



# LOCALLY ENGAGED STAFF TERMS & CONDITIONS OF EMPLOYMENT

**PHILIPPINES** 

2018 - 2021

# **AMENDMENTS**

Date of amendment	Section	Summary of change

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#### 1. INTRODUCTION

#### 1.1 WELCOME

Locally Engaged Staff (LES) form an important part of our workforce and make a significant contribution towards the Australian Government's objective of advancing Australia's national interests. DFAT's overseas network provides foreign, trade and development policy advice to the Australian Government. We deliver government programs and services overseas and work with other government agencies to ensure that Australia's pursuit of its global, regional and bilateral interests is coordinated effectively. As a LES member, you play a key role in support of the functions of Australia's overseas posts and we welcome you on board.

#### 1.2 DURATION

This document is effective from 28 July 2018 and applies for a three year period to 27 July 2021.

#### 1.3 VARIATION

The post reserves the right to vary or extend these terms and conditions at any time as a result of changes to local labour law or operational requirements. Such changes may include, but are not limited to: changes of a structural or technological nature; changes in methods of operation; changes to operational hours and any changes that are likely to lead to the redundancy of positions held by employees.

#### 1.4 SCOPE

This document is known as the 'Locally Engaged Staff Terms and Conditions of Employment – Philippines 2018-2021' and abbreviated to LES T&C Philippines. It outlines the terms and conditions that govern your employment with the Australian Embassy Manila and applies to all LES engaged at the post unless otherwise specified.

These terms and conditions replace and supersede in their entirety the LES Terms and Conditions of Employment, Manila 2014 – 2017. Any previous version(s) and any prior arrangements or obligations, written or verbal, are hereby replaced.

These terms and conditions do not extend to LES engaged with Austrade, nor do they apply to contractors and third-party service providers who are not considered to be LES. Domestic staff employed by HOMs/HOPs and non-HOM/HOP SES are not subject to these terms and conditions.

#### 1.5 POLICIES AND PROCEDURES

These terms and conditions are supported by a series of workplace management and Human Resource policies, guidelines and instructions and should be read together with the LES Human Resources Manual (LES HRM) and circulars issued by post management. Where particular conditions of employment are absent from this document, local labour law will apply.

Post specific instructions issued by post management outlining operational arrangements in relation to these terms and conditions, will be developed in consultation with LES, through MBSAG. Agency-specific policies and procedures pertaining to employment matters do not form part of this document.

#### 1.6 DELEGATION TO SET TERMS & CONDITIONS

The delegation (authority) to approve and/or amend these terms and conditions rests with the CPO and AS RPB, DFAT. Any variations will be made in consultation with the HOM and Agency Heads.

#### 1.7 CONSULTATIVE ARRANGEMENTS

Post management will consult with LES, through MBSAG, about proposed changes to these terms and conditions and will provide an opportunity for employees to express their views before a final decision is made to implement a change.

#### 1.8 FURTHER INFORMATION

This document has been designed to provide you with easy access to all of the information you need about your terms and conditions of employment as a LES member. Should you dispute the interpretation of a term or condition of employment or require clarification or additional information about any aspect of your employment, please contact your supervisor or the SAO at post in the first instance.

#### 2. LES EMPLOYMENT FRAMEWORK

#### 2.1 EMPLOYMENT FRAMEWORK

In accordance with *The Prime Minister's Directive – Guidelines for the Management of the Australian Presence Overseas*, DFAT is the agency responsible for the management of the Manila post (the legal employer) in the Philippines.

# 2.2 DELEGATION TO ENGAGE LES

All LES are employed under Section 74 of the *Public Service Act 1999*. The official delegation (authority) to engage LES at the post rests with the HOM, SES1 SAOs and EL2 SAOs.

#### 2.3 TYPES OF LES EMPLOYMENT

LES may be engaged in one of the following categories:

Category	Description	
Ongoing (permanent/regular)	Engaged without a specified end date. May work full-time or part-time hours.	
Non-ongoing (fixed-term)	Engaged for a specified term or task, up to a maximum of two years. May work full-time or part-time hours.	
Non-ongoing (casual)	Engaged to perform duties that are irregular or intermittent. May work ad hoc hours, up to a maximum of 12 months.	
Temporary	Engaged on a temporary basis directly from the post's Temporary Employment Register on a non-ongoing (fixed-term or casual) basis, up to a maximum of three months.	

## Part-time employees

Remuneration and the range of benefits outlined in this document are calculated on a pro rata basis for employees who have been approved to work part-time hours unless otherwise specified.

#### Employees engaged on an hourly basis

Non-ongoing (casual) and temporary (fixed-term or casual) employees engaged on an hourly basis receive a loading in lieu of the full range of benefits outlined in this document and are not entitled to the following provisions:

 paid leave, health & life insurance, excess duty, 13th month/remuneration payment, flex-time and separation benefits.

LES engaged on an hourly basis should refer to their individual employment contract for specific entitlement provisions.

#### 2.4 LES EMPLOYMENT CONTRACTS

The HOM will determine the type of employment contract offered for each LES position and all employment contracts must be signed before an employee commences duty.

