

1 June 2010

Stephen Palethorpe
Committee Secretary
Senate Standing Committee on Environment, Communications and the Arts
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Mr Palethorpe

Inquiry into Australia Post's treatment of ill and injured workers

We refer to your letter of 14 May 2010 requesting that Australia Post and the Communications, Electrical and Plumbing Union (CEPU) make a joint submission to update the Senate Standing Committee on Environment, Communications and the Arts on recent negotiations for a new enterprise agreement.

As discussed in the attached submission, many issues of relevance to the Committee's inquiry into Australia Post's treatment of ill and injured workers have been the subject of negotiations for a new enterprise agreement to cover Australia Post employees. The parties have made significant progress in these negotiations in resolving outstanding issues and reaching consensus on a number of matters in dispute. We hope that the Committee will consider this supplementary submission and reflect the outcomes agreed by the parties in the Committee's report.

We would also be pleased to personally brief the Committee, if required.

Yours sincerely

Rod McDonald
Group Manager, Corporate Human Resources
Australia Post

Ed Husic
National President and Divisional Secretary
CEPU – Communications Division



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JOINT FURTHER SUBMISSION BY AUSTRALIA POST AND THE CEPU TO THE SENATE INQUIRY INTO AUSTRALIA POST'S TREATMENT OF ILL AND INJURED WORKERS

Following the public hearing of the Senate Standing Committee on Environment, Communication and the Arts for the inquiry into Australia Post's treatment of ill and injured workers on 12 February 2010, Australia Post, the CEPU and the CPSU have continued to discuss Australia Post's injury management policies through the framework of negotiations for a new enterprise agreement. The parties have reached agreement on two matters being considered as part of the inquiry:

- the use of salary bonus policies that reward managers based on lost time injury management; and
- the referral of injured Australia Post employees to facility nominated doctors.

Memorandum of Understanding

On 18 March 2010, Australia Post, the CEPU and the CPSU signed a memorandum of understanding (MOU) which outlines a new framework for negotiations for a new enterprise agreement. The MOU commits all parties to a relationship of mutual obligation built on consultation, transparency and trust. As part of the MOU, Australia Post has agreed to remove Lost Time Injury Frequency Rates (LTIFR) from bonus targets for managers, while continuing to use LTIFR targets as a corporate KPI.

Memorandum of Understanding, paragraph 8(c):

While the CEPU and the CPSU support the need for Australia Post to implement a policy of early intervention in respect of long term workplace injuries, Australia Post recognises that the CEPU and CPSU have concerns about the operation of its Facility Nominated Doctor program. On that basis, and acknowledging concerns raised by the CEPU and CPSU, Australia Post has agreed to the following change to the Injury Management (Early Intervention) Program (EIP) and Workers' Compensation process:

- *Australia Post will not include Lost Time Injury Frequency Rate targets as a component of bonus payments for Managers. Managers will continue to have obligations under their performance management agreements that require them to observe and apply occupational health and safety policies and procedures. LTIFR targets will, however, continue to be a Corporate KPI.*

A full copy of the Memorandum of Understanding signed by the parties is provided at Attachment 1.

Proposed model for use of 'facility nominated doctors'

The negotiations for the new enterprise agreement have seen the parties reach in-principle consensus on how facility nominated doctors would be used by Australia Post going forward under the new agreement. While the details of this in-principle proposal are being finalised, the key elements of what is being proposed are:

- when an employee reports a possible work related injury to their manager, they will be advised that they can elect to receive treatment from an Australia Post Medical Advisor (FND) or their own doctor;
- treatment by an Australia Post Medical Advisor (FND) will continue to be paid for by Australia Post;
- if an employee wants to be treated by their own doctor, they must take an Australia Post 'WorkReady' pack to their doctor, which contains detailed information about their job and the duties available and a WorkReady Report to be completed by the doctor and returned to Australia Post. The employee's treating doctor will, by reviewing the detailed documentation provided, be able to make an informed assessment of duties that may potentially be performed by the injured employee;
- an employee with a possible work related injury who wishes to be treated by their own doctor will only be directed to attend an Australia Post Medical Advisor (FND) if:
 - they do not give the WorkReady pack to their own doctor, or their doctor does not provide a completed WorkReady Report; or
 - there is conflicting evidence which seriously questions the employee's own doctor's advice on the WorkReady Report;
 - an oversight mechanism will be established, where Australia Post and the unions will meet on a regular six-monthly basis to review these referrals and seek further information, as permitted and required.

The new enterprise agreement will reflect this policy, which will mean that any direction to attend an Australia Post Medical Advisor (FND) will be legally based on the new enterprise agreement, which avoids the need for reliance on the Principal Determination for these directions. As a consequence, the section of the Principal Determination that underpins our current FND system will be removed.

A copy of a flowchart which outlines the new process proposed in the enterprise agreement negotiations is provided at Attachment 2.

Attachment 1: Memorandum of Understanding between Australia Post, the CEPU and the CPSU signed 18 March 2010

Attachment 2: Proposed 'WorkReady' Program Process for Australia Post Fair Work Agreement

MEMORANDUM OF UNDERSTANDING

Between

Australian Postal Corporation
(Australia Post)

the

Communications, Electrical, Electronic,
Energy, Information, Postal, Plumbing
and Allied Services Union of Australia
(CEPU)

and

Community and Public Sector Union (CPSU)
(Collectively referred to as "the parties")

Introduction

1. Australia Post, the CEPU and the CPSU are committed to working together to reach a new enterprise bargaining agreement.
2. In an effort to develop a new framework in which Australia Post, the CEPU and the CPSU can operate more effectively to work toward an agreement, the parties have agreed to enter into this Memorandum of Understanding.
3. The Memorandum of Understanding will operate while the parties seek to negotiate and finalise a new Fair Work Agreement that will govern the terms and conditions of employment for relevant Australia Post employees in the longer term.
4. The Memorandum of Understanding seeks to establish how the parties will operate and consult during the period of negotiations around the new Fair Work Agreement. The parties commit to the principles set out below.

Commitments

5. Australia Post, the CEPU and the CPSU commit to a relationship of mutual obligation built on consultation, transparency and the timely provision of information and feedback.
6. Australia Post, the CEPU and the CPSU will commence negotiations immediately for a replacement enterprise agreement which will be referred to as the Australia Post Fair Work Agreement (APFWA). The parties will work to achieve agreement on the terms of the APFWA that will commence in 2010.
7. Negotiations between Australia Post, the CEPU and the CPSU for the APFWA will begin with a fresh approach, although early preparatory work will be undertaken to identify the many non-contentious provisions that can be quickly agreed.
8. Australia Post, the CEPU and the CPSU, as a gesture of good faith, agree to provide the following commitments that will apply immediately:
 - a) Australia Post agrees to honour the commitments it has made to its employees covered by the Australia Post General Conditions of Employment Award (GC of EA) including a pay increase of 2% in the first full pay period of August 2010 and a further 2% in the first full pay period in December 2010.
 - b) Australia Post will host a summit between senior executives of Australia Post and state and national representatives of the CEPU and CPSU to apprise the unions of the current state of the business and Australia Post's future strategies for dealing with current business pressures. The CEPU and CPSU will also advise Australia Post of the matters that are of concern to their members and outline their key challenges and priorities. The summit will occur in April 2010 and the Managing Director of Australia Post will participate in it.

c) While the CEPU and the CPSU support the need for Australia Post to implement a policy of early intervention in respect of long term workplace injuries, Australia Post recognises that the CEPU and CPSU have concerns about the operation of its Facility Nominated Doctor program. On that basis, and acknowledging concerns raised by the CEPU and CPSU, Australia Post has agreed to the following change to the Injury Management (Early Intervention) Program (EIP) and Workers' Compensation process:

- Australia Post will not include Lost Time Injury Frequency Rate (LTIFR) targets as a component of bonus payments for Managers. Managers will continue to have obligations under their performance management agreements that require them to observe and apply occupational health and safety policies and procedures. LTIFR targets will, however, continue to be a Corporate KPI.

d) The CEPU and CPSU recognise the critical importance to Australia Post of providing a reliable and consistent service to the Australian community. To that end, the CEPU and CPSU agree to not organise or take industrial action while negotiations for the APFWA are progressing.

Consultation principles

9. While negotiations for the APFWA occur, the parties agree to acknowledge and commit to the following principles and have these embedded into the APFWA:

a) Australia Post is required to run a profitable postal service in an increasingly competitive and global market place. As a result of these circumstances it is imperative that Australia Post undertake workplace changes. The CEPU and CPSU recognise that there are business challenges facing Australia Post and that workplace changes are necessary. The CEPU and CPSU are committed to working with Australia Post to ensure that change occurs effectively while ensuring that the best interests of its members are considered and taken into account at all times.

b) To achieve these objectives, Australia Post must be able to:

- operate the business efficiently
- determine and allocate resources
- implement both large and small change programs in an efficient, timely and cost effective manner
- explore means of protecting and expanding its business opportunities
- provide fair and equitable treatment to its employees and provide safe workplaces that support employee diversity and flexibility.

c) In order to be successful and ensure the long-term viability of Australia Post, the parties acknowledge that Australia Post has accountability to:

- provide services to the customer in a manner required by the customer and to meet its CSOs
- provide a reasonable return on its assets and pay a reasonable dividend to its shareholder
- provide fair pay and conditions to its employees in a workplace that values the treatment of employees with dignity and respect.

d) The parties also acknowledge that the CEPU and CPSU have an obligation to their members to:

- represent their interests
- ensure that workplace change occurs in a way that minimises negative impacts on employees wherever possible
- protect jobs, wherever possible, and seek fair and equitable terms and conditions of employment for its members.

e) The parties agree that effective and timely consultation is critical to preventing industrial issues arising. The parties agree to observe and ensure compliance with the agreed consultation processes that apply. In particular, the parties commit to a mutual obligation of:

- open and transparent provision of information (subject to Commercial in Confidence)
- timely advice and consultation on workplace changes
- ensuring consultation and/or dispute resolution processes are followed and issues are escalated within the framework agreed to at both the state and national levels.

f) Australia Post, the CEPU and the CPSU agree that these mutual obligations can only be executed if they agree to a constructive relationship of trust in each other.

Ahmed Fahour
Managing Director and
Chief Executive Officer
Australia Post

18/3/2010.
Date:

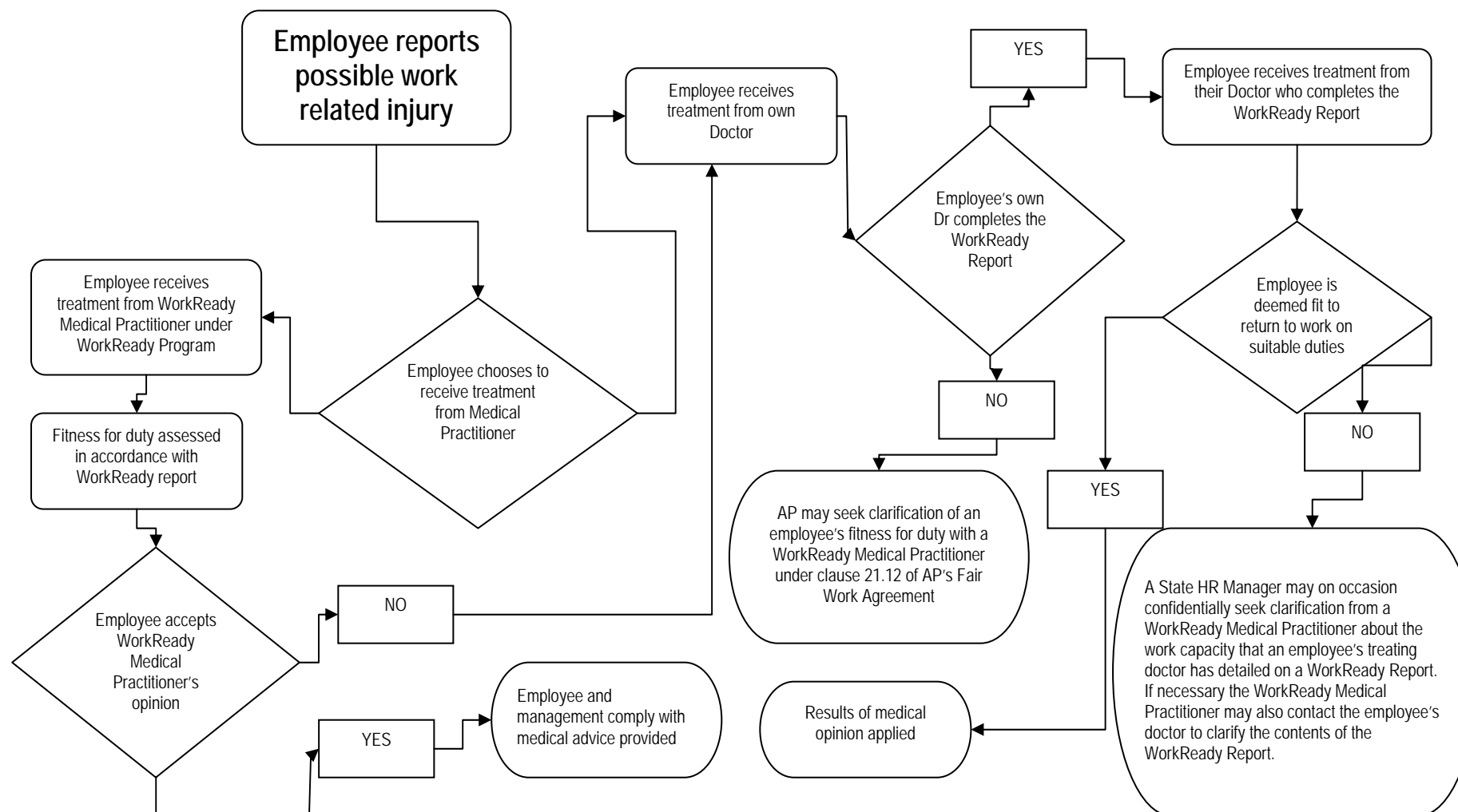
Ed Husic
National President and
Divisional Secretary
CEPU

18/3/2010
Date:

Louise Persse
National President
CPSU

21/3/2010
Date:

DRAFT Proposed 'WorkReady' Program Process Flow - 2010



Dear GP

Our employee has sustained a possible work related injury, and has chosen to attend your medical service for assessment and treatment of their condition.

In line with best practice, Australia Post is committed to providing injured employees with suitable duties within any medical restrictions that enables a safe, timely and durable return to work after injury or illness. As you are aware, research indicates that a return to appropriate work helps promote recovery and rehabilitation and leads to better health outcomes, and reduces the risk of long term incapacity.

Australia Post takes it's legislative and moral obligations and responsibilities very seriously, and as such has an integrated and systematic approach to injury prevention and injury management. This includes our internal rehabilitation staff in all states who are committed to assisting employees with possible work related injuries transition back to work through medically appropriate rehabilitation interventions.

