

PRESIDENT: Appearances please.

MR R. MILLER: RODERICK MILLER on behalf of the CPSU (SPSFT), thank you.

PRESIDENT: Yes, thank you, Mr Miller.

5 **MS A. WATT:** If it pleases the commission, ANITA WATT appearing on behalf of the Minister for Public Sector Administration.

PRESIDENT: Thank you, Ms Watt. Mr Miller, your application?

MR MILLER: Sir. This is a consent matter - as it should be on today - which is the day on which Abel Tasman discovered New Zealand, and
10 today I believe is Old Blue Eyes birthday, a most propitious occasion.

PRESIDENT: Enlighten me, who's Old Blue Eyes?

MR MILLER: Frank Sinatra, sir. 82 today.

PRESIDENT: I thought you were talking about the deep sea fish.

MR MILLER: No, he may be said to be something like a fish, sir, but
15 I think his voice is a little bit different from theirs.

PRESIDENT: Yes, very good, well thank you for bringing me up to date, Mr Miller.

MR MILLER: Thank you sir. This application is , as I say, a consent matter between the parties, sir. It is to deal specifically with the
20 General Conditions of Employment Award, and the methodology of the which the - the expense related allowances are calculated - are all in accordance with previous foregoing award decisions of this commission, and initially, sir, the formula was determined by the full bench of T833 of 87 which is for expense related allowances and the
25 formula was determined also for kilometrage also by the full bench, again I believe in 1987.

PRESIDENT: I think that was an 1985 bench.

MR MILLER: 1985, I beg your pardon, my apologies. The consumer price index has risen through the quarters by a percentage point of
30 1.3%. The calculations for the kilometre allowance, as I say, are in accordance with the formula for adjustments of T33 of 85, and I believe that you have in front of you, sir, the calculations for - and proposed adjustments - for all of those allowances.

PRESIDENT: Yes I have, and if I could I probably have some
35 questions I'd like to ask you about some of them - calculations - just to set my mind at rest.

I understand the methodology in the expense related claims - expense related allowances matter, and I can understand the rounding off to 1.3. It is agreed, is it now, that the percentage will be round off to one decimal point. It used not to be.

5 MS WATT: Did it? That was what the last one was I remember.

MR MILLER: To the best of my knowledge, sir, my understanding was that expense related allowances certainly were two decimal points, and I take back, sir, to the last claim I prosecuted before the bench, was the March 1994 quarter was an example, and that worked out to -
10 I have it in front of me - 3.89, and the submission which went to you which was marked CPSU.3, has a notation "rounded to 3.9, being the CPI change to the 12 month period March 1994 to March 1995", so there is an indication, sir, that it is rounded up or rounded down to the nearest full decimal point.

15 PRESIDENT: Yes, I see, so the last movement as I understand it was, as a result of T6189 of 1996, that was a figure of 3.89. Yes, that's right, that's the one, that's the exhibit you're talking about?

MR MILLER: I've got it marked as CPSU.3, sir.

PRESIDENT: Yes, that's the 3.9 change, rounded up from 3.89. All
20 right, I understand that. I had a little bit more difficulty with the kilometerage though, and this is an adjustment to take into account movements from March 1995?

MS WATT: Mr President, perhaps if I can help here. That was just
25 an example that I believe Mr Grey did, down the bottom, he hasn't actually shown the 1997 calculations there, but I have them written down. Perhaps if I could just -

PRESIDENT: Oh, yes, well we might -

MR MILLER: I do apologise, sir, I should make the bench aware that
30 Mr Grey was dealing with this matter, but was called away at very short notice, and you'll have to excuse me if I'm a little bit -

PRESIDENT: No problem, no we'll sort it out. Will we go off record for a moment then perhaps? Yes, off record thanks.

OFF RECORD

ON RECORD

35 MR MILLER: Thank you sir for the conference, some small matters to do with the calculations have now been rectified. Mr Grey, I undertake, will be back with Ms Watt to you to give you a completed and up to date application list for the kilometerage allowances. I don't think there's any more to be said on this matter, except that the issues

contained inside the application are, as far as I'm aware, sir, in line with the Wage Fixing Principles of 1994 at the various clauses contained in there, which I think was clause 9.11, and the application I believe is in accord with those principles relating to those expenses.

5 The application does not offend the public interest test of section 36 of the *Industrial Relations Act*, and in particular section 36(2). State sector budgets are framed anticipating inflation having resources of Treasury and Finance to insure that such forecasting is done accurately, and granting this claim will in no way have a massive
10 burden on state finances.

We request that the matter be granted as from the date of your decision. If the commission pleases.

MS WATT: ..(inaudible)..

15 MR MILLER: I beg your pardon. One moment, sir, if I consult my colleague.

PRESIDENT: Yes, certainly.

20 MR MILLER: I beg your pardon sir, I've just been reminded that it would be administratively more simple that the issue could be subjected to your decision as from the first full pay period after your decision.

PRESIDENT: Well, if you're prepared to put that I'm prepared to hear it, yes, all right.

25 MR MILLER: I don't think, sir, I could move away from the issue without consultation with my peers. I am but a mere functionary in these things, and albeit that Ms Watts' recommendation I believe, may have some merit, until such time as I get instructions on that I believe I would have to stay with the date of decision of the bench.

PRESIDENT: Yes, I have noted that previous adjustments have been made from the first full pay period.

30 MR MILLER: If that is the case then, sir, we would accept your decision and in a token of esteem to Ms Watts, for her explanation - normally one would give bouquets, but as I don't have bouquets I know that Ms Watt has got a certain fascination for vegetables, so instead of passing her a bouquet of flowers, sir, a little bouquet for her
35 assistance. If the commission pleases.

40 PRESIDENT: I do hope that this isn't going to become a normal event, Mr Miller, but I do note the beautiful season colours that go with the green and red of the radishes, and being the Christmas season it's quite appropriate. You're a very lucky person Ms Watt. The bench didn't get anything.

MR MILLER: I've got some pickled onions in the -

MS WATT: Well thank you, Mr Miller.

PRESIDENT: Ms Watt.

5 MS WATT: Mr President, thank you very much for your assistance in that matter. The minister supports the application to vary the expense related allowances and supports the amended figures for the kilometrage allowances, and as we have calculated, the variations follow the established methodology.

10 We submit that they're consistent with the principles of this commission and the public interest test of the *Industrial Relations Act*, and we request that the operative date be on the first full pay period on or after your date of decision, as this is what has been done previously. If it pleases the commission.

15 PRESIDENT: Yes, all right, you've checked the figures of the expense related allowances matters that are set out in the first following page of the applicants application, and the methodology set out on the second. Then we come to the kilometrage allowance calculations and we've substantially revised those figures. You and the applicant organisation undertake to provide the commission with up to date and
20 corrected replacement pages 3 and 4 for that application?

MS WATT: Yes, Mr President.

PRESIDENT: Very good, all right. Thank you very much. Subject to the provision of those two pages I can indicate that the award will be varied in the manner we've determined and the date of operation will
25 be first full pay period on or after the date of my decision, which I hope to issue as quickly as possible, depending on how quickly I get the revised pages.

All right, thanks very much, and if I don't see you before the break for Christmas, all the very best to you.

30 **HEARING CONCLUDED**