To avoid doubt and without prejudice to any rights the parties may have under the contract, the employee acknowledges that upon the expiration of a fixed-term or casual contract the post is under no obligation whatsoever to extend all or any of the terms of the contract, enter into any further or other contract with the employee, or provide any further employment to the employee. Any renewal of a non-ongoing or temporary employment contract is at the discretion of the post and further employment should not be assumed.

#### 2.5 CONTRACT VARIATIONS

Your employment contract may be amended to reflect changes in employment arrangements, in accordance with the terms of the employment contract and local labour law (where practicable). Supervisors will discuss contract variations with you at least five working days before the proposed variation date.

#### 2.6 INTERNAL TRANSFERS

Post management reserves the right to re-allocate employees to different positions and sections within the agency as well as inter-agency, if required in order to meet the work priorities of the post. Transfers will occur after appropriate consultation with the employee, the appropriate Agency Head, the SAO, and approval by the HOM.

Transfers will be to positions that require the same or similar skills of the transferring employee. The affected employee will be transferred at their existing level of remuneration and WLS pay point. A transfer to a different section or agency is considered to be an internal transfer and does not require the resignation and re-engagement of the employee or affect accrued entitlements.

If you are transferred to another position you shall be notified in writing, no less than five days prior to the transfer date.

# 2.7 LES CODE OF CONDUCT

You are required to sign an acknowledgement upon commencement that you accept and will adhere to the LES Code of Conduct. You must maintain conduct consistent with the LES Code of Conduct as a condition of employment and should review the LES Code of Conduct regularly. Alleged misconduct may be investigated formally and if you are found to have breached the Code of Conduct, you may be subject to disciplinary action, including possible dismissal.

#### 3. PRE-CONDITIONS OF EMPLOYMENT

#### 3.1 PRE-EMPLOYMENT MEDICAL CLEARANCE

Your employment may be subject to a satisfactory medical clearance to establish fitness for duty and to perform the duties in which you will be engaged. Medical examinations will be conducted, where possible, by a post-designated physician and the cost will be covered by the relevant agency.

# 3.2 PROBITY CHECKS, SECURITY CLEARANCES AND IDENTIFICATION

A probity check and/or Australian security clearance may be required as a pre-condition of your employment, and revalidation reviews may need to be undertaken on a periodic basis. False statements made by you relating to the security clearance or probity check will be deemed to be a violation of the LES Code of Conduct.

You are required to notify the post of any change in name, address or family composition (e.g. new partner or child). Security cleared employees should also refer to the DFAT security manual for requirements surrounding notification of planned travel and changes to personal circumstances.

#### 3.3 NON-NATIONAL EMPLOYEES – VISAS

For all Australian or other non-host country national LES, employment is conditional on the relevant local authorities granting permission to enter and remain in the host country to work for the post. It is the employee's responsibility to obtain the relevant documents and ensure that they are in compliance with immigration regulations relating to their employment with the post.

If such permission to remain in the Philippines is refused or revoked or otherwise not renewed, the employee's employment immediately terminates and the post will only be obliged to pay any compensation or similar payment in respect of such termination in accordance with labour laws of the Philippines. All costs associated with the employee's relocation to and stay in the Philippines are the employee's responsibility except for cost of visa and its processing.

#### 3.4 PROBATION

The engagement of all new ongoing (permanent) and non-ongoing (fixed-term) LES is subject to the satisfactory completion of a probationary period of four months and all mandatory training. There is no probationary period for non-ongoing (casual) or temporary employees. During the probationary period, you may terminate your employment for any reason with notice. The delegate may terminate your probationary employment in accordance with local labour laws (see <u>Termination during probation</u>).

The probationary period is included in your length of service for the purpose of calculating accrued benefits and entitlements.

#### 3.5 FITNESS FOR DUTY

In certain cases, post management may require medical information to assist you to manage a medical condition in the workplace. Post management in consultation with the Agency Head may direct you, by written notice, to undertake an independent medical examination to identify your fitness to return to work. You may be directed to undertake a fitness for duty appointment where:

- you have been absent from work due to illness or injury for an extended period of time
- you return to work after being absent due to illness or injury and post management considers that the employee may not be fit to return to work
- you leave a post for health reasons and there are concerns that a return to post may expose the employee to further health risks
- a supervisor considers that your health may be affecting your work performance
- you are considered to be a danger to yourself or others
- you may have been exposed to an infectious disease or harmful substances during the course of your official duties
- you seek to reduce your hours of employment due to health reasons
- an assessment needs to be made regarding your ability to participate in a return to work program
- medical advice indicates a total and permanent incapacity or
- post management wishes to obtain supporting medical evidence in addition to that provided by an employee seeking personal leave.

Your agency may have additional 'fitness for duty' requirements which apply and you should seek guidance from your Agency Head as required.

#### 4. REMUNERATION & BENEFITS

The total LES remuneration package provided comprises of salary and benefits as outlined in these terms and conditions and is based on comparability with local employers, conformity to local law and the post's operational requirements.

