



The Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

INVESTMENTS DIVISION

STATE BOARDS CORPORATE GOVERNANCE SEMINAR 2017

"Achieving Effective Corporate Governance in the State Sector"

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Hyatt Regency Hotel

18-Jan-17

PROCEDURES FOR THE
CONDUCT OF SALARY
NEGOTIATIONS FOR
STATE ENTERPRISES
AND STATUTORY
AUTHORITIES

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Presented by

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OBJECTIVE

- To provide stakeholders with an understanding of the procedures to be followed during the conduct of salary negotiations for State Enterprises and Statutory Authorities. This includes:-
 - The role of the Cabinet appointed Human Resource Advisory Committee (HRAC)
 - Various types of matters to be decided
 - The role of the Personnel Department (Secretariat to the HRAC)
 - The role of public sector entities
 - The role of line Ministries

THE HUMAN RESOURCE ADVISORY COMMITTEE

► Establishment :-

- In September 2015, Cabinet agreed to the establishment of a Sub-Committee with the responsibility for monitoring wage and salary negotiations in the public sector.

► Composition

- Chairman (the Honourable Minister of Finance).
- Four (4) Members of Cabinet.

THE HUMAN RESOURCE ADVISORY COMMITTEE

(Cont'd)

➤ **Scope:-**

- to monitor pay and other terms and conditions of employment of employees in Statutory Authorities and Bodies as well as in Corporations that are wholly or majority owned by the State.

THE HUMAN RESOURCE ADVISORY COMMITTEE

(Cont'd)

➤ **Rationale:-**

- To monitor the major impact of negotiated settlements and remuneration arrangements in public sector entities on the economy of Trinidad and Tobago.
- To ensure coordination and consistency in public sector remuneration practices.
- To promote industrial peace and social justice.

THE HUMAN RESOURCE ADVISORY COMMITTEE

- **Types of matters addressed:-**
 - Negotiations in respect of unionized staff
 - Terms and conditions for:
 - Executive and Management employees
 - Non-unionized staff
 - Contract employees
 - Implementation of job evaluation and restructuring exercises

ROLE OF THE PERSONNEL DEPARTMENT

- ▶ The Personnel Department provides technical and administrative support which include:
(SECRETARIAT TO THE HRAC)
 - ▶ Informing Ministries and Departments of the role of the Committee and the established procedures to be followed prior to the commencement of negotiations of revised salaries and other terms and conditions of employment.
 - ▶ Conducting analyses on proposals and counterproposals.

ROLE OF THE PERSONNEL DEPARTMENT

(Cont'd) (SECRETARIAT TO THE HRAC)

- Preparing submissions for the consideration of the Committee.
- Issuing guidelines approved by the Committee to the line Ministries for dissemination to the entities prior to the commencement of negotiations.

ROLE OF ENTITIES - PROCEDURES

- ▶ Where a first or revised Collective Agreement is to be negotiated, Management must ensure that **before** negotiations commence, the following information and/or documents are forwarded to the Personnel Department through its line Ministry for the consideration of the HRAC:-
 - ▶ Union's proposals and Management's counterproposals on all cost items.
 - ▶ Costing of Union's proposals and Management's counterproposals.

ROLE OF ENTITIES - PROCEDURES

(Cont'd)

- ▶ Salary/wage bill.
- ▶ COLA bill.
- ▶ Allowances bill.
- ▶ No. of employees in the bargaining unit.
- ▶ Source of funding and, where available, Financial Statements for the past three (3) years

ROLE OF LINE MINISTRIES - PROCEDURES

- ▶ Line Ministries are expected to:
 - ▶ Obtain proposals and counterproposals.
 - ▶ Make comments/recommendations on proposals and counterproposals and forward to the Secretariat.
 - ▶ Receive guidelines from the Secretariat.

ROLE OF LINE MINISTRIES - PROCEDURES

(Cont'd)

- ▶ Forward guidelines to entities within their purview.
- ▶ Monitor implementation of guidelines.
- ▶ Provide the Personnel Department with two (2) copies of the signed Collective Agreement on completion of the negotiations.

IMPORTANT POINTS TO REMEMBER

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- All matters for the consideration of the Committee must be submitted through the line Ministry of the respective entity.
- All relevant documents should be submitted as early as possible before negotiations are due to commence in order to avoid any delay in the negotiations process.
- The line Ministry should include its comments/recommendations on the proposals/counterproposals prior to the package being forwarded for the consideration of the Committee.

IMPORTANT POINTS TO REMEMBER

(Cont'd)

- **All guidelines must be strictly adhered to.**
- The Chairman of the HRAC may, at any time, call upon Management to brief him concerning the status of negotiations.

THANK YOU

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