048

Grade 1 Driver rates are \$1,165 higher than those for Grade 2 Drivers.

- d) On 1 July 2014, Officer rates will increase to 95% of the market referenced rates agreed between the parties. Both parties acknowledge that the market referenced rates agreed on 1 July 2013 may change as a result of the annual review of rates scheduled to occur in May of each year. For this reason, the calculation method for establishing the July 2014 rates will be 95% of the 1 July 2014 agreed market referenced rates.
- e) On 1 July 2015, Officer rates will increase to 97.5% of the market referenced rates agreed between the parties. Both parties acknowledge that the market referenced rates agreed on 1 July 2013 may change as a result of the annual review of rates scheduled to occur in May of each year. For this reason, the calculation method for establishing the July 2015 rates will be 97.5% of the 1 July 2015 agreed market referenced rates.

f) On 1 July 2016, Officer rates will increase to 100% of the market referenced rates agreed between the parties. Both parties acknowledge that the market referenced rates agreed on 1 July 2013 may change as a result of the annual review of rates scheduled to occur in May of each year. For this reason, the calculation method for establishing the July 2016 rates will be 100% of the 1 July 2016 agreed market referenced rates.

3. TRANSITIONAL ARRANGEMENTS - OVERTIME RATES

- a) The parties acknowledge the intent to transition to overtime rates that the 1.5 times the standard hourly rate, regardless of when that overtime is worked. Prior to the negotiation of the new Collective Agreement, overtime rates varied depending on whether the overtime was worked on a week day or a weekend or public holiday.
- b) The calculation of the standard hourly rate is Total Weekly Wage divided by 42 (42 being the average number of hours worked in a seven-day period).
- c) The parties also acknowledge that this will result in substantial increases to current overtime rates, and have therefore agreed to transitional steps over a six year period to progressively move overtime rates to 1.5 times the standard hourly rate, regardless of when that overtime is worked.
- d) The parties agree to monitor progress towards sick leave and relieving worker targets monthly.
- e) Once a target milestone has been achieved by or on the required date, and the relevant increase in overtime rates has been actioned, rates cannot reduce as a result of the milestone not being maintained.
- f) On 1 July 2013 overtime rates will be as follows for firefighters:
 - 1.1 times the standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday
 - 1.33 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
 - 1.5 times the standard hourly rate for all overtime worked on a public holiday
 On 1 July 2013 overtime rates will be as follows for officers:
 - The standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday

- 1.3 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday These rates are as recorded in the Collective Agreement.
- g) On 1 July 2014, subject to the achievement of ONE of the following milestones:
 - Reduction in absenteeism levels by 10% over April 2013 levels using the average for the period 1 May 2013 to 30 April 2014 to 6.25 shifts per person. Long term sick leave (defined as sickness absence of longer than four consecutive shifts) and Work/Non Work Accident absence levels must remain within 10% of April 2013 levels using a rolling 12 month average.
 LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA¹ = 1.83 shifts per person. Any extraordinary events that significantly increase work accident absence levels will be reviewed jointly.
 - A total of 30 Relieving Worker Positions Filled

overtime rates for firefighters will be:

- 1.2 times the standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday
- 1.33 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday and overtime rates for officers will be:
 - 1.1 times the standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday
 - 1.3 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
 - 1.5 times the standard hourly rate for all overtime worked on a public holiday
- h) On 1 July 2015, subject to the achievement of BOTH of the following milestones:
 - Reduction in absenteeism levels by 10% over April 2013 levels using the average for the period 1 May 2014 to 30 April 2015 - to 6.25 shifts per person. Long term sick leave (defined as sickness absence of longer than four consecutive shifts) and Work/Non Work Accident absence levels must

4

¹ Work Accident Figures will be calculated to exclude long-term absences, which are defined as those of a duration greater than 4 consecutive shifts.

remain within 10% of April 2013 levels using a rolling 12 month average. LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA = 1.83 shifts per person. Any extraordinary events that significantly increase work accident absence levels will be reviewed jointly.

• A total of 30 Relieving Worker Positions Filled Nationally. If delays to the filling of relieving worker positions are as a direct result of actions taken or not taken by the New Zealand Fire Service then this milestone will be deemed met and the transition step in overtime rates detailed below will occur on 1 July 2015. This includes a delay in advertising sufficient positions beyond 1 January 2015, or failure to recruit sufficient replacement recruits to back-fill positions left vacant by people being appointed as relieving workers, which delays the filling of relieving worker positions.

overtime rates for firefighters will be:

- 1.3 times the standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday
- 1.33 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday and overtime rates for officers will be:
 - 1.2 times the standard hourly rate for the first three hours of all overtime worked on a weekday, and before 12pm on a Saturday
 - 1.3 times the standard hourly rate for all overtime worked in excess of the first three hours, and all overtime worked after 12pm on a Saturday, or at any time on a Sunday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday
 i) On 1 July 2016, subject to the achievement of ONE of the following milestones:
 - Reduction in absenteeism levels to 5.78 shifts per person (a further 7.5% reduction over previous milestone)- using the average for the period 1 May 2015 to 30 April 2016. Long term sick leave (defined as sickness absence of longer than four consecutive shifts) and Work/Non Work Accident absence levels must remain within 10% of April 2013 levels using a rolling 12 month average. LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA = 1.83 shifts per person. Any extraordinary events that significantly increase
 - A total of 60 Relieving Worker Positions Filled

work absence levels will be reviewed jointly.

overtime rates for firefighters will be:

- 1.33 times the standard hourly rate for all overtime except that worked on a public holiday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday and overtime rates for officers will be:
 - 1.3 times the standard hourly rate

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- 1.5 times the standard hourly rate for all overtime worked on a public holiday On 1 July 2017, subject to the achievement of BOTH of the following milestones:
 - Reduction in absenteeism levels to 5.78 shifts per person (a further 7.5% reduction over previous milestone)- using the average for the period 1 May 2016 to 30 April 2017. Long term sick leave (defined as sickness absence longer than four consecutive shifts) and Work/Non Work Accident absence levels must remain within 10% of April 2013 levels using a rolling 12 month average. LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA = 1.83 shifts per person. Any extraordinary events that significantly increase work accident absence levels will be reviewed jointly.
 - A total of 60 Relieving Worker Positions Filled Nationally. If delays to the filling of relieving worker positions are as a direct result of actions taken or not taken by the New Zealand Fire Service then this milestone will be deemed met and the transition step in overtime rates detailed below will occur on 1 July 2017. This includes a delay in advertising sufficient positions beyond 1 January 2017, or failure to recruit sufficient replacement recruits to back fill positions left vacant by people being appointed as relieving workers, which delays the filling of relieving worker positions.

overtime rates for firefighters and officers will be:

- 1.35 times the standard hourly rate for all overtime except that worked on a public holiday
- 1.5 times the standard hourly rate for all overtime worked on a public holiday
- k) On 1 July 2018, subject to the achievement of ONE of the following milestones:
 - Reduction in absenteeism levels to 5.49 shifts per person (a further 5% reduction over previous milestone) using the average for the period 1 May 2017 to 30 April 2018. Long term sick leave (defined as sickness absence longer than four consecutive shifts) and Work/Non Work Accident (WA, NWA) absence levels must remain within 10% of April 2013 levels using a rolling 12 month average. LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA = 1.83 shifts per person. Any extraordinary events that significantly increase work accident absence levels will be reviewed jointly.

A total of 90 Relieving Worker Positions Filled overtime rates for firefighters and officers will be:

- 1.45 times the standard hourly rate for all overtime, except that worked on public
- 1.5 times the standard hourly rate for all overtime worked on a public holiday
- I) On 1 July 2019, subject to the achievement of BOTH of the following milestones:
 - Reduction in absenteeism levels to 5.49 shifts per person (a further 5% reduction over previous milestone) using the average for the period 1 May 2018 to 30 April 2019. Long term sick leave (defined as sickness absence longer than four consecutive shifts) and Work/Non Work Accident absence levels must remain within 10% of April 2013 levels using a rolling 12 month average. LTS = 1.17 shifts per person. NWA = 2.90 shifts per person. WA = 1.83 shifts per person. Any extraordinary events that significantly increase work accident absence levels will be reviewed jointly.
 - A total of 90 Relieving Worker Positions Filled. If delays to the filling of relieving worker positions are as a direct result of actions taken or not taken by the New Zealand Fire Service then this milestone will be deemed met and the transition step in overtime rates detailed below will occur on 1 July 2019. This includes a delay in advertising sufficient positions beyond 1 January 2019, or failure to recruit sufficient replacement recruits to back fill positions left vacant by people being appointed as relieving workers, which delays the filling of relieving worker positions.

overtime rates for firefighters and officers will be:

• 1.5 times the standard hourly rate for all overtime worked

4. LEGALLY BINDING AND ENFORCEABLE AGREEMENT

- (a) The parties agree that
 - The terms of this agreement are final and binding on, and enforceable by, us, and
 - ii. Except for enforcement purposes, neither of us may seek to bring those terms before the Employment Relations Authority or any Court whether by action, appeal, application for review, or otherwise.

BAXTER

Signed on behalf of The N.Z. Professional Firefighters Union Inc. by its Secretary DEREK BEST		Signed on behalf of The New Zealand Fire Service by its Chief Executive, PAUL	
		2010.	
Dated at Wellington this	day of	2013.	