#### 4.1 RATE OF SALARY

The WLS classification (e.g. LE1 to LE8) assigned to your position determines your rate of salary in accordance with the post's salary table.

Rates of pay for employees engaged by the hour will be specified in individual employment contracts.

#### 4.2 PAYMENT OF SALARY

Your salary and any related payments are paid twice per month (on the 14<sup>th</sup> and 29<sup>th</sup>) directly to your nominated personal bank account in accordance with the post's payment procedures.

All payments are calculated and paid in Philippine Pesos (PHP).

### 4.3 OVERPAYMENT OF SALARY

Any overpayment of salary or related benefits to you under these terms and conditions is repayable as soon as practicable, subject to reasonable arrangements being agreed between you and post management.

# 4.4 13TH MONTH PAYMENT

At 30 November each year when an employee has completed one year service, the employee shall be entitled to be paid a 13th month equal to 1.08 of a month's salary.

An employee who has completed less than one year service shall be entitled to be paid the pro rata amount according to completed months of service.

# 4.5 REMUNERATION REVIEWS

A comprehensive remuneration review will be conducted by LMS in Canberra once every three years using the services of an independent (outsourced) expert data provider to review salaries data in the local market where possible.

In the interim years LMS will obtain wage growth data for each location, where possible, and if appropriate provide post management an adjusted salary table. In considering applying an increase to LES salaries, post management will need to take into account the post's (including attached agencies) capacity to pay a salary increase, retention rates of existing LES and ability to recruit suitable new employees and on this basis, annual increases should not be assumed. Any salary increases will need to be accommodated and sustained within agencies' operating and out-year budgets and approved by LMS and all relevant agency delegates.

An employee whose salary is higher than their WLS level salary range in an adjusted table will not receive an increase.

The HOM and SAO may also consider putting a case to LMS due to exceptional and unexpected changes in local living conditions or salary movements in the market.

#### 4.6 TAXATION

Taxation arrangements are deemed to be a personal matter between you and the relevant taxation authorities. Employees shall receive gross salary payments without any deductions for taxation and it is your personal responsibility to ensure you are aware of your own taxation obligations and to report your income to the relevant taxation authority. These arrangements may be subject to change and the post may elect to withhold tax on behalf of host government taxation authorities if required.

Australian residents for taxation purposes should refer to the guidance in the LES HRM.

#### 4.7 SUPERANNUATION CONTRIBUTIONS

You will be enrolled as members of the Philippine Social Security System (SSS) which provides a range of benefits including sickness, maternity, disability (temporary and permanent), death, funeral, and a pension fund. You will be required to contribute a portion of your salary to SSS. This amount will be withheld by the Embassy and remitted to SSS in accordance with its requirements. The Embassy will also pay contributions as required to meet its employer obligations to SSS. These contributions will also be remitted to SSS in accordance with its requirements.

#### 4.8 SUPERANNUATION GUARANTEE CONTRIBUTIONS

The post is required to make Superannuation Guarantee Contributions (SGC) to a complying superannuation fund on behalf of LES who are considered by the ATO to be an Australian resident for taxation purposes.

Further guidance is available in the LES HRM.

#### 4.9 WORKERS' COMPENSATION

The post will arrange and maintain workers' compensation coverage for all employees through the Philippine Social Security System (SSS). In addition to SSS, employees are covered under a group life insurance policy in

the event of accidental death or permanent disability; the amount of which will be subject to contract negotiations with the insurance provider.

Non-ongoing (casual) and temporary staff are not entitled to life insurance.

# 4.10 HEALTH/MEDICAL INSURANCE

The post pays, on behalf of each employee, full contributions to health insurance schemes including PhilHealth and a private Health Maintenance Organisation provider. If you wish to enrol your spouse or dependent child (up to the age of 18) or de facto partner in the scheme, the Embassy will pay, on behalf of the employee, 50 per cent of the contributions in respect to your dependant. The remaining 50 per cent will be deducted from your salary.

The post will provide annual medical check-ups for employees. Confirmation that the check has been undertaken is held in your personal file. Where, as a result of the report from the examination, a medical condition is found which requires on-going monitoring; you will be required to undergo further medical examinations as determined by the medical doctor.

An employee who is the spouse of an A-based employee will not be eligible for coverage under the group medical insurance as other arrangements exist for their health care.

#### 5. HOURS OF WORK

### 5.1 HOURS OF WORK

The standard hours of work for the post are as follows:

Five days per week	Monday to Friday	
Hours per week	37 hours and 30 minutes	
Hours per day	7 hours and 30 minutes	
Start time	08:00	
Lunch break	One hour between 12:00 & 14:00  All LES are required to take an unpaid meal break of at least 30 minutes at the end of five hours' work	
Finish time	16:30	

Drivers are engaged on fixed hours and are required to work 40 hours per week, between Monday and Friday. Hours are fixed between 08:00 and 17:00.

You are required to maintain a formal record of your hours of attendance upon arrival at and departure from work each day.