As per Comcare's publication "Leadership Commitment- Early Rehabilitation Assistance to Employees", the employer, injured worker and medical practitioner should work together to ensure that the injured employee receives appropriate treatment for their injury and returns to the workplace as soon as possible. There is also abundant evidence that communication between the treating practitioner and the workplace is a key factor in rehabilitating ill and injured employees, resulting in better return to work and rehabilitation outcomes.

With this in mind, please see attached information on the types of duties available for your patient to assist you in determining whether a return to work is appropriate at this time, complete the WorkReady certificate and return to us as soon as possible.

An Australia Post Manager from the facility where your patient works is always available to discuss any concerns or questions you may have with regards to availability of suitable duties, so please do not hesitate to contact him/her to discuss. The patient will advise you of the Manager's telephone number.

Thank you for your assistance in providing quality Injury Management and return to work for our employee.

Jim Marshall
Chief Operating Officer
Australia Post

DRAFT

Typical duties and physical requirements for the following positions: Postal delivery officer (PDO), Senior Postal Delivery Officer Grades 1-3, Postal delivery Co-ordinator Grades 1-2

The duties and physical requirements listed below are typical of those performed by the above positions. Indoor duties can take approx 3-4 hours (depending on mail volumes) and outdoor duties may take 3-5 hours (different modes of delivery are available at Australia Post e.g. motorcycle, bicycle, buggy, backpack etc). A number of duties can be graded according to restrictions.

Mail Delivery (Walking Beat using buggy):



Duties	Physical Requirements
<ul style="list-style-type: none">• Bundles of mail are placed into each side of the buggy• Excess mail that cannot be carried on the buggy is taken to prearranged 'depot' points along the delivery round by van• 'Depot bag' mail is later retrieved by the PDO as required• During delivery a bundle of mail is removed from the buggy• The buggy is controlled with a height adjustable handle which has a locking brake lever attached• Mail is held in the left hand and the right hand is used to deliver mail into the letter boxes	<ul style="list-style-type: none">• Lifting up to 16kg independently• Pushing of wheeled buggy using either hand over varying terrain.• Mail weights: 60kg mail where terrain is predominantly flat, 45kg mail where terrain is predominantly hilly• Walking for extended periods• Frequent reaching to place mail into letter boxes at varying heights• Grasping and holding bundles of mail

Mail Delivery (Bicycle delivery)



Duties	Physical Requirements
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<ul style="list-style-type: none"> Secured bundles of mail are placed into a front carrier (up to 16kg) situated on the front stem (above the front wheel) and where required, evenly split between two rear pannier bags (8kg per pannier/up to 16kg) Excess mail that cannot be carried on the bicycle is taken to prearranged 'depot' points along the delivery round by van 'Depot bag' mail is retrieved by the PDO as required The PDO may stand or dismount to obtain bundle from panniers Rubber bands or Velcro straps are removed and the letter bundle placed into a letter carrier attached to the front of the bicycle (inside the front carrier) Mail is placed into letterboxes (left hand delivery) with the bicycle stationary The bicycle is kept upright with an outstretched left leg or both feet may be placed flat on the ground with the seat lowered to allow this Bicycle may need to be ridden over unsealed surfaces during delivery Bicycle has back pedal rear brakes and one front brake, which is operated with the right hand 	<ul style="list-style-type: none"> Lifting up to 16kg independently Ability to maintain a seated position on bicycle for up to 1 hour (5 minute rest break provided) Riding for extended periods (3 ½ to 4 ½ hours a day) NB: times may vary due to operational demands Bilateral upper limb use to steer bicycle and maintain grasp of handle bar grips Bilateral lower limb strength for pedaling Balance to perform basic riding skills Pushing loaded bicycle carrying up to 32kg (mail) Frequent reaching to place mail into letter boxes at varying heights Repetitive left arm reaching when delivering mail Gripping of a comfortable sized bundle of mail
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Sequencing mail for street delivery using a Vertical Slot Sort Frame (V-Sort):