Subject to approval from post management, you may be engaged to work a range of hours within the post's working hours bandwidth as outlined below:

Full-time hours: full standard hours of work set for the post

Part-time hours: agreement to work less than the standard hours of work set for a full-time employee at the post

Casual hours: as agreed with post management

#### **5.2 FLEXIBLE WORK ARRANGEMENTS**

Within operational constraints and subject to approval by the HOM, you may have access to flexible work arrangements on a case-by-case basis, or may access a flex-time system whereby excess time worked is banked and taken as flex leave. The extent to which you can access flexible work hours will depend on the availability of A-based staff and appropriate security arrangements.

#### Flex-time

Flex-time provisions		
Working hours bandwidth	07:30 to 18:00 - Monday to Friday	
Core hours	10:00 to 12:00 and 14:00 to 16:00	
Maximum balance	10 hours' credit or debit	
	At the end of each pay period any credit in excess of 10 hours will be forfeited.	
Requirements	- Work must be completed within the post's bandwidth of working hours to count towards flex-time credits	
	- You are required to attend work within the core hours (unless an absence has been pre-approved) and must record hours of attendance upon arrival at and departure from work	
	- A minimum half hour lunch break must be taken and cannot be added to flex-time balances if a break is not taken	
- Timing of flex-time leave is subject to supervisor approval		
	- Excess duty cannot be included in flex-time calculations	

You may be permitted to work outside of the post's working hours' bandwidth, subject to operational requirements and supervisor approval.

The following LES are not entitled to access flex-time and should agree on hours of work with their supervisor:

- Drivers and Maintenance staff who are engaged on fixed hours
- non-ongoing (casual) and temporary employees
- LES working on a shift roster
- Senior employees occupying positions at the LE7 and LE8 level.

#### 5.3 EXCESS DUTY

With prior approval, you may be required to work in excess of your normal (agreed) working hours for which either payment for excess duty (overtime) or time off in lieu (TOIL) will apply as agreed between you and your supervisor. Excess duty may only occur for work undertaken outside the post's working hours' bandwidth and must include an unpaid 30-minute break if more than five hours are worked.

Drivers and Maintenance Staff engaged on fixed hours (40 hours per week) are eligible to claim excess duty for any work performed outside the fixed hour bandwidth of 08:00 and 17:00 Monday to Friday.

Non-ongoing (casual) and temporary LES are not entitled to payment for excess duty or TOIL.

#### Payment for excess duty (overtime)

Payment for approved excess duty (overtime) will be calculated on your normal hourly rate, not including any additional allowances or bonus amounts as follows:

Period of excess duty	Loading to be applied	Conditions
Monday to Friday	150 %	Must be performed before 07:30 and after 18:00
Saturdays	150 %	Minimum 2 hours
Sundays & approved Embassy public holidays	200 %	Minimum 2 hours

You will be required to work for at least two hours for any excess duty undertaken on weekends or Embassy public holidays, regardless of the time it takes to complete the task for which the excess duty was approved.

Excess duty payments will be made monthly in arrears with normal salary payments.

#### Time off in lieu

Subject to operational requirements and supervisor approval, time off in lieu (TOIL) accrues on the same basis as overtime.

Accrued TOIL must be taken within 30 days of the excess duty, or as agreed with post management. TOIL credits are not paid out upon separation from the post.

Provisions relating to TOIL whilst undertaking official travel are outlined in the LES HRM.

# 6. LEAVE

# **6.1 LEAVE ENTITLEMENTS**

Leave is considered to be an approved absence from duty during your normal (agreed) working hours. Approved leave may be with or without pay. The following leave entitlements apply to ongoing (permanent) and non-ongoing (fixed-term) LES and are pro-rated for part-time employees. Non-ongoing (casual) and temporary employees are not entitled to paid leave.

Types of leave	Entitlement	Eligibility/Criteria
Public Holidays	14 working days per annum	- Eligible employees are entitled to be paid salary for the approved public holidays, except where the holiday falls within a period of leave without pay
Recreation Leave	20 working days per annum	<ul> <li>Accrues monthly from date of commencement</li> <li>A maximum accrual of 30 days applies and you may be deemed to be on leave if excess leave is accrued</li> <li>Subject to prior approval from supervisor</li> </ul>
Personal/Carers leave (Sick leave)	18 working days per annum	<ul> <li>Can be used for personal illness or injury or caring for an 'immediate family member' (as defined in the glossary)</li> <li>Accrues monthly from date of commencement and is cumulative from year to year</li> <li>You are required to notify your supervisor prior to 10:00am on the day of the absence</li> <li>Medical certificates from a registered health practitioner must be produced for absences exceeding three consecutive working days or more than six days in one calendar year</li> <li>Any unused PCL will not be paid out upon separation</li> <li>Cannot be taken by two employees to care for the same person at the same time</li> <li>Under the Philippine Social Security System (SSS), a sickness benefit may also be payable</li> </ul>
Compassionate leave	3 working days paid per occasion	- Eligible employees are entitled to access compassionate leave on each occasion following the death of an 'immediate family member' (as defined in the glossary)

		<ul> <li>Adequate documentation is required to support the application for leave</li> <li>Approval of compassionate leave is at the discretion of the Agency Head</li> </ul>
Maternity leave	13 weeks paid leave (91 calendar days) or 26 weeks at half pay (182 calendar days)	<ul> <li>- Female LES are entitled to receive paid maternity leave providing the employee has had 12 months' qualifying service</li> <li>- May be taken for any consecutive period before or after the birth of their child but at least six weeks leave must be taken immediately following the birth</li> <li>- Subject to approval, the employee may also take recreation leave or leave without pay to extend the period of maternity leave to a maximum of 12 months</li> <li>- Must provide a medical certificate verifying fitness for duty when choosing to work in the last month of pregnancy</li> <li>- Under the Philippine Social Security System (SSS), a maternity benefit may also be payable</li> </ul>
Breastfeeding absence	30 minutes twice each day	- Breastfeeding employees who return to work are allowed paid periods of absence during normal working hours up until the child reaches 6 months of age
Adoption leave	13 weeks paid leave (91 calendar days) or 26 weeks at half pay (182 calendar days)	<ul> <li>Providing the employee has had 12 months' qualifying service, the employee is entitled to receive paid adoption leave where they legally adopt an infant under 12 months of age and assume primary care responsibilities</li> <li>The adoptive child must not be a child or step-child of the employee or their partner</li> <li>Where the employee is the secondary carer of the adopted child, then they are entitled to parental leave</li> <li>Subject to approval, the employee may also take recreation leave or leave without pay to extend the period of maternity leave to a maximum of 12 months from the date of adoption</li> <li>An employee who is on leave without pay, or on a period of paid adoption leave, will not be entitled to access other parental leave provisions</li> </ul>
Parental/ paternity leave	10 working days full pay or 20 working days half pay	- Where your spouse or partner is the primary carer of a child you are entitled to paid parental leave within 12 weeks of the date of birth or adoption
Special/ Miscellaneous leave		Special Leave  A female employee who undergoes surgery caused by gynaecological disorders is entitled to up to two months paid special leave per year.  Certification of a competent physician as to the required period of recuperation is required to support this leave application. Where a female employee undergoes surgery due to gynaecological disorder

while on approved paid maternity, only the difference between the special leave benefit and maternity leave benefit can be accessed

#### Miscellaneous Leave

Subject to HOM approval, miscellaneous leave may cover unexpected absences from work including leave for emergencies and natural disasters and where serious circumstances beyond your control make it impossible for you to continue your day-to-day work. Miscellaneous leave may be approved with or without pay and requests may be considered when all other leave provisions are exhausted or are not applicable.

#### 6.2 UNAUTHORISED ABSENCES

If you are absent from duty without approval, all salary and entitlements will cease until you resume duty or are granted leave. Where contact cannot be made with you, the delegate will consider the appropriate action to take in accordance with local labour law.

#### 6.3 RECALL FROM LEAVE

You may be recalled to duty in the event an emergency situation arises. Should this occur, you will be granted leave in lieu of this time as soon as possible after the emergency situation has finished. You may also seek reimbursement of reasonable non-refundable associated costs, subject to approval by post management.

# 7. RETIREMENT, RESIGNATION AND TERMINATION OF EMPLOYMENT

This section refers to your separation from the post upon cessation of employment and specifies the entitlements that apply. You should adhere to required notice periods and notify the post as far in advance as possible of your intention to cease employment with the post.

#### 7.1 RETIREMENT

The retirement age for employees is 65 years of age, although an employee may choose to retire from 60 years of age.

For permanent (ongoing) employees this will be on the first working day following their 65th Birthday.

Non-ongoing (fixed-term and casual) employees eligible to retire may work until the conclusion of their employment contract.

Options to continue employment beyond the stipulated retirement age years may be considered by post management on a case by case basis, but further employment should not be assumed and will be subject to compliance with local labour law and the employee being medically fit to work.

Employees wishing to retire should provide at least four weeks' notice in writing to the HOM.

The <u>separation entitlements</u> section outlines the entitlements that apply upon retirement.

For the purpose of calculating Retirement Pay, after an employee has met the minimum five year requirement, completion of six months up until the last day of employment is considered as a full year of service.

Under the Philippine Social Security System (SSS), members are eligible for a Pension benefit.

The retirement benefit is not offered to Australian-resident LES, LE specialists nor to LES who are spouses of Australian-based officers. Payment will be made to an Australian superannuation scheme on behalf of Australian residents.

#### 7.2 RESIGNATION

You may voluntarily resign from the post at any time by providing four weeks' notice in writing to the HOM. In certain circumstances, post management may consider a shorter period of notice.

The separation entitlements section outlines the entitlements that apply upon resignation.

#### 7.3 EXPIRY OF EMPLOYMENT CONTRACTS

Non-ongoing (fixed-term and casual) employment contracts automatically terminate upon expiration of the contract. Renewal of a non-ongoing employment contract after this time is at the discretion of the post and further employment should not be assumed.

The <u>separation entitlements</u> section outlines the entitlements that apply expiry of employment contracts.