Duties	Physical Requirements
<ul style="list-style-type: none"> Letter trays of mail are lifted/carried or placed on trolley and transported to Vsort frame Bundles of mail for sorting are grasped with one hand from a letter tray using a comfortable 'C' grip Bundle is held in one hand whilst one letter at a time is taken by the other hand and placed in appropriate aperture in V-Sort frame PDO targets aperture visually then raises envelope, avoiding keeping the arm elevated whilst targeting to minimize static muscle load PDO steps to turn whilst sorting to minimize twisting of the spine and reduce fatigue in legs 	<ul style="list-style-type: none"> Lifting small letter trays (generally up to 12kg, although this can be split) Lifting large letter trays (up to 16kg, which can be split) Pushing/pulling wheeled trolleys Dynamic standing for up to 4 hours per shift depending on mail volumes. Repetitive unilateral upper limb reaching from knee to shoulder height Gripping of comfortable 'C' grip sized bundles of mail Bilateral hand strength

Bundling: <ul style="list-style-type: none"> Sorted mail is removed from frame and an elastic band or Velcro strap is applied to form comfortable size bundles Bundles are placed into a PDO trolley, depot bag, pannier bag, backpack or buggy depending on mode of delivery 	
General Information: <ul style="list-style-type: none"> The typical V-Sort frame consists of 3-4 sort modules, each with 4-6 height adjustable shelves, 4-5 for sorting and 1 for storage purposes. An adjustable tabletop is provided. Shelves are arranged to meet the requirements of each worker and sorting height varies from mid thigh to eye height. The apertures are set according to mail volumes and are adjustable to allow for an increased or decreased width depending on demands. The V sort modules are positioned to ensure that the worker moves his/her feet whilst sorting, to minimize twisting of the spine and to reduce fatigue in the legs. The PDO can be required to sort for up to approximately 4 hours, depending on mail volumes. 	

Please complete the attached medical certificate, provide to the employee and fax to the below fax number (as appropriate) as soon as possible

NSW/ACT....., QLD....., VIC....., SA/NT.....,
WA.....

<p style="text-align: center;">AUSTRALIA POST WORKREADY CERTIFICATE (CO-ORDINATOR, SENIOR & POSTAL DELIVERY OFFICER)</p>
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EMPLOYEE'S NAME: WORK CENTRE:

NATURE OF INJURY: DATE OF INJURY:/...../.....

I confirm that I have read and understood the duties information provided to me ☐ Yes ☐ No

Hours/Days: <ul style="list-style-type: none"> Fit for full duties - no restrictions Fit for full hours, including overtime Fit for full hours, but restrict overtime Fit for reduced hours: (specify) hours per day, days per week Fit for shift work Unfit 	Mail Delivery Restrictions: <ul style="list-style-type: none"> No motorcycle delivery No bicycle delivery Walking delivery only - with backpack, shoulder bag or buggy (please specify) Walking tolerance minutes/hours maximum No driving motor vehicles Other restrictions - Yes No. Please specify
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Physical Restrictions:	Physical restrictions (cont):
<ul style="list-style-type: none"> ○ Lifting to a maximum of kg repetitively ○ Lifting to a maximum of kg for occasional lift ○ No repetitive bending/twisting of back ○ No work above shoulder height or reaching Left shoulder Right shoulder ○ No keyboard work ○ No repetitive elbow/wrist work ○ Left elbow Right elbow ○ Left wrist Right wrist ○ Left hand Right hand ○ No gripping 	<ul style="list-style-type: none"> ○ No squatting, kneeling, crouching, climbing stairs ○ No pushing or pulling ○ Standing tolerance minutes/hours maximum ○ Sitting tolerance minutes/hours maximum ○ Vary activity every minutes/hours maximum ○ Sedentary duties only ○ Must keep injured area clean/dry ○ Able to drive forklift ○ Able to operate powered equipment ○ Travelling - able to travel by: ○ car motor cycle public transport walk

DURATION OF THIS CERTIFICATE: From to(inclusive).