#### 7.4 TERMINATION OF EMPLOYMENT

#### Delegation

The delegation to terminate the employment of LES is held by CPO and AS RPB (and SES1 SAOs for low risk cases as stipulated under the HR delegations).

#### Termination during probation

The delegate may approve termination of employment for serious misconduct, other just causes or failure to meet standards of employment during the probationary period and in accordance with due process requirements of local labour laws. You will receive salary owing until the termination date including proportionate thirteenth month pay, but are not entitled to any other payment in respect of termination."

## Grounds for termination of employment

Termination of employment may occur in the following circumstances:

- Where an employee is excess to the requirements of the post (see redundancy)
- Where the employee contravenes, or is in gross or serious breach of the LES Code of Conduct (see misconduct)
- lack or loss of an essential qualification
- non-performance or unsatisfactory performance of duties
- Inability to perform duties because of physical or mental incapacity
- where the employee abandons their position for more than five (5) days without approval

Except in the case of dismissal for misconduct as set out below, in all other cases of termination of employment by the post in accordance with the Philippine Labour Code, the post will give four weeks' notice in advance.

#### Misconduct

The post may terminate the your employment if you behave in a manner which, in the reasonable opinion of the post, contravenes either the LES Code of Conduct, the criminal laws of the Philippines or any other lawful and reasonable direction given to you by your employer or the employer's representative.

Where employment is terminated under this provision the employee may be liable to dismissal in accordance with due process requirements of local labour law, without payment of salary in lieu of notice. All other accrued entitlements will be paid to you in accordance with local labour law.

#### 7.5 REDUNDANCY

Non-probationary ongoing (permanent) employees may be made redundant if the position they occupy becomes excess to the requirements of the post and is abolished, redesigned or reclassified. An employee is excess if:

- the duties they perform are no longer necessary for the efficient and economical working of the post;
- the services of the employee cannot be effectively used because of technological or other changes in the work methods of the post or structural or other changes in the nature, extent or organisation of the functions of the post; or
- the duties usually performed by the employee are to be performed at a different locality, the employee is not willing to perform duties at the new locality and no suitable alternative duties can be identified at the current locality.

This includes where a position is reclassified, where a position is no longer funded and where the duties performed are substantially changed such that the employee is no longer qualified to perform the role.

#### Redeployment

If you are made redundant because the position you hold has been abolished, the post may investigate the possibility of redeploying you to a similar vacant position at the same level or at a lower classification.

Where you are made redundant because the position you hold has been modified or reclassified to a higher or lower WLS classification, the original position becomes redundant and the new position must be advertised. You are encouraged to apply for the advertised position.

If you accept an offer of redeployment at a lower classification, your current employment status will cease and all entitlements owning will be paid to you. You will then be reengaged under a new contract at the highest pay point of the lower classification (e.g. from a LE4.2 to a LE3.5).

If you cannot be redeployed, are unwilling to accept a position at a lower classification and salary, or are unsuccessful in securing the newly advertised position, redundancy action will be initiated and you will be entitled to a termination payment as specified in the separation entitlements section.

#### 7.6 SEPARATION ENTITLEMENTS

In the event of resignation, retirement, redundancy and expiry of contract term at any point throughout the year, you will be paid in full for all entitlements that are owing including outstanding salary up to last day of employment, and lump sum pay for any unused recreation leave. Any unused personal/carers leave will not be paid to you upon separation.

Any payments required under local labour law will also be made including severance payment, and pro-rated 13th month payment calculated based on actual day of separation.

The following table outlines the required notice periods and any severance benefits that may apply in addition to accrued entitlements. You may receive a payment of salary in lieu of a notice period, subject to approval by the delegate.

Your base salary at the date of separation, exclusive of overtime, bonuses and/or additional allowances will be used to calculate any severance payments that apply.

Under Philippine law, completion of six months is considered as a full year of service.

An employee may request a letter confirming period of employment with the Embassy, which will be provided on the last day of employment.

Type of separation	Notice period	Severance entitlement
Retirement	You are required to provide a notice period of 30 days	- Provided you have served at least five years you shall be entitled to retirement pay as follows:
		a. Fifteen (15) days salary based on the latest salary rate for every year served;
		b. Cash equivalent of five (5) days of service incentive leave;
		c. One-twelfth (1/12) of the thirteenth-month pay or 2.5 days.
		- If you were employed prior to 1 July 2014, refer to section 8, <i>Grandfathered Post-Specific Provisions</i>
Resignation	You are required to provide a notice period of 30 days	- None
		- If you were employed prior to 1 July 2014, refer to section 8, <i>Grandfathered Post-Specific Provisions</i>
Redundancy	You will be provided with a notice period of 30 days	- Severance pay at the rate of one month of salary for each year of service when the employee has no entitlement to a retirement benefit; or the applicable retirement benefit, whichever is higher.
		For the purpose of calculating redundancy benefits, there is no qualifying period.
		- If you were employed on or before 1 May 2002, refer to section 8, <i>Grandfathered Post-Specific Provisions</i>

Termination of employment during probation	No requirement to provide notice	- Salary until the date of termination but no other benefit or entitlement
Early termination of non-ongoing employment contract	You will be provided with a notice period of 30 days or as otherwise stipulated in the contract	- Payment as stipulated in the contract
Expiry of non- ongoing employment contract	No requirement to provide notice unless otherwise stipulated in the contract	- None
Termination of employment for misconduct (just cause)	In accordance with departmental guidelines and local labour law requirements	- None
Termination of employment other than misconduct	You will be provided with a notice period of 30 days	<ul> <li>Severance pay at the rate of one month of salary for each year of service when the employee has no entitlement to a retirement benefit; or the applicable retirement benefit, whichever is higher.</li> <li>If you were employed prior to 1 July 2014, refer to section 8, Grandfathered Post-Specific Provisions</li> </ul>

#### 7.7 DEATH OF AN EMPLOYEE

If an employee dies while employed by the post, all financial entitlements which have accrued, but not previously been paid to the employee, less any accumulated debts, will be paid in full to the employee's nominated beneficiary, next of kin or legal representative. Before any payment is made, the beneficiary will be required to prove their eligibility under local labour law to the satisfaction of the post. Under the Philippine Social Security System (SSS), death and funeral benefits may also be payable.

# 7.8 RECOVERY OF DEBTS ON TERMINATION OF EMPLOYMENT

Upon termination of employment, if you are or become indebted to the post, the post will have the right to retain and offset against the amount of indebtedness the whole or any part of the monies then or thereafter becoming due to you.

#### 8. GRANDFATHERED POST-SPECIFIC PROVISIONS

#### **COMMENCEMENT DATE**

For the purposes of these terms and conditions, staff who were in employment with the former AusAID before 2006, will be deemed to have commenced on 1 January 2006 or actual start date if after 1 January 2006.

#### PHARMACEUTICAL ALLOWANCE

If you were employed on or before 1 July 2000:

You are entitled to an annual Pharmaceutical Allowance of Php3000 plus Php1500 per dependant (spouse not older than 65 years old and child not older than 18 years).

This allowance will be paid in one lump sum at the beginning of each financial year and will not count towards salary for any purpose. If you cease to be employed by the Embassy for any reason, a pro rata amount will be recovered from the staff member.

# 14<sup>TH</sup> MONTH PAYMENT

If you were employed on or before 1 May 2002:

You are entitled to an additional one month's payment, paid as at 31 May. Periods of leave without pay of 22 days or more during the period will affect payment as this payment is pro-rated on the basis of days of service within the given period.

#### **FUNERARY ASSISTANCE**

*If you were employed on or before 30 June 2017:* 

In the event of the death of an immediate family member (as defined in the Glossary), you will be eligible for a payment of Php2,000.

#### RETIREMENT

If you were employed after 1 May 2002 but before 1 July 2014:

You are entitled to the following retirement benefit:

- Less than 5 years of employment Nil
- 5-9 years of employment 75% (or local labour law, whichever is higher) of monthly salary x years of employment
- 10 or more years of employment 100% of monthly salary x years of employment.

#### If you were employed on or before 1 May 2002:

You are entitled to the following retirement benefit:

- 10-14 years of employment 100% of monthly salary x years of employment
- 15-19 years of employment 125% of monthly salary x years of employment
- 20 years or more of employment 150% of monthly salary x years of employment.

In addition, a lump sum payment for any unused personal leave up to a maximum of 54 days.

If you are eligible to receive a grandfathered resignation benefit and cease employment after the age of 55, you may receive the higher of either the retirement benefit or the resignation benefit, but not both.

#### RESIGNATION

If you were employed after 1 May 2002 but before 1 July 2014:

You are entitled to the following resignation benefit:

- Less than 5 years of employment Nil
- 5-9 years of employment 75% of monthly salary x years of employment
- 10 years or more of employment 100% of monthly salary x years of employment.

#### If you were employed on or before 1 May 2002:

You are entitled to the following resignation benefit:

- 10-14 years of employment 100% of monthly salary x years of employment
- 15-19 years of employment 125% of monthly salary x years of employment
- 20 years or more of employment 150% of monthly salary x years of employment.

In addition, paymentt of 14<sup>th</sup> month pay, calculated pro-rata based on actual date of resignation and lump sum payment for any unused sick leave up to a maximum of 54 days

If you are eligible to receive a grandfathered resignation benefit and cease employment after the age of 55, you may receive the higher of either the retirement benefit or the resignation benefit, but not both.

#### **REDUNDANCY**

If you were employed on or before 1 May 2002:

You are entitled to the following redundancy benefit:

- 10-14 years of employment 100% of monthly salary x years of employment
- 15-19 years of employment 125% of monthly salary x years of employment
- 20 years or more of employment 150% of monthly salary x years of employment.

In addition, payment of 14<sup>th</sup> month pay, calculated pro-rata based on actual date of redundancy and lump sum payment for any unused sick leave up to a maximum of 54 days.

If you are eligible to receive the above grandfathered redundancy benefit and cease employment after the age of 55, you may receive the higher of either the retirement benefit or the redundancy benefit, but not both.