Additional Comments:

.....

Signature: Doctor's name (Print/Stamp):

Telephone number: Fax Number:

Date of consultation:/...../.....

Should you have any questions regarding the availability of suitable duties for your patient, please contact us to discuss. The patient will advise you of the Manager's telephone number.

EMPLOYEE'S AUTHORITY TO EXCHANGE INFORMATION

I authorise the doctor who completed this certificate to exchange information relating to my work injury(s) with an Independent Medical Practitioner.

Name (please print) Signature

Date/...../.....

My Doctor's name and contact details are:

EMPLOYEE BENEFITS & RESPONSIBILITIES UNDER AUSTRALIA POST'S WORKREADY PROGRAM

WORKREADY PROGRAM

Australia Post's WorkReady Program has been formulated and agreed upon in conjunction with the CEPU and CPSU.

Under the WorkReady Program employees who have sustained a suspected work related injury or illness and have completed a P 400 Incident Report will have access to the earliest possible medical treatment by WorkReady Medical Practitioners and physiotherapists who are familiar with Australia Post work facilities and the duties performed. The Program is designed in keeping with modern best practice injury treatment and management with the goal of enabling a safe, early and durable return to work.

Managers and supervisors must supply WorkReady packs, and if necessary workers' compensation claim packs, to employees upon request. In situations where it is not possible for a manager/supervisor to provide these packs to their employees the packs are available via the internet and also at all official Australia Post facilities.

TREATMENT OPTIONS

Participation in the WorkReady Program is entirely **voluntary**. At all times you have the option of attending a doctor of your choice.

WORKREADY PROGRAM BENEFITS

If you have a potential work related injury or illness you will have access to the following benefits under the WorkReady Program. The cost of these benefits will be met by Australia Post:

- Four treatment sessions by a legally qualified WorkReady Medical Practitioner;
- Four physiotherapy sessions; and
- Costs of x rays (to confirm/eliminate fractures), tetanus injections and basic medication.

EMPLOYEE RESPONSIBILITIES

If you choose to see your own doctor you are required to:

- Advise your supervisor as soon as practicable that you will not be participating in the Program;
- Have your own doctor complete the WorkReady report (contained in the WorkReady Program pack); and
- At the completion of the examination by your doctor you will need to ensure that the WorkReady report is immediately supplied to either your workplace or the State OH&S Unit. Alternatively submission can be made at any official Australia Post facility or by having the treating doctor forward the WorkReady report via email or fax.

FITNESS FOR DUTY CLARIFICATION

State HR Managers within Australia Post may on occasion confidentially seek clarification from a WorkReady Medical Practitioner about the work capacity that your treating doctor has detailed on your WorkReady report. If necessary the WorkReady Medical Practitioner may also contact your doctor to clarify the contents of the WorkReady report.

If your doctor does not complete a WorkReady report, a HR specialist may in some circumstances arrange a Fitness for Duty Confirmation examination for you with a WorkReady Medical Practitioner under Clause 21.12 of the Australia Post Fair Work Agreement.

DRAFT

TREATING GP INCAPACITY EXAMPLES

Detailed below are some recent examples of incapacity with duration longer than expected needed clarification.

- PDO – blister on heel – 5 days incapacity
- MO – injured hamstring whilst lifting articles from ULD – GP certified totally unfit for two weeks
- MO – sprained finger – saw doctor on 5/3/10 and found fit for normal duties. Saw GP again three weeks later and was issued with a back dated certificate and found unfit for a further three weeks.
- PSO – strained thumb – GP certified unfit for all work as she is unable to travel to work on public transport.
- Admin Officer – Staple in end of little finger, GP found totally unfit for two days.
- PDO – 2 cm laceration to leg from dog bite. Attended the hospital emergency department and was discharged same day with no incapacity. Saw own Dr GP and was put off for three weeks