#### **DEFINITION OF 'IMMEDIATE FAMILY'**

*If you were employed on or before 30 June 2017:* 

In addition to the definition of 'Immediate Family' outlined in the glossary (section 10) of this document, if you were employed on or before 30 June 2017, 'immediate family' includes:

• grandparent or sibling of the employee.

#### 9. TRANSITIONAL ARRANGEMENTS

#### TEXT NOW IN HRM OR A LOCAL INSTRUCTION

#### Workplace values

- Safe and accessible workplace
- Workplace diversity and antidiscrimination
- Elimination of harassment and bullying
- Freedom of association
- Outside employment and appointments
- Security policy
- Intellectual property
- Confidentiality

#### Conduct

- Code of conduct
- Conflict of interest
- Unauthorised absence from duty
- Attendance at official functions
- Accepting gifts or money
- Smoking in the workplace
- Official internet access and use
- Complaints and grievances

#### **Terms of Employment**

- Levels of Classification
- Employment Contracts
- Review of Actions

#### Working hours

Part-time work

#### Performance management

- Performance management policy
- Performance cycle
- Upward appraisal
- Mid-term review
- End of cycle review
- Performance ratings

- Performance reward
- Managing underperformance
- Procedures for managing underperformance
- Circumstances where procedures for managing underperformance do not apply

#### Leave

- Leave during hours of duty
- Leave without pay
- Leave to count as service

#### Allowances and benefits

- Higher duties allow
- Meal allowance (local policy if it is to be continued)
- Professional memberships and affiliation
- Uniforms and/or protective clothing
- Transportation allowance (local policy if it is to be continued)
- Eyesight Testing
- Training, professional development and further study

#### Official travel

- Standards of travel
- Travel allowance
- Equipment and Clothing allowance
- Travel Insurance
- Use of recreation leave on official travel
- Travel and Excess Duty

#### Complaints and grievances

- Managing complaints
- Informal resolution
- Formal procedures: where a complaint or grievance does not involve a Head of Mission
- Formal procedures: where a complaint or grievance does involve the Head of Mission

#### Ceasing employment

• Resigning to contest an election

#### Separation arrangements

Post separation timeframe

# **10. GLOSSARY**

Term	Definition	
"agreed hours"	the hours of work agreed within the post's working hour bandwidth. May be on a full-time, part-time or casual basis.	
"Agency"	the departments or agencies of the Government of Australia which have representation at the post	
"Agency Head"	the most senior representative of the agency, either at the post or in Canberra, or their nominated delegate	
"AS RPB"	Assistant Secretary, Remuneration Conditions and Post Management Branch, Corporate Management Group, DFAT Canberra	
"Australian Embassy"	the official diplomatic offices for the Government of Australia representation in the Philippines	
"CPO"	Chief People Officer (formally known as FAS CMG), Corporate Management Group, DFAT Canberra	
"days"	unless otherwise specified are calendar days	
"DFAT"	the Department of Foreign Affairs and Trade	
"dependent"	- the spouse/partner of the employee - a child of the employee up to 18 years	
"delegate"	The position-holder appointed with the official delegation under section 74 of the Public Service Act 1999 to approve an action or request. This may be on behalf of an agency and may be held at the post or in Canberra.	
"employee"	a person engaged overseas by the delegate under section 74 of the Public Service Act 1999 irrespective of citizenship or residency including as an ongoing or nonongoing (fixed-term, casual or temporary) employee	
"employer"	The Agency Head HOM as delegated under section 74 of the <i>Public Service Act</i> 1999 to engage persons overseas to perform duties overseas as employees in accordance with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas	
"employment contract"	the legal document setting out the employment terms and conditions reflecting the formal statement of the mutually agreed employment provisions	
"HOM"	Head of Mission	
"immediate family"	<ul> <li>recognised spouse or de facto partner (irrespective of gender or gender identity) of the employee</li> <li>child (including an adopted child, a step child, a foster child or an ex-nuptial</li> </ul>	

	child) of the employee or employee's recognised spouse or de factor partner - parent or step parent of the employee or the employee's recognised spouse or de facto partner - traditional kinship where there is a relationship or obligation, under the customs and traditions of the community or group to which the employee belongs - any other person as deemed appropriate by the HOM	
"LES"	Locally Engaged Staff see also "employee"	
"LMS"	Locally Engaged Staff Management Section, Corporate Management Group, DFAT Canberra	
"local labour law"	the Philippines legislation and jurisprudence that covers the protection and rights of employees, namely (but not exclusively limited to) the Labour Code of the Philippines	
"month"	a calendar month unless otherwise specified	
"MBSAG"	Manila Based Staff Advisory Group the staff representative body and is the formal communication channel between employees and post management	
"pay point"	the salary point within the salary range for a classification level which is the substantive salary payable to an employee	
"post"	the Manila post	
"post management"	consists of the HOM and the SAO. In personnel matters, post management is represented by the SAO.	
"SAO"	the Senior Administrative Officer of DFAT	
"supervisor"	an employee or agency representative with the responsibility for managing or supervising employees	
"week"	is a calendar week unless otherwise specified	
"year"	is a calendar year unless otherwise specified	